



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 Securities Market Act (*Ley del Mercado de Valores*), hereby reports the following

SIGNIFICANT EVENT

With reference to the speculation about possible transactions in Germany, TELEFONICA confirms that negotiations are taking place, not having reached any agreement in this respect yet.

Madrid, July 22, 2013

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