



## **Corporate Action Announcement**

Citibank, N.A., acting as sponsored depositary bank, announces the following:

Date: August 2, 2006

Announcement For: Exchange, Merger

**Description** 

Company Name: Telefonica Moviles S.A.

Ticker Symbol: TEM

CUSIP Number: 87938V105

Country: Spain
Listing Exchange: NYSE
Ratio (ADR:ORD): 1:1

Underlying Share Symbol: TEM SM

Underlying Share ISIN: ES0178401016
DR ISIN: US87938V1052
Custodian: Citibank Madrid

The merger of Telefonica Moviles, S.A. with and into Telefonica S.A. was effective on July 31, 2006. Pursuant to the terms of the Merger Agreement, each Telefonica Moviles, S.A. ADS holder will receive 4 new Telefonica ADSs for every 15 Telefonica Moviles ADSs surrendered. Cash will be paid in lieu of any fractional Telefonica ADSs that would otherwise be issued.

## Telefonica S.A.

CUSIP number: 879382208
DR ISIN: US8793822086
O/S ISIN number: ES0178430E18

Ratio OS/ADR: 3:1

## **Shareholder Services**

Questions may be directed to Shareholder Services toll free at 1-877-248-4237. For further information on Citi's Depositary Receipt Services, visit <a href="https://www.citi.com/adr">www.citi.com/adr</a>.

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