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TELEFONICA S A
Form SC 13D/A
February 15, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 1)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d - 1(a) AND AMENDMENTS THERETO
FILED PURSUANT TO RULE 13d - 2(a)

Telefonica, S.A.

(Name of Issuer)

Ordinary shares, nominal value EUR 1.00 each
American Depositary Shares, each representing the right to
receive one ordinary share

(Title of Class of Securities)

879382208

(CUSIP Number)

Asesoria Juridica
Caja de Ahorros y Pensiones de Barcelona
Avenida Diagonal 621-629
Barcelona, Spain 08028
011-34-93 409 21 21 phone
011-34-93 404 69 96 fax

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

March 20, 1996

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report
the acquisition that is the subject of this Schedule 13D, and is filing this
schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

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(continued on following pages)
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1. Name of Reporting Persons: I.R.S. Identification No. of

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Caja de Ahorros y Pensiones de Barcelona ("la Caixa") above person: Not Applicable

2. Check the Appropriate Box if a Member of a Group
 (a) ___
 (b) ___

3. SEC Use Only:

4. Source of Funds: WC

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e): ___

6. Citizenship or Place of Organization: The Kingdom of Spain

Number of Shares Beneficially Owned by Each Reporting Person With	7. Sole Voting Power:	249,095,736(1)
8. Shared Voting Power:	0	
9. Sole Dispositive Power:	249,095,736(1)	
10. Shared Dispositive Power:	0	

11. Aggregate Amount Beneficially Owned by Each Reporting Person: 249.095.736(1) (See also Item 5)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares(2) (See also Item 5): X

13. Percent of Class Represented by Amount in Row (11): Approximately 5.06%

14. Type of Reporting Person (See Instructions): CO(3)

(1) Included in this calculation are (i) 161,913,810 shares owned by Caixa Holding, S.A.U. ("Caixa Holding"), a fully owned subsidiary of la Caixa, (ii) 68,036,171 shares acquired through the la Caixa equity swap (see Item 4), and (iii) 19,145,755 shares held by Caixa de Barcelona Seguros de Vida, S.A. de Seguros y Reaseguros ("Caixa Vida"). Caixa Holding holds all the shares of Caixa Vida except for one share, which is held by Caixa Corp, S.A., a 99.9%-owned subsidiary of la Caixa. Excluded in this calculation are 1,370,330 shares acquired by la Caixa in execution of agreements for the establishment of an employees' stock options plan. La Caixa is not entitled to exercise any political or economic rights, nor to transfer or in any way dispose of these shares.

(2) The amount in Row 11 excludes 1,370,330 shares (which represents approximately 0.028% of the Issuer's share capital) acquired by la Caixa in execution of agreements for the establishment of an employees' stock options plan. La Caixa is not entitled to exercise any political or economic rights, nor to transfer or in any way dispose of these shares.

(3) La Caixa is a savings bank formed under the laws of the Kingdom of Spain.

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amends the Schedule 13D filed with the Securities and Exchange Commission on January 30, 2006 (the "Initial Schedule 13D"). This Schedule 13D constitutes the first amendment to the Initial Schedule 13D.

Item 1. Security and Issuer

This filing relates to the Ordinary Shares, nominal value EUR1.00 each and American Depositary Shares, each representing the right to receive one Ordinary Share of Telefonica, S.A., a corporation organized under the laws of the Kingdom of Spain (the "Issuer"). The principal executive offices of the Issuer are located at Gran Via 28, 28013, Madrid, Spain.

Item 2. Identity and Background

This Schedule 13D is filed by Caja de Ahorros y Pensiones de Barcelona ("la Caixa"), a savings bank organized under the laws of the Kingdom of Spain. The principal business address for la Caixa is Avenida Diagonal 621-629, 08028 Barcelona, Spain. La Caixa's principal business is banking and financial services.

During the last five years, neither la Caixa nor, to the knowledge of la Caixa, any person named in Schedule I, has been (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding were or are subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

La Caixa paid 971,584,551 Spanish Pesetas (EUR 5,839,340.75) from working capital for 488,187 Ordinary Shares acquired on March 20, 1996 (representing 0.05% of the Issuer's share capital as of that date). Below is a chart reflecting subsequent acquisitions by la Caixa in the Issuer's securities.

Date of Acquisition	Number of Shares Acquired	Price Paid	Increase in Percentage of Ownership
March 19, 2004	37,500,000	As described below in Item 4	0.75%
March 23, 2004	37,500,000	As described below in Item 4	0.75%

Item 4. Purpose of Transaction

For purposes of this Item 4, the term "Relevant Date" shall mean each of March 20, 1996, March 19, 2004 and March 23, 2004, and the term "Relevant Dates" shall refer collectively to such dates.

La Caixa owns Ordinary Shares of the Issuer for investment purposes. All information reported in this Schedule 13D is accurate as of each Relevant Date and as of the date hereof, unless otherwise indicated. At various points during the period beginning March 20, 1996 and ending on the date hereof,, information regarding la Caixa's ownership position in the shares of the Issuer was disclosed in the annual reports of the Issuer filed on Form 20-F and in the annual reports of la Caixa and in other filings of la Caixa with la Comision

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Nacional del Mercado de Valores (CNMV).

