

## STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL INFORMATION

The Directors of Telefónica, S.A. state that, to the best of their knowledge, the Individual Annual Financial Statements of Telefónica, S.A. and the Consolidated Annual Financial Statements for Fiscal Year 2017, approved by the Board of Directors at its meeting of February 21, 2018 and prepared in accordance with applicable accounting standards, present a fair view of the assets, financial condition and results of operations of Telefónica, S.A. and of the companies included in its scope of consolidation, taken as a whole, and that the Individual and Consolidated Management Reports contain a true assessment of the corporate performance and results and the position of Telefónica, S.A. and of the companies included in its scope of consolidation taken as a whole, as well as a description of the principal risks and uncertainties facing them.

Madrid, February 21, 2018

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Mr. José María Álvarez-Pallete López  
*Chairman*

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Mr. José María Abril Pérez  
*ViceChairman*

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Mr. Ángel Vilá Boix  
*Chief Operating Officer*

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Ms. Eva Castillo Sanz  
*Director*

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Mr. Juan Ignacio Cirac Sasturain  
*Director*

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Mr. José Javier Echenique Landiribar  
*Director*

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Mr. Peter Erskine  
*Director*

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Ms. Sabina Fluxà Thienemann  
*Director*

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Mr. Luiz Fernando Furlán  
*Director*

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Mr. Jordi Gual Solé  
*Director*

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Mr. Peter Löscher  
*Director*

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Mr. Ignacio Moreno Martínez  
*Director*

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Mr. Francisco Javier de Paz Mancho  
*Director*

The Secretary of the Board of Directors states for the record that the Vice-Chairman D. Isidro Fainé Casas and the Directors Ms. Carmen García de Andrés, Mr. Francisco José Riberas Mera and Mr. Wang Xiaochu do not set their signature on this document because they are absent due to unavoidable professional commitments and that they have given a proxy and delegated his voting powers to the Directors Mr. Jordi Gual Solé (Mr. Fainé Casas), Mr. José Javier Echenique Landiribar (Ms. García de Andrés and Mr. Riberas Mera), and to the Vice-Chairman Mr. José María Abril Pérez (Mr. Xiaochu), in connection with the matters set forth in the Agenda for this meeting (which includes the approval of the Annual Financial Statements and of the Management Reports for Fiscal Year 2017).

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Mr. Pablo de Carvajal González  
Secretary of the Board of Directors