

TELEFONICA S A  
Form 6-K  
July 28, 2010

**Table of Contents**

**FORM 6-K**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**Report of Foreign Private Issuer**  
**Pursuant to Rule 13a-16 or 15d-16**  
**of the Securities Exchange Act of 1934**  
**For the month of July, 2010**  
**Commission File Number: 001-09531**  
**Telefónica, S.A.**  
(Translation of registrant's name into English)  
**Distrito C, Ronda de la Comunicación s/n,**  
**28050 Madrid, Spain**  
**3491-482 85 48**  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes

No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes

No

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes

No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

---

**Telefónica, S.A.**  
TABLE OF CONTENTS

| <b>Item</b> |   | <b>Sequential<br/>Page<br/>Number</b> |
|-------------|---|---------------------------------------|
| 1.          | <u>Telefónica Initial agreement with Portugal Telecom</u> | 3                                     |

---

**Table of Contents**

**RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES**

*General Secretary and  
Secretary to the Board of Directors*

**TELEFÓNICA, S.A.**

Telefónica, S.A. ( **Telefónica** ), as provided in article 82 of the Spanish Securities Market Act (*Ley del Mercado de Valores*) hereby reports the following

**SIGNIFICANT EVENT**

Telefónica hereby confirms that it has reached an initial agreement with Portugal Telecom SG SGPS, S.A. ( **Portugal Telecom** ) for the acquisition, directly or through any of the companies within its Group, of 50% of the capital stock of Brasilcel, N.V. (which is jointly owned by Telefónica and Portugal Telecom, and which owns shares representing, approximately, 60% of the capital stock of the Brazilian company Vivo Participações, S.A.), owned by Portugal Telecom. This agreement will be submitted for approval of the Board of Directors of both Companies, which are expected to be held today.

Madrid, July 28, 2010.

---

**Table of Contents**

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Telefónica, S.A.**

Date: July 28<sup>th</sup>, 2010

By: /s/ Ramiro Sánchez de Lerín García-Ovies

Name: Ramiro Sánchez de Lerín  
García-Ovies

Title: General Secretary and Secretary to  
the  
Board of Directors