ICTs in Spanish households
26th Panel Survey

Fourth Quarter 2009 October-December

GOBIERNO DE ESPAÑA
MINISTERIO DE INDUSTRIA, TURISMO Y COMERCIO

This report on the 26th edition Survey Panel "ICTs in Spanish Households" conducted by the ONTSI (Spanish Observatory for Telecommunications and the Information Society) has been drawn up by the ONTSI survey team:

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HIGHLIGHTS

In the fourth quarter of 2009 Spanish households spent €3.455 billion on ICT services

Household expenditure on fixed telephony, mobile telephony, Internet and Pay TV was €3.455 billion in the fourth quarter of 2009, which represents a year-on-year increase of 5.7% and is €187 million more than in the same period of the previous year.

Households with three and four contracted ICT services recorded 66% of the total expenditure by all households

The expenditure by households with three services represented 44% of the total ICT expenditure by the residential segment, while that of households with four services, represented 22% of it.

Average expenditure on fixed telephony made by households was the lowest in the last two years, €27.7€/month including VAT

In the last quarter of 2009, average expenditure per household on fixed telephony saw a year-on-year drop of 2.4 Euros and 11 minutes used, standing at 202 minutes per household and month.

Mobile telephony expenditure rose to €1.595 billion in the fourth quarter, a year-on-year increase of €183 million

This increase of 13% came mainly from the contract option, which increased by €164 million in this period, accounting for 71.2% of overall expenditure on mobile telephony compared to 28.8% in pay as you go (PAYG).

Expenditure on pay TV saw a year-on-year drop of 6.7%, standing at €293 million

The year-on-year decrease registered in pay TV expenditure was due to subscriptions that saw a reduction of 16 million, and pay per view (PPV) expenditure that was reduced to a third. Average monthly expenditure per household stood at €28.9/month, including VAT.

In the last quarter of 2009, the service that experienced the greatest year-on-year growth in relative terms was the Internet

With a year-on-year increase of 16.2%, the consumption of Internet services reached the figure of €587 million. At the same time, average monthly expenditure per household stood at €26.9/month, including VAT.

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The sections indicated cannot be updated to the fourth quarter of 2009, on which this report is based and, therefore, the information of the previous edition/quarter, that is, of the **25th Edition/3rd Quarter** is shown.

The aforementioned is because this report corresponds to an edition that is not based on questionnaires. Said information is obtained half-yearly, in alternate editions, while information from invoices is collected quarterly, as is the case of this **26th Edition/4th Quarter**.

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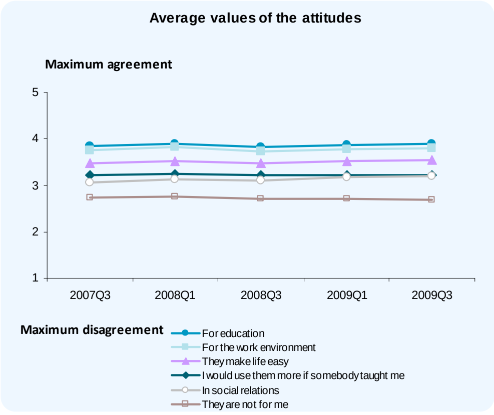
1. ATTITUDE TOWARDS NEW TECHNOLOGIES

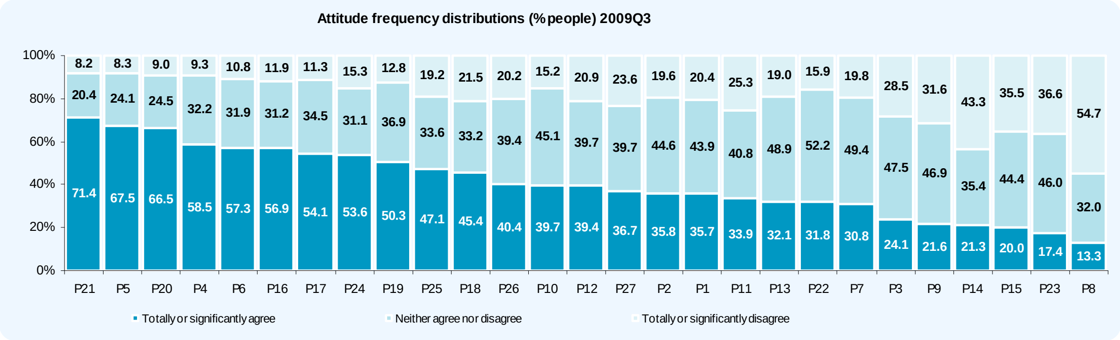
Average values (1 totally disagree- 5 totally agree)		2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
P21	Awareness of new technologies will be fundamental to education	3.84	3.88	3.82	3.86	3.89
P5	Public administrations should help raise awareness of new technologies	3.81	3.80	3.81	3.83	3.84
P20	Knowledge of new technologies is important in the work environment	3.76	3.83	3.73	3.78	3.79
P4	New technologies often do not justify their price	3.64	3.63	3.62	3.68	3.64
P16	Those who do not adapt to new technologies are going to find things difficult	3.52	3.59	3.55	3.58	3.58
P6	New technologies help to resolve some problems	3.51	3.50	3.51	3.53	3.55
P17	New technologies make life easier and more convenient	3.47	3.52	3.48	3.53	3.54
P24	My relationship with new technologies is very practical	3.42	3.44	3.45	3.44	3.48
P19	New technologies make it difficult to separate work from leisure time	3.48	3.46	3.44	3.50	3.48
P18	New technologies cause people to communicate less	3.42	3.39	3.38	3.38	3.34
P25	I am only interested in technologies that are easy to set up and use	3.28	3.32	3.30	3.32	3.33
P10	NTs allow me to do what I want, when and where I want	3.18	3.22	3.20	3.22	3.30
P26	I would use more technological products and services if someone taught me	3.22	3.23	3.21	3.21	3.23
P2	I am interested in the new technologies, but I find them very expensive	3.20	3.19	3.18	3.22	3.21
P12	Some knowledge of new technologies is important for social relations	3.05	3.14	3.11	3.17	3.20
P1	Price is the most important factor for me when choosing	3.19	3.20	3.19	3.23	3.20
P22	New technologies do not fulfil all their promises	3.21	3.17	3.21	3.18	3.19
P27	The Internet presents more disadvantages for children than advantages	3.21	3.19	3.21	3.28	3.18
P7	I am not planning on buying NTs until their prices drop	3.12	3.10	3.13	3.11	3.14
P13	I use them when they have been sufficiently tested	3.11	3.08	3.11	3.13	3.12
P11	I like to try new technological advances	3.01	3.04	3.01	3.01	3.06
P3	New technologies help me to develop as a person	2.83	2.87	2.84	2.84	2.90
P9	I start to use new technologies when I see several other people using them	2.83	2.80	2.82	2.82	2.82
P15	I am not sure what new technologies can do for me	2.83	2.81	2.82	2.81	2.78
P23	Shopping on the Internet is safe	2.60	2.57	2.63	2.63	2.68
P14	New technologies are not for me	2.72	2.75	2.71	2.72	2.68
P8	I am one of the first to buy NTs in my environment	2.36	2.36	2.38	2.33	2.38

The positive attitude of citizens towards new technologies continued in the third quarter of 2009. The most highly valued aspects continued to be the contribution of new technologies in education and in the world of work. The perception of Internet purchases security did also improve.

In the last year, there was an increase in the importance attributed to the use of new technologies for social relationships and to the freedom they provide.

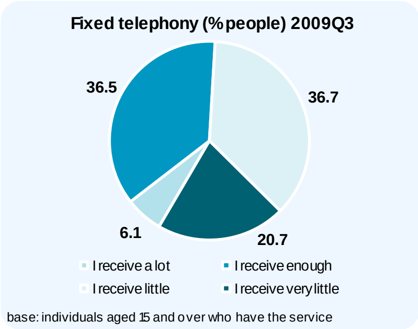


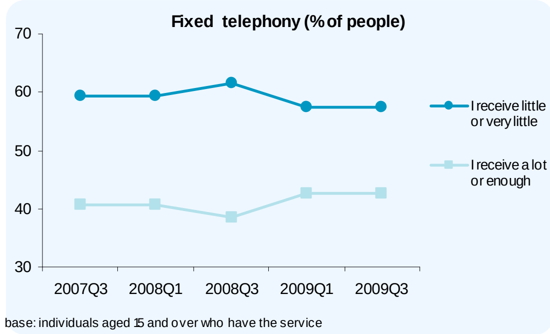
71% of the population agreed on the importance of new technologies in education and 66% considered them fundamental in the world of work.



2. ICT COST-BENEFIT RATIO

2.1. Cost-benefit ratio of ICT services

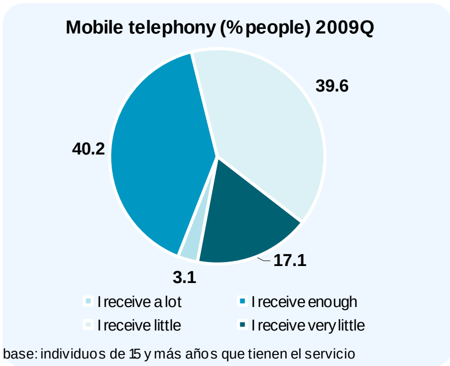


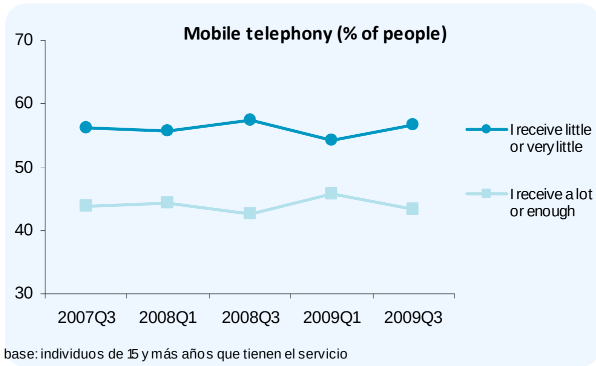


% of individuals	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
I receive a lot	4.8	4.6	5.0	5.5	6.1
I receive enough	35.9	36.1	33.6	37.0	36.5
I receive little	40.0	39.1	40.4	38.6	36.7
I receive very little	19.3	20.2	21.0	18.9	20.7

Base: individuals aged 15 and over who have the service

The cost-benefit ratio of fixed telephony improved in the last year, 43% of those who had fixed telephone considered that they received a lot or sufficient for what they paid for.

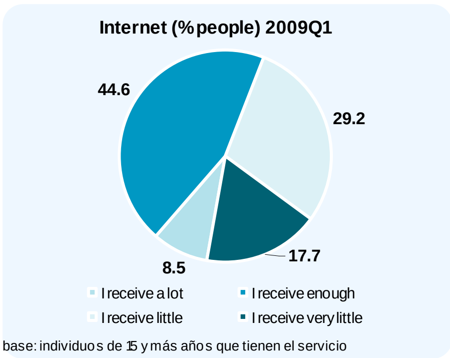


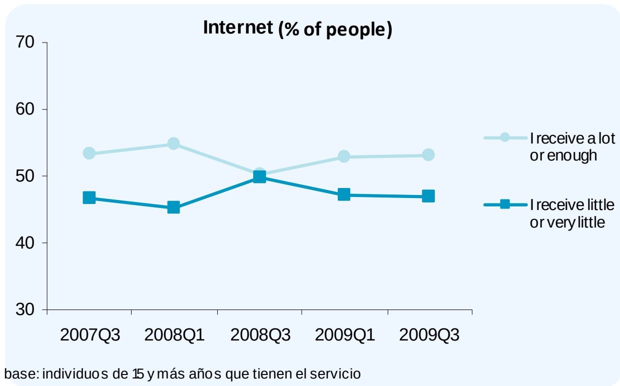


% of individuals	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
I receive a lot	4.0	4.2	3.3	4.0	3.1
I receive enough	39.7	40.1	39.3	41.8	40.2
I receive little	39.4	40.5	41.1	38.2	39.6
I receive very little	16.9	15.2	16.3	16.0	17.1

Base: individuals aged 15 and over who have the service

Hardly 3% considered that they received a lot for what they paid for mobile telephony, compared to 6% of fixed telephony.

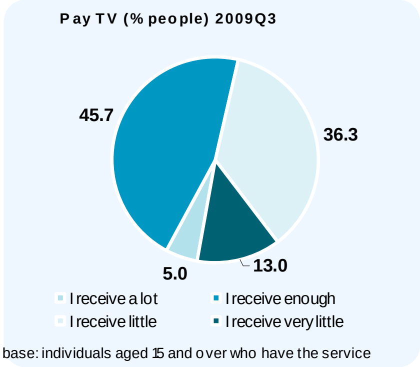


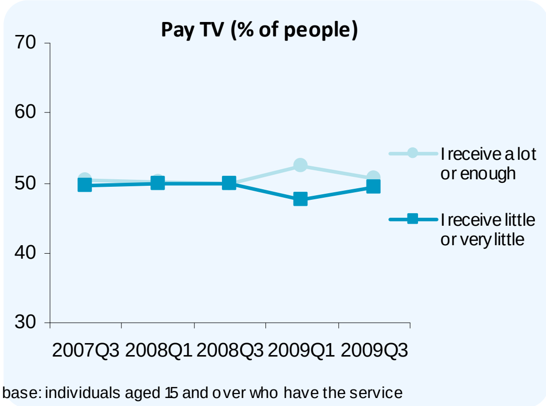


% of individuals	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
I receive a lot	9.0	8.4	7.7	9.3	8.5
I receive enough	44.3	46.3	42.6	43.5	44.6
I receive little	32.5	30.3	33.8	33.1	29.2
I receive very little	14.2	14.9	15.9	14.1	17.7

Base: individuals aged 15 and over who have the service

The Internet continued to be the most highly valued service in price-value ratio, 53% of those who had this service made a positive evaluation.





Regarding pay TV services, the percentage of individuals who considered that they received a lot or sufficient for what they paid for and of those who considered that they received little or very little is quite balanced, 50.7% compared to 49.3%.

% of individuals	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
I receive a lot	4.2	3.7	5.2	6.3	**5.0**
I receive enough	46.1	46.4	44.8	46.2	**45.7**
I receive little	35.6	35.9	35.4	34.5	**36.3**
I receive very little	14.1	14.0	14.6	13.0	**13.0**

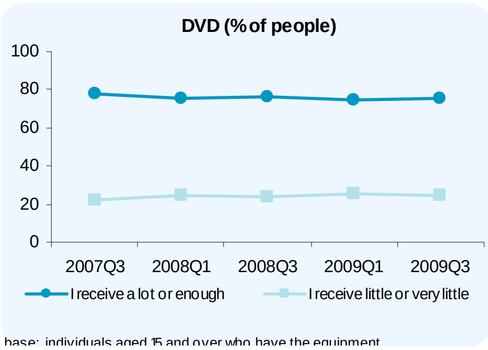
Base: individuals aged 15 and over who have the service

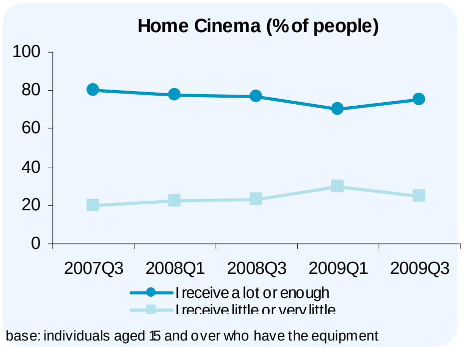
2.2. Cost-benefit ratio of ICT devices

	% of individuals	2006Q3	2007Q1	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
DVD	I receive a lot	13.4	12.5	12.8	11.4	10.8	13.8	**10.9**
	I receive enough	68.6	67.8	64.9	64.0	65.5	60.9	**64.6**
	I receive little	12.3	14.2	15.7	16.7	15.6	18.0	**15.1**
	I receive very little	5.8	5.6	6.6	8.0	8.1	7.3	**9.4**
Home Cinema	I receive a lot	11.9	12.9	16.7	13.1	11.6	14.6	**7.0**
	I receive enough	69.0	65.9	63.8	64.7	65.4	55.8	**68.0**
	I receive little	15.6	14.1	14.5	14.2	14.9	25.0	**17.0**
	I receive very little	3.5	7.1	5.0	8.0	8.1	4.7	**8.0**
Video console	I receive a lot	12.3	11.4	12.0	11.0	10.7	14.7	**8.8**
	I receive enough	58.6	58.7	56.7	54.2	56.2	55.9	**56.7**
	I receive little	17.7	19.3	22.1	23.0	19.0	20.0	**19.8**
	I receive very little	11.3	10.6	9.2	11.8	14.1	9.5	**14.7**

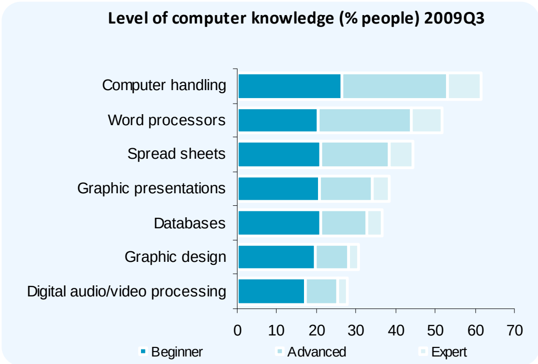
Base: individuals aged 15 and over who have the equipment

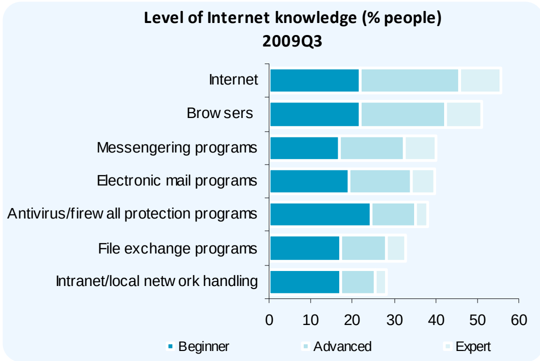
In the first quarter of 2009, the cost-benefit ratio of the various ICT devices hardly changed compared to the previous year. Three out of four persons considered that they received a lot or sufficient for what they paid for their DVD player and for their home cinema. For videoconsole, this percentage decreased slightly down to 65.5%.





