

TELEFONICA S A  
Form 6-K  
February 23, 2011

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**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 February, 2011  
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

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**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 Stock Market Act (*Ley del Mercado de Valores*), hereby reports the following

**SIGNIFICANT EVENT**

The Board of Directors of TELEFÓNICA, at its meeting held today, has analysed and positively considered a proposal to increase the dividend for the year 2011 up to 1.60 euros per share, showing an increase of 14.3% with respect to the 1.40 euros dividend for 2010 (whose second tranche will become due in the first semester of this year, following the approval of the relevant corporate resolutions).

To this end, the adoption of the corresponding corporate resolutions will be proposed in due course. It is the Company's intention to maintain the current practice so that this dividend will be payable in two tranches (the first one, to be paid in the second half of this year, and the second one, to be paid within the first six months of 2012).

Additionally, TELEFÓNICA confirms its target to distribute a dividend of at least 1.75 euros per share, for 2012.  
Madrid, February 23<sup>rd</sup>, 2011.

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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: February 23<sup>th</sup>, 2011

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