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TELEFÓNICA SUBMITS FOR APPROVAL A MANDATORY TENDER OFFER OVER CESKY TELECOM'S FREE FLOAT AT CZK 456.00 PER SHARE

Madrid, 30th June 2005.- In accordance with Czech law on mandatory offers, Telefónica has submitted today to the Czech Securities Commission for its approval a mandatory tender offer on 48.9% of the shares of Český Telecom. Telefónica has the obligation to launch such a tender offer following the acquisition of a 51.1% stake in the company on June 16th.

The price proposed by Telefónica, as set forth in the draft bid document, amounts to CZK 456.00 for each share in Český Telecom, to be paid in cash.

The proposed tender offer is subject to approval from the Czech Securities Commission and shall be published after such approval has been granted.