3. COMPUTER AND INTERNET SKILLS





61.4% of the population aged 15 and over said they knew how to operate a computer and more than half of these were advanced or expert users. Regarding Internet use, 55.7% knew how to use it and over 60% used it quite or very fluently. In the last year, both percentages (persons with computer knowledge and with Internet knowledge) rose 2 percentage points.

The most popular IT applications were word processors and spreadsheets, while on the Internet, browsers, messaging and email programs were the most used.

Computer knowledge

% individuals (2009Q3)	Beginner	Advanced	Expert	I am not a user	Dk/Na
Computer handling	26.4	26.7	8.3	30.0	8.6
Word processors	20.3	23.6	7.8	37.9	10.5
Spread sheets	21.3	17.1	5.9	45.2	10.6
Graphic presentations	20.6	13.4	4.3	50.9	10.8
Databases	21.1	11.5	3.8	52.5	11.1
Graphic design	19.5	8.5	2.6	58.5	11.0
Digital audio/video processing	17.3	8.0	2.5	60.8	11.4

Internet knowledge

% individuals (2009Q3)	Beginner	Advanced	Expert	I am not a user	Dk/Na
Internet	21.8	24.1	9.8	33.7	10.6
Browsers	21.8	20.7	8.5	38.1	11.0
Electronic mail programs	16.9	15.6	7.5	49.0	11.0
Messengering programs	19.2	14.8	5.8	49.4	10.8
Antivirus/firewall protection programs	24.5	10.6	3.0	50.8	11.1
File exchange programs	17.2	11.0	4.7	56.0	11.1
Intranet/local network handling	17.3	8.1	2.9	60.3	11.4

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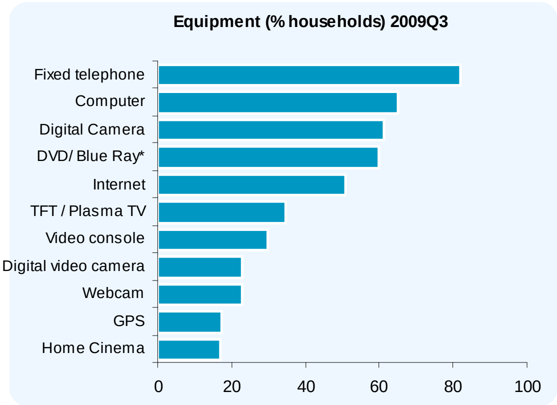
4. ICT EQUIPMENT

4.1. Household equipment[1]

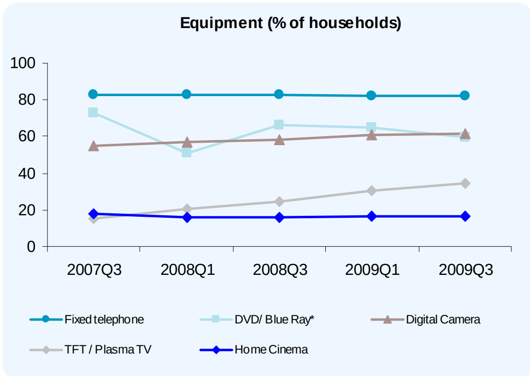


In the third quarter of 2009, the most frequent ICT devices in the home were computers, digital cameras and DVDs/Blue Ray, found in 6 out of 10 households. TFT / Plasma TV continued its significant upward trend at the rate of 10 percentage points per year, reaching 34.7%. Computers, webcams and GPS also registered a significant year-on-year increase of 4.5 percentage points.

% households	Fixed telephone	Computer	Digital Camera	DVD/ Blue Ray*	Internet	TFT / Plasma TV	Video console	Digital video camera	Webcam	GPS	Home Cinema
2007Q3	82.7	57.8	54.8	72.9	42.2	15.2	27.2	21.0	17.6	9.4	17.6
2008Q1	83.0	59.1	57.1	50.9	44.5	20.4	28.3	20.5	17.0	12.0	15.8
2008Q3	82.8	60.4	58.2	66.5	46.8	24.4	28.8	21.7	18.2	13.0	16.0
2009Q1	82.4	63.4	60.7	65.2	48.5	30.7	30.1	24.0	20.0	16.1	16.7
2009Q3	**82.0**	**65.0**	**61.4**	**59.8**	**50.7**	**34.7**	**29.8**	**22.9**	**22.7**	**17.3**	**16.8**

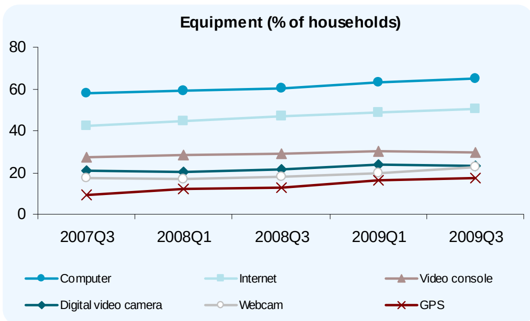
Home Cinemas remained constant in the last one and a half year with 16.8%, similarly as fixed telephony services, which even reduced its presence in households down to 82% of penetration.

percentage points increase	Fixed telephone	DVD/ Blue Ray*	Digital Camera	Home Cinema	TFT / Plasma TV
2007Q3 to 2008Q3	0.1	-6.4	3.4	-1.6	9.2
2008Q1 to 2009Q1	-0.6	14.3	3.6	0.9	10.3
2009Q1 to 2009Q3	**-0.8**	**-6.7**	**3.2**	**0.8**	**10.3**



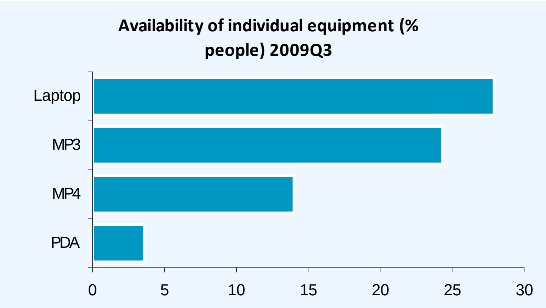
65% of households had computers, with an annual growth of almost 5 percentage points. The increase in penetration of the computer was mainly based on the growth in number of laptops.

percentage points increase	Computer	Internet	Video console	Digital video camera	GPS	Webcam
2007Q3 to 2008Q3	2.6	4.6	1.6	0.7	3.6	3.6
2008Q1 to 2009Q1	4.3	4.0	1.8	3.5	4.1	3.0
2009Q1 to 2009Q3	**4.6**	**3.9**	**1.0**	**1.2**	**4.3**	**4.5**



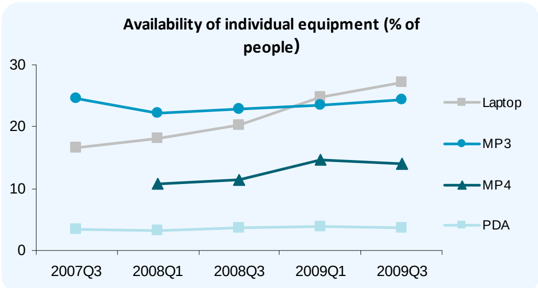
[1] (*) In 2008Q1, the DVD item on the questionnaire was modified to ask about "DVD/Blue Ray/HD DVD". As a consequence, the data obtained reflected a decline that does not represent the trend in penetration. Later on, in 2008Q2 and successive editions, this item was redrafted to ask about "DVD/Blue Ray" equipment.

4.2. Individual equipment



% of individuals	MP3	MP4	PDA	Laptop
2007Q3	24.6	---	3.4	16.6
2008Q1	22.3	10.8	3.2	18.2
2008Q3	22.8	11.4	3.6	20.3
2009Q1	23.6	14.7	3.8	24.8
2009Q3	**24.3**	**14.0**	**3.6**	**27.3**

As in previous quarters, laptop computer continued to be the ICT equipment most commonly owned by individuals (27.3% of the population aged 15 and over) and with the highest year-on-year growth (7 percentage points). Regarding penetration of laptops in households, they were available in 39% of the households in the last quarter of 2009.



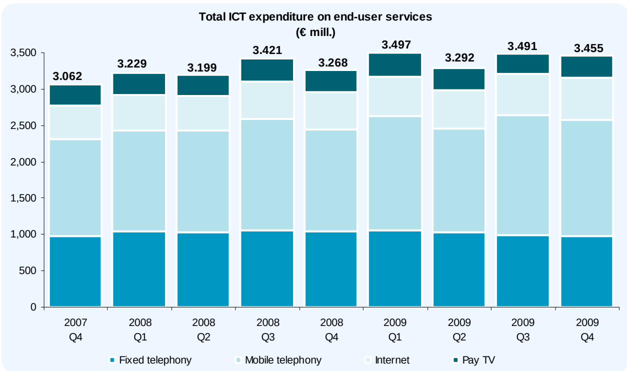
percentage points increase	MP3	MP4	PDA	Laptop
2007Q3 to 2008Q3	-1.8	---	0.2	3.7
2008Q1 to 2009Q1	1.3	3.9	0.6	6.6
2009Q1 to 2009Q3	**1.5**	**2.6**	**0.0**	**7.0**

While the availability of MP3 players was greater than that of MP4 players, this last device seems to have better future prospects based on the increases of 3.9 and 2.6 percentage points in the last quarters, compared to 1.5 and 1.3 values for MP3 players.

5. ICT EXPENDITURE

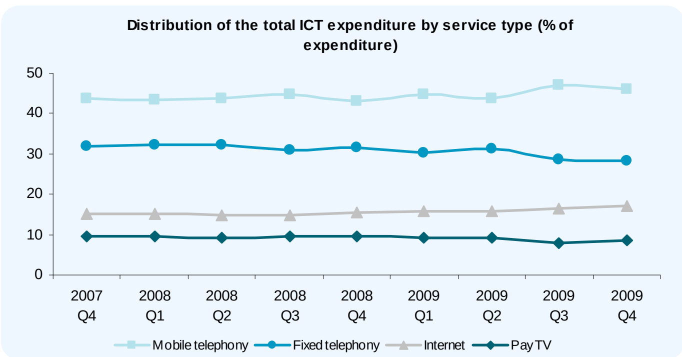
Expenditure on ICT services (4Q09)	% of households	No. of households (thousands)	ICT services expenditure (€ millions)
Fixed telephony	82.0	13,656	980
Mobile telephony	89.1	14,842	1,595
Internet	50.7	8,434	587
Pay TV	21.8	3,628	293
Total	100	16,651	3,455

During the last quarter of 2009, the expenditure on ICT services by Spanish households exceeded €3.4 million, which represents a year-on-year increase of 5.7% compared to the same period of the previous year.



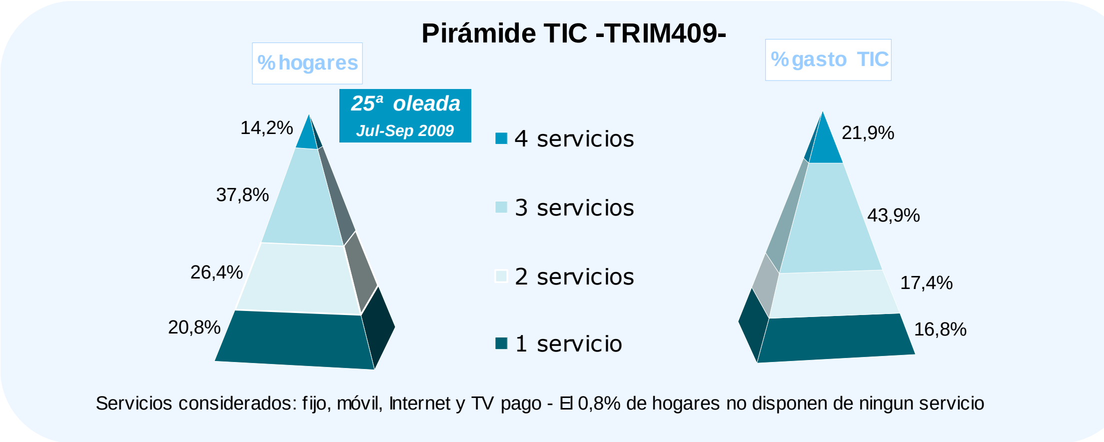
During the last three months of 2009, mobile telephony expenditure increased by €183 million with respect to the same period of the previous year. The expenditure on Internet services by Spanish households also increased by €82 million. These values represent year-on-year increases of 13% and 16% respectively.

Expenditure per ICT service	Millions of euro					Percentage			
	Fixed tel.	Mobile tel.	Internet	Pay TV	Total	Fixed tel.	Mobile tel.	Internet	Pay TV
2007Q4	974	1,335	459	294	3,062	31.8	43.6	15.0	9.6
2008Q1	1,038	1,397	484	310	3,229	32.1	43.3	15.0	9.6
2008Q2	1,028	1,401	478	292	3,199	32.1	43.8	14.9	9.1
2008Q3	1,055	1,533	512	321	3,421	30.8	44.8	15.0	9.4
2008Q4	1,037	1,412	505	314	3,268	31.7	43.2	15.5	9.6
2009Q1	1,056	1,570	550	321	3,497	30.2	44.9	15.7	9.2
2009Q2	1,025	1,437	525	305	3,292	31.1	43.7	15.9	9.3
2009Q3	997	1,638	579	277	3,491	28.6	46.9	16.6	7.9
2009Q4	980	1,595	587	293	3,455	28.3	46.2	17.0	8.5



Among the total expenditure made by households on the four ICT services considered, mobile telephony registered the highest percentage. With a year-on-year increase of 3 percentage points, mobile telephony represented 46.2% of total expenditure, followed by fixed telephony with 28.3%.

6. ICT SERVICES PYRAMID



37.8% of households had three contracted ICT services and 14.2% of them had four, a percentage that remained stable in the last year.
Households with three and four contracted ICT services recorded 66% of the total expenditure by all households, 44% corresponding to households with three services and 22% to households with four services.

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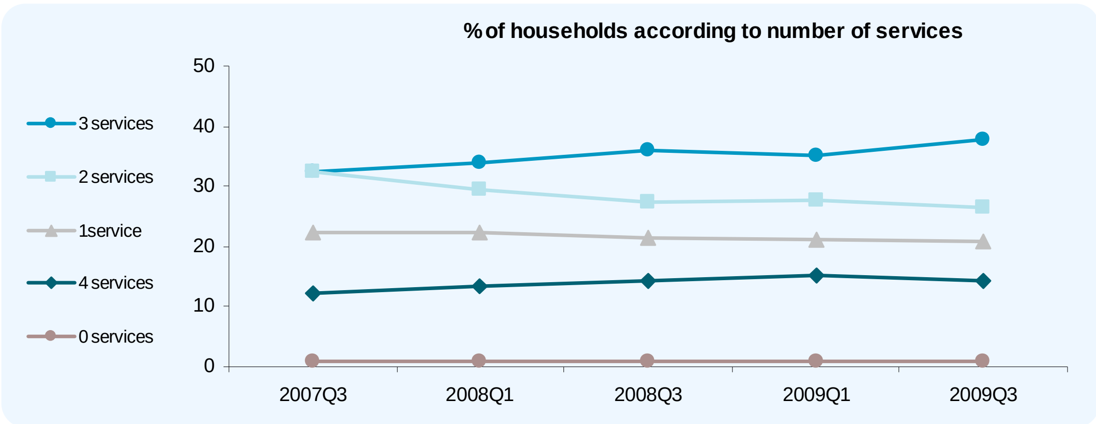
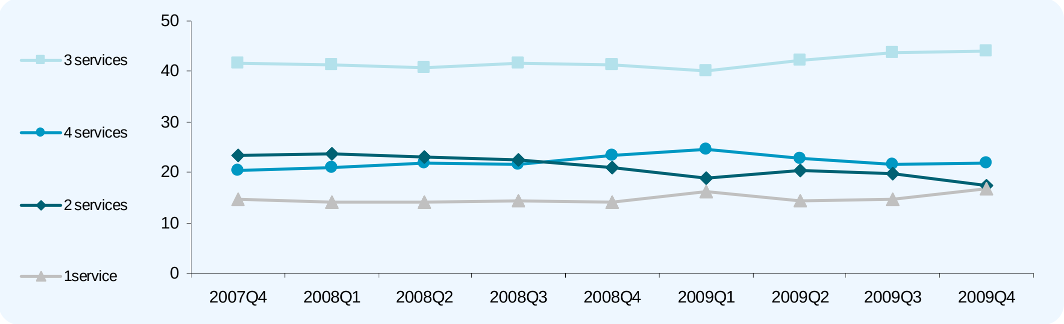
6.1. Percentage of households by number of services



Households with three contracted ICT services recorded the highest increase, with a rise of 1.8 percentage points in a year.
52% of households had three or four contracted ICT services, accumulating 65.5% of the expenditure.

