

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS - The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") and the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II") or (ii) a customer within the meaning of Directive 2016/97/EU (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each defined in MiFID II); and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Instruments (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Instruments are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

Final Terms dated 19 May 2020

TELEFÓNICA EMISIONES, S.A.U.

LEI: 549300Y5MFC45W5Z3K71

**Issue of EUR 1,250,000,000 1.201 per cent. Instruments due August 2027
Unconditionally and Irrevocably Guaranteed by TELEFÓNICA, S.A.
under the EUR 40,000,000,000 Programme for the Issuance of Debt Instruments**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth on pages 36 to 73, inclusive, of the Base Prospectus dated 14 April 2020 and the supplement to it dated 11 May 2020 which together constitute a base prospectus (the "Base Prospectus") for the purposes of the Prospectus Regulation. This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 8.4 of the Prospectus Regulation. These Final Terms contain the final terms of the Instruments and must be read in conjunction with such Base Prospectus.

Full information on the Issuer, the Guarantor and the offer of the Instruments described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the supplement to it are available for viewing at www.telefonica.com and copies may be obtained from Gran Vía, 28, 28013 Madrid (being the registered office of the Issuer), at the offices of The Bank of New York Mellon, London Branch at One Canada Square, London E14 5AL and at the offices of The Bank of New York Mellon SA/NV, Luxembourg Branch at Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg.

The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 as amended.

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| 1. | (i) | Issuer: | Telefónica Emisiones, S.A.U. |
| | (ii) | Guarantor: | Telefónica, S.A. |
| 2. | (i) | Series Number: | 65 |
| | (ii) | Tranche Number: | 1 |
| | (iii) | Date on which the Instruments become fungible: | Not Applicable |
| 3. | | Specified Currency or Currencies: | Euro ("EUR") |
| 4. | | Aggregate Nominal Amount: | EUR 1,250,000,000 |
| | (i) | Series: | EUR 1,250,000,000 |
| | (ii) | Tranche: | EUR 1,250,000,000 |
| 5. | | Issue Price: | 100.005 per cent. of the Aggregate Nominal Amount |
| 6. | (i) | Specified Denominations: | EUR 100,000 and integral multiples of EUR 100,000 thereafter |
| | (ii) | Calculation Amount: | EUR 100,000 |
| 7. | (i) | Issue Date: | 21 May 2020 |
| | (ii) | Interest Commencement Date: | Issue Date |
| 8. | | Maturity Date: | 21 August 2027 |
| 9. | | Interest Basis: | 1.201 per cent. Fixed Rate

(See paragraph 13 below) |
| 10. | | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Instruments will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 11. | | Put/Call Options: | Call Option

See paragraph 15 below |
| 12. | (i) | Status of the Instruments: | Senior |
| | (ii) | Status of the Guarantee: | Senior |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 13. | | Fixed Rate Instrument Provisions | Applicable |
| | (i) | Rate of Interest: | 1.201 per cent. <i>per annum</i> payable annually in arrear |
| | (ii) | Interest Payment Date(s): | 21 August in each year (not adjusted) from and including 21 August 2021 to and including the Maturity Date. There will be a long first coupon from (and including) the Issue Date to (but excluding) the Interest Payment Date falling on 21 August 2021 |

(iii)	Fixed Coupon Amount:	EUR 1,201 per Calculation Amount payable on each Interest Payment Date except the first Interest Payment Date falling on 21 August 2021
(iv)	Broken Amount(s):	EUR 1,503.72 per Calculation Amount, payable on the Interest Payment Date falling on 21 August 2021
(v)	Day Count Fraction:	Actual/Actual (ICMA)
14.	Floating Rate Instrument Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

15.	Call Option	Applicable
(i)	Optional Redemption Date(s):	Any Business Day on or prior to the Maturity Date
(ii)	Optional Redemption Amount(s) of each Instrument:	Make Whole Amount
(iii)	If redeemable in part:	Not Applicable
(iv)	Calculation Agent:	An independent and internationally recognised financial adviser selected by the Issuer at its own expense
(v)	Reference Bond:	DBR 0.5 per cent. 15 August 2027
(vi)	Quotation Time:	10.00 a.m. London time
(vii)	Redemption Margin:	0.30 per cent.
16.	Put Option	Not Applicable
17.	Final Redemption Amount of each Instrument	EUR 100,000 per Calculation Amount
18.	Early Redemption Amount	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	EUR 100,000 per Calculation Amount
19.	Early Termination Amount	EUR 100,000 per Calculation Amount
20.	Redemption following a Substantial Purchase Event	Applicable
	Substantial Purchase Event Threshold	80 per cent.
21.	Residual Maturity Call Option	Applicable

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

22.	Form of Instruments:	Bearer Instruments:
		Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the

limited circumstances specified in the Permanent Global Instrument

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| 23. | New Global Instrument: | Yes |
| 24. | Relevant Financial Centre(s) or other special provisions relating to payment dates: | Not Applicable |
| 25. | Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature): | No |
| 26. | Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 27. | Redenomination, renominalisation and reconventioning provisions: | Not Applicable |
| 28. | Instruments where the Specified Currency is Renminbi: Party responsible for calculating the Spot Rate: | Not Applicable |
| 29. | Commissioner: | Not Applicable |

SIGNED on behalf of
TELEFÓNICA EMISIONES, S.A.U.:

By:
Duly authorised

SIGNED on behalf of
TELEFÓNICA, S.A.:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

- (i) Admission to trading Application is expected to be made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the regulated market of The Irish Stock Exchange plc, trading as Euronext Dublin, with effect from 21 May 2020
- (ii) Estimate of total expenses related to admission to trading: 1,000

2. RATINGS

- Ratings: The Instruments to be issued have been rated:
- S&P Global Ratings Europe Limited ("**S&P**"): BBB
- Moody's Investors Service España, S.A. ("**Moody's**"): Baa3
- Fitch Ratings España S.A.U. ("**Fitch**"): BBB
- Each of S&P, Moody's and Fitch is established in the EEA or the United Kingdom and registered under Regulation (EU) No 1060/2009, as amended.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

Estimated Net Proceeds: EUR 1,246,312,500

The net proceeds of the issuance of the Instruments will be allocated to meet the general financing requirements of the Issuer, the Guarantor and/or the Group (including repayment of outstanding debt).

5. Fixed Rate Instruments only – YIELD

- Indication of yield: 1.200 per cent. *per annum*
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

- ISIN: XS2177441990
- Common Code: 217744199
- CFI Code: See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

FISN: See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of initial Paying Agent(s): The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

7. **DISTRIBUTION**

(i) US Selling Restrictions Reg. S Compliance Category 2; TEFRA D

(ii) Prohibition of Sales to EEA and UK Retail Investors Applicable