



ANTONIO J. ALONSO UREBA
*Director, General Secretary
and Secretary to the Board of Directors*
TELEFÓNICA, S.A.

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

SIGNIFICANT EVENT

The Board of Directors of Telefónica, S.A., at its meeting held on February 23rd, 2005, has decided to tentatively schedule the 2005 Annual General Shareholders' Meeting for May 24th, at first call, or on the day after, that is, May 25th, 2005, at second call.

In this respect, it is hereby stated that, as in previous occasions, the Annual General Shareholders' Meeting is expected to be held on second call.

Madrid, February 23rd, 2005

**SPANISH NATIONAL SECURITIES MARKET COMMISSION
- MADRID-**