% of households	2006Q3	2007Q1	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
4 services	10.4	12.1	12.1	13.3	14.3	15.2	14.2
3 services	29.4	32.1	32.5	33.9	36.0	35.0	37.8
2 services	34.0	31.1	32.4	29.5	27.3	27.8	26.4
1 service	25.2	23.8	22.2	22.3	21.3	21.2	20.8
0 services	1.1	0.9	0.9	1.0	1.0	0.9	0.8

6.2. Percentage of expenditure by number of services



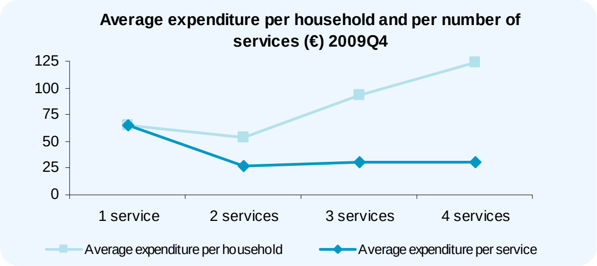
During the last quarter of 2009, expenditure by households with three contracted ICT services recorded a year-on-year rise of 3.7 percentage points, while expenditure by households with four and two services dropped 2.7 and 1.6 percentage points respectively.

% of expenditure	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4
4 services	20.5	20.9	22	21.7	23.4	24.6	22.8	21.7	**21.9**
3 services	41.5	41.2	40.7	41.5	41.4	40.2	42.3	43.8	**43.9**
2 services	23.4	23.7	23.1	22.4	21	19	20.5	19.7	**17.4**
1 service	14.6	14.2	14.2	14.4	14.2	16.2	14.4	14.8	**16.8**

6.3. Evolution of average monthly expenditure per household and number of services

Average expenditure per household(€)	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4
1 service	48.7	49.5	48.9	55.6	52.3	55.6	52.2	57.9	**64.7**
2 services	53.5	62.4	60.3	67.6	60.6	62.1	56.3	60.4	**53.0**
3 services	94.7	94.4	92.5	94.8	90.4	93.3	92.4	94.0	**93.2**
4 services	125.0	122.1	127.3	124.6	128.3	131.8	115.0	124.2	**124.1**

Average expenditure by households with only one contracted service rose to €64.7/month (including VAT). The service chosen by households that only had one contracted service was increasingly mobile telephony vs. fixed telephony. On the contrary, the expenditure by households with two contracted services (typically fixed telephone+Internet) dropped to €53/month.

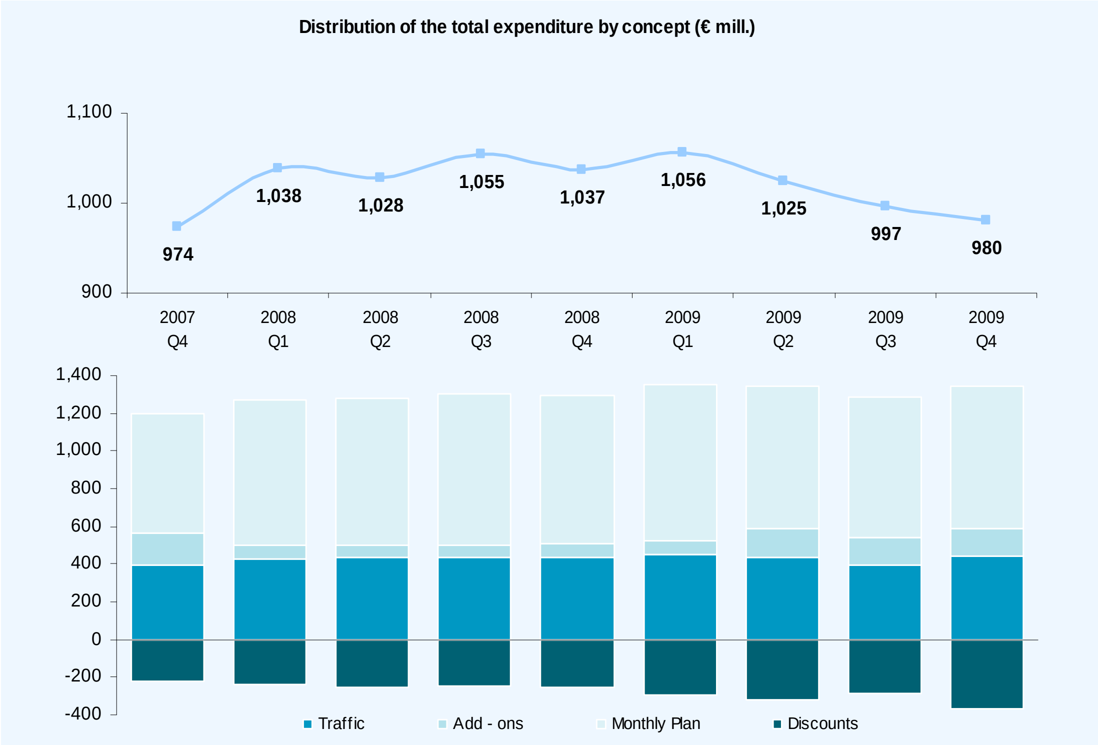


Monthly average expenditure per contracted service stood around €31 for households with three and four contracted services, while it dropped to €26.5 for those with two services and rose to €64.7 for those with only one.

Average expenditure per service(€)	**2007Q4**	**2008Q1**	**2008Q2**	**2008Q3**	**2008Q4**	**2009Q1**	**2009Q2**	**2009Q3**	**2009Q4**
1 servicio	48.7	49.5	48.9	55.6	52.3	55.6	52.2	57.9	**64.7**
2 servicios	26.8	31.2	30.1	33.8	30.3	31.1	28.2	30.2	**26.5**
3 servicios	31.6	31.5	30.8	31.6	30.1	31.1	30.8	31.3	**31.1**
4 servicios	31.3	30.5	31.8	31.2	32.1	32.9	28.7	31.0	**31.0**

7. FIXED TELEPHONY

7.1. Total expenditure and distribution by concept[2]



Expenditure in the last quarter of 2009 for fixed telephony was around €980 million, very similar to the values of two years ago. This represents a year-on-year decrease of 5.5%, the same as in the previous quarter.

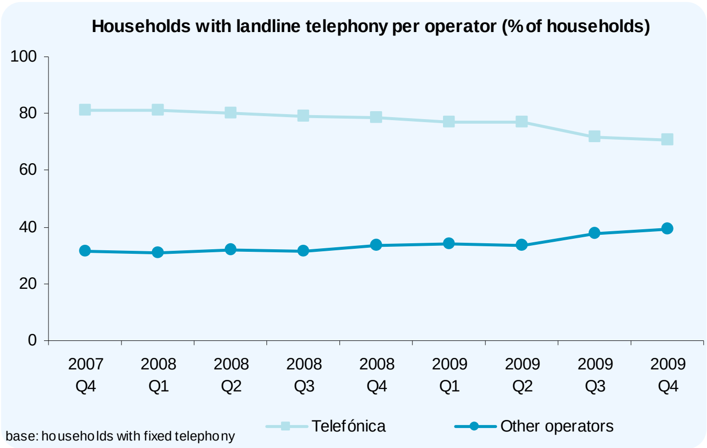
€ Million	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4
Traffic	394	429	436	434	439	452	437	396	**443**
Add - ons	173	68	65	66	67	74	150	147	**146**
Monthly Plan	632	776	777	800	786	827	755	744	**758**
Discounts	-224	-236	-250	-245	-255	-297	-318	-290	**-367**
Total exp	974	1,038	1,028	1,055	1,037	1,056	1,025	997	**980**

Expenditure on traffic purchased has hardly changed in the last twelve months, standing at €443 million, while the subscription fee has decreased by 3.6%, down to €758 million. Values for add-ons/other fees[3] kept stable at around €150 million in the last quarters.

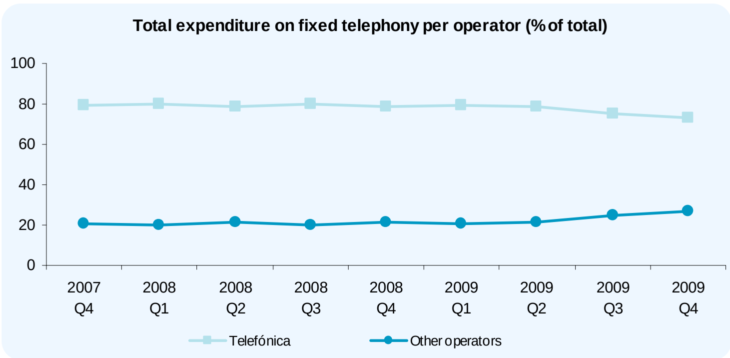
[2] As from the first quarter of 2008, the classification of expenditure on a commercial fixed telephone + ADSL Internet package was changed, reassigning the expenditure on fixed telephony to Monthly Plan and not to call packages, as was done before.

[3] Since the second quarter of 2009, certain services such as telephone rental, 3-way calling, voice mail, etc. are included within “Fees for other Services” (within add-ons/other fees), with the aim of differentiating between the line rental fee and the line/telephone services fees, provided that this services can be separately identified.

7.2. Households and expenditure per operator



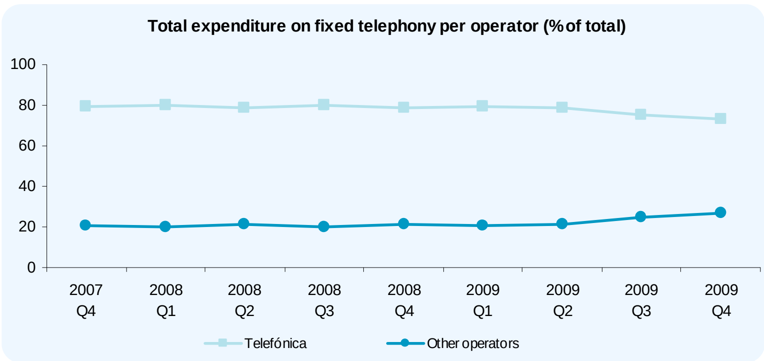
Base: households with fixed telephone lines



The number of fixed telephony subscribers through Telefónica Spain continued falling. In the last quarter of 2009, the fall was more significant, with a year-on-year drop of 7.8%, standing at 9.6 million households (70.7% of the total households with this service).

Almost four out of ten households contracted fixed telephony with other operators, 20% more than the previous year.

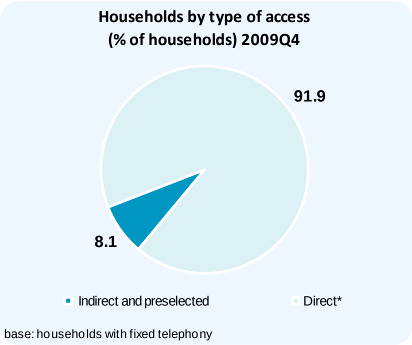
EXPENDITURE	Percentage		Absolute (€ millions)	
	Telefonica	Other operators	Telefonica	Other operators
TRIM407	79.5	20.5	775	200
TRIM108	80.3	19.7	833	205
TRIM208	78.7	21.3	810	219
TRIM308	79.9	20.1	843	212
TRIM408	78.6	21.4	815	222
TRIM109	79.3	20.7	837	219
TRIM209	78.3	21.7	803	223
TRIM309	75.2	24.8	750	247
TRIM409	**73.1**	**26.9**	**716**	**264**



With respect to expenditure, Telefónica reduced its revenue by almost €100 million in a year (12.1%), accounting for 73% of the total expenditure on fixed telephony. The other operators accounted for €264 million, with a year-on-year increase of 19%, similar to the increase of the previous quarter (17%).

7.3. Households, call minutes and expenditure per access type[4]

Households by access type

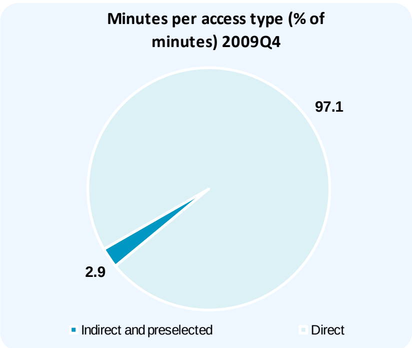


Households	Percentage		Absolute (Thousands)	
	Indirect and preselected	Direct*	Indirect and preselected	Direct*
2007Q4	11.3	88.7	1,496	11,723
2008Q1	10.9	89.1	1,455	11,878
2008Q2	10.5	89.5	1,403	11,930
2008Q3	9.2	90.8	1,225	12,081
2008Q4	9.4	90.6	1,247	12,059
2009Q1	9.2	90.8	1,264	12,460
2009Q2	9.2	90.8	1,264	12,460
2009Q3	8.4	91.6	1,146	12,510
2009Q4	**8.1**	**91.9**	**1,113**	**12,543**

Base: households with fixed telephony
** only households with direct access*

The number of households with indirect access continued falling. In the last quarter of 2009, around 8% of households with fixed telephony had this type of access, this means 1.1 million households.

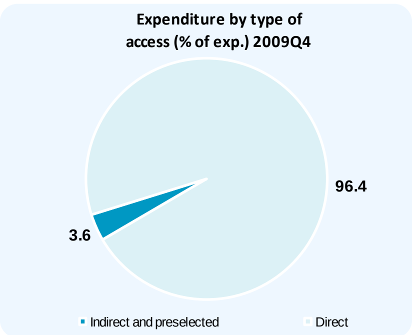
Minutes used by type of access



Minutes	Percentage		Absolute (millions)	
	Indirect and preselected	Direct	Indirect and preselected	Direct
2007Q4	5.7	94.3	460	7,557
2008Q1	6.0	94.0	522	8,201
2008Q2	6.0	94.0	526	8,006
2008Q3	4.4	95.6	369	8,013
2008Q4	5.2	94.8	447	8,065
2009Q1	4.6	95.4	419	8,709
2009Q2	3.9	96.1	335	8,152
2009Q3	3.3	96.7	247	7,179
2009Q4	**2.9**	**97.1**	**240**	**8,024**

The number of minutes used through indirect access decreased almost by half in the last year, down to 240 million, while the number of minutes used through direct access remained constant at around 8,024 million.

Expenditure by type of access



Expenditure	Percentage		Absolute (€ millions)	
	Indirect and preselected	Direct	Indirect and preselected	Direct
2007Q4	4.5	95.5	44	930
2008Q1	4.6	95.4	47	990
2008Q2	4.5	95.5	46	983
2008Q3	3.8	96.2	40	1,014
2008Q4	3.9	96.1	40	997
2009Q1	3.6	96.4	38	1,018
2009Q2	3.6	96.4	37	989
2009Q3	3.5	96.5	35	962
2009Q4	**3.6**	**96.4**	**36**	**945**

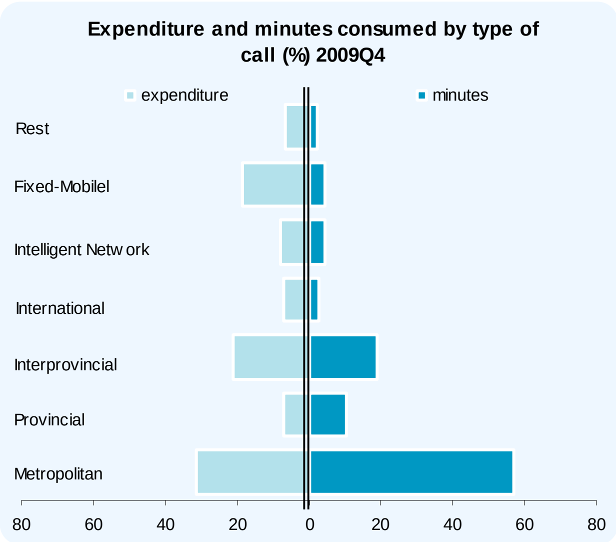
Although the expenditure for indirect access slightly recovered in the last quarter, still represented a recession of €4 million compared to the same quarter of the previous year.

[4] Neither minutes nor associated expenditure for flat rate fixed telephony lines have been included.

7.4. Minutes and expenditure by call type

Percentage of *minutes* consumed by call type

% minutes	Metropolitan	Provincial	Interprovincial	International	Intelligent Network	Fixed-Mobile	Rest
2007Q4	58.0	11.9	17.2	1.9	5.5	5.4	0.1
2008Q1	61.9	10.0	16.2	2.1	4.7	5.1	0.0
2008Q2	60.3	8.6	15.6	2.1	4.8	5.4	3.1
2008Q3	61.6	8.7	14.3	2.4	4.8	5.7	2.6
2008Q4	58.9	9.3	16.2	2.3	5.8	4.6	2.9
2009Q1	59.3	9.8	16.5	2.7	4.2	3.9	3.6
2009Q2	57.5	10.2	16.5	2.4	4.7	4.5	4.3
2009Q3	58.4	10.7	14.8	2.5	4.5	5.2	3.9
2009Q4	**56.8**	**10.4**	**19.0**	**2.7**	**4.4**	**4.3**	**2.4**



In the last quarter of 2009, 57% of the minutes used corresponded to metropolitan calls, 19% to interprovincial calls and a little over 10% to provincial calls. These two latter cases, saw an increase of between one and three points in the proportion of minutes, to the detriment of metropolitan and intelligent network calls, which dropped 2.1 and 1.4 points respectively.

