



**RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES**  
*General Secretary and  
Secretary to the Board of Directors*  
**TELEFÓNICA, S.A.**

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

### **SIGNIFICANT EVENT**

#### **TELEFÓNICA COMPLETES THE CAPITAL INCREASE WITH A DEMAND OF 3.7 TIMES**

In relation to the Significant Event published on 26 March 2015 under registration number 220722, it is informed that, upon the expiration of the preemptive subscription period and additional shares allocation period provided for in the securities note regarding a share capital increase of Telefónica, S.A., registered in the Official Registries of the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) on 26 March 2015 and register number 10514 (the "**Securities Note**"), 281,213,184 shares have been subscribed for, amounting to gross proceeds of 3,048,350,914.56 euros, as detailed below:

- (i) Preemptive Subscription Period: during the Preemptive Subscription Period, which ended on 12 April 2015, 278,829,780 shares of Telefónica, S.A., representing a 99.2% of the shares offered in the share capital increase, have been subscribed for, leaving 2,383,404 shares available for allocation during the following periods.
- (ii) Additional Shares Allocation Period: 771,422,480 additional shares of Telefónica, S.A. were requested. Given that the number of additional shares requested has exceeded the 2,383,404 shares available for allocation, the agent bank of the share capital increase has determined the allotment of such shares as provided for in the Securities Note. The number of additional shares allocated to each petitioner has represented, approximately, 0.309% of the additional shares requested.

The total number of shares subscribed during the preemptive subscription period plus the additional shares requested represents a demand of 3.7 times the shares offered in the share capital increase.

Consequently, given that all of the shares under the share capital increase have been fully subscribed for, there has been no Discretionary Shares Allocation Period, and Telefónica, S.A. hereby declares that the share capital increase has been fully subscribed.

In addition, it is reported that, on the present day, Telefónica, S.A. has granted the public deed evidencing the share capital increase, and is processing its registration with the Commercial Registry of Madrid.

Madrid, 17 April 2015.

**SPANISH NATIONAL SECURITIES MARKET COMMISSION  
MADRID**



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*Telefónica, S.A. has filed a registration statement (including a prospectus), with the U.S. Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. Before you invest, you should read the prospectus (as supplemented from time to time, the "prospectus") in that registration statement and other documents Telefónica, S.A. has filed with the SEC for more complete information about Telefónica, S.A. and this offering. You may get these documents for free by visiting the SEC web site ([www.sec.gov](http://www.sec.gov)).*

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