TELEFÓNICA, S.A. in compliance with the Securities Market legislation, hereby communicates the following

INSIDE INFORMATION

Today, TELEFÓNICA, S.A., through its wholly-owned subsidiary TELEFÓNICA EMISIONES, S.A.U., has launched in the Euro market under its Guaranteed Euro Programme for the Issuance of Debt Instruments (EMTN Programme) an issuance of Notes guaranteed by TELEFÓNICA, S.A. amounting to 1,000 million euros.

These Notes are due on March 12, 2029 pay an annual coupon of 1.788% and are issued at par (100%). The settlement and closing date is scheduled for March 12, 2019. Application will be made for the Notes to be listed on the regulated market of The Irish Stock Exchange plc trading as Euronext Dublin.

Madrid, 5 March, 2019

Legal Notice

"This announcement is neither an offer to sell nor a solicitation of an offer to buy any of the securities referred to herein and shall not constitute an offer, solicitation nor sale in any jurisdiction in which such offer, solicitation or sale is unlawful -including but not limited to the United States, Australia, Canada or Japan-.

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration or pursuant to an exemption from the registration requirements of the Securities Act and in accordance with applicable state securities laws."

SPANISH NATIONAL SECURITIES MARKET COMMISSION
- MADRID-

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