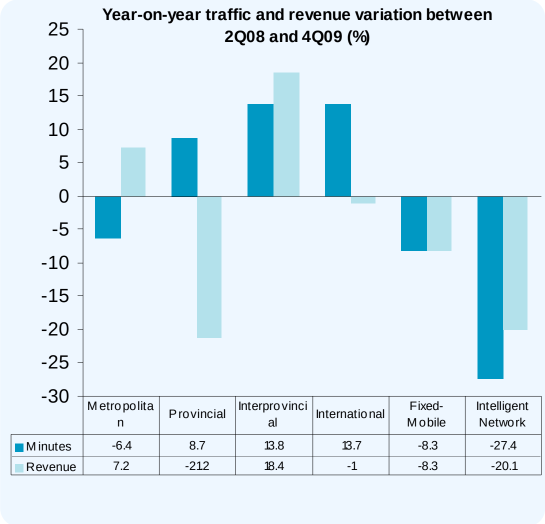
The number of minutes used in metropolitan calls was gradually reduced in the last quarters, showing a marked downward trend, while those used in provincial and interprovincial calls showed a moderated upward trend.
The expenditure on interprovincial calls showed the most growth: more than 21% of expenditure on traffic was associated to this type of calls. The expenditure for metropolitan calls accounted for 31.5% of the total, and the expenditure on calls from fixed to mobile telephones accounted for 18.5% of the total, with a 1.8 percentage point drop in the last year.

Percentage of expenditure made by call type[5]

% of expenditure	Metropolitan	Provincial	Interprovincial	International	Intelligent Network	Fixed-Mobile	Rest
2007Q4	30.1	10.8	18.1	5.5	10.8	24.5	0.2
2008Q1	32.3	9.9	17.8	5.8	10.3	23.8	0.1
2008Q2	30.0	8.3	16.5	4.8	11.8	23.3	5.3
2008Q3	30.9	8.5	16.1	6.1	11.7	24.3	2.4
2008Q4	29.7	9.0	18.2	7.0	10.1	20.3	5.6
2009Q1	31.7	9.9	19.4	5.9	8.8	18.9	5.3
2009Q2	30.7	10.2	18.9	5.9	9.1	19.6	5.6
2009Q3	29.8	10.4	17.3	5.8	10.2	22.4	4.1
2009Q4	**31.5**	**7.0**	**21.3**	**6.9**	**8.0**	**18.5**	**6.8**

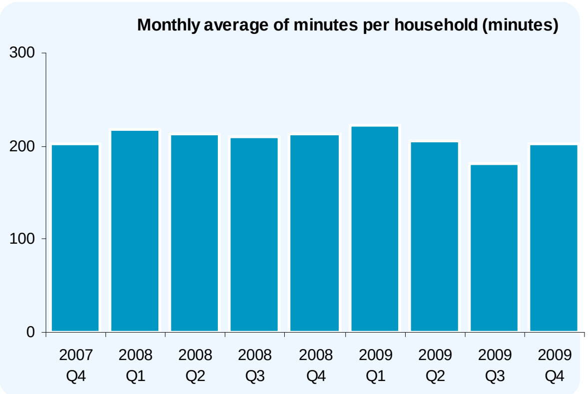
[5] Since the second quarter of 2009, the expenditure on VoIP (e.g. Skype) and on pre-paid cards for fixed telephone (typically for international calls) is also included. Expenditure is recorded for these types but it is not possible to record the traffic. Throughout the report, this expenditure is grouped with 'Others'.

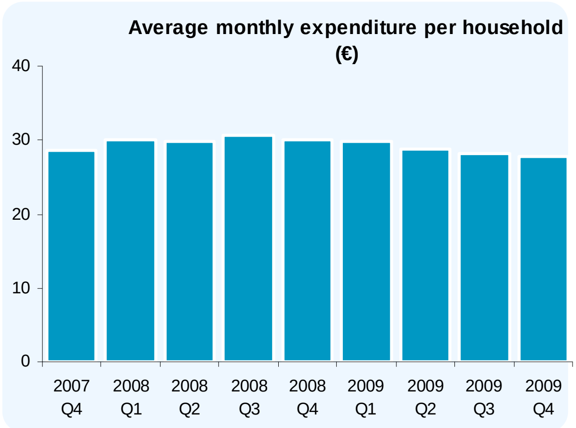
Year-on-year traffic and revenue variation



Although the number of minutes used in metropolitan calls decreased in the last year by 6.4%, the expenditure on these calls increased by 7.2%. On the contrary, for provincial calls, their traffic increased by 8.7% and their revenues decreased by more than 20%.
Interprovincial calls increased both in number of minutes and in revenues. Calls from fixed to mobile telephones saw a reduction in traffic and revenues of 8.3%.

7.5. Average minutes and expenditure per household





The last quarter of 2009, the average number of minutes used in fixed telephony per household was 202 minutes and the average expenditure €27.7, including VAT.
In both cases, there was a drop compared to the previous year: a reduction of 11 minutes, reaching the levels of two years before, and a reduction of €2.4 in average expenditure.

Monthly average per household	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4
Minutes	202	218	213	210	213	222	206	181	202
Euro	28.5	30.1	29.8	30.7	30.1	29.8	28.9	28.2	27.7

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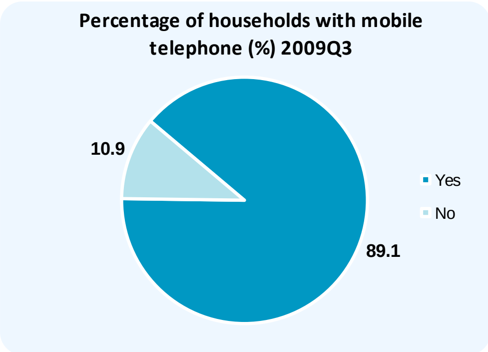
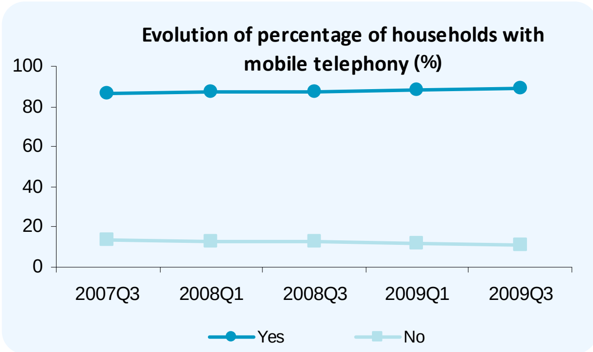
8. MOBILE TELEPHONY

8.1. Households with mobile telephony





In the third quarter of 2009, mobile phones were available in 89.1% of Spanish households, 867 thousand more households than the previous year, which represents a year-on-year increase of 6.2%.

Households with mobile telephone	Percentage	Absolute (thousands of households)
2006Q3	84.4	13,082
2007Q1	85.7	13,700
2007Q3	86.5	13,833
2008Q1	86.9	13,961
2008Q3	87.0	13,975
2009Q1	88.2	14,688
2009Q3	**89.1**	**14,842**

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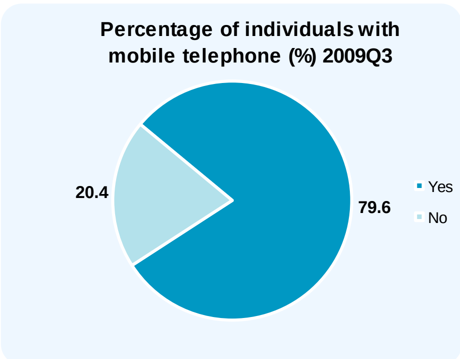
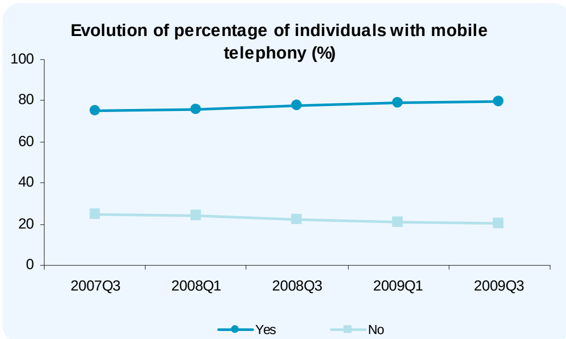
8.2. Individuals with mobile telephony

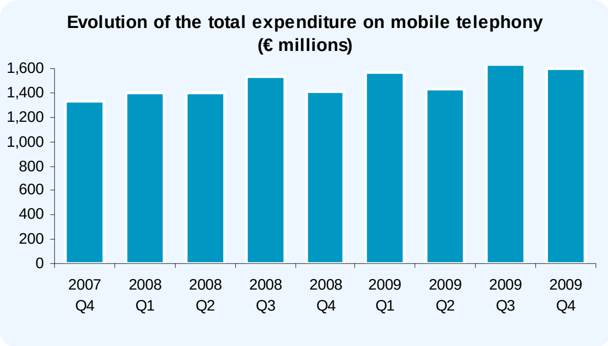




Individuals with mobile telephone	Percentage	Absolute (thousands of individuals)
2006Q3	73.2	27,170
2007Q1	75.1	28,191
2007Q3	75.2	28,219
2008Q1	76.0	28,717
2008Q3	77.5	29,285
2009Q1	78.8	30,052
2009Q3	**79.6**	**30,372**

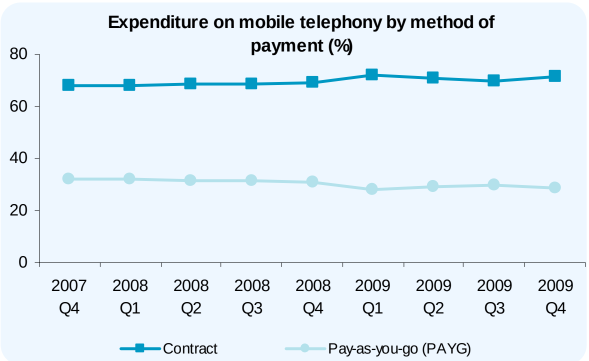
Practically, 8 out of 10 persons aged 15 and over had active mobile telephones (used in the last month), which means over 30.3 million individuals. This number continues its upward trend year after year. Specifically, it increased by 3.7% in the last twelve months.

8.3. Total and average expenditure per household on mobile telephony



Total expenditure (€ Millions)	Contract	pay-as-you-go (PAYG)	total
2007Q4	909	426	1,335
2008Q1	952	445	1,397
2008Q2	959	442	1,401
2008Q3	1,051	482	1,533
2008Q4	972	440	1,412
2009Q1	1,127	443	1,570
2009Q2	1,020	417	1,437
2009Q3	1,147	491	1,638
2009Q4	**1,136**	**459**	**1,595**

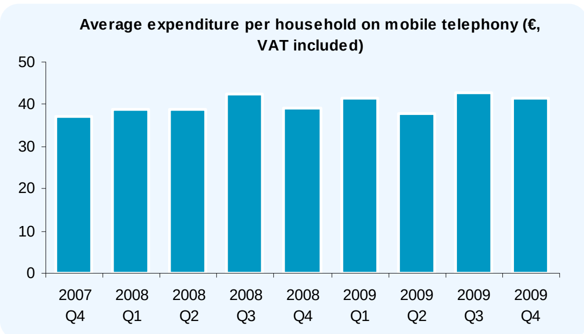
Total expenditure on mobile telephony during the fourth quarter of 2009 reached €1.595 billion, increasing by 13% in the last year. Out of the total expenditure, 1.136 billion came from the contract option (71.2%) and 459 million from pay as you go (28.8%). 90% of the increase in total expenditure was due to the contract option, while one year before, only 80% of the increase was linked to this option.



Mobile expenditure (%)	Contract	pay-as-you-go (PAYG)
2007Q4	68.1	31.9
2008Q1	68.1	31.9
2008Q2	68.5	31.5
2008Q3	68.6	31.4
2008Q4	68.9	31.1
2009Q1	71.8	28.2
2009Q2	71.0	29.0
2009Q3	70.0	30.0
2009Q4	**71.2**	**28.8**

Therefore, the distribution of total expenditure favoured the contract option last year, which grew 2.3 percentage points, to the detriment of pay as you go. In 2009, the expenditure on the contract option stood around 71%, 1.5 percentage points more than the average of 2008.

In the last quarter of 2009, the average expenditure per household on mobile telephony reached €41.6, €2.5 more than in the previous quarter.



€ (including VAT)	Average expenditure per household
2007Q4	37.3
2008Q1	38.7
2008Q2	38.8
2008Q3	42.4
2008Q4	39.1
2009Q1	41.3
2009Q2	37.8
2009Q3	42.7
2009Q4	**41.6**

8.4. Main types of use of mobile telephony lines

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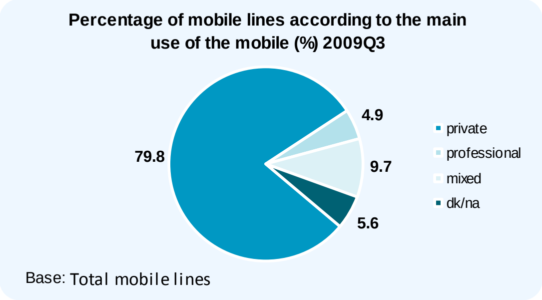

% of lines	private	professional	mixed	dk/na
2007Q3	79.2	6.5	7.6	6.6
2008Q1	78.3	5.3	8.3	8.1
2008Q3	79.2	6.5	7.6	6.6
2009Q1	79.5	5.2	8.8	6.5
2009Q3	79.8	4.9	9.7	5.6

Almost 80% of mobile telephony lines in Spanish households were exclusively for private use, and 10% for mixed (private-professional) use.

8.5. Time of purchase of last mobile telephone

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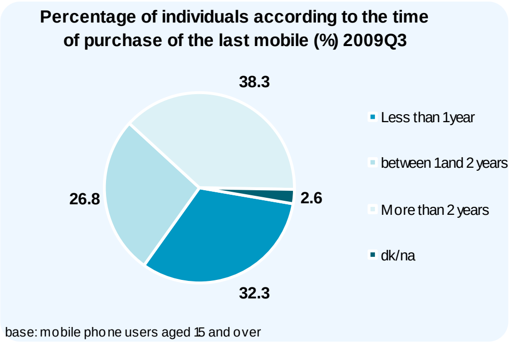

% of individuals	Less than 1 year	between 1 and 2 years	More than 2 years	dk/na
2007Q3	39.2	24.9	32.8	3.0
2008Q1	35.6	27.0	35.0	2.4
2008Q3	35.5	26.0	36.6	1.9
2009Q1	32.8	27.2	37.5	2.6
2009Q3	32.3	26.8	38.3	2.6

Base: mobile phone users aged 15 and over

One out of three individuals purchased their last mobile telephone within the last year and almost 40% purchased it two years before.

8.6. Current use of the mobile telephone compared to use of the next mobile

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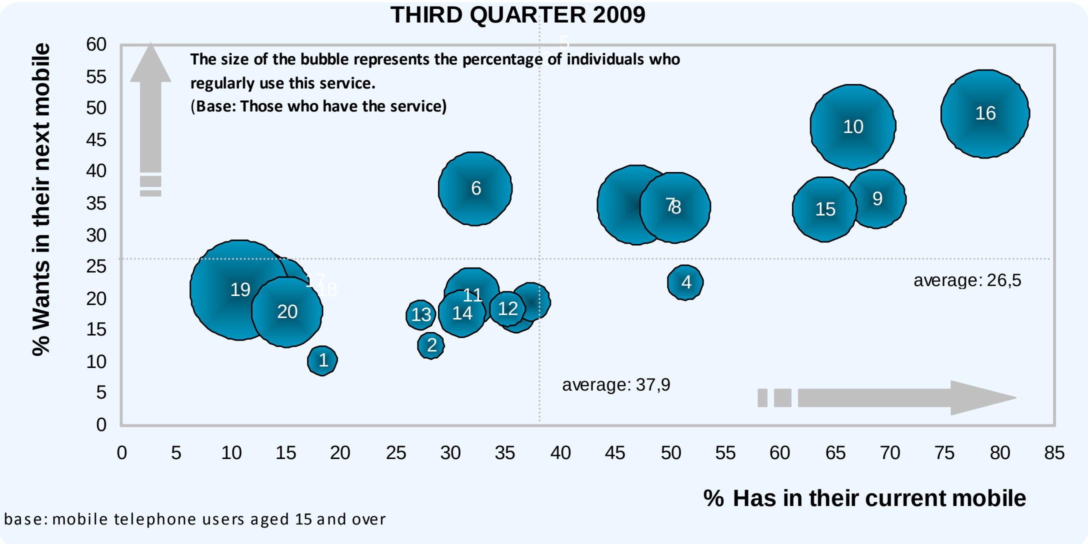

See the following table with the list of services corresponding to each bubble on the graph

No.	Mobile services (% people) 2009Q1	Has	Wants	Use
1	Chat	18.3	10.1	6.5
2	WAP browsing	28.3	12.4	5.7
3	Voice dialling	36.0	17.7	10.2
4	Internet access	51.4	22.4	9.3
5	E-mail	37.4	19.4	10.4
6	Hands-free car kit	32.2	37.3	37.5
7	MP3	47.0	34.7	44.6
8	FM Radio	50.5	34.2	35.8
9	MMS	68.8	35.6	25.7
10	Bluetooth	66.7	47.1	50.6
11	Infrared	32.0	20.4	21.8
12	Video messages	35.2	18.4	9.7
13	Video calls	27.3	17.3	6.6
14	3G connection	31.0	17.5	16.2
15	Video recording	64.1	34.0	30.3
16	Camera	78.7	49.1	53.1
17	GPS	13.3	22.6	21.8
18	WiFi	14.3	21.4	28.9
19	Touch screen	10.8	21.4	70.6
20	Electronic agenda	15.1	17.9	34.0

The most frequent features in mobile telephone sets were digital camera, multimedia messaging (MMS) and Bluetooth communication. 65% of mobile users had mobiles with these features.

