

TELEFONICA S A
Form 6-K
June 22, 2009

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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 June, 2009**

Commission File Number: 001-09531

TELEFÓNICA, S.A.

(Exact name of registrant as specified in its charter)

**Distrito C Ronda de la Comunicación , s/n
28050 Madrid, Spain**

(Address of principal executive office)

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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SIGNATURE

EX-12.1

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Telefónica, S.A.

This Form 6-K is incorporated by reference into the registration statement of Telefónica, S.A. and Telefónica Emisiones, S.A.U. filed with the Securities and Exchange Commission on May 8, 2009 (File No. 333-159062). Telefónica, S.A. is filing the documents set forth in the attached Exhibit Index.

Exhibit Index

Item

12.1 Statement re Computation of Ratio of Earnings to Fixed Charges

23.1 Consent of Ernst & Young S.L., independent registered public accounting firm

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SIGNATURE

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: June 22, 2009

By: /s/ Santiago Fernández Valbuena
Name: Santiago Fernández Valbuena
Title: Chief Financial Officer

s Pearson a leading position in the English language teaching market in China, serving students from elementary school to professional levels.

At the **Financial Times Group**, we continue to see good growth in content, subscription and digital revenues despite the very tough conditions in financial markets. Advertising has weakened in the first quarter, as expected, and visibility is poor. Advertising accounted for 16% of FT Group revenues in the first quarter and 3% of total Pearson revenues. On 23 April, Interactive Data reported first quarter non-GAAP organic revenue and profit growth of 8.4% and 13.0% respectively, with continued high renewal rates and healthy new business momentum. It continues to expect organic revenue and operating profit growth in the middle single digits per cent range for the year as a whole.

At **Penguin**, we continue to see challenging trading conditions for book publishers and booksellers. Demand for new fiction and non-fiction is generally good and growth in digital formats is very strong, but illustrated reference and travel categories are weak. We expect Penguin to produce a good competitive performance once again, with a strong publishing schedule in the second half of the year that includes new books from Jamie Oliver, Eoin Colfer, Nick Hornby, David Plouffe, Nora Roberts, Clive Cussler & Justin Scott, Steven Levitt & Stephen Dubner and Greg Mortenson.

At the end of 2008, Pearson's net debt was £1,460m, giving a net debt/EBITDA ratio of 1.7x and interest cover of 8.7x. Our net debt increased during the first quarter as a result of the normal seasonal build-up of working capital ahead of our key selling periods in education. On 26 March, Pearson completed a £300m bond issue, further strengthening our liquidity profile and extending our debt maturity.

At our AGM today, we are proposing a final dividend of 22p per share giving a total dividend for 2008 of 33.8p, up 7% from the previous year.

Pearson generates approximately 60% of its sales in the US, and each five cent change in the average £:\$ exchange rate for the full year (which in 2008 was £1:\$1.85) would have an impact of approximately 1p on adjusted earnings per share. The average rate during the first quarter of 2009 was £1:\$1.42 (£1:\$1.96 in the first quarter of 2008) and the closing rate at the end of March was £1:\$1.44.

Pearson's AGM takes place today at the Queen Elizabeth II Conference Centre, Broad Sanctuary, London, SW1P 3EE at 12 noon.

ENDS

For more information:

Luke Swanson/ Simon Mays-Smith/ Charles Goldsmith + 44 (0) 20 7010 2310

Forward looking statements

Except for the historical information contained herein, the matters discussed in this statement include forward-looking statements. In particular, all statements that express forecasts, expectations and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing, anticipated costs savings and synergies and the execution of Pearson's strategy, are forward looking statements. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will occur in future. There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements, including a number of factors outside Pearson's control. These include international, national and local conditions, as well as competition. They also include other risks detailed from time to time in the company's publicly-filed documents. Any forward looking statements speak only as of the date they are made, and Pearson gives no undertaking to update forward-looking statements to reflect any changes in its expectations with regard thereto or any changes to events, conditions or circumstances on which any such statement is based.

SIGNATURE

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.

PEARSON plc

Date: 01 May, 2009

By: /s/ STEPHEN JONES

Stephen Jones
Deputy Secretary