

TELEFONICA S A  
Form 6-K  
March 30, 2006

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 March, 2006

Commission File Number: 001-09531

Telefónica, S.A.

(Translation of registrant's name into English)

Gran Vía, 28

28013 Madrid, Spain

3491-459-3050

(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      X                      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                      X

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                      X

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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

X

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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Telefónica, S.A.

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

In light of the information published in the newspapers today in relation to the private sale process of TELEFÓNICA S.A.'s shareholding in TELEFÓNICA PUBLICIDAD E INFORMACIÓN, S.A. (TPI), the Company wishes to clarify that the seven non - binding proposals presented by participants in the sale process are below the TPI share price as at the close of 29 March. It must also be stated that the aforementioned non-binding offers are only the first phase of the sale process and are not indicative of the final price which may be offered.

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In accordance with the calendar for the process, the Company hopes that possible binding offers will be presented in the second half of April. The Company will analyse these offers once received, but does not rule out considering other strategic alternatives in relation to its holding in TPI.

Madrid, March 30<sup>th</sup>, 2006

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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:	March 30 <sup>th</sup> , 2006		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