The digital camera and Bluetooth communication were the most used features among those who had them, and also were the most desired features for future telephone sets among those who still did not have them.

Video call, WAP navigation and chat were the least used features and also the least desired for future sets. 70% of individuals who had touch screen in their sets used it, although only 11% of the population had this feature.

8.7. Main uses of mobile telephony

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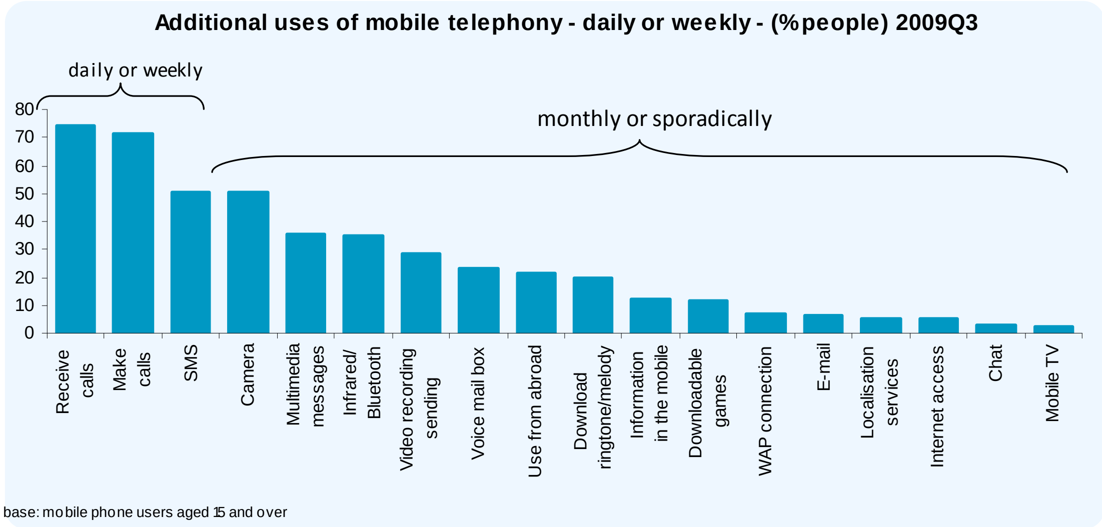
% of individuals		2006Q3	2007Q1	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Receive calls	Daily or weekly	69.2	70.2	72.6	72.8	73.6	76.6	74.2
	Monthly or sporadically	15.2	16.3	14.1	14.1	14.5	12.9	14.2
Make calls	Daily or weekly	65.8	66.3	69.0	69.4	70.1	72.1	71.5
	Monthly or sporadically	17.7	18.9	16.7	16.2	16.7	16.3	16.4
SMS	Daily or weekly	46.0	48.3	48.9	50.5	48.9	50.0	50.4
	Monthly or sporadically	31.6	35.6	33.7	32.9	35.7	35.0	34.0
Voice mail box	Daily or weekly	12.3	12.0	12.4	12.8	11.3	10.1	10.2
	Monthly or sporadically	20.4	26.3	24.0	23.6	24.4	22.8	23.4
Chat	Daily or weekly	1.4	0.9	0.9	1.2	1.1	1.1	0.9
	Monthly or sporadically	2.8	3.2	3.5	3.5	3.0	3.2	2.9
Messages between groups	Daily or weekly	1.4	1.4	1.3	1.5	-	-	-
	Monthly or sporadically	4.1	6.6	6.1	6.5	-	-	-
Internet access	Daily or weekly	1.1	0.6	1.3	1.3	1.6	3.2	2.0
	Monthly or sporadically	3.4	3.5	3.8	4.1	4.5	4.1	5.0
Use from abroad	Daily or weekly	0.8	0.4	0.6	0.6	0.7	0.8	0.8
	Monthly or sporadically	14.8	17.9	22.0	19.9	21.6	20.1	21.4
Information in the mobile	Daily or weekly	2.2	2.0	1.6	1.7	2.6	2.2	1.6
	Monthly or sporadically	9.5	12.8	12.6	12.0	12.7	11.8	12.4
Downloadable games	Daily or weekly	1.3	0.9	0.8	0.9	1.1	0.9	0.8
	Monthly or sporadically	12.6	14.9	14.7	14.0	14.6	12.7	11.7
Multimedia messages	Daily or weekly	3.4	1.6	2.9	3.4	3.8	3.0	2.8
	Monthly or sporadically	25.1	33.1	32.5	32.9	36.4	36.2	35.3
Download ringtone/melody	Daily or weekly	2.0	1.6	1.2	1.6	1.4	1.3	1.0
	Monthly or sporadically	21.0	26.9	24.4	23.5	24.4	20.8	20.0
WAP connection	Daily or weekly	1.0	0.7	0.8	1.2	1.5	2.0	2.1
	Monthly or sporadically	9.3	11.1	9.4	8.6	8.4	7.9	7.2
E-mail	Daily or weekly	1.6	1.4	1.2	1.4	1.8	2.6	2.8
	Monthly or sporadically	4.1	5.3	5.5	5.5	5.5	5.0	6.5
Infrared/ Bluetooth	Daily or weekly	8.1	9.1	9.8	10.9	10.9	12.2	12.0
	Monthly or sporadically	17.4	24.9	28.7	30.7	34.8	33.2	34.8
Video recording sending	Daily or weekly	3.5	4.1	4.3	4.3	5.2	5.3	4.0
	Monthly or sporadically	13.7	19.7	24.3	25.4	27.4	28.8	28.2
Camera	Daily or weekly	11.8	12.1	13.2	13.6	14.9	16.1	15.5
	Monthly or sporadically	28.9	38.9	42.4	44.8	47.8	50.3	50.6
Localisation services	Daily or weekly	0.5	0.3	0.2	0.7	1.2	0.9	0.9
	Monthly or sporadically	3.4	3.6	3.6	4.0	3.7	4.3	5.2
Mobile TV	Daily or weekly	-	-	-	-	0.7	0.7	0.4
	Monthly or sporadically	-	-	-	-	2.4	1.9	2.1

Base: mobile phone users aged 15 and over

In the third quarter of 2009, over half the users of mobile telephony received and/or sent SMS on a daily or weekly basis, which represents a year-on-year increase of 1.5 percentage points in the number of users. Monthly or sporadic use of the digital camera reached a percentage of 50.6% of mobile users aged 15 and over, with a significant increase of 2.8 percentage points in the last year. Localisation services jumped from a sporadic use of 3.7% in the third quarter of 2008, to a sporadic use of 5.7% in the same quarter of 2009.

Other additional uses of mobile telephony that were significantly reduced were ringtone/melody downloads and downloadable games, which despite of the fact that were used sporadically by 20% and 11.7% of mobile users respectively, dropped 4.4 and 2.9 percentage points in the last year.



9. PAY TELEVISION

9.1. Households with Pay TV

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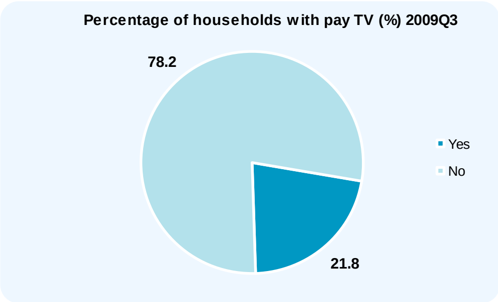
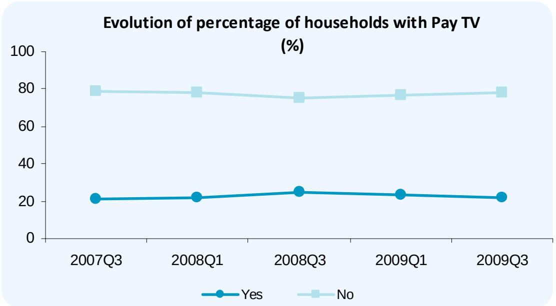
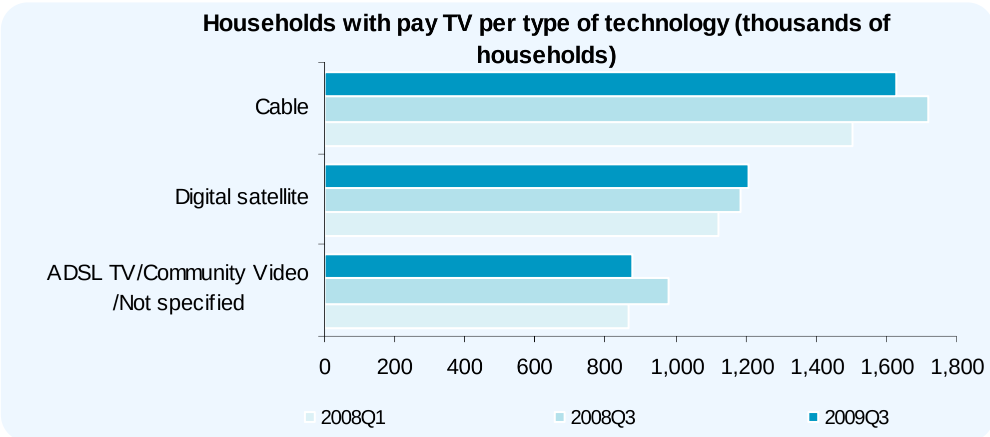




Households with Pay TV	Percentage	Absolute (Thousands)
2007Q3	21.4	3,420
2008Q1	21.9	3,528
2008Q3	24.8	3,981
2009Q1	23.3	3,876
2009Q3	**21.8**	**3,628**

In the third quarter of 2009, the percentage of households with pay TV was similar to that of the same period of 2007, specifically 21.8%, which means 3.6 million households.

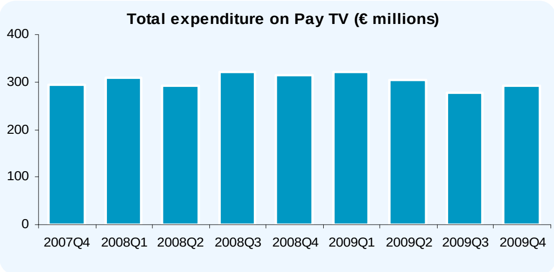


Thousands of households	Cable	Digital satellite	ADSL TV/Community Video /Not specified
2007Q3	1,472	1,117	771
2008Q1	1,501	1,122	868
2008Q3	1,721	1,186	981
2009Q1	1,580	1,285	1,005
2009Q3	**1,627**	**1,210**	**875**

Pay TV using cable technology fell by 5.5% compared to the same period of the previous year. Notwithstanding, it is present in 1.6 million households.

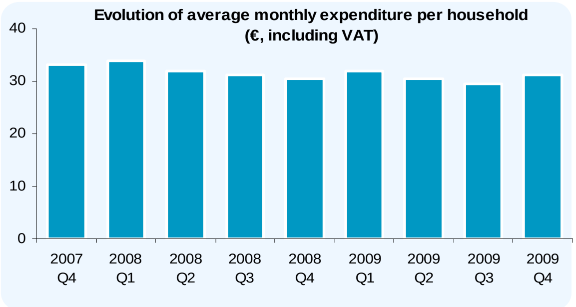
On the contrary, in the last twelve months of study, the penetration of digital satellite technology increased by 2%, reaching over 1.2 million households.

9.2. Total and average expenditure per household on pay TV



expenditure € millions	subscription	PPV	discounts	Total
2007Q4	299	12	17	294
2008Q1	311	25	26	310
2008Q2	297	15	20	292
2008Q3	332	8	19	321
2008Q4	322	13	21	314
2009Q1	332	12	23	321
2009Q2	310	14	19	305
2009Q3	287	5	15	277
2009Q4	306	4	17	293

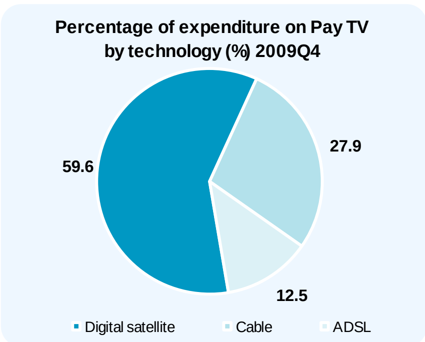
Expenditure on pay TV in the last quarter of 2009 by Spanish households totalled €293 million (once the discounts applied by the operators were subtracted), which represents a year-on-year decrease of 6.7% for this period.

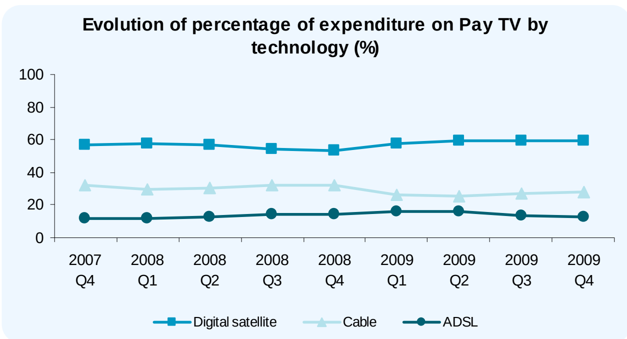


Average monthly expenditure per household	€ (including VAT)
2007Q4	33.2
2008Q1	34.0
2008Q2	32.0
2008Q3	31.2
2008Q4	30.5
2009Q1	32.0
2009Q2	30.4
2009Q3	29.5
2009Q4	31.2

During the last three months of 2009, average monthly expenditure on pay TV per household increased by €1.7 compared to the previous quarter, standing at €31.2/household/month, €0.7 more than in the same period of the previous year.

9.3. Expenditure by type of technology





Of the total of €293 million spent on pay TV, 175 came from digital satellite technology, 82 from cable and 37 from ADSL technology. These values represent percentages of 59.6%, 27.9% and 12.5% of the total expenditure on pay TV, respectively.

Expenditure (%)	Digital satellite	Cable	ADSL
2007Q4	56.6	31.8	11.5
2008Q1	57.9	30.0	12.1
2008Q2	56.9	30.5	12.6
2008Q3	53.9	32.1	14.0
2008Q4	53.5	32.1	14.3
2009Q1	57.4	26.2	16.3
2009Q2	58.9	25.3	15.8
2009Q3	59.2	26.9	13.9
2009Q4	59.6	27.9	12.5

Expenditure (€ mill.)	Digital satellite	Cable	ADSL	Total
2007Q4	166	94	34	294
2008Q1	180	93	37	310
2008Q2	166	89	37	292
2008Q3	173	103	45	321
2008Q4	168	101	45	314
2009Q1	184	84	52	321
2009Q2	180	77	48	305
2009Q3	164	74	39	277
2009Q4	175	82	37	293

9.4. Reasons why households do not have pay TV

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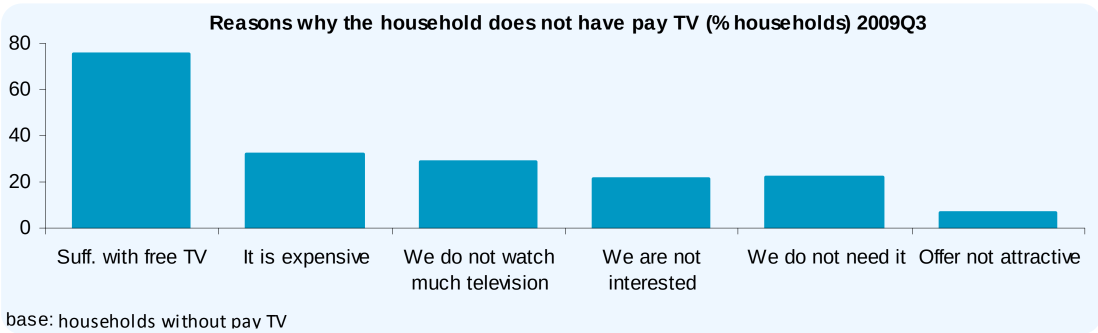
% of households	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Suff. with free TV	58.3	59.1	62.1	75.3	73.5
It is expensive	24.3	25.6	24.6	32.1	31.1
We do not watch much te	22.7	22.8	22.7	28.8	28.6
We are not interested	18.3	19.4	19.1	21.5	25.1
We do not need it	16.7	14.7	16.2	22.0	20.9
Offer not attractive	5.2	5.6	5.1	6.7	7.8

Base: households without pay TV

In the third quarter of 2009, 75.3% of the Spanish households that did not have pay TV said that they had enough with the free television they currently received, while almost 31.1% said they did not have pay TV because it was expensive. Both reasons together with "we do not need it" and "we do not watch much TV" are the most frequently argued reasons for not having pay TV.



