observatorio nacional de las telecomunicaciones y de la SI

ICTs in Spanish households
31st Panel Survey

First Quarter 2011 January-March

This report on the 31st 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

Over 10 million households have Internet access.

Six out of ten households have access to the Internet. This represents an increase of 11 percentage points over the last two years.

Accumulated expenditure on ICT services totalled €3,381 million in the first quarter of 2011.

This value has registered a year-on-year decrease of 1.7%, mainly due to a reduced expenditure on pay TV and fixed telephone.

43% of households are subscribed to three ICT services.

With year-on-year rise of 3.1 percentage points, the percentage of households with three ICT services (mobile and fixed telephone and Internet) is 43%. These households contribute to 45% of total ICT expenditure.

Over 15.5 million households –91.7% of the total– have at least one active mobile handset.

Additionally, over the last twelve months, total expenditure on mobile telephone increased by 2.3%. 32 million people, 82% of the population aged 15 and over, have a mobile phone.

A quarter of all households connect to the Internet via mobile phone.

2.5 million households access the Internet via the mobile, tripling last year's figures.

The perception of Internet purchases security has improved.

Almost 20% of the population considers that Internet purchases are secure, 2.3 points more than in the previous year.

Over half of the total households have DVD/ Blue Ray.

One of the largest increases (of more than 12 percentage points) over the last year was recorded in TFTs or plasma television receivers.

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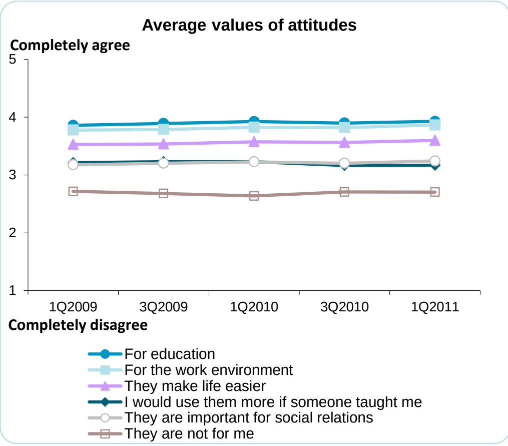
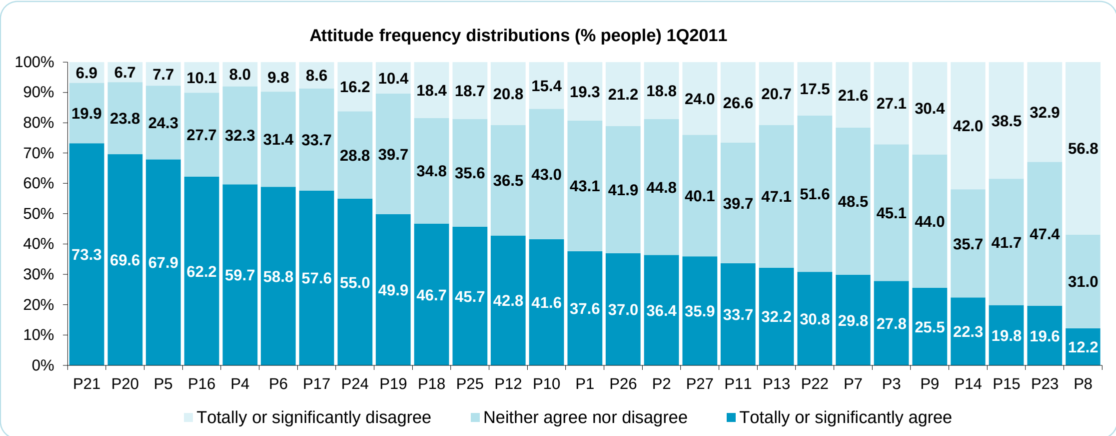
1. ATTITUDE TOWARDS NEW TECHNOLOGIES

	Average values (1 totally disagree - 5 totally agree)	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
P21	Awareness of new technologies will be fundamental to education	3.86	3.89	3.92	3.90	3.93
P20	Knowledge of new technologies is important in the work environment	3.78	3.79	3.83	3.82	3.86
P5	Public administrations should help raise awareness of new technologies	3.83	3.84	3.84	3.82	3.83
P4	New technologies often do not justify their price	3.68	3.64	3.60	3.67	3.68
P16	Those who do not adapt to new technologies are going to find things difficult	3.58	3.58	3.61	3.63	3.67
P17	New technologies make life easier and more convenient	3.53	3.54	3.58	3.56	3.60
P6	New technologies help to resolve some problems	3.53	3.55	3.59	3.57	3.58
P19	New technologies make it difficult to separate work from leisure time	3.50	3.48	3.48	3.47	3.49
P24	My relationship with new technologies is very practical	3.44	3.48	3.46	3.45	3.46
P18	New technologies cause people to communicate less	3.38	3.34	3.35	3.38	3.39
P10	NTs allow me to do what I want, when and where I want	3.22	3.30	3.32	3.29	3.30
P25	I am only interested in technologies that are easy to set up and use	3.32	3.33	3.30	3.30	3.30
P12	Some knowledge of new technologies is important for social relations	3.17	3.20	3.23	3.20	3.24
P1	Price is the most important factor for me when choosing	3.23	3.20	3.17	3.24	3.24
P2	I am interested in the new technologies, but I find them very expensive	3.22	3.21	3.16	3.19	3.22
P27	The Internet presents more disadvantages for children than advantages	3.28	3.18	3.16	3.21	3.17
P26	I would use more technological products and services if someone taught me	3.21	3.23	3.23	3.16	3.17
P22	New technologies do not fulfil all their promises	3.18	3.19	3.15	3.20	3.15
P13	I use them when they have been sufficiently tested	3.13	3.12	3.08	3.09	3.11
P7	I am not planning on buying NTs until their prices drop	3.11	3.14	3.06	3.08	3.10
P11	I like to try new technological advances	3.01	3.06	3.06	3.04	3.06
P3	New technologies help me to develop as a person	2.84	2.90	2.93	2.96	2.96
P9	I start to use new technologies when I see several other people using them	2.82	2.82	2.80	2.82	2.87
P23	Shopping on the Internet is safe	2.63	2.68	2.69	2.72	2.77
P15	I am not sure what new technologies can do for me	2.81	2.78	2.73	2.77	2.75
P14	New technologies are not for me	2.72	2.68	2.64	2.71	2.71
P8	I am one of the first to buy NTs in my environment	2.33	2.38	2.39	2.39	2.29

In the first quarter of 2011, the highest evaluations of new technologies are found in the field of education and in the world of work. New technologies are considered essential in these two contexts.

The number of individuals who claim they are the first to buy new technologies has decreased from 14.8% to 12.2% over the last year.

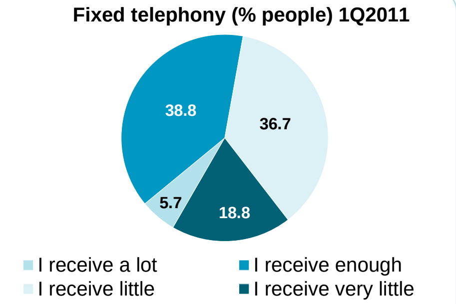




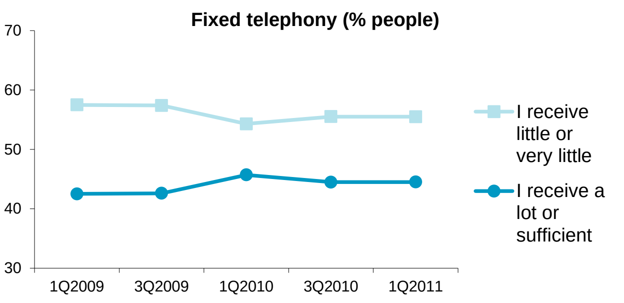
The perception of Internet purchases security has improved. Almost 20% of the population considers that Internet purchases are secure, 2.3 points more than in the previous year.

2. ICT COST-BENEFIT RATIO

2.1. Cost-benefit ratio of ICT services



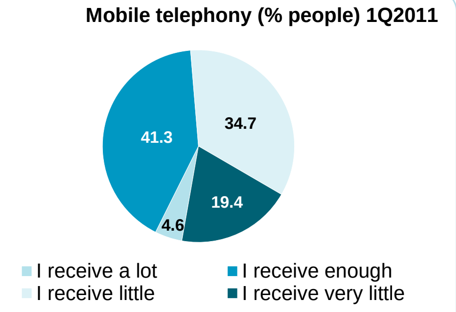
Base: individuals aged 15 and over who have the service



Base: individuals aged 15 and over who have the service

% Individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
I receive a lot	5.5	6.1	5.1	5.5	5.7
I receive enough	37.0	36.5	40.6	39.0	38.8
I receive little	38.6	36.7	36.2	36.2	36.7
I receive very little	18.9	20.7	18.1	19.3	18.8

This quarter, the percentage of population with fixed telephone claiming to receive little or very little in return for the price paid continues to be the highest.



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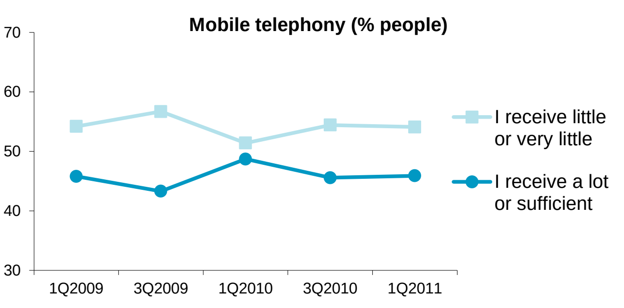
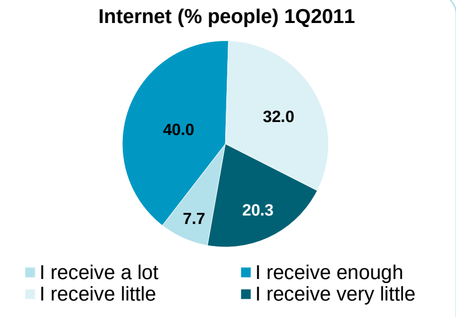


Base: individuals aged 15 and over who have the service

% Individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
I receive a lot	4.0	3.1	3.9	2.8	4.6
I receive enough	41.8	40.2	44.8	42.8	41.3
I receive little	38.2	39.6	36.8	37.9	34.7
I receive very little	16.0	17.1	14.6	16.6	19.4

The perception of the cost-benefit ratio of mobile telephone got worse over the last 12 months, but is still higher than that of fixed telephone.



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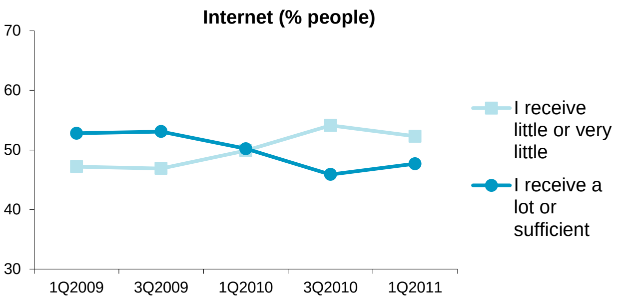
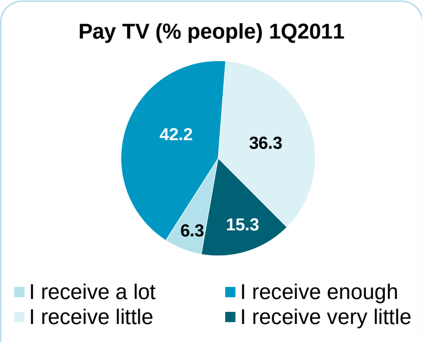


Base: individuals aged 15 and over who have the service

% Individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
I receive a lot	9.3	8.5	8.0	6.4	7.7
I receive enough	43.5	44.6	42.2	39.5	40.0
I receive little	33.1	29.2	33.5	37.1	32.0
I receive very little	14.1	17.7	16.4	17.0	20.3

Although 7.7% of the population claimed to receive an excellent Internet service in return for the price paid, over half of it claimed to receive little or very little.



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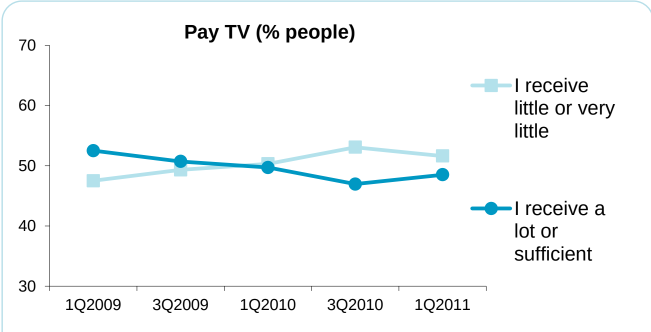


Base: individuals aged 15 and over who have the service

Pay TV services are the best regarded of the four services considered. However, a little more than half of the population thinks they receive little or very little in return for the price paid.

% Individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
I receive a lot	6.3	5.0	5.8	5.0	6.3
I receive enough	46.2	45.7	43.9	42.0	42.2
I receive little	34.5	36.3	32.5	36.0	36.3
I receive very little	13.0	13.0	17.8	17.1	15.3

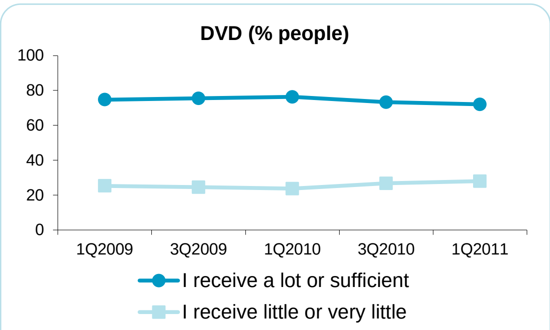
Base: individuals aged 15 and over who have the service

2.2. Cost-benefit ratio of ICT devices

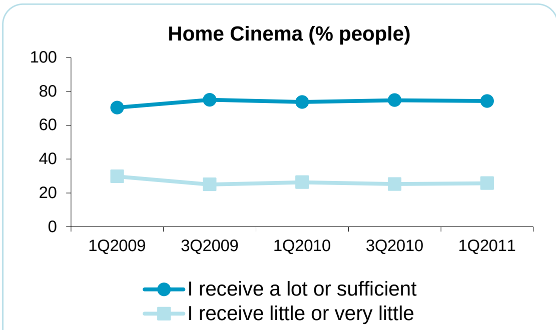
	% Individuals	1Q2008	3Q2008	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
DVD	I receive a lot	11.4	10.8	13.8	10.9	10.7	10.7	11.4
	I receive enough	64.0	65.5	60.9	64.6	65.6	62.6	60.6
	I receive little	16.7	15.6	18.0	15.1	15.2	19.0	17.9
	I receive very little	8.0	8.1	7.3	9.4	8.5	7.7	10.1
Home Cinema	I receive a lot	13.1	11.6	14.6	7.0	8.9	9.2	7.8
	I receive enough	64.7	65.4	55.8	68.0	64.8	65.6	66.5
	I receive little	14.2	14.9	25.0	17.0	15.0	19.2	18.6
	I receive very little	8.0	8.1	4.7	8.0	11.3	6.0	7.1
Video consola	I receive a lot	11.0	10.7	14.7	8.8	11.2	11.5	13.6
	I receive enough	54.2	56.2	55.9	56.7	57.1	56.7	55.1
	I receive little	23.0	19.0	20.0	19.8	18.0	21.3	19.2
	I receive very little	11.8	14.1	9.5	14.7	13.7	10.5	12.1

Base: individuals aged 15 and over who have the equipment

As for the cost/benefit ratio of ICT devices, the Home Cinema is the best valued one. Three out four people claimed to receive a lot or sufficient in return for the price paid. This device has remained quite stable with respect to the previous year, while DVD evaluation has got worse.

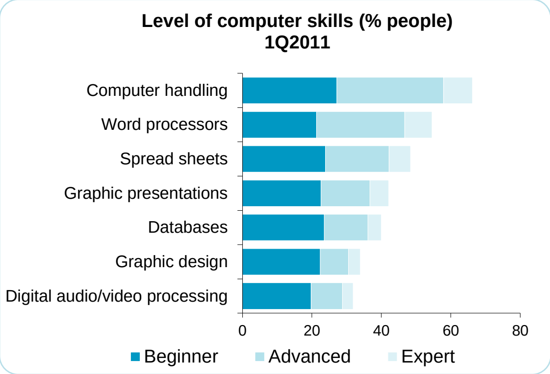


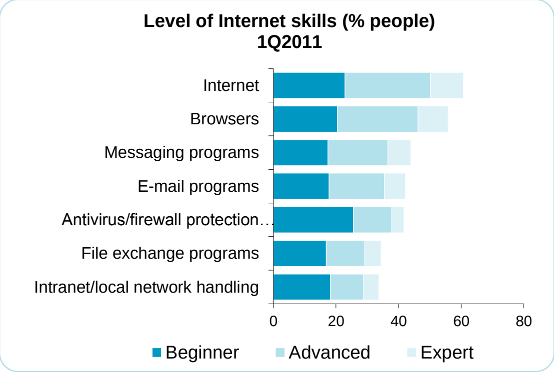
Base: individuals aged 15 and over who have the service



Base: individuals aged 15 and over who have the service

3. COMPUTER AND INTERNET SKILLS





In the first quarter of 2011, 65% of the population has some computer knowledge and 6 out of ten people use browsers to access the Internet. 27.2% of the population consider themselves beginners in computer use and 22.9% in Internet use, while 8.3% and 10.5% of the population consider themselves advanced users in computer and Internet use respectively.

In the last year, the greatest knowledge improvement was seen in the use of Internet browsers and messaging programs, with increases of more than 1.5 percentage points in the number of advanced users. The increase in the number of beginners in the use of antivirus and/or firewalls, word processors and spreadsheets was also notable, with a rise of around two percentage points.

Computer knowledge

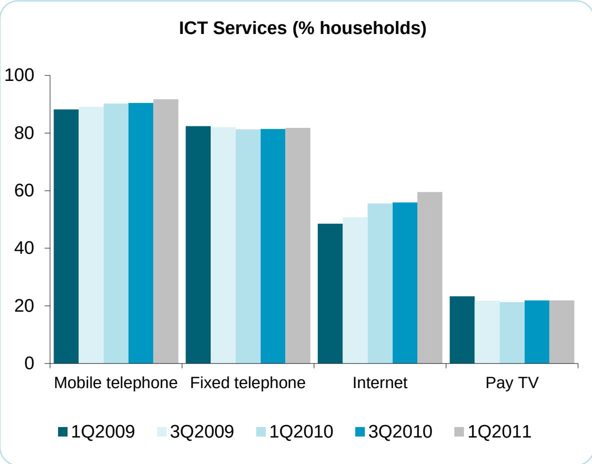
% Individuals (1Q2011)	Beginner	Advanced	Expert	I am not a user	DK/NA
Computer handling	27.2	30.7	8.3	26.4	7.4
Word processors	21.3	25.4	7.9	36.6	8.9
Spread sheets	23.9	18.3	6.2	42.3	9.3
Graphic presentations	22.6	14.1	5.4	48.3	9.6
Databases	23.6	12.5	3.9	50.7	9.3
Graphic design	22.4	8.1	3.4	56.4	9.7
Digital audio/video processing	19.8	9.0	3.1	57.5	10.6

Internet knowledge

% Individuals (1Q2011)	Beginner	Advanced	Expert	I am not a user	DK/NA
Internet	22.9	27.3	10.5	30.6	8.7
Browsers	20.5	25.7	9.6	34.6	9.6
Messaging programs	17.4	19.2	7.3	46.7	9.4
E-mail programs	17.8	17.7	6.7	48.1	9.6
Antivirus/firewall protection programs	25.6	12.2	3.9	48.4	9.9
File exchange programs	16.9	12.3	5.2	55.6	10.0
Intranet/local network handling	18.2	10.6	4.9	56.3	10.0

4. ICT EQUIPMENT AND SERVICES

4.1. ICT Services

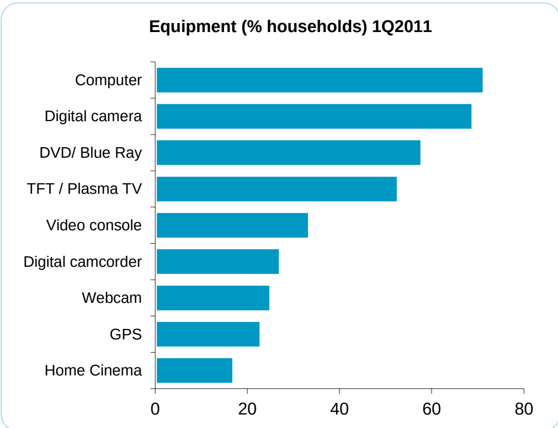


% households	Mobile telephone	Fixed telephone	Internet	Pay TV
1Q2009	88.2	82.4	48.5	23.3
3Q2009	89.1	82.0	50.7	21.8
1Q2010	90.2	81.3	55.5	21.3
3Q2010	90.5	81.4	55.9	21.9
1Q2011	**91.7**	**81.8**	**59.5**	**21.9**

In the first quarter of 2011, nine out of ten households have at least one active mobile telephone, and eight out of ten have at least one active fixed telephone line.

Almost 60% of Spanish households have Internet access and 22% pay TV. Of the four ICT services considered, fixed telephone has remained stable over the last year. Pay TV has reduced its presence in households by 1.4 percentage points, while fixed telephone has increased it by 3.5 points over the last two years. The most outstanding rise is observed in Internet access that has increased eleven percentage points since the first quarter of 2009.

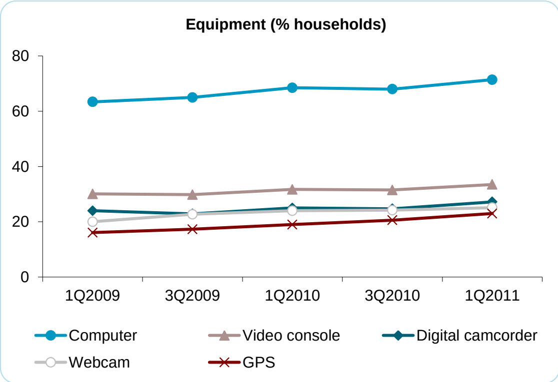
4.2. Household equipment

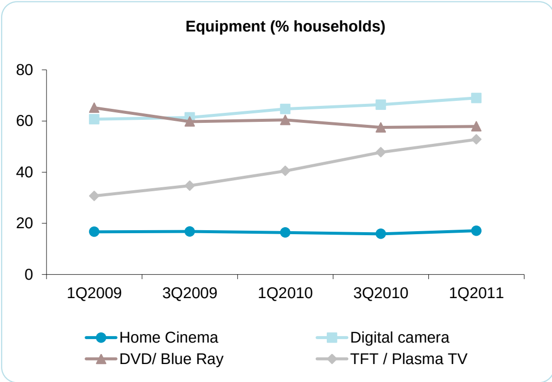


The most frequent ICT devices in the home continue to be computers and digital cameras. Seven out of ten households have these devices.
Over half of the total households have DVD/Blue Ray and/or TFT/Plasma TVs. The last (TFT/Plasma TVs) recorded one of the largest increases -of more than 12 percentage points- of the last year, in line with the previous quarters analysed.

% households	Computer	Digital camera	DVD/ Blue Ray	TFT / Plasma TV	Video console	Digital camcorder	Webcam	GPS	Home Cinema
1Q2009	63.4	60.7	65.2	30.7	30.1	24.0	20.0	16.1	16.7
3Q2009	65.0	61.4	59.8	34.7	29.8	22.9	22.7	17.3	16.8
1Q2010	68.5	64.7	60.4	40.5	31.7	25.0	24.0	19.0	16.4
3Q2010	68.0	66.4	57.5	47.8	31.5	24.7	24.2	20.6	15.9
1Q2011	**71.4**	**69.0**	**57.9**	**52.8**	**33.5**	**27.2**	**25.1**	**23.0**	**17.1**

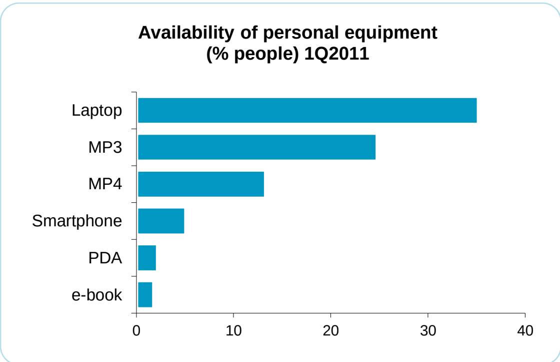
There was also an increase, albeit more moderate, of digital cameras and GPS location technology, of around four percentage points.





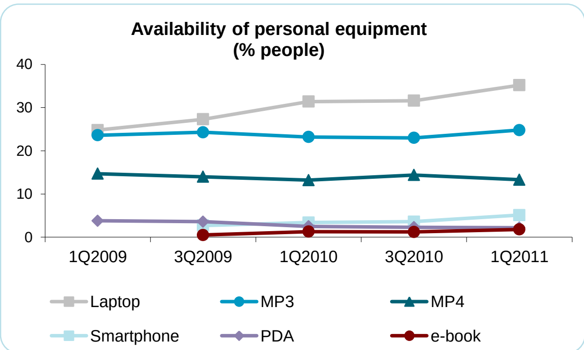
percentage points increase	Computer	Digital camera	DVD/ Blue Ray	TFT / Plasma TV	Video console	Digital camcorder	Webcam	Home Cinema	GPS
1Q2009 – 1Q2010	5.1	4.0	-4.8	9.8	1.6	1.0	4.0	-0.3	2.9
3Q2009 – 3Q2010	3.0	5.0	-2.3	13.1	1.7	1.8	1.5	3.3	-0.9
1Q2010 – 1Q2011	**2.9**	**4.3**	**-2.5**	**12.3**	**1.8**	**2.2**	**1.1**	**0.7**	**4.0**

4.3. Individual equipment



% Individuals	Laptop	MP3	MP4	Smartphone	PDA	e-book
1Q2009	24.8	23.6	14.7	---	3.8	---
3Q2009	27.3	24.3	14.0	2.7	3.6	0.5
1Q2010	31.4	23.2	13.2	3.4	2.5	1.0
3Q2010	31.6	23.0	14.4	3.6	2.3	1.2
1Q2011	**35.2**	**24.8**	**13.3**	**5.1**	**2.2**	**1.8**

One out of three individuals aged over 15 has a laptop computer, a device that has increased its presence by 3.8 percentage points in the last year. MP3s and smartphones have recorded similar increases, with penetration rates of 24.8% and 5.1% respectively, but MP4s do not take off.

