



**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**

Following the Significant Event published on October 12, 2012, related to the definitive agreement reached between Telefónica, S.A. (hereinafter, Telefónica) and certain companies controlled by Bain Capital for the sale of its Customer Relationship Management (CRM) business, Atento, Telefónica informs that, once the relevant regulatory authorizations have been obtained, the transaction has been completed.

The enterprise value of the transaction amounts to €1,051 million, including a vendor loan of €110 million as well as certain deferred payments for €110 million.

Among the accounting impacts arising from the transaction, it is worth mentioning the positive effect of the reduction of the Telefónica Group's indebtedness, which is estimated at approximately €812 million as of the date of the closing of this transaction, plus subsequent improvements in debt in the following years as the deferred payments are made.

Madrid, December 12, 2012.

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