10. INTERNET

10.1. Households with Internet and individual users

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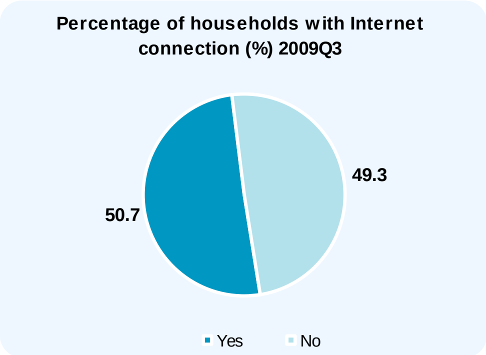
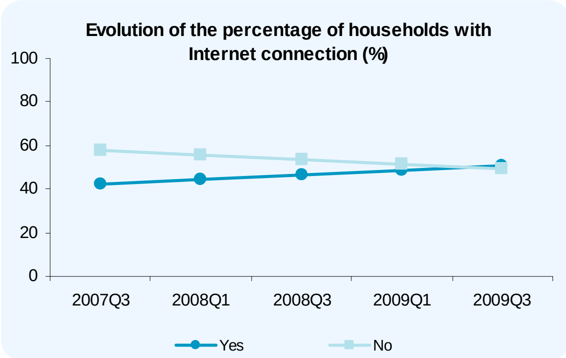
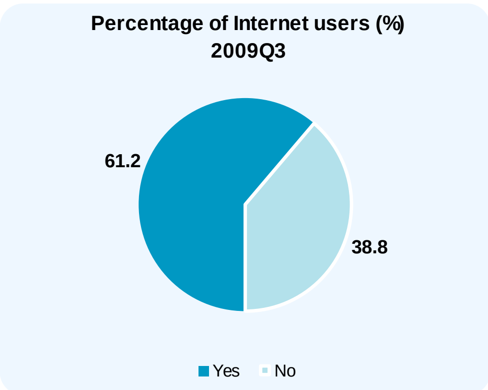
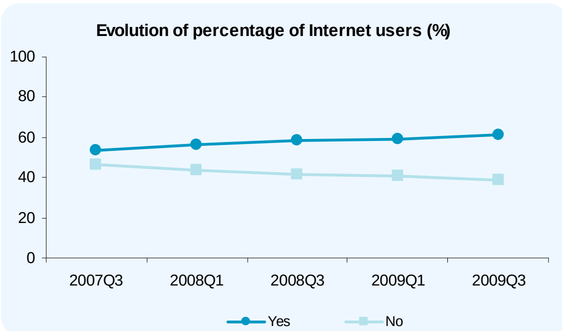




Over half of the total Spanish households had an Internet connection. There were 8.4 million households connected to the Internet, representing a year-on-year rise of 12.2%.

Households with Internet connection	Percentage	Absolute (thousands of households)
2007Q3	42.2	6,754
2008Q1	44.5	7,145
2008Q3	46.8	7,518
2009Q1	48.5	8,071
2009Q3	**50.7**	**8,434**



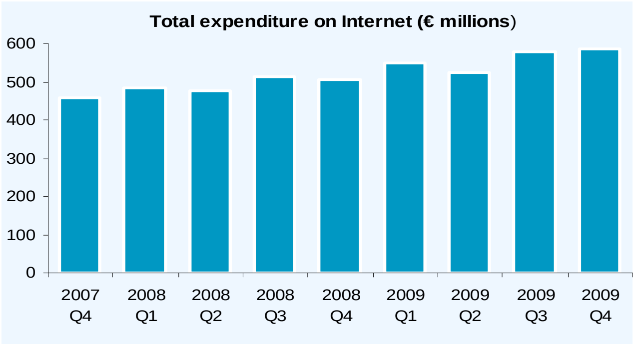


During this period, 1.3 million new Internet users aged 15 and over were recorded, which means that in the third quarter of 2009, 61.2% of the adult population had used the network at some time, namely 23.3 million. Considering individuals aged 10 and over, the number of Internet users reached 25.1 million.

Internet users	Percentage	Absolute (thousands of individuals)
2007Q3	53.5	20,097
2008Q1	56.3	21,271
2008Q3	58.3	22,034
2009Q1	59.1	22,538
2009Q3	**61.2**	**23,329**

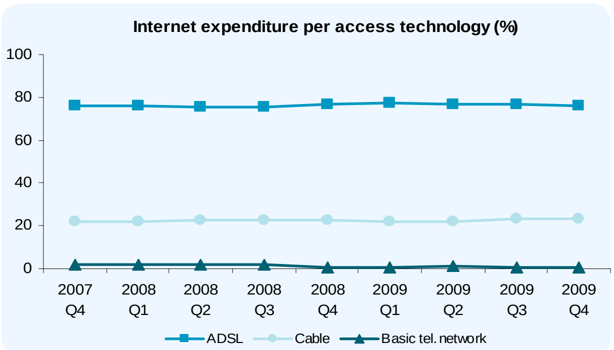
10.2. Total and average expenditure per household on the Internet

In the last quarter of 2009, the total household expenditure on Internet services reached, following a year-on-year increase of 16.2%, a figure of €587 million.



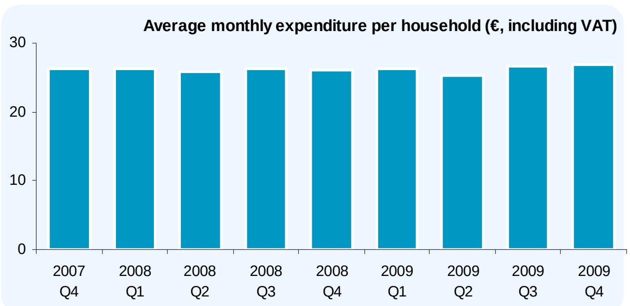
Absolute (€ million)	ADSL	Cable	Basic tel. network	Cable discount	Total - cable discount
2007Q4	350	115	8	14	459
2008Q1	368	127	10	21	484
2008Q2	360	134	9	25	478
2008Q3	387	129	9	13	512
2008Q4	387	132	4	18	505
2009Q1	426	140	4	20	550
2009Q2	402	132	6	15	525
2009Q3	443	153	3	20	579
2009Q4	**448**	**152**	**3**	**16**	**587**

This increase in the total expenditure on Internet services came mainly from the rise in ADSL and cable expenditure, of over 15% in both cases. These last percentages represent €448 million expenditure on ADSL Internet services and €152 million on cable Internet services. Lastly, it is notable that expenditure on RTB Internet services was identical to the previous quarter, namely €3 million.



Internet expenditure (%)	ADSL	Cable	Basic tel. network
2007Q4	76.3	22.0	1.7
2008Q1	76.0	21.9	2.1
2008Q2	75.3	22.8	1.9
2008Q3	75.6	22.7	1.8
2008Q4	76.6	22.6	0.8
2009Q1	77.5	21.8	0.7
2009Q2	76.6	22.3	1.1
2009Q3	76.5	23.0	0.5
2009Q4	**76.3**	**23.2**	**0.5**

Over three quarters of the total expenditure on Internet services related to ADSL technology (76.3%). Cable technology accounted for 23.2% of the total, and RTB technology only for 0.5%.



Average monthly expenditure per household	€ (including VAT)
2007Q4	26.3
2008Q1	26.2
2008Q2	25.9
2008Q3	26.3
2008Q4	26.0
2009Q1	26.3
2009Q2	25.2
2009Q3	26.6
2009Q4	**26.9**

In the last quarter of 2009, average monthly expenditure on Internet services per household increased by nearly €1 compared to the same period the previous year, standing at €26.9, including VAT.

10.3. Frequency of access - last Internet access

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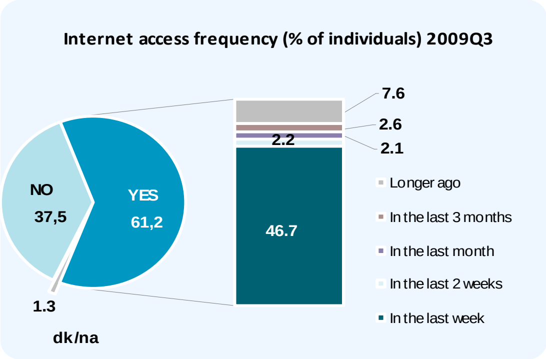
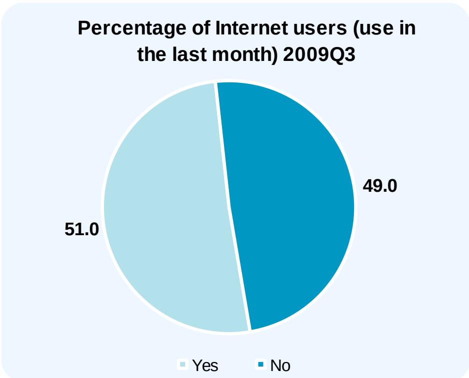
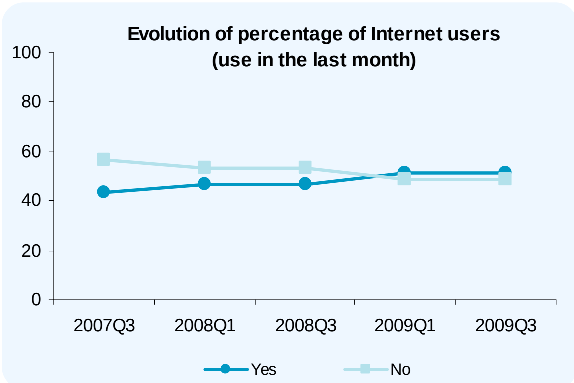


Three out of four individuals who had ever accessed the Internet did it in the last week. This means that 17.8 million people frequently used the Internet. Compared to the same quarter of the previous year, the number of Internet users who accessed the network in the last week increased by 15.4%.

Thousands of individuals	Internet access frequency					
	Never	**In the last week**	**In the last 2 weeks**	**In the last month**	**In the last 3 months**	**Longer ago**
2007Q3	16,873	14,250	971	1,069	959	2,848
2008Q1	16,047	15,578	1,194	870	778	2,851
2008Q3	15,300	15,429	1,114	1,222	1,300	2,968
2009Q1	15,100	17,847	1,007	667	662	2,355
2009Q3	**14,315**	**17,800**	**832**	**810**	**986**	**2,901**

% of individuals	Internet access frequency (accumulated)					
	Never	**In the last week**	**In the last 2 weeks**	**In the last month**	**In the last 3 months**	**Longer ago**
2007Q3	44.9	37.9	40.5	43.4	45.9	53.5
2008Q1	42.4	41.2	44.4	46.7	48.7	56.2
2008Q3	40.5	40.8	43.8	47.0	50.4	58.3
2009Q1	39.6	46.8	49.3	51.1	52.8	59.1
2009Q3	**37.5**	**46.7**	**48.9**	**51.0**	**53.6**	**61.2**

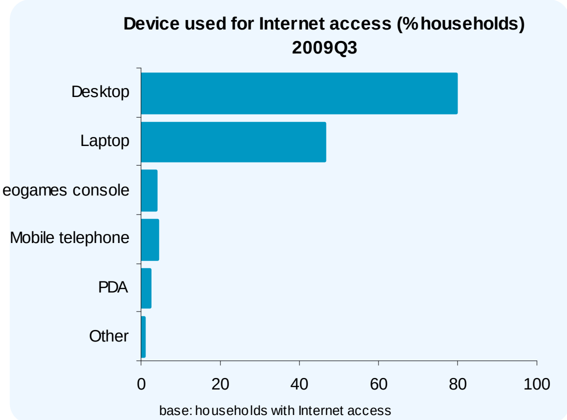




In the period of the study, 83.3% of those who had ever accessed the Internet did so within the last month, which represents 51% of the total population.

Internet users (use in the last month)	**Percentage**	**Absolute (thousands of indiv.)**
2007Q3	43.4	16,290
2008Q1	46.7	17,642
2008Q3	47.0	17,765
2009Q1	51.1	19,521
2009Q3	**51.0**	**19,442**

10.4. Device and place of Internet access

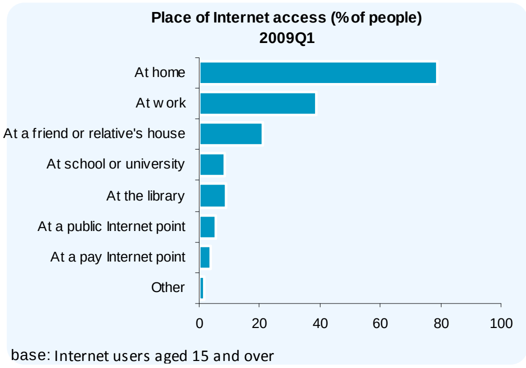


The desktop computer continued to be the most common device for accessing the Internet in the home, eight out of ten households used it.
Notwithstanding, the spectacular year-on-year increase of 50% in the use of laptop as a medium to access the Internet in the homes is remarkable.

Thousands of households	Desktop	Laptop	Mobile telephone	PDA	Videogames console	Other
2007Q3	5,669	1,824	172	61	67	2
2008Q1	6,109	2,197	131	71	156	27
2008Q3	6,274	2,594	173	96	164	41
2009Q1	6,688	3,401	255	115	302	30
2009Q3	**6,725**	**3,901**	**346**	**174**	**302**	**46**

% of households	Desktop	Laptop	Mobile telephone	PDA	Videogames console	Other
2007Q3	83.9	27.0	2.6	0.9	1.0	0.0
2008Q1	85.5	30.7	1.8	1.0	2.2	0.4
2008Q3	83.5	34.5	2.3	1.3	2.2	0.5
2009Q1	82.9	42.1	3.2	1.4	3.7	0.4
2009Q3	**79.7**	**46.3**	**4.1**	**2.1**	**3.6**	**0.6**

Base: households with Internet access



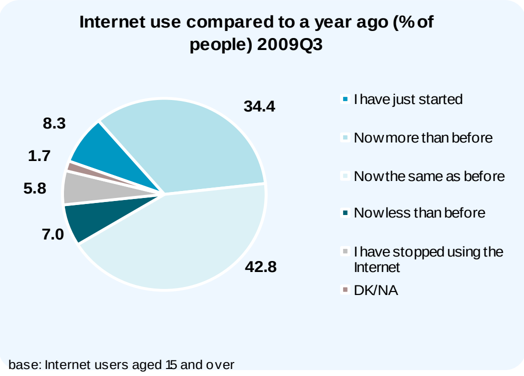
The home was more than ever the place of Internet access preferred by users aged 14 and over. In the third quarter of 2009, 2 million new Internet users who accessed the network from their homes were recorded, compared to the same period of the previous year, which represents nearly 80% of the total Internet population.

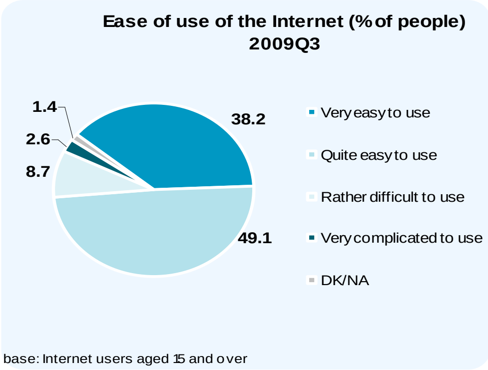
Thousands of individuals	At home	At work	At a friend or relative's house	At school or university	At the library	At a pay Internet point	At a public Internet point	Other
2007Q3	14,548	8,379	4,035	2,226	1,660	1,226	1,309	273
2008Q1	15,445	8,667	3,845	2,408	2,074	1,292	1,278	368
2008Q3	16,422	8,353	4,475	2,347	1,977	1,102	1,343	342
2009Q1	17,542	9,005	4,541	2,039	1,884	1,140	1,561	326
2009Q3	**18,416**	**9,058**	**4,922**	**1,968**	**2,108**	**894**	**1,295**	**382**

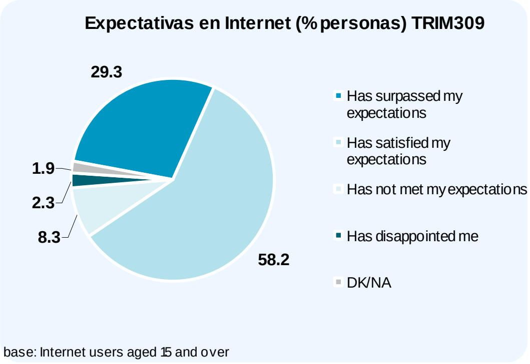
% of individuals	At home	At work	At a friend or relative's house	At school or university	At the library	At a pay Internet point	At a public Internet point	Other
2007Q3	72.4	41.7	20.1	11.1	8.3	6.1	6.5	1.4
2008Q1	72.6	40.7	18.1	11.3	9.8	6.1	6.0	1.7
2008Q3	74.5	37.9	20.3	10.7	9.0	5.0	6.1	1.6
2009Q1	77.8	40.0	20.1	9.0	8.4	5.1	6.9	1.4
2009Q3	**78.9**	**38.8**	**21.1**	**8.4**	**9.0**	**3.8**	**5.6**	**1.6**

Base: Internet users aged 15 and over

10.5. Internet use, simplicity and expectations







Over 87% of Internet users aged 15 or over considered that the Internet was easy or very easy to use.

The same percentage applies to those who stated that the Internet had met or exceeded their expectations.