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On March 20, 1996 la Caixa acquired 488,187 Ordinary Shares of the Issuer representing 0.05% of the Issuer's share capital as of that date, for investment purposes. In 1996 la Caixa followed its policy of investing in sectors not related with the financing business. At this time, la Caixa invested in real estate projects. However, as soon as inflation in Spain stabilised, the investment policy of la Caixa focused on other economic sectors; mainly services, energy and telecommunications. In this regard and, taking into account its security, stability and profitability criteria, la Caixa invested in companies such as Telefonica, S.A. As a result of such acquisition, on March 20, 1996 the direct and indirect interest of la Caixa in the share capital of the Issuer was 5.01%.

During 2000, 2001, 2002 and 2003 the interest of la Caixa in the share capital of the Issuer was diluted mainly as a result of several capital increases approved by the General Shareholders' Meeting with exclusion of the pre-emption right to Ordinary Shares (during that period there were certain diminution acquisition and transfer transactions). As a consequence thereof, its interest in the share capital of the Issuer decreased progressively from 5.01% to 4.989% on February 2000, and to 3.513% on March 2004.

On March 19, 2004 and on March 23, 2004 la Caixa executed equity linked swap agreements with Morgan Stanley & Co. International Limited (the "Morgan Stanley Swap Agreement") and Societe Generale (the "Societe Generale Swap Agreement" and, together with the Morgan Stanley Swap Agreement, the "Swap Agreements"). A copy of the Morgan Stanley Swap Agreement is attached as Exhibits 1 hereto, and a copy of the Societe Generale Swap Agreement is attached as Exhibit 2 hereto. Any description contained in this Schedule 13D relating to the Swap Agreements does not purport to be complete and is qualified in its entirety by reference to Exhibit 1 hereto, with respect to the Morgan Stanley Swap Agreement, and Exhibit 2 hereto, with respect to the Societe Generale Swap Agreement. The Morgan Stanley Swap Agreement and the Societe Generale Swap Agreement carry maturity dates of May 2, 2005 (subsequently extended until May 2, 2006) and March 26, 2007, respectively, each of them relating to 37,500,000 ordinary shares of the Issuer (together representing 1.5% of the Issuer's share capital). By virtue of the Swap Agreements, la Caixa undertook to pay to Morgan Stanley & Co. International Limited and to Societe Generale, respectively, an amount equivalent to all economic rights derived from the ownership of 75,000,000 shares (37,500,000 and 37,500,000 shares, respectively). As a consequence of the execution of the Swap Agreements, on March 23, 2004 la Caixa increased its interest in the Issuer from 3.51% up to 5.026%. La Caixa is entitled to ask for the total or partial cancellation of each of the Swap Agreements, under normal market conditions and subject, however, to certain limitations concerning prior notice periods and except during certain days before actual date of dividend payments. Both Swap Agreements shall be automatically extended for additional successive annual periods subject, however, to the right for either la Caixa or Morgan Stanley & Co. International Limited and Societe Generale, respectively, to re-negotiate the terms of the transaction.

On May 31, 2005 the General Shareholders' Meeting of the Issuer approved the distribution of the Share Premium Reserve among its shareholders by means of the assignment to its shareholders of treasury stock. As a consequence thereof, la Caixa received 9,963,829 shares of the Issuer. Additionally, the General Shareholders' Meeting approved the reduction of the Issuer's share capital by means of the redemption of 34,760,964 shares. As a consequence of these

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resolutions la Caixa increased its interest in the Issuer up to 5.264%.

On July 25 and July 26, 2005 la Caixa partially cancelled the Swap Agreements executed with Morgan Stanley & Co. International Limited and Societe Generale, respectively, and physically delivered a number of shares of the Issuer equivalent to the shares assigned to la Caixa by virtue of the Share Premium Reserve distribution (i.e. 9,963,829 shares of the Issuer). After delivery of those shares to Morgan Stanley & Co. International Limited and to Societe Generale, the interest of la Caixa in Telefonica, S.A. was 5.062%.

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Prior to May 8, 1996, two la Caixa representatives were appointed to the Board of Directors of the Issuer. Mr. Antonio Massanell was appointed on April 24, 1995, and Mr. Isidro Faine was appointed on June 30, 1995. Since that time, and as of each Relevant Date, Mr. Antonio Massanell and Mr. Isidro Faine have remained on the Board of Directors of the Issuer.

Except as set forth below, as of each of the Relevant Dates and as of the date hereof, la Caixa did not and does not have any plans or proposals that relate to the following: (a) the acquisition of additional securities of the Issuer or the disposition of securities of the Issuer, except with respect to la Caixa current intention to seek to acquire additional securities of the Issuer in order to maintain ownership of approximately 5% of the share capital of the Issuer, and except for the shares subject to delivery upon termination of the Swap Agreements (i.e. currently 68,036,171 shares representing 1.383% of the Issuer's share capital); (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries; (c) a sale or transfer of a material amount of assets of the Issuer or any of its subsidiaries; (d) any change in the board of directors or management of the Issuer; (e) material changes in the present capitalization or dividend policy of the Issuer; (f) other material changes in the Issuer's business or corporate structure; (g) any changes in the Issuer's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer; (h) causing a class of securities of the Issuer to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (i) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934; (j) or any actions similar to those enumerated above.

