



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

### **SIGNIFICANT EVENT**

In accordance with the information disclosed on November 5, 2009, TELEFÓNICA, through its subsidiary TELEFONICA DEUTSCHLAND GmbH, has signed today definitive agreements for the acquisition of the German telecommunications operator HANSENET TELEKOMMUNIKATION GmbH, for a firm value of 900 million euros. The acquisition remains subject to the relevant regulatory authorisations, and its closing is expected to take place within the first quarter of 2010.

Madrid, December 3, 2009.

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