

Telefónica Europe B.V.
**EUR 750,000,000 Undated 6 Year Non-Call Deeply Subordinated Guaranteed Fixed
Rate Reset Securities (the " Securities") (of which EUR 243,600,000 in aggregate principal
amount is currently outstanding)**
(ISIN: XS1050460739)
unconditionally and irrevocably guaranteed on a subordinated basis by Telefónica, S.A.

Exercise of Issuer Call

Telefónica Europe B.V. (the "**Issuer**") hereby announces that, on 31 March 2020, it will exercise its Issuer call option pursuant to Condition 6(b) (*Redemption and Purchase – Issuer's Call Option*) of the Securities and redeem all of the outstanding Securities.

The outstanding Securities will be redeemed at their aggregate principal amount together with any accrued interest.

Following such redemption, a request will be made for the cancellation of the listing of the Securities on the Official List and admission to trading of the Securities on the regulated market of The Irish Stock Exchange plc, trading as Euronext Dublin.

Terms used in this Notice, but not defined herein, shall have the meaning given to such terms in the terms and conditions of the Securities.

This announcement relates to the disclosure of information that qualified or may have qualified as inside information within the meaning of article 7(1) of the market abuse regulation (EU) 596/2014 ("MAR"). For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Carlos David Maroto Sobrado and Maria Christina van der Sluijs-Plantz of Telefónica Europe B.V.

Date: 13 February 2020

Telefónica Europe B.V.