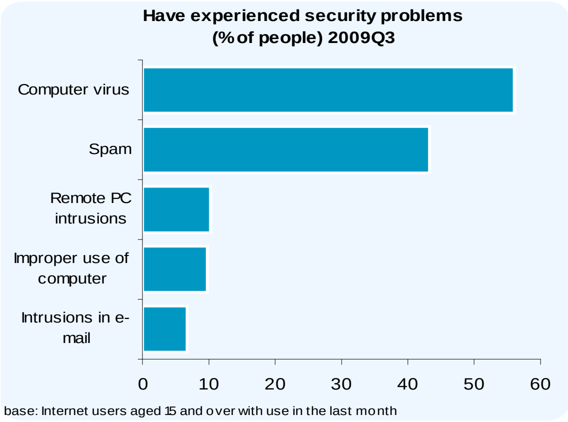
% of individuals	Comparison with Internet use a year ago…					
	I have just started	Now more than before	Now the same as before	Now less than before	I have stopped using the Internet	DK/NA
2007Q3	8.0	40.9	35.8	7.3	5.6	2.4
2008Q1	9.3	39.0	38.1	6.5	5.3	1.8
2008Q3	8.6	38.8	39.2	6.4	5.3	1.7
2009Q1	7.7	39.5	40.6	5.3	5.5	1.4
2009Q3	**8.3**	**34.4**	**42.8**	**7.0**	**5.8**	**1.7**

% of individuals	Based on your Internet experience, would you say that it is...				
	Very easy to use	Quite easy to use	Rather difficult to use	Very complicated to use	DK/NA
2007Q3	37.0	53.2	7.4	1.0	1.4
2008Q1	36.4	52.7	7.2	2.1	1.6
2008Q3	36.2	53.2	7.7	1.6	1.3
2009Q1	41.4	48.5	7.0	1.8	1.3
2009Q3	**38.2**	**49.1**	**8.7**	**2.6**	**1.4**

% of individuals	Based on your expectations of the Internet, you would say that it ...				
	Has surpassed my expectations	Has satisfied my expectations	Has not met my expectations	Has disappointed me	DK/NA
2007Q3	25.7	59.0	11.2	2.3	1.9
2008Q1	27.9	58.0	10.9	1.5	1.7
2008Q3	27.3	59.4	9.6	2.0	1.6
2009Q1	30.0	57.0	9.9	1.5	1.5
2009Q3	**29.3**	**58.2**	**8.3**	**2.3**	**1.9**

Base: Internet users aged 15 and over

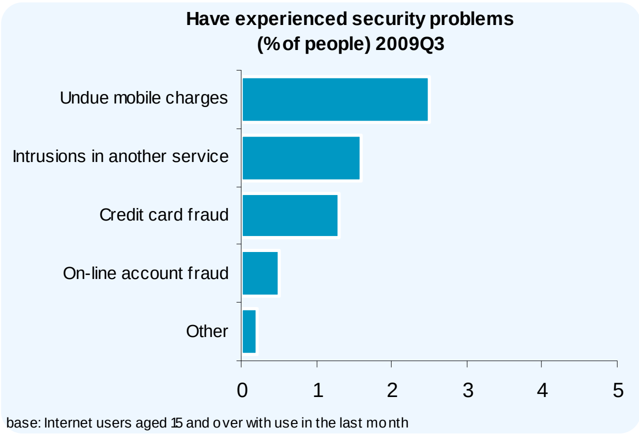
10.6. Technological security problems



Over half of regular Internet users (those using the Internet in the last month) encountered problems related to computer viruses.
While this indicator fell 2.1 percentage points compared to the same period of 2008, 56.1% of individuals aged 14 and over experienced this security problem.

% of individuals (users in the last month)	2007Q3	2008Q1	2008Q3	2009Q1	2009Q1
Computer virus	55.2	54.8	58.2	59.6	**56.1**
Spam	47.0	45.6	49.5	46.2	**43.2**
Remote PC intrusions	12.2	12.6	14.5	11.4	**10.3**
Improper use of computer	11.3	11.8	11.7	10.3	**9.8**
Intrusions in e-mail	9.8	9.2	9.3	9.8	**6.7**

Base: Internet users aged 15 and over in the last month



The second security problem observed in the use of the Internet, in terms of penetration level, is unwanted e-mail. In the third quarter of 2009, 43.2% of the population experienced this problem, although this indicator fell 6.3 percentage points compared to the same period of the previous year.

% of individuals (users in the last month)	2007Q3	2008Q1	2008Q3	2009Q1	2009Q1
Undue mobile charges	1.5	2.4	1.8	2.3	**2.5**
Intrusions in another service	2.1	2.7	2.0	1.5	**1.6**
Credit card fraud	0.6	1.5	1.3	1.2	**1.3**
Online account fraud	0.5	0.7	0.5	0.2	**0.5**
Other	0.5	0.6	0.7	1.1	**0.2**

Base: Internet users aged 15 and over in the last month

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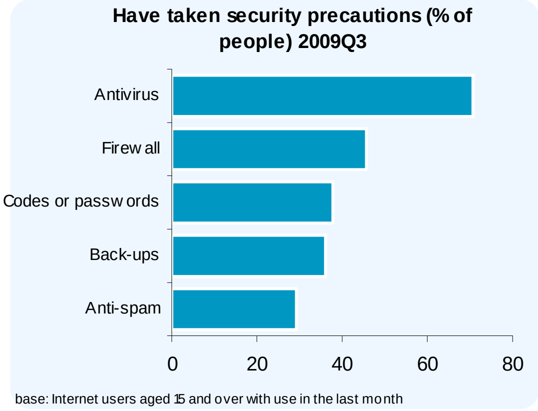
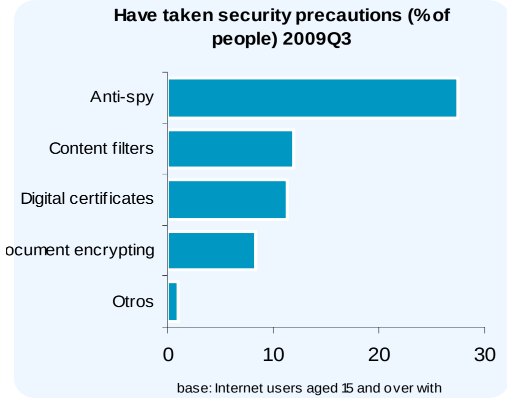
10.7. Internet security precautions





The generalised drop in all security precautions taken by users aged 14 and over who accessed the Internet in the last month is noteworthy, except the use of digital certificates that increased slightly.

In the third quarter of 2009, seven out of ten individuals who had used the Internet in the last month, had an antivirus program installed in the device they used to access the Internet. Firewalls were used by a little over 45% of the users and passwords and back-ups by 38% and 36% respectively.

% individuos (usuarios último mes)	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Antivirus (updated in the last month)	71.0	70.5	72.3	74.3	**70.7**
Firewall	47.4	49.6	50.1	52.4	**45.7**
Codes or passwords	39.5	40.3	41.0	43.1	**37.7**
Back-ups	38.5	39.0	39.4	39.1	**35.9**
Anti-spam	26.6	29.0	30.4	31.0	**29.2**

Base: Internet users aged 15 and over in the last month

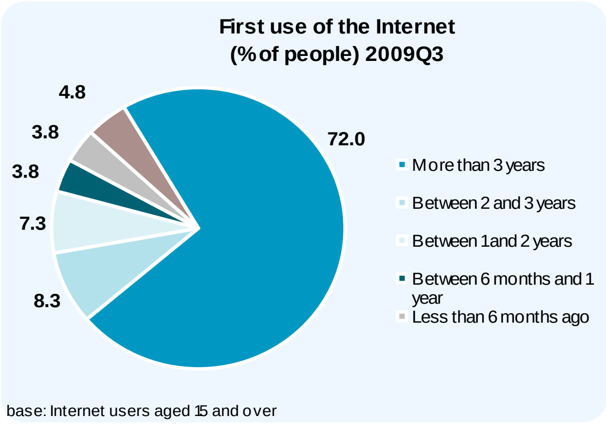
% of individuals (users in the last month)	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Anti-spy	27.2	31.2	30.3	30.2	**27.5**
Content filters	11.7	14.3	14.4	12.5	**12.0**
Digital certificates	9.1	10.6	10.1	8.9	**11.4**
Document encrypting	9.2	10.1	8.8	8.4	**8.3**
Other	0.9	1.1	0.8	1.4	**1.1**

Base: Internet users aged 15 and over in the last month

Less common security precautions, with values around 30% of Internet users, were anti-spam and anti-spy programs.

Lastly, digital certificates were the only Internet security precautions that experimented a slight year-on-year growth this quarter (1.3 percentage points), used by a little over 11% of regular users (those using the Internet in the last month).

10.8. First use of the Internet and availability of e-mail

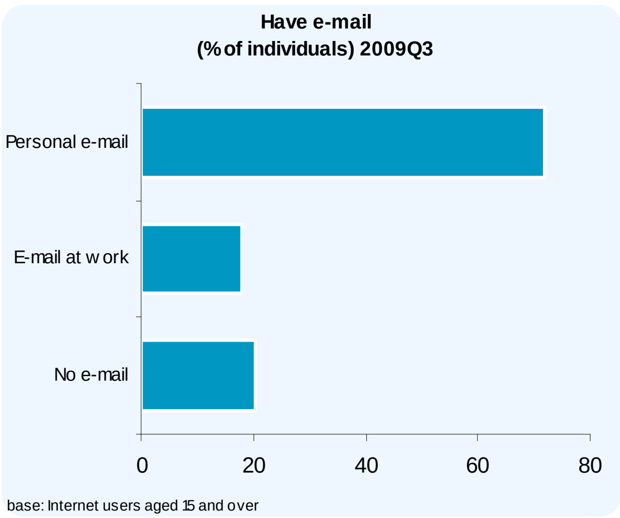


Regarding the years of experience in Internet use, 16.8 million people over 14 stated that they had more than three years of experience in it. With a year-on-year increase of 12% in the last quarter of 2009, 72% of Internet users declared having an experience of more than three years.

% of individuals (Internet users)	More than 3 years	Between 2 and 3 years	Between 1 and 2 years	Between 6 months and 1 year	Less than 6 months ago	DK/NA
2007Q3	68.1	11.2	8.6	3.6	4.3	4.3
2008Q1	66.9	10.3	7.7	3.5	6.6	5.0
2008Q3	68.1	10.2	7.2	4.2	5.2	5.1
2009Q1	70.9	10.5	6.7	3.2	4.0	4.7
2009Q3	**72.0**	**8.3**	**7.3**	**3.8**	**3.8**	**4.8**

Base: Internet users aged 15 and over

Thousands of individuals	More than 3 years	Between 2 and 3 years	Between 1 and 2 years	Between 6 months and 1 year	Less than 6 months ago
2007Q3	13,679	2,254	1,722	718	862
2008Q1	14,223	2,185	1,629	747	1,405
2008Q3	15,000	2,249	1,587	933	1,155
2009Q1	15,983	2,368	1,521	728	901
2009Q3	**16,793**	**1,927**	**1,697**	**889**	**892**



In the last study period, following a year-on-year increase of 9%, almost 17 million people had their own e-mail address. They represent 72% of the total Internet users aged 15 and over.

Regarding company e-mail addresses, a little over 18% of the users had one.

% of individuals (Internet users)	No e-mail	E-mail at work	Personal e-mail
2007Q3	23.4	18.3	69.2
2008Q1	24.2	17.9	68.3
2008Q3	22.6	16.9	69.9
2009Q1	21.3	19.4	71.6
2009Q3	20.3	18.1	72.0

Base: Internet users aged 15 and over

Thousands of individuals	No e-mail	E-mail at work	Personal e-mail
2007Q3	4,702	3,683	13,903
2008Q1	5,139	3,803	14,538
2008Q3	4,981	3,713	15,393
2009Q1	4,858	4,367	16,141
2009Q3	4,729	4,220	16,787

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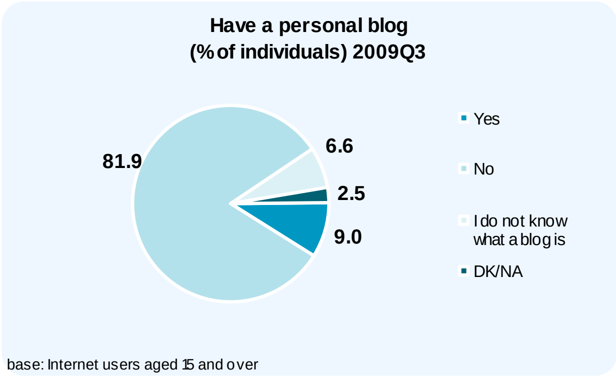
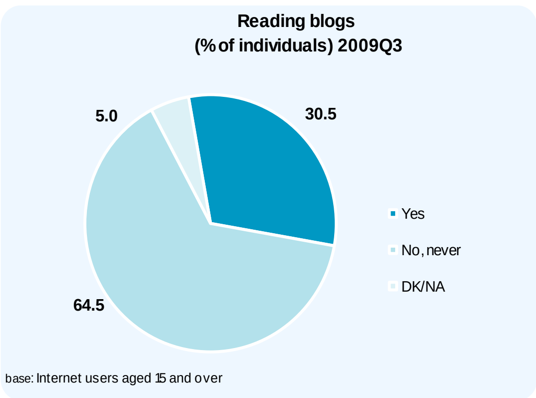
10.9. Availability, reading and writing of blogs

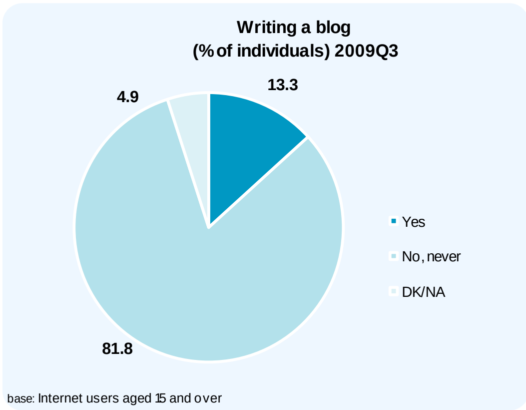


In the third quarter of 2009, 9% of Internet users over 14 years stated having a personal blog. This represents an increase of 2.2 percentage points compared to the same period the previous year. Only 6.6% did not know what a blog is.

% of individuals (Internet users)	Yes	No	I do not know what a blog is	DK/NA
2007Q3	7.6	72.6	17.3	2.5
2008Q1	7.4	78.6	12.1	1.9
2008Q3	6.8	83.7	7.4	2.1
2009Q1	8.2	81.8	6.7	3.2
2009Q3	9.0	81.9	6.6	2.5

Base: Internet users aged 15 and over





Three out of ten individuals aged 15 and over who had ever used the Internet, had read a blog. In terms of writing one's own blog (and/or participation in another's blog), this was an activity performed by 13.3% of the user population, which means an annual increase of 1.7 percentage points.

10.10. Public administration via the Internet

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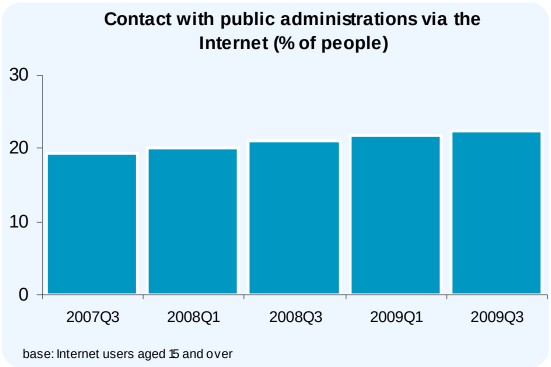

Contact with public	% of individuals	Thousands of individuals
2007Q3	19.3	7,240
2008Q1	20.0	7,557
2008Q3	21.0	7,925
2009Q1	21.8	8,334
2009Q3	**22.4**	**8,528**

Contact with the Public Administration via the Internet is increasingly common among the population. 8.5 million people contacted the public administrations (central, regional and/or local) at least once via the Internet for a question or a formal procedure. Compared to the same period of the previous year, there were 600,000 new e-administration users.

10.11. Information enquiries to the Administration

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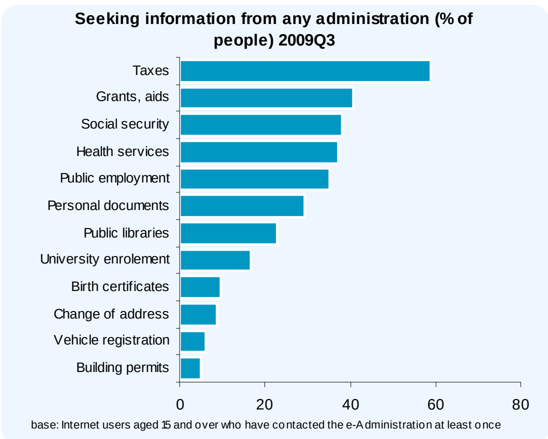
% of individuals	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Taxes	66.2	59.8	62.1	60.9	58.9
Grants, aids	47.7	43.2	39.6	36.8	40.6
Social security	22.8	31.0	32.5	36.0	38.0
Health services	25.7	31.3	32.9	34.2	37.1
Public employment	34.3	34.7	31.0	37.9	35.3
Personal documents	11.9	16.1	28.3	22.8	29.4
Public libraries	15.7	23.1	22.5	21.6	22.9
University enrolment	18.1	17.4	15.3	14.0	16.7
Birth certificates	9.0	8.9	11.3	9.5	9.6
Change of address	7.1	7.5	5.6	5.1	8.7
Vehicle registration	6.2	7.0	6.9	6.5	6.3
Building permits	5.1	5.4	6.9	6.1	4.9

Base: Internet users aged 15 and over who have contacted the e-Administration at least once

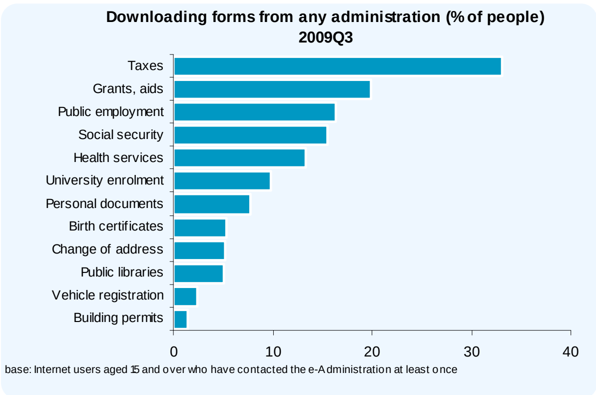


The consultations via the Internet with the greatest year-on-year increase were about social security with 5.5 percentage points, public employment with 4.3, and healthcare services with 4.2. Consultations about taxes, while dropping 3.2 percentage points, were made by 59% of the users over 14 years who had contacted the e-Administration at least once.

