



**RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES**  
*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**

Yesterday, TELEFÓNICA, S.A., through its wholly-owned subsidiary TELEFÓNICA EMISIONES, S.A.U., under its US Debt Registered Program filed with the United States Securities and Exchange Commission (SEC) on May 8, 2009, has launched an issue of Notes guaranteed by TELEFÓNICA, S.A. in an aggregate principal amount of 3,500 million US dollars.

This issue was split into three tranches. The first tranche, amounting up to 1,200 million US dollars, due on April 26, 2013, with a coupon of 2.582%, payable semi-annually, issued at par. The second tranche, amounting up to 900 million US dollar, due on April 27, 2015, with a coupon of 3.729%, payable semi-annually, issued at par. The third tranche, amounting up to 1,400 million US dollars, due on April 27, 2020, with a coupon of 5.134%, payable semi-annually, issued at par.

The settlement date is scheduled to be April 26, 2010.

Madrid, April 13, 2010

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