



TELEFÓNICA, S.A. ("Telefónica" or the "Company") in compliance with the Securities Market legislation, hereby communicates the following:

OTHER RELEVANT INFORMATION

In relation to the agreement reached last February 20, 2019 with Millicom International Cellular, S.A. (registered under number 274959), for the sale of the entire share capital of Telefónica de Costa Rica TC, S.A., Telefónica informs that has notified today to Millicom International Cellular, S.A. that it will bring the corresponding legal actions before the Courts of the State of New York (USA), in defence of its rights to claim compliance with what was agreed in the abovementioned agreement. The claim will be filed as soon as such Courts permit the commencement of new non-emergency actions.

In this regard, Telefónica informs that, once the relevant regulatory approvals had been obtained and all the remaining conditions set forth in the agreement for the consummation of the sale had been completed, it formally requested Millicom International Cellular, S.A. to perform the agreement and close the transaction, said company having expressed its refusal to close constituting a breach of the terms and conditions set forth in the referred agreement.

In such legal actions, Telefónica intends to seek compliance with what was agreed in the agreement, and compensation for all damages that this unjustified breach could cause to Telefónica.

With regards to Telefónica de Costa Rica TC, S.A, the agreed price for sale amounted to 570 million dollars (subject to adjustments), approximately 503 million euros at the exchange rate as of the date of the agreement. Telefónica de Costa Rica TC, S.A, has continued to have a very positive performance during this period; its operating revenues amounted to 235 million euros in 2019 (+7.0% year-on-year in organic terms) and the OIBDA amounted to 88 million euros (+21.3% year-on-year in organic terms), leveraged on the excellent business performance, which has allowed that total accesses amounted to 2.3 million, increased by 5% year-on-year (+33% in the case of contract accesses).

Madrid, April 29, 2020

SPANISH NATIONAL SECURITIES MARKET COMMISSION

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