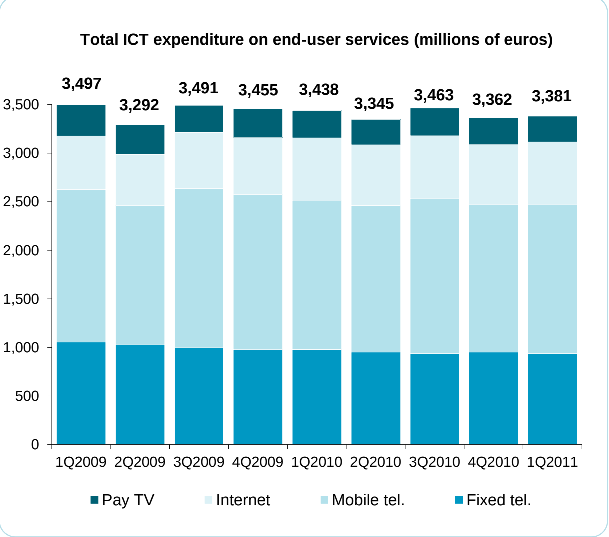


percentage points increase	Laptop	Smartphone	MP3	MP4
1Q2009 – 1Q2010	6.6	---	-0.4	-1.5
3Q2009 – 3Q2010	4.3	0.9	-1.3	0.4
1Q2010 – 1Q2011	**3.8**	**1.7**	**1.6**	**0.1**

5. EXPENDITURE ON ICT SERVICES

ICT service expenditure (1Q2011)	% households	Num. of households (thousands)	ICT service expenditure (€ million)
Fixed telephone	81.8	13,955	938
Mobile telephone	91.7	15,643	1,535
Internet	59.5	10,148	641
Pay TV	21.9	3,745	267
Total	100	17,069	3,381

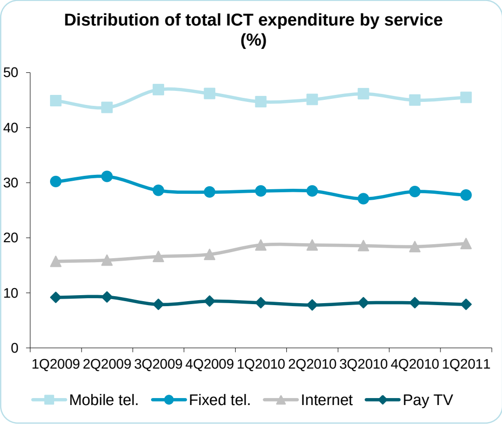
The Internet service continues to grow and is present in 10 million households, that is to say, six out of ten of all households. In the same way, mobile telephones continue their upward trend recording an increase of two percentage points over the last twelve months.



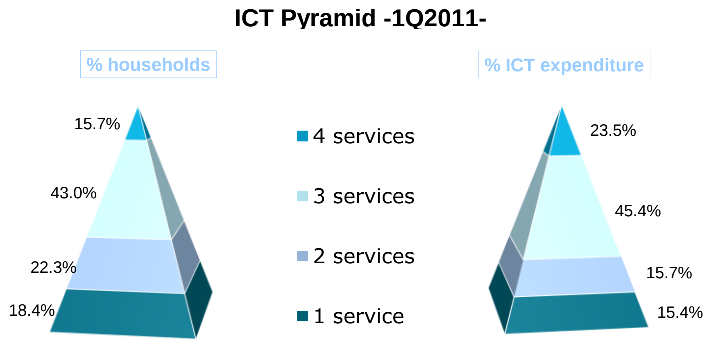
In the first quarter of 2011, accumulated expenditure on ICT services totalled €3,381 million, registering a decrease of 1.7% compared to the same quarter of the previous year. Mobile telephone is at the top of the list of ICT service expenditure distribution, with a percentage of 45.5% of the total. It is followed by fixed telephone with 27.7%, Internet with 19% and pay TV with 7.9%.

ICT service expenditure	Million euros					Percentage			
	Fixed tel.	Mobile tel.	Internet	Pay TV	Total	Fixed tel.	Mobile tel.	Internet	Pay TV
1Q2009	1,056	1,570	550	321	3,497	30.2	44.9	15.7	9.2
2Q2009	1,025	1,437	525	305	3,292	31.1	43.7	15.9	9.3
3Q2009	997	1,638	579	277	3,491	28.6	46.9	16.6	7.9
4Q2009	980	1,595	587	293	3,455	28.3	46.2	17.0	8.5
1Q2010	979	1,536	642	281	3,438	28.5	44.7	18.7	8.2
2Q2010	952	1,507	625	261	3,345	28.5	45.1	18.7	7.8
3Q2010	938	1,598	643	284	3,463	27.1	46.1	18.6	8.2
4Q2010	953	1,514	619	276	3,362	28.4	45.0	18.4	8.2
1Q2011	**938**	**1,535**	**641**	**267**	**3,381**	**27.7**	**45.4**	**19.0**	**7.9**

The year-on-year decrease in the total expenditure on ICT services was mainly due to a reduced expenditure on pay TV and fixed telephone, which experienced drops of 5% and 4.2% respectively. On the contrary, Internet and mobile telephone services have remained quite stable. In absolute terms, mobile telephone services amount to €1,538 million, compared to pay TV with €267 million.



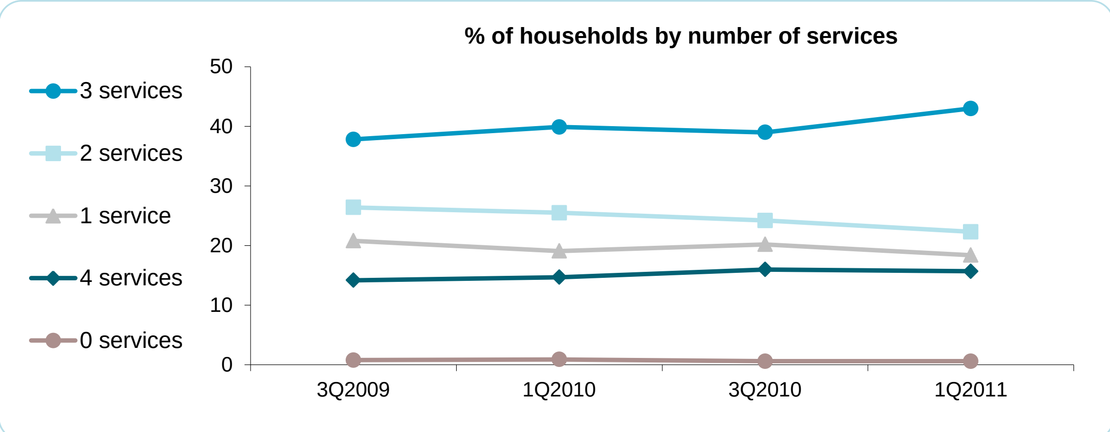
6. ICT SERVICES PYRAMID



Services considered: fixed telephony, mobile telephony, Internet and pay TV – 0.6% of the households do not have any service

In the first quarter of 2011, four out of ten households are subscribed to four ICT services, (typically fixed telephone, mobile telephone and Internet). These households account for 45.4% of total ICT expenditure. Households with two services include fixed and mobile telephone and represent 22.3% of the total, while households with four services represent 15.7% of the total and account for 23.5% of total ICT expenditure.

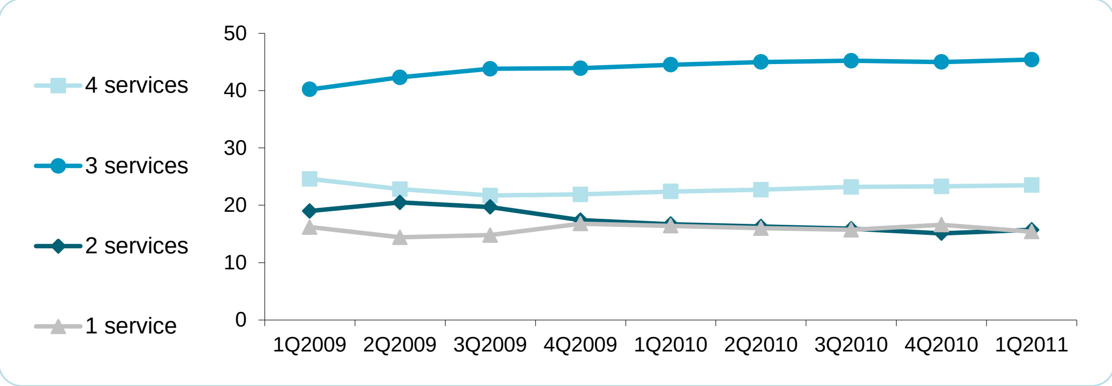
6.1. Percentage of households by number of services



The largest increase has been in the proportion of households with three services, with a growth of 3.1 percentage points over the last twelve months. This means a continuation of the upward trend observed in previous quarters. The percentage of households with four services has also recorded a moderated growth of 1 percentage points.

% households	1Q2008	3Q2008	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
4 services	13.3	14.3	15.2	14.2	14.7	16.0	**15.7**
3 services	33.9	36.0	35.0	37.8	39.9	39.0	**43.0**
2 services	29.5	27.3	27.8	26.4	25.5	24.2	**22.3**
1 service	22.3	21.3	21.2	20.8	19.1	20.2	**18.4**
0 services	1.0	1.0	0.9	0.8	0.9	0.6	**0.6**

6.2. Percentage of expenditure by number of services



The distribution of expenditure on ICT services has remained very stable over the last year. 44% corresponds to households with four services, 23.5% to households with three services and the other 31.1% is divided equally between households with two and one ICT service.

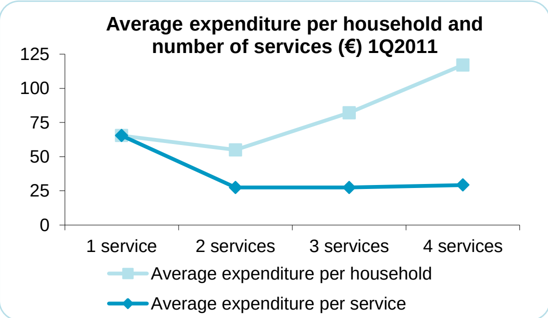
% of expenditure	1Q2009	2Q2009	3Q2009	4Q2009	1Q2010	2Q2010	3Q2010	4Q2010	1Q2011
4 services	24.6	22.8	21.7	21.9	22.4	22.7	23.2	23.3	**23.5**
3 services	40.2	42.3	43.8	43.9	44.5	45.0	45.2	45.0	**45.4**
2 services	19	20.5	19.7	17.4	16.7	16.3	15.9	15.1	**15.7**
1 service	16.2	14.4	14.8	16.8	16.4	16.0	15.7	16.6	**15.4**

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

Average expenditure per household (€)	1Q2009	2Q2009	3Q2009	4Q2009	1Q2010	2Q2010	3Q2010	4Q2010	1Q2011
1 service	55.6	52.2	57.9	64.7	67.4	64.1	62.5	64.4	**65.4**
2 services	62.1	56.3	60.4	53.0	51.4	48.7	52.9	48.7	**54.9**
3 services	93.3	92.4	94.0	93.2	87.7	86.4	93.3	90.1	**82.1**
4 services	131.8	115.0	124.2	124.1	119.9	117.8	116.1	113.4	**117.0**

Average monthly expenditure in homes with four ICT services amounts to €117 (including VAT), while in those with two services is €54.9. Average monthly expenditure of households with one service exceeds that of households with two services.

Upon analysing the average expenditure per household and number of services, those with two, three and four services spent around €28, while those with a single service spent €65.4/month.

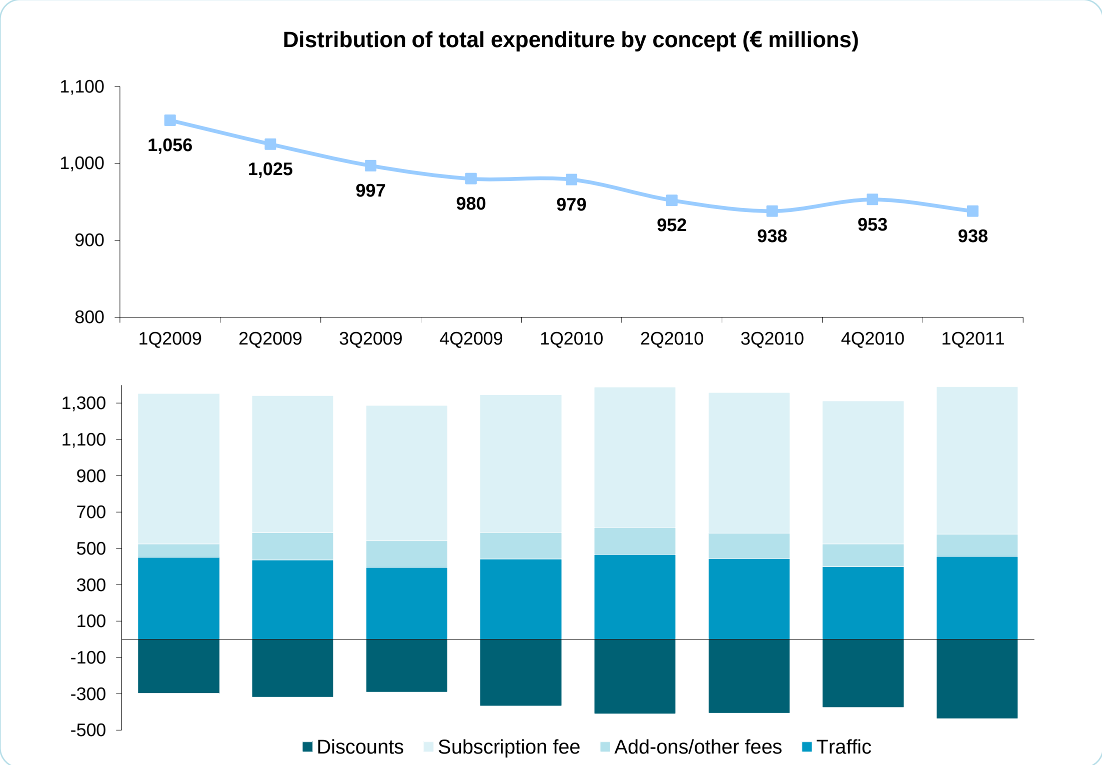


Average expenditure per service (€)	1Q2009	2Q2009	3Q2009	4Q2009	1Q2010	2Q2010	3Q2010	4Q2010	1Q2011
1 service	55.6	52.2	57.9	64.7	67.4	64.1	62.5	64.4	**65.4**
2 services	31.1	28.2	30.2	26.5	25.7	24.4	26.5	24.4	**27.4**
3 services	31.1	30.8	31.3	31.1	29.2	28.8	31.1	30.0	**27.4**
4 services	32.9	28.7	31.0	31.0	30.0	29.4	29.0	28.3	**29.2**

In the last two years, the average monthly expenditure in homes with two, three and four ICT services has fallen by 3.7 percentage points. The average expenditure of those with a service fell by €2, changing the upward trend we had observed previously.

