

Madrid, February 25th, 2004

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

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 25th, 2004, has decided to tentatively schedule the 2004 Annual General Shareholders' Meeting for April 29th, at first call, or on the day after, that is, April 30th, 2004, at second call.

The formal call of the Annual General Shareholders' Meeting of the Company is expected to be submitted for the approval of the Board of Directors at the meeting scheduled for March 31st, 2004.