



**RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES**  
*Secretario General y*  
*del Consejo de Administración*  
**TELEFÓNICA, S.A.**

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

### **SIGNIFICANT EVENT**

Telefónica, S.A. hereby reports that the shares offered to the market in the IPO of its subsidiary Telefónica Deutschland Holding A.G. were placed at a price of EUR 5.60 per share. The total volume of the offering amounts to 258.75 million shares (including 33.75 million over-allotted shares in connection with the greenshoe option granted to the underwriters). The total placement volume of the offering, including the greenshoe option represents 23.17 per cent of the share capital of Telefónica Deutschland Holding A.G.

Upon full exercise of the greenshoe option, the placement volume would amount to EUR 1,449 million.

The first day of trading of the shares of Telefónica Deutschland Holding AG on the regulated market (Prime Standard) of the Frankfurt Stock Exchange is expected to be tomorrow, October 30, 2012.

In Madrid, October 29, 2012.

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*currently available free of charge from the company, at the German offices of the Joint Global Coordinators or on the website of the Company.*

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