7. FIXED TELEPHONE

7.1. Total expenditure and distribution by concept



Fixed telephone expenditure in Spanish households in the first quarter of 2011 was €938 million, which means a year-on-year decrease of 4.2% as a continuation of the downward trend started in previous years.

€ millions	1Q2009	2Q2009	3Q2009	4Q2009	1Q2010	2Q2010	3Q2010	4Q2010	1Q2011
Traffic	452	437	396	443	468	445	401	457	499
Add-ons/other fees	74	150	147	146	148	140	124	123	108
Subscription fee	827	755	744	758	773	773	788	810	813
Discounts	-297	-318	-290	-367	-410	-406	-374	-437	-482
Total expenditure	1,056	1,025	997	980	979	952	938	953	938

The subscription fee, worth €813 million, represented the greatest share of total expenditure on fixed telephone. The traffic (call minutes) represented 500 million, while consumption on add-ons and other fees totalled €108 million. Taking the discounts -calculated at €482 million- into account, the total expenditure in the quarter rises to €938 million.

Subscription fees have increased by 5% over the last year (quarter by quarter), while add-ons/other fees have decreased by 27% over the last twelve months.

7.2. Minutes and expenditure by call type

Percentage of minutes consumed by call type

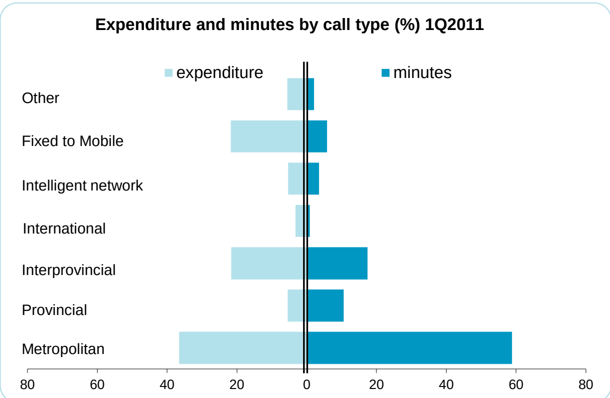
% minutes	Metropolitan	Provincial	Interprovincial	International	Intelligent network	Fixed to mobile	Other
1Q2009	59.3	9.8	16.5	2.7	4.2	3.9	3.6
2Q2009	57.5	10.2	16.5	2.4	4.7	4.5	4.3
3Q2009	58.4	10.7	14.8	2.5	4.5	5.2	3.9
4Q2009	56.8	10.4	19.0	2.7	4.4	4.3	2.4
1Q2010	56.6	11.7	19.3	1.6	4.3	3.7	2.8
2Q2010	53.6	13.3	20.2	1.4	4.9	4.0	2.5
3Q2010	56.4	12.0	18.3	1.5	4.7	5.4	1.8
4Q2010	57.8	10.7	17.5	1.9	4.6	5.5	2.1
1Q2011	**58.9**	**10.7**	**17.5**	**1.0**	**3.6**	**5.9**	**2.2**

Almost 60% of all call minutes made by fixed telephone customers were metropolitan calls. Call minutes from fixed to mobile telephones accounted for 6% of the total. In both cases, the rise in the last twelve months has been of more than two percentage points.

Percentage of expenditure incurred by call type

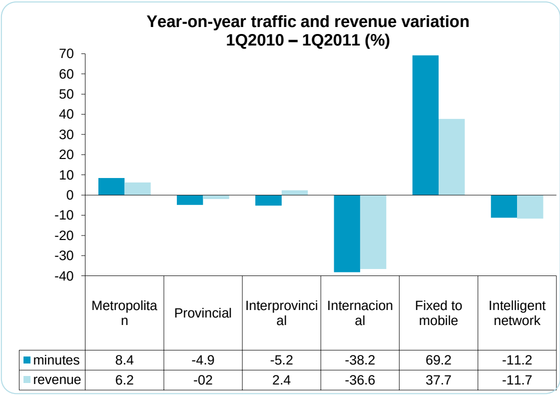
% of expenditure	Metropolitan	Provincial	Interprovincial	International	Intelligent network	Fixed to mobile	Other
1Q2009	31.7	9.9	19.4	5.9	8.8	18.9	5.3
2Q2009	30.7	10.2	18.9	5.9	9.1	19.6	5.6
3Q2009	29.8	10.4	17.3	5.8	10.2	22.4	4.1
4Q2009	31.5	7.0	21.3	6.9	8.0	18.5	6.8
1Q2010	36.8	6.0	22.6	5.6	6.6	16.9	5.5
2Q2010	35.0	6.2	23.2	5.1	7.3	17.6	5.6
3Q2010	35.2	5.7	20.6	4.6	6.9	21.2	5.8
4Q2010	35.1	5.4	20.6	5.7	6.3	20.6	6.3
1Q2011	**36.6**	**5.5**	**21.7**	**3.3**	**5.4**	**21.8**	**5.6**

As for the distribution of expenditure by call type, 80% of it corresponds to metropolitan calls, interprovincial calls and calls from fixed to mobile phones (specifically with 36.6%, 21.7% and 21.8% respectively). The expenditure on calls from fixed to mobile has experienced notable growth of almost five percentage points over the last year, while the expenditure on international calls has fallen by more than two points.



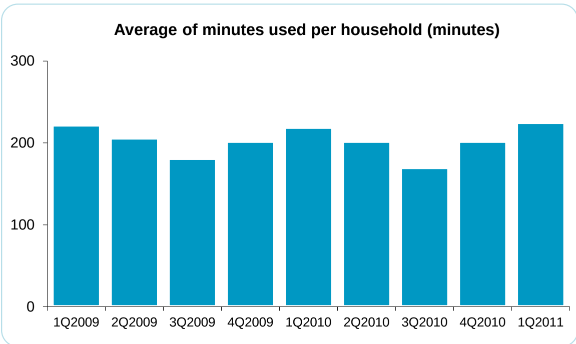
The relation between the share of minutes and the share of expenditure is similar to previous quarters. Calls from fixed to mobile phones, which accumulate 5.9% of total minutes, have a share of total expenditure of 21.8%. In contrast, metropolitan calls accumulate 58.9/ of the minutes and 36.6% of the expenditure.

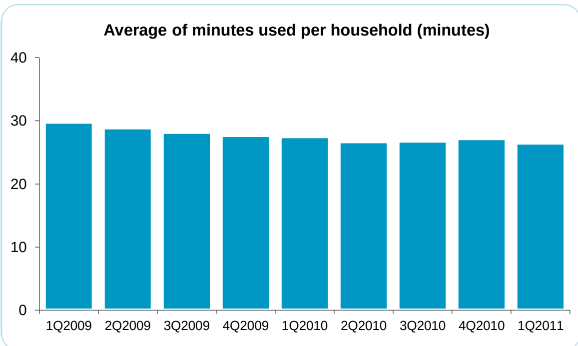
Year-on-year traffic and revenue variation



In the first quarter of 2011, the only notable variations in total minutes and expenditure have been in international calls and calls from fixed to mobile. The traffic of international call minutes and the expenditure on them has fallen by around 37%. In the case of calls from fixed to mobile, expenditure has increased by 37.7% and the number of minutes has fallen by 69.2%.

7.3. Average minutes and expenditure per household



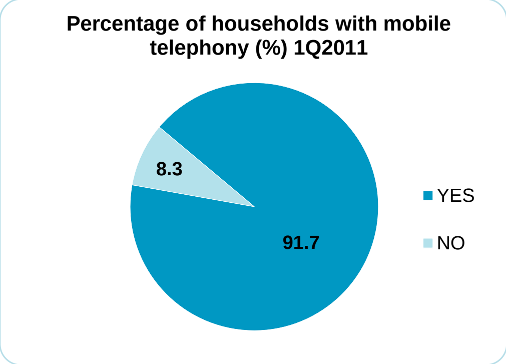


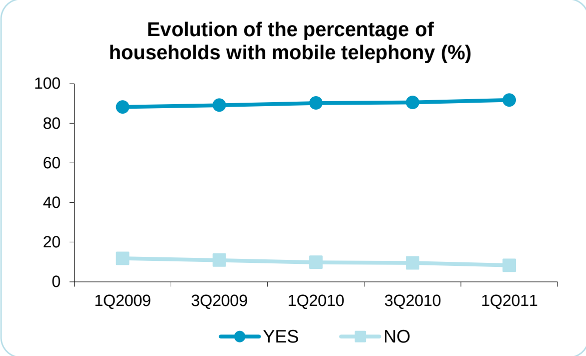
At a household level, each household spends €26.5 per month (including VAT), and the average number of minutes per household and month is around 225 minutes. This quarter, average expenditure follows the downward trend started two years ago, recording a year-of-year decrease of €1. The traffic of minutes, which exhibits greater seasonality, experiences a slight year-on-year increase of 6 minutes.

Monthly average per household	1Q2009	2Q2009	3Q2009	4Q2009	1Q2010	2Q2010	3Q2010	4Q2010	1Q2011
Minutes	222	206	181	202	219	202	170	202	**225**
Euros	29.8	28.9	28.2	27.7	27.5	26.7	26.8	27.2	**26.5**

8. MOBILE TELEPHONE

8.1. Households with mobile telephone

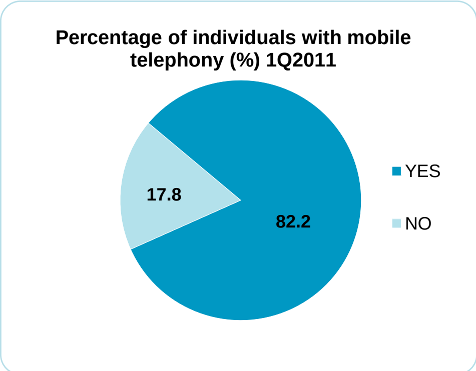


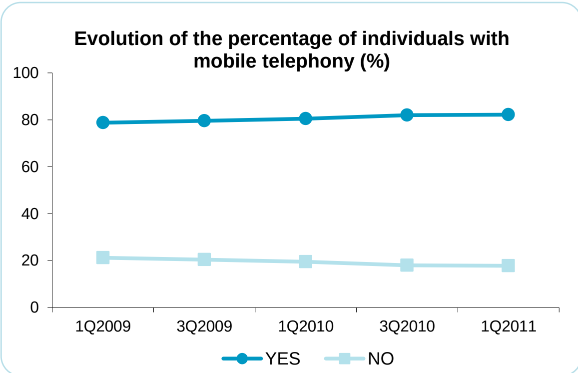


In the first quarter of 2011, over 15.5 million households – 91.7% of the total– had at least one active mobile handset, recording an increase of 2.3% over the last twelve months.

Households with mobile telephony	Percentage	Absolute (thousands of households)
1Q2008	86.9	13,961
3Q2008	87.0	13,975
1Q2009	88.2	14,688
3Q2009	89.1	14,842
1Q2010	90.2	15,286
3Q2010	90.5	15,323
1Q2011	91.7	15,643

8.2. Individuals with mobile telephone

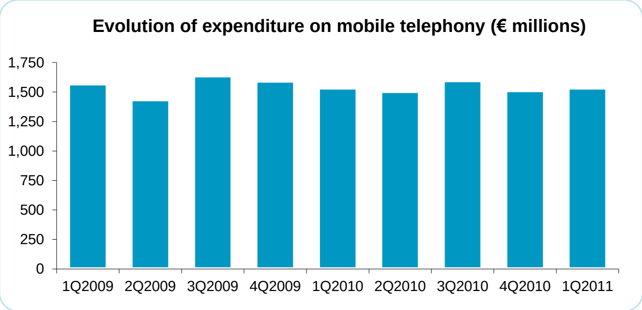




As for mobile phone users, over 82% of the population aged 15 and over, more than 32 million people, have a mobile phone. Over the last year, the number of users has increased by 2.4% showing a slower growth rate than in previous quarters.

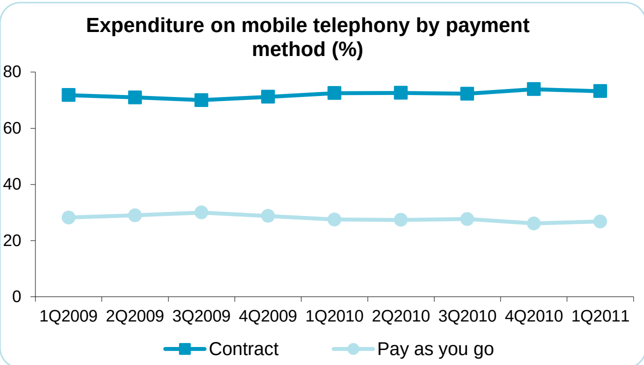
Individuals with mobile telephony	Percentage	Absolute (thousands of individuals)
1Q2008	76.0	28,717
3Q2008	77.5	29,285
1Q2009	78.8	30,052
3Q2009	79.6	30,372
1Q2010	80.5	31,415
3Q2010	82.0	31,996
1Q2011	82.2	32,119

8.3. Total and average expenditure per household on mobile telephone



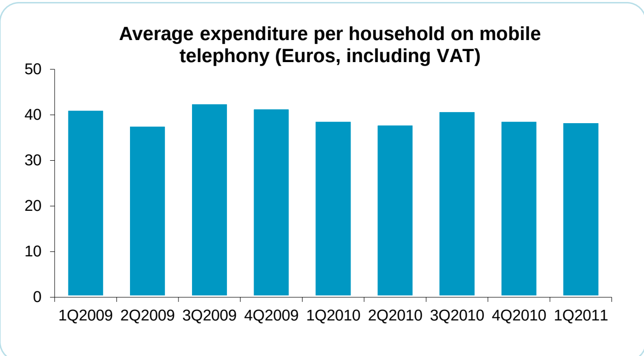
Total expenditure (€ Millions)	Contract	Pay as you go	total
1Q2009	1,127	443	1,570
2Q2009	1,020	417	1,437
3Q2009	1,147	491	1,638
4Q2009	1,136	459	1,595
1Q2010	1,113	423	1,536
2Q2010	1,095	413	1,507
3Q2010	1,156	442	1,598
4Q2010	1,118	396	1,514
1Q2011	**1,124**	**411**	**1,535**

In the first quarter of 2011, the total expenditure incurred by households has remained stable with respect to the same quarter of the previous year, totalling €1,535 million. Most of it corresponded to the contract option, which amounted to €1,124 million, compared to €411 million of pay as you go (PAYG).



