



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

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

SIGNIFICANT EVENT

Regarding the public tender offer launched by PROMOTORA DE INFORMACIONES, S.A. ("PRISA") over the share capital of SOGECABLE, S.A., the Company has agreed, after studying the conditions, to participate in said offer with all the shares it owns, which represent 16.79% of the share capital of said company.

Madrid, May 9th 2008

SPANISH NATIONAL SECURITIES MARKET COMMISSION
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