



RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES
*General Secretary and
Secretary to the Board of Directors*
TELEFÓNICA, S.A.

TELEFÓNICA, S.A. as provided in article 82 of the Spanish Securities Market Act (*Ley del Mercado de Valores*), hereby reports the following

SIGNIFICANT EVENT

Following the Significant Event published on April 30, 2013, (under registration number 186108) related to the agreement reached between Telefonía, S.A. (hereinafter, Telefonía) and Corporación Multi Inversiones ("CMI"), for the sale of the 40% of Telefonía's stake in Guatemala, El Salvador, Nicaragua and Panama, Telefonía informs that the conditions to which the transaction was subject have been met.

In this regard, it is expected that in accordance with the provisions of the aforementioned agreement, the transaction will be completed in the coming days.

Madrid, July 19, 2013

SPANISH NATIONAL SECURITIES MARKET COMMISSION
- MADRID -