Mobile expenditure (%)	Contract	Pay as you go
1Q2009	71.8	28.2
2Q2009	71.0	29.0
3Q2009	70.0	30.0
4Q2009	71.2	28.8
1Q2010	72.5	27.5
2Q2010	72.6	27.4
3Q2010	72.3	27.7
4Q2010	73.9	26.1
1Q2011	**73.2**	**26.8**

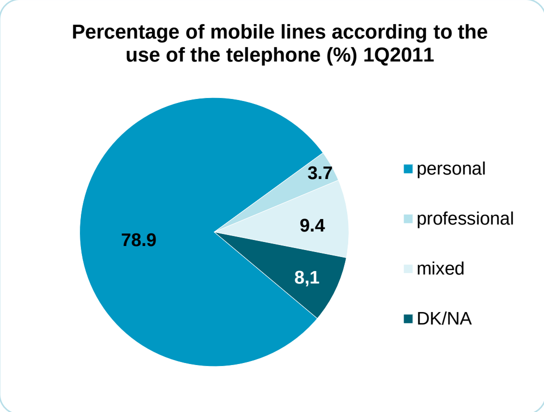
The distribution of expenditure by payment method was the following: the contract option accounts for three fourths of overall expenditure on mobile telephone, while pay-as-you-go cards account for a fourth. The prevalence of the contract has increased at a slow pace in the last two years.



€ (including VAT)	Average expenditure per household
1Q2009	41.3
2Q2009	37.8
3Q2009	42.7
4Q2009	41.6
1Q2010	38.9
2Q2010	38.1
3Q2010	41.0
4Q2010	38.9
1Q2011	**38.6**

Average expenditure per household on mobile telephone services is €38.6 per month. This value has varied little compared to the previous quarter. However, we observe a slight downward trend, marked by seasonality.

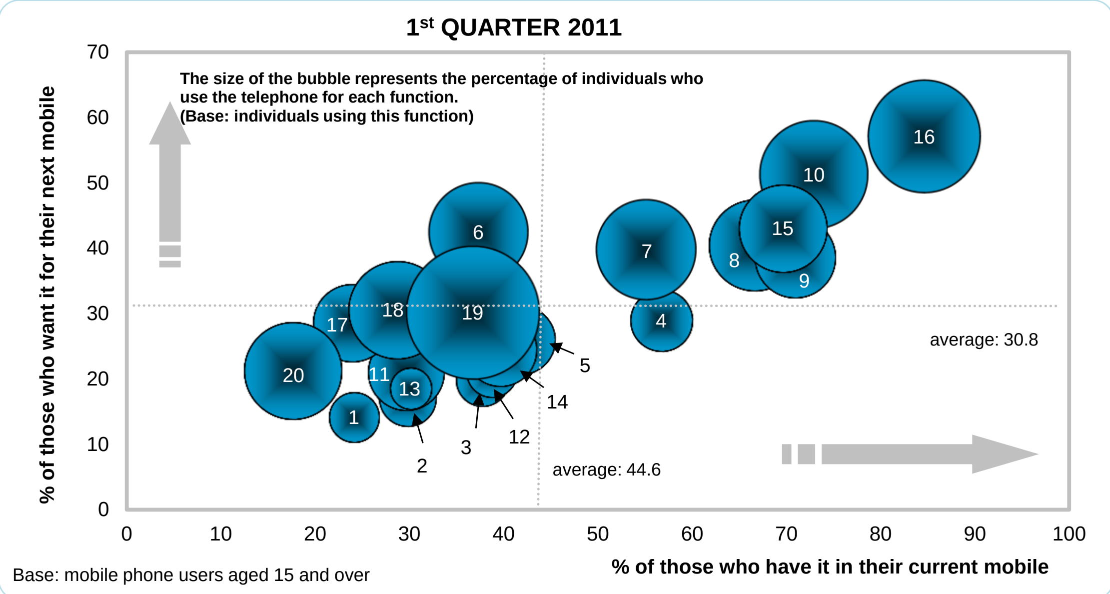
8.4. Main types of use of mobile telephone lines



% of lines	personal	professional	mixed	DK/NA
1Q2009	79.5	5.2	8.8	6.5
3Q2009	79.8	4.9	9.7	5.6
1Q2010	75.4	5.2	9.7	9.7
3Q2010	78.1	5.2	7.8	8.9
1Q2011	**78.9**	**3.7**	**9.4**	**8.1**

Almost 80% of all mobile telephone lines are exclusively for private use (with an increase of 3.5 percentage points in the last year), 3.7% for professional use, and 9.4% for mixed (private-professional) use.

8.5. Current features of the mobile telephone compared to features of the next mobile



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

nº	(% indiv.) 1Q2011	Have it currently	Want it for next mobile	Use it
1	Chat	24.1	14.2	11.7
2	WAP Browsing	29.8	17.2	15.3
3	Voice dialling	37.7	19.9	13.0
4	Internet access	56.7	29.0	17.9
5	E-mail	41.8	26.0	21.8
6	Handsfree car kit	37.3	42.5	45.5
7	MP3	55.1	39.8	46.3
8	FM Radio	66.6	40.5	38.7
9	MMS	70.9	38.6	30.3
10	Bluetooth	72.9	51.3	54.1
11	Infrared	29.6	21.1	26.9
12	Video messages	38.7	21.1	12.0
13	Video calls	30.1	18.6	8.1
14	3G connection	39.6	24.5	24.6
15	Video recording	69.6	43.1	35.7
16	Camera	84.6	57.1	58.6
17	GPS	23.9	28.6	28.3
18	WiFi	28.7	30.6	44.0
19	Touch screen	36.7	30.2	81.7
20	Electronic agenda	17.6	21.3	43.9
	Base:	Have a mobile	Have a mobile	Have the function

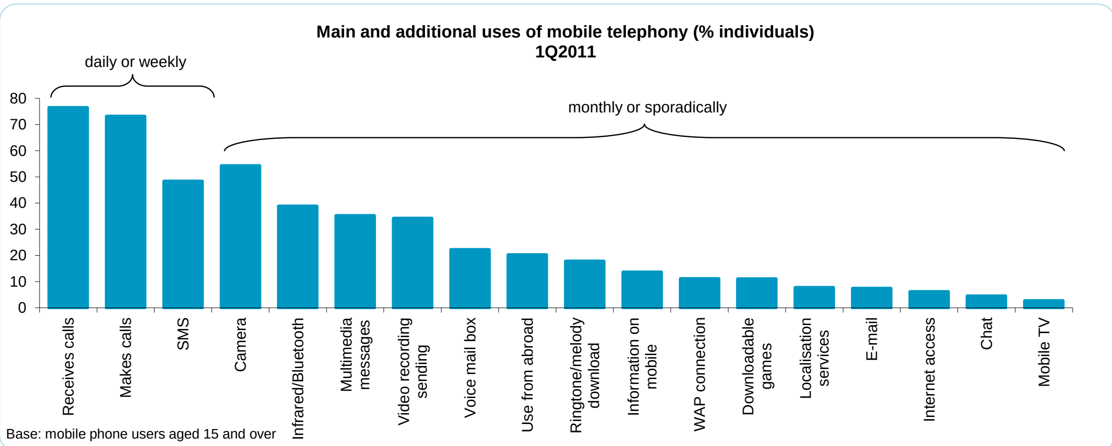
The most frequent features in mobile telephone sets are the following: digital camera and multimedia messaging (MMS). 70% of mobile users have mobiles with these features, although MMS is not very used and users do not want it for their next mobile. Apart from camera and bluetooth, MP3 and handsfree car kit are the most used features, contrary to videocalls, chat and videomessages, which are the least used.

8.6. Main uses and features of mobile telephone

% Individuals		3Q2008	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Receive calls	Daily or weekly	73.6	76.6	74.2	75.8	76.9	76.4
	Monthly or sporadically	14.5	12.9	14.2	12.5	12.5	13.0
Make calls	Daily or weekly	70.1	72.1	71.5	72.5	73.1	73.1
	Monthly or sporadically	16.7	16.3	16.4	15.2	15.3	16.1
SMS	Daily or weekly	48.9	50.0	50.4	49.7	49.0	48.3
	Monthly or sporadically	35.7	35.0	34.0	35.6	35.9	35.8
Voice mail box	Daily or weekly	11.3	10.1	10.2	10.2	8.8	9.6
	Monthly or sporadically	24.4	22.8	23.4	24.8	22.1	22.2
Chat	Daily or weekly	1.1	1.1	0.9	1.1	1.4	1.8
	Monthly or sporadically	3.0	3.2	2.9	3.5	4.4	4.5
Internet access	Daily or weekly	1.6	3.2	2.0	2.8	3.4	3.5
	Monthly or sporadically	4.5	4.1	5.0	5.6	6.1	6.1
Use from abroad	Daily or weekly	0.7	0.8	0.8	0.8	0.3	0.5
	Monthly or sporadically	21.6	20.1	21.4	19.8	22.8	20.2
Information on mobile	Daily or weekly	2.6	2.2	1.6	2.1	1.7	1.9
	Monthly or sporadically	12.7	11.8	12.4	11.1	12.8	13.6
Downloadable games	Daily or weekly	1.1	0.9	0.8	1.0	0.9	0.8
	Monthly or sporadically	14.6	12.7	11.7	11.8	11.2	11.0
Multimedia messages	Daily or weekly	3.8	3.0	2.8	2.7	2.7	3.8
	Monthly or sporadically	36.4	36.2	35.3	36.6	36.6	35.2
Ringtone/melody download	Daily or weekly	1.4	1.3	1.0	0.9	0.5	1.5
	Monthly or sporadically	24.4	20.8	20.0	20.2	19.2	17.8
WAP connection	Daily or weekly	1.5	2.0	2.1	2.7	3.1	4.9
	Monthly or sporadically	8.4	7.9	7.2	10.1	10.7	11.1
E-mail	Daily or weekly	1.8	2.6	2.8	3.2	3.8	5.9
	Monthly or sporadically	5.5	5.0	6.5	6.2	7.2	7.4
Infrared/ Bluetooth	Daily or weekly	10.9	12.2	12.0	11.0	10.4	11.2
	Monthly or sporadically	34.8	33.2	34.8	38.6	38.5	38.8
Video recordingsending	Daily or weekly	5.2	5.3	4.0	4.6	4.2	5.4
	Monthly or sporadically	27.4	28.8	28.2	30.6	32.3	34.2
Camera	Daily or weekly	14.9	16.1	15.5	15.4	16.8	16.8
	Monthly or sporadically	47.8	50.3	50.6	53.4	53.2	54.2
Localisation services	Daily or weekly	1.2	0.9	0.9	1.3	1.0	2.2
	Monthly or sporadically	3.7	4.3	5.2	5.5	7.1	7.7
Mobile TV	Daily or weekly	0.7	0.7	0.4	0.6	0.3	0.5
	Monthly or sporadically	2.4	1.9	2.1	2.7	2.5	2.7

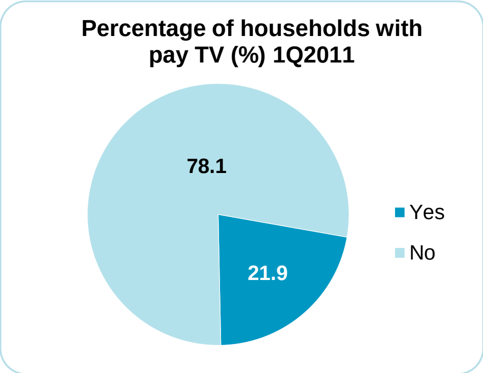
Base: mobile phone users aged 15 and over

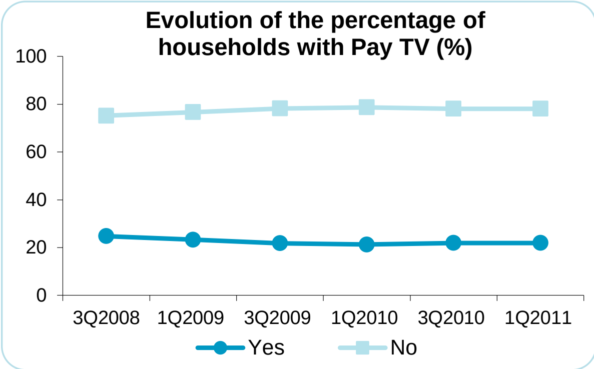
The most used functions in mobile telephone sets on a daily or weekly basis are making or receiving calls and sending SMSs. Almost half the users of mobile telephones send SMSs on a daily or weekly basis. The use of other functions of mobile telephones is more sporadic. The highest value is registered by the camera, used monthly or sporadically by more than half of all users (54.2%) as well as infrared/Bluetooth communication and multimedia messaging, both used sporadically by more than 35% of the users.