10.12. Official administration form downloads

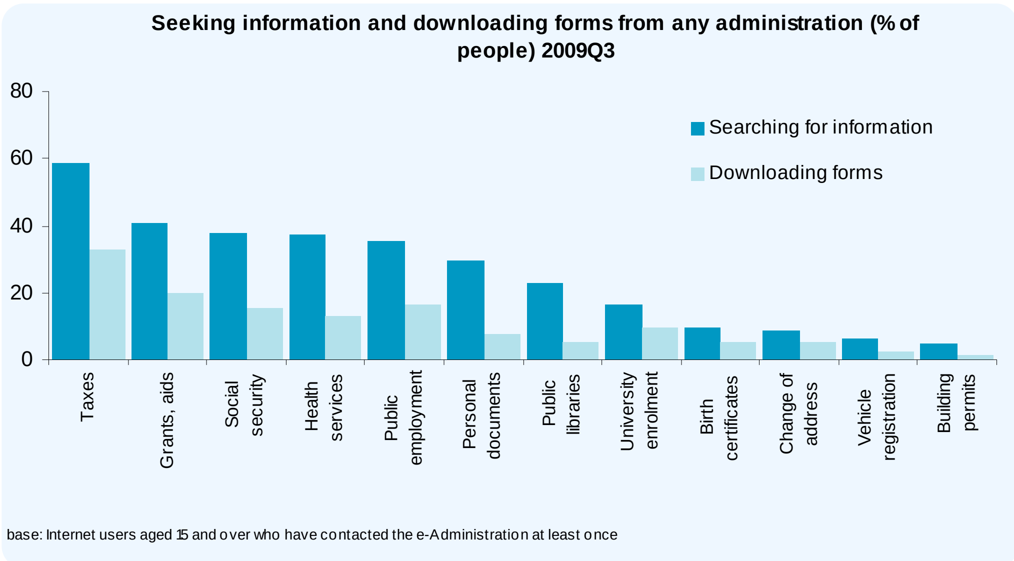
% of individuals	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Taxes	30.8	31.0	30.7	32.1	33.1
Grants, aids	21.3	18.5	17.2	17.8	19.9
Public employment	11.7	11.2	9.9	13.3	16.4
Seguridad social	8.5	7.8	10.7	13.6	15.5
Social security	9.3	10.8	9.6	13.5	13.3
Health services	10.8	10.4	9.8	9.6	9.8
Personal documents	3.3	3.1	4.8	7.0	7.7
Birth certificates	4.7	4.3	4.0	3.9	5.3
Change of address	2.5	3.1	2.0	2.3	5.2
Public libraries	3.0	4.7	5.6	6.8	5.1
Vehicle registration	2.0	4.0	2.1	2.7	2.4
Building permits	1.4	2.1	1.5	1.6	1.4

Base: Internet users aged 15 and over who have contacted the e-Administration at least once



The increase of consultations via the Internet about public employment, social security and healthcare services has meant an increase in relevant official forms downloads year after year.

With an increase of 6.5 percentage points, 16.4% of users who had ever contacted with the e-Administration downloaded an official form on public employment.



A certain parallel can be observed between the number of those looking up information and those downloading forms from the Public Administration via the Internet. Announcement of moving forms were the most frequently downloaded in terms of prior information searches.

10.13. Carrying out formalities with the administration

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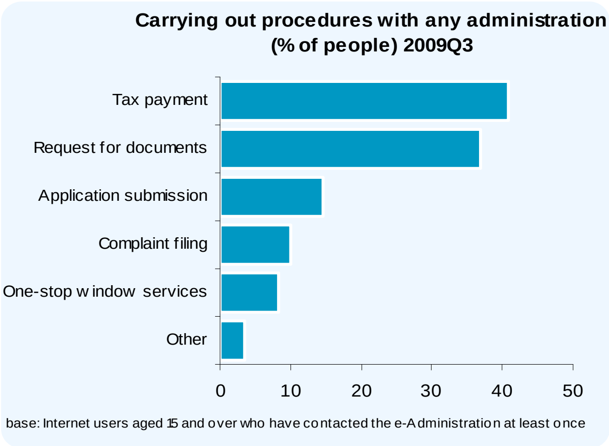
% of individuals	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Tax payment	31.8	31.6	37.5	35.6	40.8
Request for documents	32.5	29.2	31.8	34.0	37.0
Application submission	13.8	12.5	12.9	14.6	14.7
Complaint filing	7.3	9.2	10.1	8.7	10.0
One-stop window services	5.2	5.1	4.3	4.2	8.4
Other	4.7	3.5	3.7	4.0	3.6

Base: Internet users aged 15 and over who have contacted the e-Administration at least once



In the third quarter of 2009, four out of ten persons aged 15 and over who had contacted the e-Administration at least once paid some kind of taxes by electronic means (telematically). Requests for official documents was the second procedure most frequently carried out via the Internet, with a year-on-year increase of 5 percentage points, reaching 37% of the users.

10.14. Preferred method for contacting the public administration

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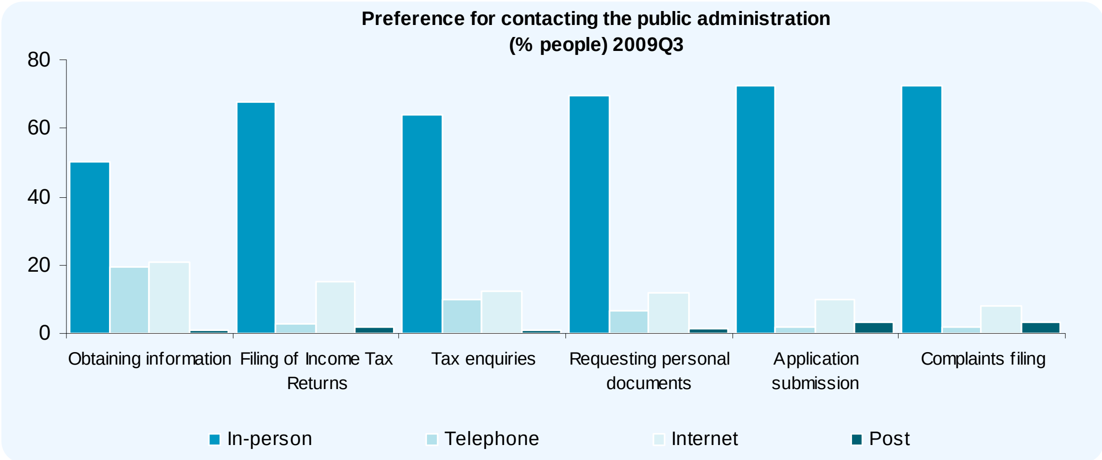
% of individuals	Contact type	2007Q3	2008Q1	2008Q3	2009Q1	2009Q3
Obtaining information	In-person	47.1	45.8	49.2	49.6	50.1
	Telephone	22.6	22.7	21.5	20.6	19.3
	Post	1.7	1.7	1.2	1.1	0.9
	Internet	17.8	19.0	19.3	19.9	20.9
Filing of Income Tax Returns	In-person	67.8	67.9	68.7	69.2	67.7
	Telephone	4.3	3.4	3.0	3.1	3.0
	Post	3.7	3.9	2.7	3.0	2.1
	Internet	10.1	10.5	13.7	12.6	15.0
Tax enquiries	In-person	61.1	62.3	64.6	64.5	63.9
	Telephone	11.7	11.2	9.9	9.7	9.8
	Post	1.3	1.5	1.3	1.3	0.8
	Internet	10.7	10.6	11.1	11.5	12.5
Requesting personal documents	In-person	68.6	67.8	71.4	69.7	69.6
	Telephone	7.0	7.8	6.6	7.2	6.8
	Post	2.5	2.0	1.6	1.7	1.2
	Internet	8.8	9.6	9.8	10.2	11.7
Application submission	In-person	70.2	69.5	73.0	71.5	72.2
	Telephone	2.3	2.1	1.7	1.6	1.7
	Post	4.9	4.8	3.7	3.6	3.3
	Internet	7.7	8.3	8.0	9.6	9.8
Complaints filing	In-person	71.2	70.8	74.1	72.1	72.5
	Telephone	2.9	3.2	2.5	2.6	2.1
	Post	3.8	3.6	3.0	3.4	3.1
	Internet	6.4	6.3	6.2	7.6	8.1

Base: Internet users aged 15 and over who have contacted the e-Administration at least once
** Data corrected with respect to the report for the 20th Survey*

In-person contact was the preferred way to interact with Public Administrations for carrying out official procedures and obtaining information. However, once more, virtual contact over the Internet also continued to show a year-on-year rise.

In the third quarter of 2009, 15% of citizens preferred to file income tax returns via the Internet, twelve percentage points more than those who preferred doing it via the telephone.



Base: Internet users aged 15 and over who have contacted the e-Administration at least once

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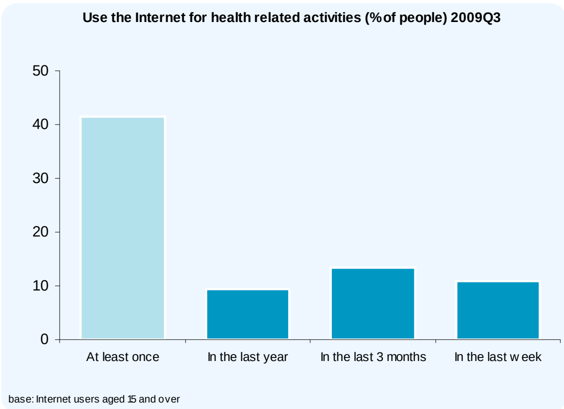
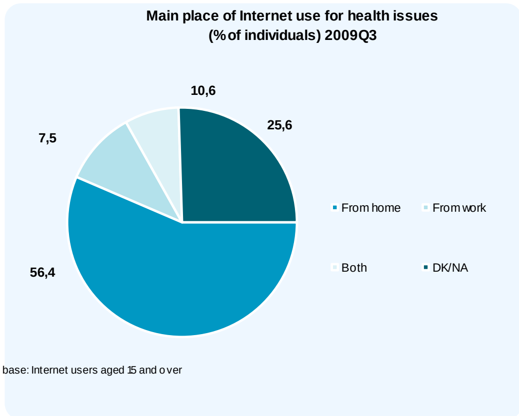
10.15. Internet use for health related issues





In the third quarter of 2009, four out of ten Internet users aged 15 and over said that they had used the Internet for health related issues at some time.

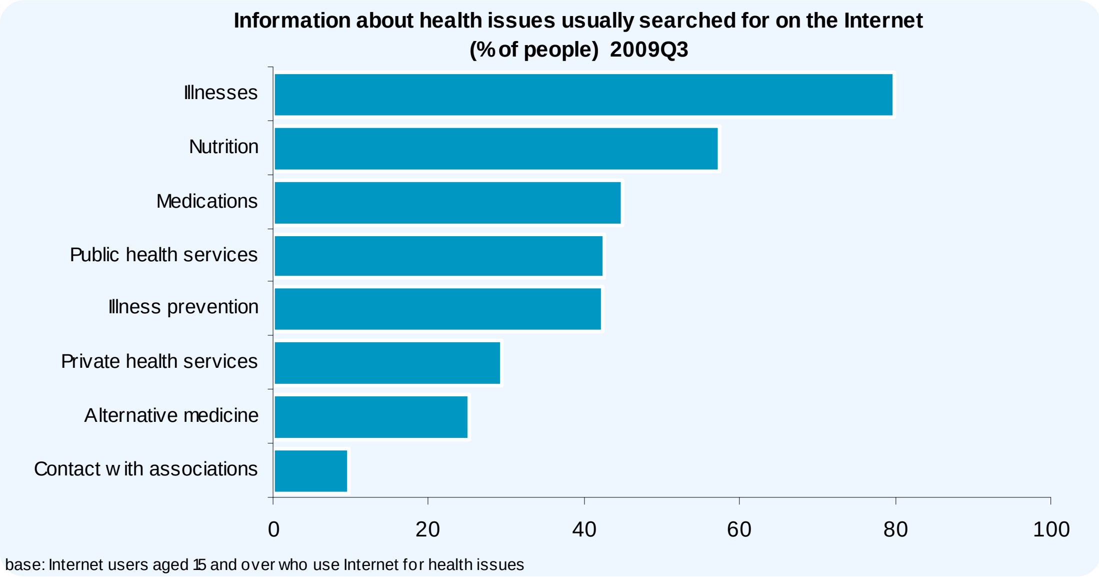
Over half of these users declared to have carried out this virtual contact for health related issues from home.

% of individuals	2008Q1	2008Q3	2009Q1	2009Q3
At least once	34.4	38.8	39.3	**41.4**
In the last year	7.2	8.6	7.9	**9.4**
In the last 3 months	11.9	14.3	13.5	**13.3**
In the last week	9.1	8.3	10.8	**10.8**

Base: Internet users aged 15 and over

	2008Q1	2008Q3	2009Q1	2009Q3
From home	53.1	52.6	55.1	**56.4**
From work	14.1	12.2	12.1	**10.6**
Both	6.2	6.7	7.3	**7.5**
DK/NA	26.6	28.5	25.5	**25.6**

Base: Internet users aged 15 and over



The health information most frequently sought on the Internet was about illnesses, with a factor of eight out of ten Internet users. Almost six out of ten users sought about nutrition; and four out of ten users sought about medications, prevention of illnesses or public and private institutions services, these last with year-on-year increases of over four percentage points.

% of individuals	2008Q1	2008Q3	2009Q1	2009Q3
Illnesses	79.9	84.1	78.7	79.9
Nutrition	57.9	60.6	58.5	57.3
Medications	39.0	44.9	43.9	44.9
Illness prevention	33.9	38.5	38.5	42.4
Public health services	36.3	38.0	38.0	42.5
Private health services	25.8	24.3	25.3	29.5
Alternative medicine	22.3	25.8	21.9	25.3
Contact with associations	9.3	10.1	12.8	9.8

Base: Internet users aged 15 and over who used it for questions regarding health

11. OBJECTIVES AND METHODOLOGY

11.1. Scope of the study

A dynamic sector such as this requires a group of uniform, reliable and comprehensive indicators that will be a benchmark for establishing regulatory initiatives, designing promotion policies and supporting business decisions.

Since 2003, Red.es, in collaboration with Taylor Nelson Sofres (TNS) has been conducting a survey panel to analyse the demand for telecommunication and Information Society services in Spanish households. The survey provides indicators of the penetration of equipment, services and technologies, consumption levels and average expenditure, in addition to uses and attitudes towards technology, classified under five areas: fixed telephony, mobile telephony, Internet, audiovisual and pay TV, and ICT equipment and devices.

In March 2008 Red.es signed an agreement with the Telecommunications Market Commission (CMT) to jointly prepare and conduct this sample panel survey.

This analysis of demand in the residential segment and the use by individuals inside and outside the household gives greater insight into the sector and complements surveys conducted by and indicators obtained from other entities and institutions regarding the offer of services both in residential and business areas.

11.2. Data definitions

***Universes*:** 16,650,518 households. Individuals aged 15 and over: 38.145 million. Individuals aged 10 and over: 40.203 million.
The data published in this quarterly report refers to individuals aged 15 and over.

***Sample**:* 3,073 households and 6,471 individuals aged 10 and over were included in the questionnaire analysis, 6,076 individuals aged 15 and over. A total of 2,607 households fulfilled the requirements for their invoices to be included in the analysis.

Scope: Mainland Spain, the Balearic Islands and the Canary Islands

Sample design: Proportional stratification by type of home, with social segment quotas, number of persons per household and presence of children under 16 years in the household, for each autonomous region.

Questionnaires: In addition to quarterly collection of invoices, a postal survey is carried out every six months including a household questionnaire and another questionnaire directed at all the members of the household aged 10 and over. The first questionnaire collects data on technological equipment in the household and the second asks about individuals' uses, habits and attitudes.

Field work: The field work and data processing has been carried out by Taylor Nelson Sofres (TNS). The collection of invoices for the period October-December 2009 was completed during February 2010.

Sampling error: Assuming simple random sampling, for the case of maximum uncertainty (p=q=50%) and a confidence level of 95%, sampling errors were ±1.77% for households and ±1.26% for individuals aged 15 and over.