



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

TELEFÓNICA, S.A., in accordance with that stated in article 82 of the Spanish Stock Market Act (*Ley del Mercado de Valores*) hereby announces the following:

On February 26th, 2005 and in compliance with the conditions stated in the Prospectus for the Debentures Issue “February B” (ISIN code number ES0278430642), registered with the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) on December 7th, 1989, the 27,349 debentures of the issue will be totally redeemed through the repayment of the 100% of their nominal value of Euros 300.51 each.

Madrid, January 27th, 2005

SPANISH NATIONAL SECURITIES MARKET COMMISSION
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