9. PAY TELEVISION

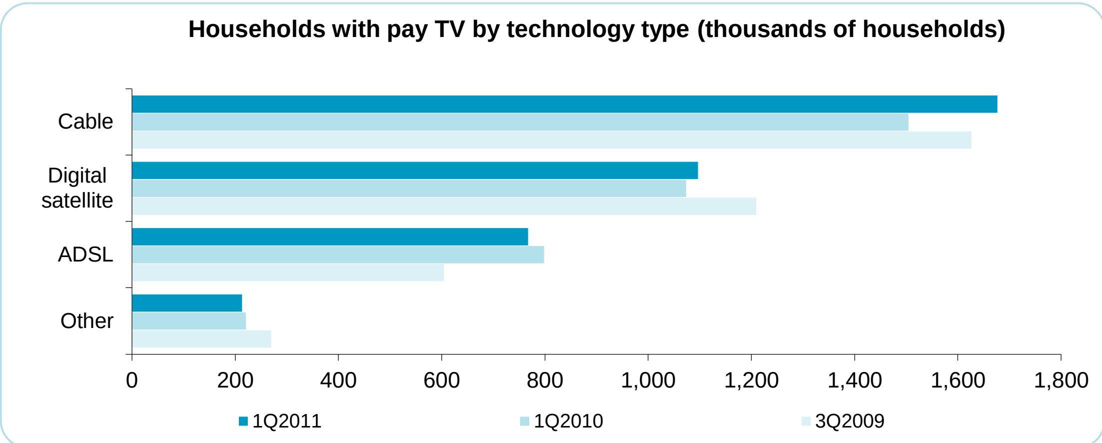
9.1. Households with Pay TV





Households with Pay TV	Percentage	Absolute (thousands)
3Q2008	24.8	3,981
1Q2009	23.3	3,876
3Q2009	21.8	3,628
1Q2010	21.3	3,609
3Q2010	21.9	3,708
1Q2011	**21.9**	**3,745**

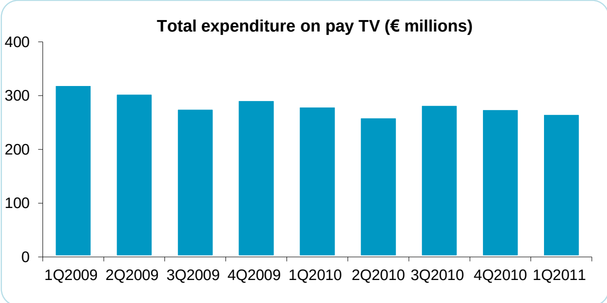
The percentage of households with pay TV has experienced a little recovery over the last year. In the first quarter of 2011, almost 22% of Spanish households were subscribed to this service, that is 3.7 million households.



Thousands of households	Cable	Digital satellite	ADSL	Other
3Q2008	1,721	1,186	.	981
1Q2009	1,580	1,285	783	222
3Q2009	1,627	1,210	605	270
1Q2010	1,505	1,074	799	221
3Q2010	1,411	1,179	930	226
1Q2011	**1,677**	**1,097**	**768**	**214**

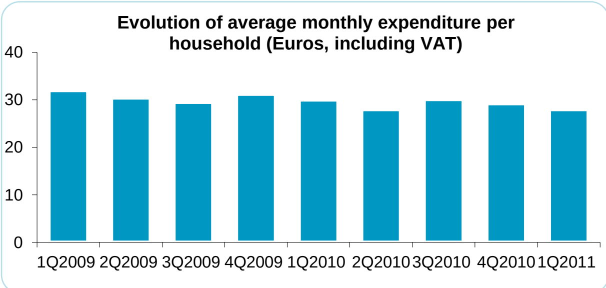
As for the type of Pay-TV access technology, there has been a change in trends. Cable and digital satellite technologies have increased (172,000 and 23,000 households respectively in a year) and ADSL technologies have decreased (31,000 households).

9.2. Total and average expenditure per household on pay TV



Total expenditure (€ Millions)	fee	price	discounts	Total
1Q2009	332	12	23	321
2Q2009	310	14	19	305
3Q2009	287	5	15	277
4Q2009	306	4	17	293
1Q2010	296	6	21	281
2Q2010	271	5	15	261
3Q2010	289	6	11	284
4Q2010	288	6	18	276
1Q2011	**283**	**2**	**18**	**267**

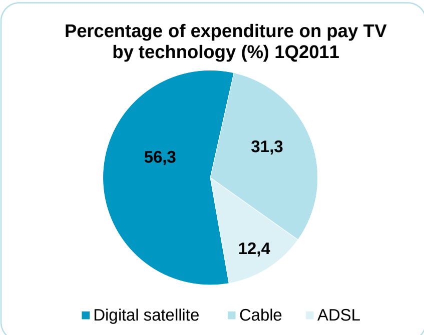
In the first quarter of 2011, expenditure on pay TV totalled €267 million, experiencing a year-on-year decrease of 5%. The accumulated expenditure on the subscription fee has fallen by 4.4%, down to €283 million, while pay per view (PPV) expenditure hardly reaches 2 million euros.

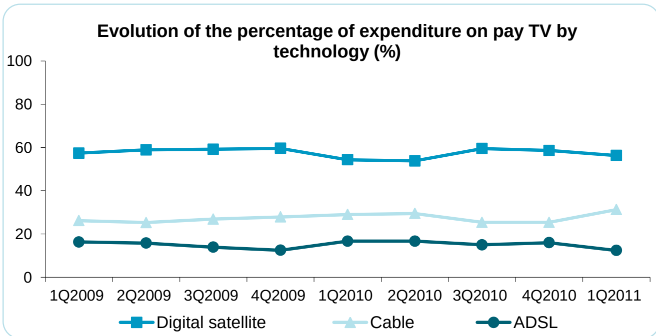


Average monthly expenditure per household	€ (including VAT)
1Q2009	32.0
2Q2009	30.4
3Q2009	29.5
4Q2009	31.2
1Q2010	30.0
2Q2010	28.0
3Q2010	30.1
4Q2010	29.2
1Q2011	**28.0**

Expenditure on pay TV per household reaches €28/month, including VAT. This means a drop of €2 with respect to the same quarter of the previous year, following a downward trend.

9.3. Expenditure by type of technology





As for the distribution of expenditure by type of technology, 56.3% corresponds to digital satellite technology, a little more than 30% to cable technology and 12.4% to ADSL technology.

Expenditure (%)	Digital satellite	Cable	ADSL
1Q2009	57.4	26.2	16.3
2Q2009	58.9	25.3	15.8
3Q2009	59.2	26.9	13.9
4Q2009	59.6	27.9	12.5
1Q2010	54.3	29.0	16.7
2Q2010	53.7	29.5	16.7
3Q2010	59.5	25.4	15.0
4Q2010	58.6	25.4	16.0
1Q2011	**56.3**	**31.3**	**12.4**

Expenditure (€ Mill.)	Digital satellite	Cable	ADSL	Total
1Q2009	184	84	52	321
2Q2009	180	77	48	305
3Q2009	164	74	39	277
4Q2009	175	82	37	293
1Q2010	153	81	47	281
2Q2010	141	76	44	261
3Q2010	169	72	43	284
4Q2010	162	70	44	276
1Q2011	**150**	**84**	**33**	**267**

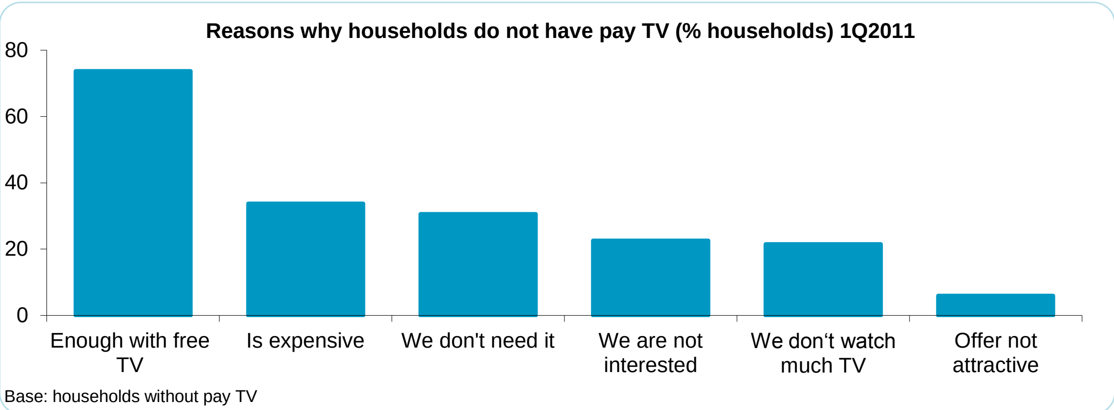
In absolute terms, digital satellite technology totals €150 million, cable technology €84 million and ADSL technology €33 million. ADSL technology has recorded a decrease in terms of household expenditure of 14 million in the last year, while cable has grown by 3.7%. Lastly digital satellite technology has fallen by 2%.

9.4. Reasons why households do not have pay TV

% of households	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Enough with free TV	75.3	73.5	72.6	77.1	**73.7**
Is expensive	32.1	31.1	31.6	33.3	**33.7**
We don't need it	28.8	28.6	30.7	30.9	**30.6**
We are not interested	22.0	20.9	22.0	22.3	**22.6**
We don't watch much TV	21.5	25.1	18.8	20.8	**21.5**
Offer not attractive	6.7	7.8	5.1	6.1	**5.9**

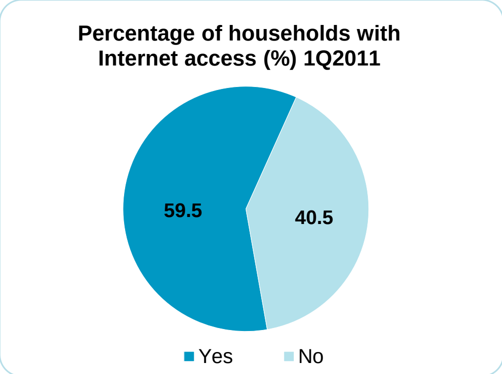
Base: households without pay TV

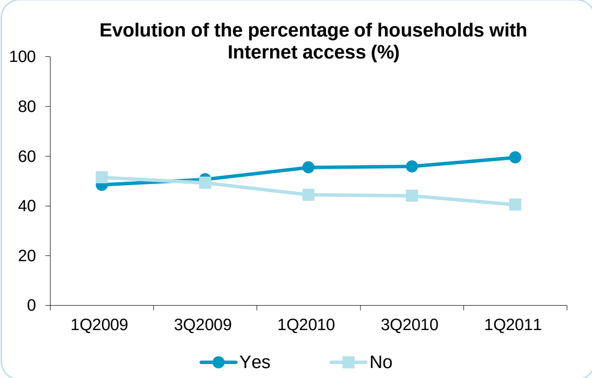
In the first quarter of 2011, the motivating reasons of households without pay TV continue to be the same. Seven out of ten households without this service declare that they have enough with free TV, a third part considers it is too expensive (this reason records an increase of two percentage points over the last twelve months) and three out of ten say they do not need it. The reason 'I do not watch much TV' shows an increase of three percentage points, up to 21.5%.



10. INTERNET

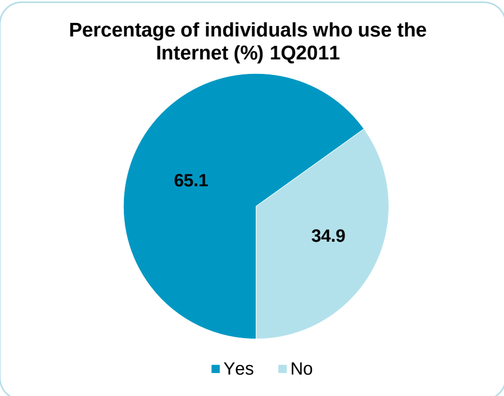
10.1. Households with Internet and individuals who have used the Internet

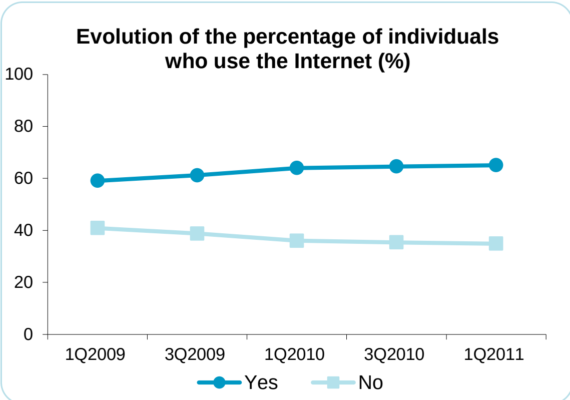




59.5% of Spanish households have an Internet connection, which represents a figure of over 10.1 million households. Therefore, the percentage of households that are connected to the Internet has experienced a year-on-year increase of 4 percentage points in the first quarter of 2011.

Households with Internet	Percentage	Absolute (thousands of households)
1Q2009	48.5	8,071
3Q2009	50.7	8,434
1Q2010	55.5	9,393
3Q2010	55.9	9,464
1Q2011	**59.5**	**10,148**



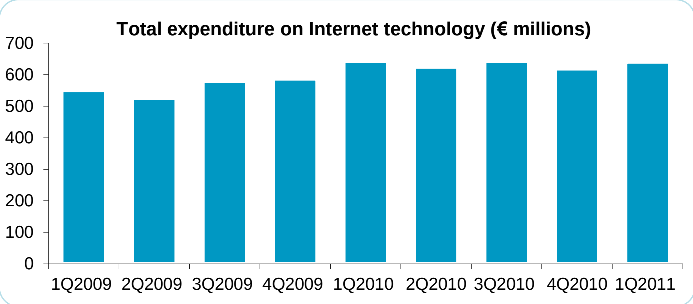


65.1% of the population aged 15 and over has used the Internet at some occasion, showing a year-on-year increase of 1.1 percentage points in the first quarter of 2011. Taking into consideration the population aged 10 and over, this figure reaches 27.3 million, 66.4% of the total population.

