

STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL INFORMATION

The Directors of Telefónica, S.A. state that, to the best of their knowledge, the Individual Annual Financial Statements of Telefónica, S.A. and the Consolidated Annual Financial Statements for Fiscal Year 2016, approved by the Board of Directors at its meeting of February 22, 2017 and prepared in accordance with applicable accounting standards, present a fair view of the assets, financial condition and results of operations of Telefónica, S.A. and of the companies included in its scope of consolidation, taken as a whole, and that the Individual and Consolidated Management Reports contain a true assessment of the corporate performance and results and the position of Telefónica, S.A. and of the companies included in its scope of consolidation taken as a whole, as well as a description of the principal risks and uncertainties facing them.

Madrid, February 22, 2017

Mr. José María Álvarez-Pallete López
Chairman

Mr. Isidro Fainé Casas
Vice-Chairman

Mr. José María Abril Pérez
Vice-Chairman

Mr. Julio Linares López
Vice-Chairman

Mr. César Alierta Izuel
Director

Ms. Eva Castillo Sanz
Director

Mr. Juan Ignacio Cirac Sasturain
Director

Mr. José Javier Echenique Landiribar
Director

Mr. Luiz Fernando Furlán
Director

Mr. Gonzalo Hinojosa Fernández de Angulo
Director

Mr. Pablo Isla Álvarez de Tejera
Director

Mr. Antonio Massanell Lavilla
Director

Mr. Ignacio Moreno Martínez
Director

Mr. Francisco Javier de Paz Mancho
Director

The Secretary of the Board of Directors states for the record that the Director Ms. Sabina Fluxà Thienemann does not set her signature on this document because she attends the meeting connected by audioconference from Palma de Mallorca (Spain), and that the Directors Mr. Peter Löscher, Mr. Peter Erskine and Mr. Wang Xiaochu do not set their signature on this document because they are absent due to unavoidable professional commitments and that they have given a proxy and delegated his voting powers to the Vice-Chairman Mr. Isidro Fainé Casas (Mr. Löscher) and Vice-Chairman Mr. José María Abril Pérez (Mr. Erskine and Mr. Xiaochu), in connection with the matters set forth in the Agenda for this meeting (which includes the approval of the Annual Financial Statements and of the Management Reports for Fiscal Year 2016).

Mr. Ramiro Sánchez de Lerín García-Ovies