



TELEFÓNICA EMISIONES, S.A.U.

(incorporated with limited liability under the laws of the Kingdom of Spain)

guaranteed by

TELEFÓNICA, S.A.

(incorporated with limited liability in the Kingdom of Spain)

€25,000,000,000

PROGRAMME FOR THE ISSUANCE OF WHOLESALE DEBT INSTRUMENTS

This supplement (the "**Supplement**") to the base prospectus dated 3 July 2007 (the "**Base Prospectus**") constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**") and is prepared in connection with the programme for the issuance of wholesale debt instruments (the "**Programme**") established by Telefónica Emisiones, S.A.U. (the "**Issuer**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with the Base Prospectus, and any other supplements to the Base Prospectus issued by the Issuer. Each of the Issuer and Telefónica, S.A. ("**Telefónica**") accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of each of the Issuer and Telefónica (which have taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement and any supplement to the Base Prospectus previously issued, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Instruments issued under the Programme since the publication of the Base Prospectus.

SUPPLEMENTARY INFORMATION

Publication of the Half-Yearly Results by Telefónica

On 30 July 2007, Telefónica published its Half-Yearly results for the six-month period ended 30 June 2007. An accurate, complete and direct translation from Spanish into English of those unaudited financial statements has been filed with the Financial Services Authority and, by virtue of this Supplement, those financial statements (excluding the first bullet point on page 4; the fifth paragraph (in bold type) on page 5; the Financial Targets section on page 9; the Financial Targets section at the bottom of page 15 and ending on page 16; the Financial Targets section at the top of page 26; and the Financial Targets section on page 45) are incorporated in, and form part of, the Base Prospectus. Those financial statements can be viewed on the website of Telefónica, at

www.telefonica.es/accionistaseinversores/

and on the website of the Regulatory News Services operated by the London Stock Exchange at

<http://www.londonstockexchange.com/en-gb/pricesnews/marketnews/>.

CORRECTION

Management of Telefónica

The following table replaces the table -relating to the principal activities inside and outside the Group of each of the Directors of Telefónica- beginning on page 92 and ending on page 93 of the Base Prospectus by way of correction of certain minor errors. The correct information should read as follows:

Name	Principal activities inside the Group	Principal activities outside the Group
César Alierta Izuel	– Director of Telefónica O2 Europe plc	– Director of Altadis, S.A.
Isidro Fainé Casas	_____	– General Manager of “La Caixa” – Chairman of Abertis Infraestructuras, S.A. – Chairman of Hodefi, S.A.S – Director of Port Aventura, S.A. – Director of Caixa Holding, S.A.U.
Gregorio Villalabeta Galarraga	_____	– Director of Iberia Líneas Aéreas de España, S.A. – Director of Banco Bilbao Vizcaya Argentaria Chile – Chairman of BBVA Provida, AFP

Name	Principal activities inside the Group	Principal activities outside the Group
Fernando de Almansa Moreno-Barreda	<ul style="list-style-type: none"> – Director of Telefónica del Perú, S.A.A. – Director of Telecomunicações de Sao Paulo, S.A. (TELESP) – Director of Telefónica de Argentina, S.A. – Director of Telefónica Móviles Mexico, S.A. de C.V. 	<ul style="list-style-type: none"> – Director of BBVA Bancomer México S.A. de C.V. – Managing Director of Servicios Externos de Apoyo Empresarial, S.A.
José María Álvarez-Pallete López	<ul style="list-style-type: none"> – General Manager of Telefónica Latin America (Telefónica). – Executive Chairman of Telefónica Internacional, S.A.U. – Chairman of Telefónica Internacional Chile, S.A. – Vice Chairman of Telefónica de Argentina, S.A – Vice Chairman of Telecomunicações de Sao Paulo, S.A. – Director of Compañía de Telecomunicaciones de Chile, S.A. – Director of Telefónica Larga Distancia de Puerto Rico, Inc. – Director of China Netcom Corporation – Director of Colombia Telecomunicaciones, S.A. ESP. – Director of Telefónica O2 Europe plc – Member of the Supervisory Board of Brasilcel, N.V. – Director of Telefónica Mundo, S.A. – Chairman of Compañía Internacional de Telecomunicaciones, S.A. – Director of Telefónica Datacorp, S.A.U. – Chairman of Telefónica Holding de Argentina, S.A. – Director of Telefónica Móviles España S.A.U – Director of Telefónica de España, S.A.U. – Director of Telefónica Móviles México, S.A, de C.V. 	<p>_____</p>
David Arculus	<ul style="list-style-type: none"> – Director of Telefónica O2 Europe plc 	<p>_____</p>
Maximino Carpio García	<p>_____</p>	<ul style="list-style-type: none"> – Member of the Advisory Committee of Abengoa, S.A.

Name	Principal activities inside the Group	Principal activities outside the Group
Carlos Colomer Casellas	_____	<ul style="list-style-type: none"> – Vice Chairman of Indo Internacional, S.A. – Director of Altadis, S.A. – Chairman of Inversiones Mobiliarias Urquiola, S.A. SICAV – Chairman of Ahorro Bursátil, S.A. SICAV
Peter Erskine	<ul style="list-style-type: none"> – Executive Chairman of Telefónica O2 Europe plc – Chairman of the Supervisory Board of Telefónica O2 Czech Republic, a.s. 	_____
Alfonso Ferrari Herrero	<ul style="list-style-type: none"> – Director of Compañía de Telecomunicaciones de Chile (CTC), S.A. – Director of Telefónica del Perú, S.A.A. 	_____
Gonzalo Hinojosa Fernández de Angulo	_____	<ul style="list-style-type: none"> – Director of Altadis, S.A. – Director of Dinamia Capital Privado, S.A., SCR
Pablo Isla Álvarez de Tejera	_____	<ul style="list-style-type: none"> – Vice Chairman and CEO of Inditex, S.A.
Julio Linares López	<ul style="list-style-type: none"> – General Manager of Coordination, Business Development Synergies (Telefónica) – Director of Telefónica de España, S.A.U. – Director of Telefónica O2 Europe plc – Vice Chairman of the Supervisory Board of Telefónica O2 Czech Republic, a.s. – Director of Telefónica Datacorp S.A.U. 	<ul style="list-style-type: none"> – Director of Sogecable, S.A.
Antonio Massanell Lavilla	_____	<ul style="list-style-type: none"> – Deputy General manager of “La Caixa” – Executive Chairman of E-La Caixa, S.A. – Director of Caixa Capital Risc, S.G.E.C.R., S.A. – Director of Port Aventura, S.A. – Joint Administrator of C3 Caixa Center, S.A. – Director of Caixa Capital Desarrollo, S.C.R., S.A.

Name	Principal activities inside the Group	Principal activities outside the Group
Vitalino Manuel Nafria Aznar	_____	_____
Enrique Used Aznar	<ul style="list-style-type: none"> – Director of Telecomunicacoes de Sao Paulo, S.A. (Telesp) – Director of Telefónica del Perú, S.A.A 	– Chairman of Amper, S.A.
Antonio Viana-Baptista	<ul style="list-style-type: none"> – General Manager of Telefónica Spain (Telefónica) – Chairman of Telefónica Móviles España, S.A.U – Chairman of Telefónica de España, S.A.U – Director of Telefónica O2 Europe plc 	– Director of Portugal Telecom, SGPS, S.A.