Internet Users	Percentage	Absolute (thousands of individuals)
1Q2009	59.1	22,538
3Q2009	61.2	23,329
1Q2010	64.0	24,965
3Q2010	64.6	25,215
1Q2011	**65.1**	**25,417**

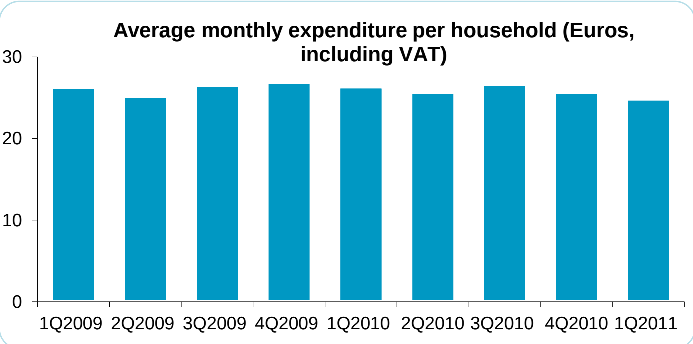
10.2. Total and average expenditure per household on the Internet

Expenditure on Internet services by Spanish households reaches €641 million in the first quarter of 2011, similarly to the same period of the previous year (when it was 1 million euros less).



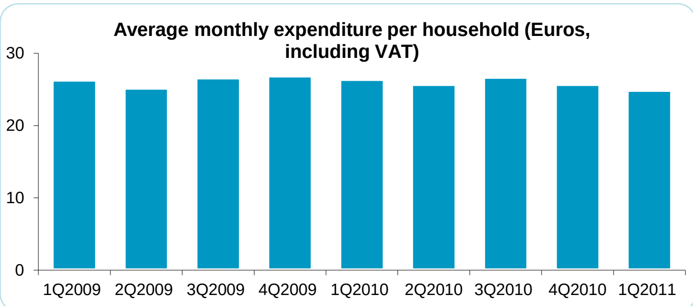
Absolute (€ Mill.)	ADSL	Cable	PSTN	Cable discount	Total - Cable discount
1Q2009	426	140	4	20	550
2Q2009	402	132	6	15	525
3Q2009	443	153	3	20	579
4Q2009	448	152	3	16	587
1Q2010	507	150	2	17	642
2Q2010	489	153	3	20	625
3Q2010	498	159	2	16	643
4Q2010	485	162	2	30	619
1Q2011	483	188	5	35	641

This means a reversal of the upward trend observed in Internet expenditure, which grew on average 13% in 2010, after the strong year-on-year increases of around 20% in the first two quarters of that year –thanks to the ADSL service–. The year-on-year increase became more moderated in the fourth quarter of 2010 and was followed by year-on-year decrease of 5% in the first quarter of 2011.



Internet exp. (%)	ADSL	Cable	PSTN
1Q2009	77.5	21.8	0.7
2Q2009	76.6	22.3	1.1
3Q2009	76.5	23.0	0.5
4Q2009	76.3	23.2	0.5
1Q2010	79.0	20.7	0.3
2Q2010	78.2	21.3	0.5
3Q2010	77.5	22.2	0.3
4Q2010	78.4	21.3	0.3
1Q2011	75.4	23.8	0.8

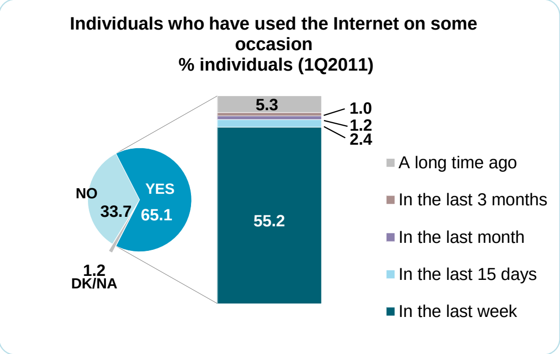
The year-on-year decrease in ADSL expenditure has been compensated by an increase of 15% (after discounts) in cable technologies. As a consequence, the weight of cable technology increases to 23.8% of the total, and of ADSL decreases to 75.4% of the total, while RTB technology shows a slight increase, reaching 0.8% of the total.



Average monthly expenditure per household	€ (including VAT)
1Q2009	26.3
2Q2009	25.2
3Q2009	26.6
4Q2009	26.9
1Q2010	26.4
2Q2010	25.7
3Q2010	26.7
4Q2010	25.7
1Q2011	24.9

Average household expenditure on the Internet access services in the last quarter of the year decreases to €24.9 per month (including VAT) in the first quarter of 2011.

10.3. Internet use



65.1% of the population aged 15 and over has used the Internet at some occasion. Of these, 55.2% used it in the last week.

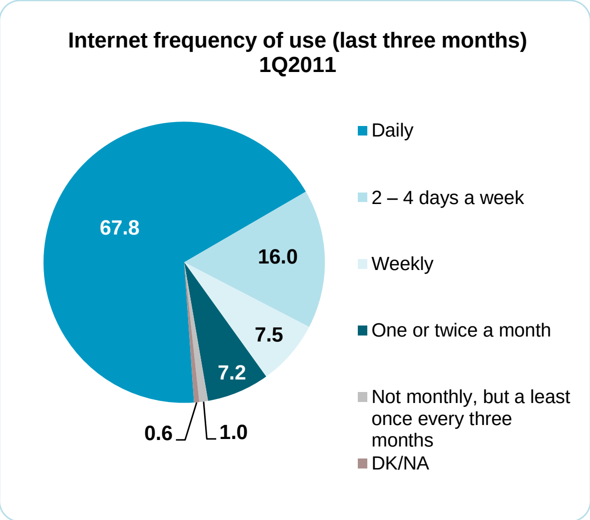
In absolute terms, 21.6 million people used the Internet in the last week, most of which used it at on a daily basis.

Thousands of individuals	Individuals who have used the Internet on some occasion					
	Never	In the last week	In the last 15 days	In the last month	In the last 3 months	A long time ago
1Q2009	15,100	17,847	1,007	667	662	2,355
3Q2009	14,315	17,800	832	810	986	2,901
1Q2010	13,539	20,415	798	538	579	2,636
3Q2010	13,374	19,434	1,104	722	749	3,205
1Q2011	**13,169**	**21,571**	**923**	**456**	**401**	**2,066**

% of individuals	Individuals who have used the Internet on some occasion (accumulated frequency)					
	Never	In the last week	In the last 15 days	In the last month	In the last 3 months	A long time ago
1Q2009	39.6	46.8	49.3	51.1	52.8	59.1
3Q2009	37.5	46.7	48.9	51.0	53.6	61.2
1Q2010	34.7	52.3	54.3	55.7	57.2	64.0
3Q2010	34.3	49.8	52.6	54.5	56.4	64.6
1Q2011	**33.7**	**55.2**	**57.6**	**58.7**	**59.8**	**65.1**

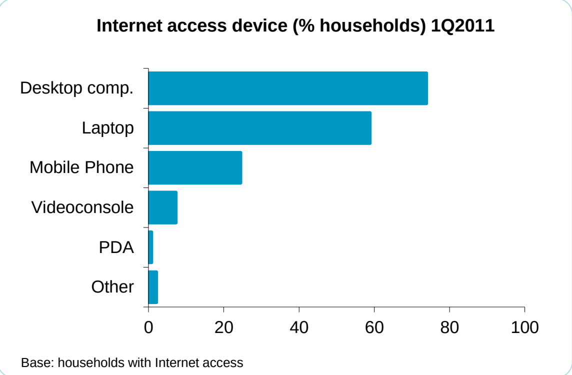
10.4. Internet frequency of use (last three months)

Internet frequency of use (last three months)	Percentage
Daily	67.8
2 – 4 days a week	16.0
Weekly	7.5
One or twice a month	7.2
Not monthly, but a least once every three months	1.0
DK/NA	0.6



Two thirds of the users who have accessed the Internet in the first quarter of 2011, used it at on a daily basis.

10.5. Device and place of Internet access

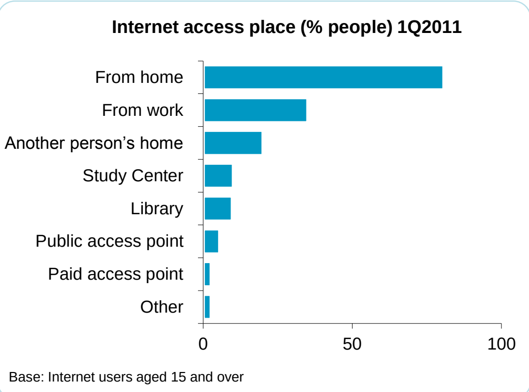


Although the predominance of the computer as the equipment for accessing the Internet has remained practically unchanged in the first quarter of 2011, including both desktops (74%) and laptops (59%), access via a mobile device is used by a quarter of all households, trebling the value recorded in 2010.

Thousands of households	Desktop comp.	Laptop	Mobile Phone	Videoconsole	PDA	Other
1Q2009	6,688	3,401	255	302	115	30
3Q2009	6,725	3,901	346	302	174	46
1Q2010	7,264	4,986	723	503	84	59
3Q2010	7,183	5,600	1,937	469	145	88
1Q2011	**7,503**	**5,974**	**2,489**	**743**	**85**	**211**

% of households	Desktop comp.	Laptop	Mobile Phone	Videoconsole	PDA	Other
1Q2009	82.9	42.1	3.2	3.7	1.4	0.4
3Q2009	79.7	46.3	4.1	3.6	2.1	0.6
1Q2010	77.3	53.1	7.7	5.4	0.9	0.6
3Q2010	75.9	59.2	20.5	5.0	1.5	0.9
1Q2011	**73.9**	**58.9**	**24.5**	**7.3**	**0.8**	**2.1**

Base: households with Internet access

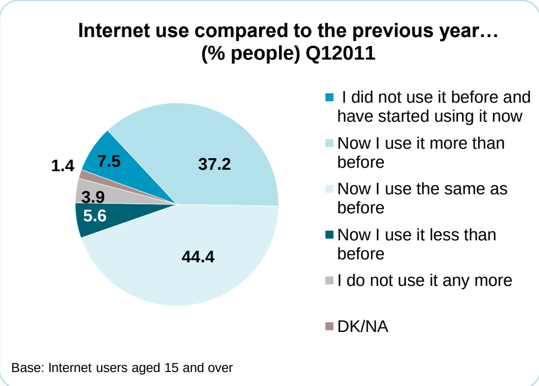


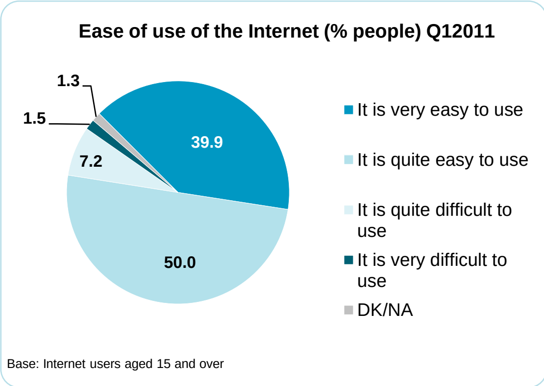
Another indicator that shows the degree of Internet adoption by households is the place of access. 20.5 million individuals access the Internet from their homes, which means more than 80% of the Internet user population. Access from the workplace is in second position with almost 9 million individuals, that is 35.1% of all Internet users.

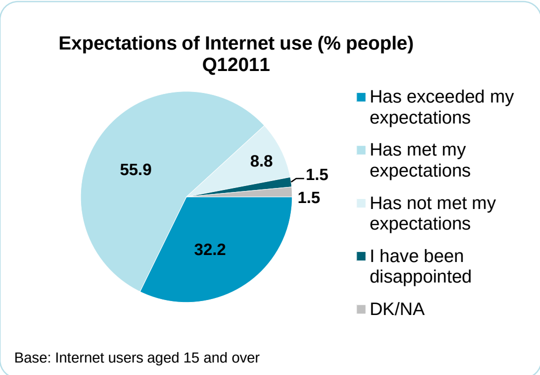
Thousands of individuals	From home	From work	Another person's home	Study Center	Library	Paid access point	Public access point	Other
1Q2009	17,542	9,005	4,541	2,039	1,884	1,140	1,561	326
3Q2009	18,416	9,058	4,922	1,968	2,108	894	1,295	382
1Q2010	18,982	7,705	4,894	2,350	2,301	835	1,888	570
3Q2010	19,291	8,985	5,218	2,342	2,354	935	1,869	471
1Q2011	**20,511**	**8,926**	**5,120**	**2,596**	**2,483**	**684**	**1,411**	**681**

% of individuals	From home	From work	Another person's home	Study Center	Library	Paid access point	Public access point	Other
1Q2009	77.8	40.0	20.1	9.0	8.4	5.1	6.9	1.4
3Q2009	78.9	38.8	21.1	8.4	9.0	3.8	5.6	1.6
1Q2010	76.0	30.9	19.6	9.4	9.2	3.3	7.6	2.3
3Q2010	76.5	35.6	20.7	9.3	9.3	3.7	7.4	1.9
1Q2011	**80.7**	**35.1**	**20.1**	**10.2**	**9.8**	**2.7**	**5.6**	**2.7**

10.6. Internet use, simplicity and expectations







During the first months of 2011, users maintain a positive opinion regarding the ease of use and expectations of the Internet.

The Internet is regarded as a medium that is easy or very easy to use by 90% of the users and 88% of the users say that the Internet has met or exceeded their expectations.