Item 5. Interest in Securities of the Issuer

As of the date hereof, la Caixa may be deemed the beneficial owner of 249,095,736 ordinary shares, comprised of (i) 161,913,810 shares owned by Caixa Holding, S.A.U., a fully owned subsidiary of la Caixa, (ii) 68,036,171 shares acquired through the Swap Agreements (see Item 4), and (iii) 19,145,755 shares held by Caixa de Barcelona Seguros de Vida, S.A. de Seguros y Reaseguros. Caixa Holding, S.A.U. holds all the shares of Caixa de Barcelona Seguros de Vida, S.A. de Seguros y Reaseguros except for one share, which is held by Caixa Corp, S.A., a 99.9%-owned subsidiary of la Caixa. This amount does not include 1,370,330 shares (representing 0.028% of the Issuer's total share capital) acquired by la Caixa in execution of agreements for the establishment of an employees' stock options plan. La Caixa is not entitled to exercise any political or economic rights, nor to transfer or in any way dispose of these shares.

La Caixa and its subsidiaries Caixa Holding, S.A.U. and Caixa de Barcelona Seguros de Vida, S.A. de Seguros y Reaseguros may have engaged in di minimus

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transactions in the Ordinary Shares during the 60 days prior to March 23, 2004 and the 60 days prior to the date of this filing. No other person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the ordinary shares directly and indirectly owned by la Caixa, without prejudice to the obligations assumed by la Caixa under the Swap Agreements, as described in Item 4 above.

La Caixa hereby disclaims any beneficial ownership of the securities of the Issuer which are the topic of this Schedule 13D.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

The information set forth in Item 4 of this Schedule 13D is incorporated by reference herein.

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Item 7. Material to Be Filed as Exhibits

- Exhibit 1. Morgan Stanley Swap Agreement
- Exhibit 2. Societe Generale Swap Agreement

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 15, 2006

CAJA DE AHORROS Y PENSIONES DE BARCELONA ("LA CAIXA")

/s/ Marcelino Armenter Vidal

By: Mr. Marcelino Armenter Vidal
Its: Executive

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SCHEDULE I

DIRECTORS AND EXECUTIVE OFFICERS OF CAJA DE AHORROS Y PENSIONES DE BARCELONA ("LA CAIXA")

The directors and executive officers of la Caixa as of the date hereof are set forth below. The business address of each director or executive officer is that of la Caixa. Unless noted otherwise, each of the named individuals is a citizen of the Kingdom of Spain.

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Directors and officers of la Caixa:

Members of the Board of Directors

Ricardo Fornesa Ribo	Avda. Diagonal 621-629, 08028 Barcelona
Ramon Balaguero Ganet	Avda. Diagonal 621-629, 08028 Barcelona
Maria Amparo Camarasa Carrasco	Avda. Diagonal 621-629, 08028 Barcelona
Marta Domenech Sarda	Avda. Diagonal 621-629, 08028 Barcelona
Salvador Gabarro Serra	Avda. Diagonal 621-629, 08028 Barcelona
Manuel Garcia Biel	Avda. Diagonal 621-629, 08028 Barcelona
Javier Godo Muntanola	Avda. Diagonal 621-629, 08028 Barcelona
Immaculada Juan Franch	Avda. Diagonal 621-629, 08028 Barcelona
Juan Jose Lopez Burniol	Avda. Diagonal 621-629, 08028 Barcelona
Montserrat Lopez Ferreres	Avda. Diagonal 621-629, 08028 Barcelona
Jordi Mercader Miro	Avda. Diagonal 621-629, 08028 Barcelona
Miquel Noguer Planas	Avda. Diagonal 621-629, 08028 Barcelona
Justo Bienvenido Novella Martinez	Avda. Diagonal 621-629, 08028 Barcelona
Vicenc Oller Compan	Avda. Diagonal 621-629, 08028 Barcelona
Magi Pallares Morgades	Avda. Diagonal 621-629, 08028 Barcelona
Manuel Raventos Negra	Avda. Diagonal 621-629, 08028 Barcelona
Leopoldo Rodas Castane	Avda. Diagonal 621-629, 08028 Barcelona
Lluc Tomas Munar	Avda. Diagonal 621-629, 08028 Barcelona
Francesc Tutzo Bennasar	Avda. Diagonal 621-629, 08028 Barcelona
Nuria Esther Villalba Fernandez	Avda. Diagonal 621-629, 08028 Barcelona
Josep Francesc Zaragoza Alba	Avda. Diagonal 621-629, 08028 Barcelona

Executive officers

Isidro Faine Casas	Avda. Diagonal 621-629, 08028 Barcelona
Antonio Massanell Lavilla	Avda. Diagonal 621-629, 08028 Barcelona
Tomas Muniesa Arantegui	Avda. Diagonal 621-629, 08028 Barcelona