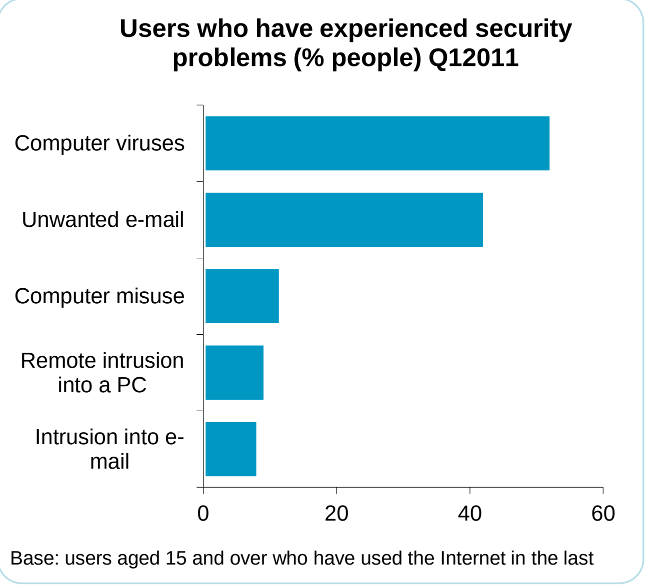
% of individuals	Internet use compared to the previous year…					
	I did not use it before and have started using it now	Now I use it more than before	Now I use the same as before	Now I use it less than before	I do not use it any more	DK/NA
1Q2009	7.7	39.5	40.6	5.3	5.5	1.4
3Q2009	8.3	34.4	42.8	7.0	5.8	1.7
1Q2010	9.2	38.2	40.5	6.1	4.1	2.0
3Q2010	6.1	37.3	41.4	8.1	5.0	2.1
1Q2011	7.5	37.2	44.4	5.6	3.9	1.4

% of individuals	Based on your experience, you would say that the Internet…				
	It is very easy to use	It is quite easy to use	It is quite difficult to use	It is very difficult to use	DK/NA
1Q2009	41.4	48.5	7.0	1.8	1.3
3Q2009	38.2	49.1	8.7	2.6	1.4
1Q2010	40.2	50.5	6.6	2.2	0.5
3Q2010	38.1	51.0	8.1	2.4	0.6
1Q2011	39.9	50.0	7.2	1.5	1.3

% of individuals	On your expectations, you would say that the Internet…				
	Has exceeded my expectations	Has met my expectations	Has not met my expectations	I have been disappointed	DK/NA
1Q2009	30.0	57.0	9.9	1.5	1.5
3Q2009	29.3	58.2	8.3	2.3	1.9
1Q2010	30.6	59.5	7.8	1.3	0.8
3Q2010	29.4	58.0	9.6	1.7	1.3
1Q2011	32.2	55.9	8.8	1.5	1.5

Base: Internet users aged 15 and over

10.7. Technological security problems

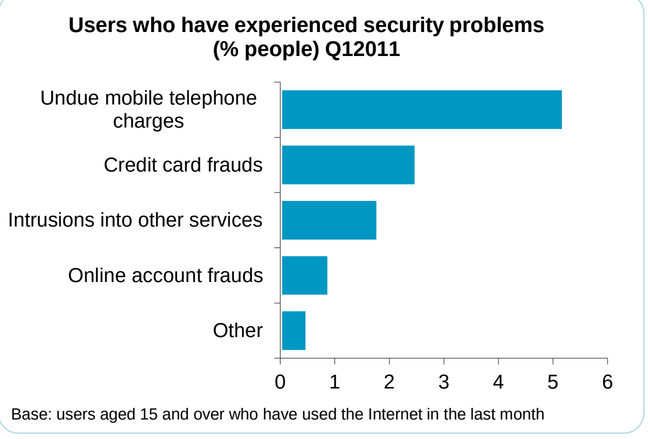


At the start of 2011 and with respect to the third quarter of 2010, there is a decrease in the percentage of Internet users who accessed the Internet in the last month affected by IT security problems, showing values similar to those observed the previous year.

Computer viruses are experienced by 54.7% of these users and unwanted e-mail by 42.3% of them.

% individuals (last month)	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Computer viruses	59.6	56.1	51.2	54.7	52.3
Unwanted e-mail	46.2	43.2	41.3	43.5	42.3
Computer misuse	10.3	9.8	10.5	14.5	11.7
Remote intrusion into a PC	11.4	10.3	7.9	11.2	9.4
Intrusion into e-mail	9.8	6.7	7.6	10.3	8.3

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

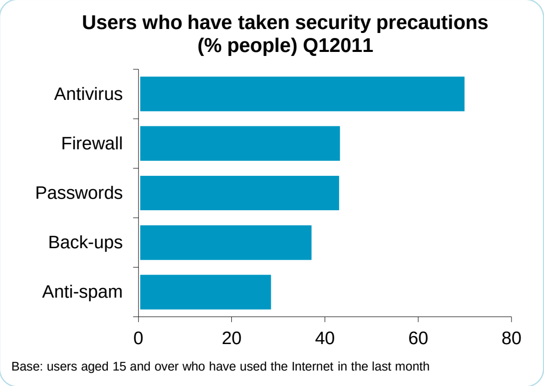


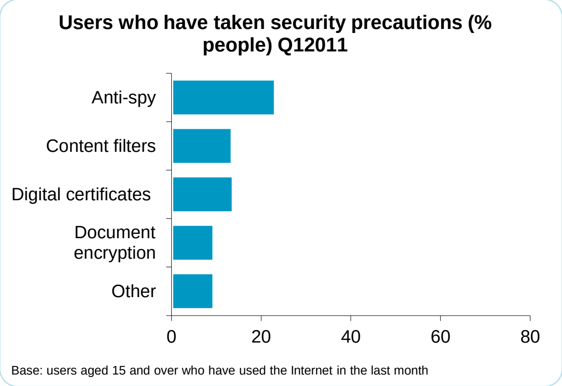
A less common security problem among Internet users who accessed the Internet in the last month is undue mobile telephone charges, which, notwithstanding, has experienced a year-on-year increase of 2.5% reaching 5.2% of this type of Internet users. The other problems hardly affect 3% of these users.

% individuals (last month)	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Undue mobile telephone charges	2.3	2.5	2.7	4.5	5.2
Intrusions into other services	1.5	1.6	1.5	3.0	1.8
Credit card frauds	1.2	1.3	1.0	2.2	2.5
Online account frauds	0.2	0.5	0.4	1.5	0.9
Other	1.1	0.2	0.6	1.5	0.5

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

10.8. Internet security precautions





As for the percentage of individuals who have accessed the Internet in the last month and have taken IT security precautions, there are significant variations with respect to the previous year, except in the case of keys and passwords.

The most widely used security precaution among users is the antivirus. In the first quarter of 2011, 71.2% of Internet users had antivirus programs installed and updated in the device they used to access the Internet. Experiencing a year-on-year increase of 3.8 percentage points, keys and passwords are used by 43.4% of the users, a percentage of use very similar to that of firewalls.

% individuals (last month)	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Antivirus (updated in the last month)	74.3	70.7	71.3	71.2	70.3
Firewall	52.4	45.7	43.9	46.1	43.6
Passwords	43.1	37.7	39.6	41.6	43.4
Back-ups	39.1	35.9	36.6	37.6	37.5
Anti-spam	31.0	29.2	29.0	29.8	28.8

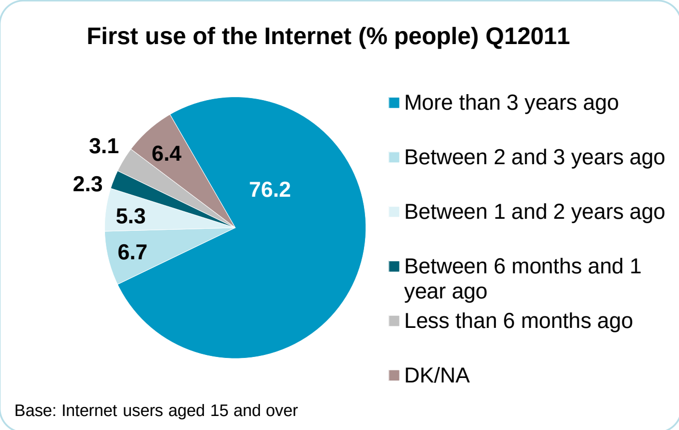
Base: users aged 15 and over who have used the Internet in the last month

% individuals (last month)	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Anti-spy	30.2	27.5	24.5	26.5	23.2
Content filters	12.5	12.0	13.6	13.5	13.6
Digital certificates	8.9	11.4	12.2	13.6	13.8
Document encryption	8.4	8.3	10.7	10.8	9.5
Other	1.4	1.1	2.3	1.6	9.5

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

Less common security precautions among Internet users who accessed the Internet in the last month, with values of 37.5% and 28.8% respectively, are security backups and anti-spam filters. Content filters, digital certificates and document encryption record values under 14%.

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

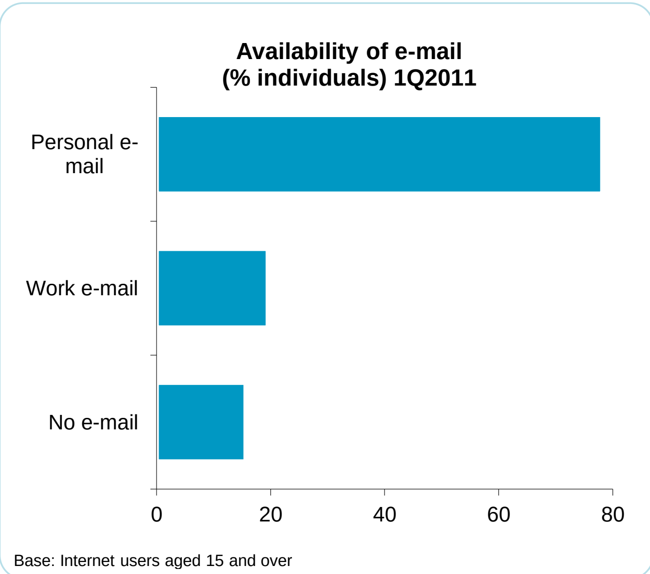


At the beginning of 2011, 19.4 million people stated that they had more than three years of experience in Internet use. This indicator, which measures the degree of loyalty on the Internet, records a year-on-year increase of 6%, reaching 76% of the users.

% individuals (Internet users)	More than 3 years ago	Between 2 and 3 years ago	Between 1 and 2 years ago	Between 6 months and 1 year ago	Less than 6 months ago	DK/NA
1Q2009	70.9	10.5	6.7	3.2	4.0	4.7
3Q2009	72.0	8.3	7.3	3.8	3.8	4.8
1Q2010	73.4	9.0	5.2	3.4	3.8	5.2
3Q2010	75.6	8.7	5.4	2.7	2.2	5.5
1Q2011	76.2	6.7	5.3	2.3	3.1	6.4

Base: users aged 15 and over who have used the Internet at some time.

Thousands of individuals	More than 3 years ago	Between 2 and 3 years ago	Between 1 and 2 years ago	Between 6 months and 1 year ago	Less than 6 months ago
1Q2009	15,983	2,368	1,521	728	901
3Q2009	16,793	1,927	1,697	889	892
1Q2010	18,324	2,239	1,289	847	943
3Q2010	19,067	2,184	1,353	690	543
1Q2011	19,379	1,707	1,343	580	781



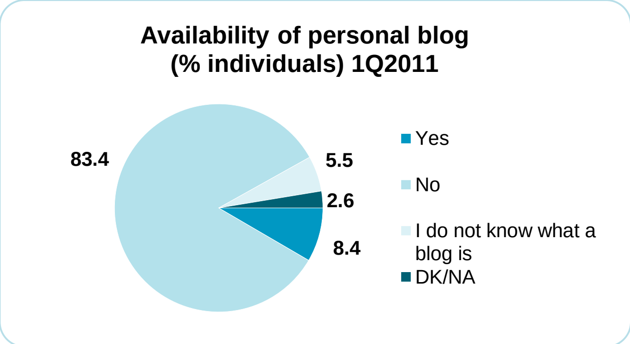
Over 78% of Internet users have a personal e-mail address, which means almost 20 million people. This percentage has experienced a year-on-year increase of 6%. Regarding company e-mail addresses, 19.5% of individuals who have ever used the Internet have one, while 18.4% of these users do not have any type of email address.

% individuals (Internet users)	No e-mail	Work e-mail	Personal e-mail
1Q2009	21.3	19.4	71.6
3Q2009	20.3	18.1	72.0
1Q2010	19.3	18.2	75.0
3Q2010	18.4	18.1	76.0
1Q2011	15.6	19.5	78.2

Base: users aged 15 and over who have used the Internet at some time

Thousands of individuals	No e-mail	Work e-mail	Personal e-mail
1Q2009	4,858	4,367	16,141
3Q2009	4,729	4,220	16,787
1Q2010	4,830	4,555	18,712
3Q2010	4,651	4,570	19,168
1Q2011	3,965	4,954	19,870

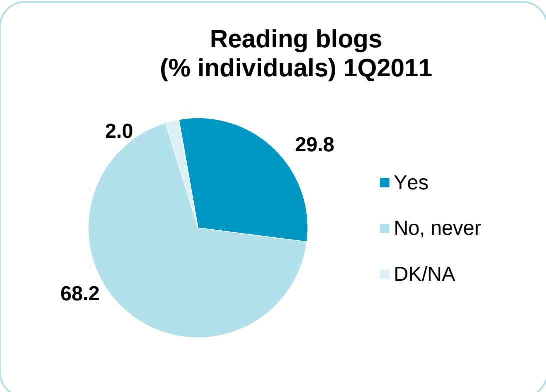
10.10. Availability, reading and writing of blogs

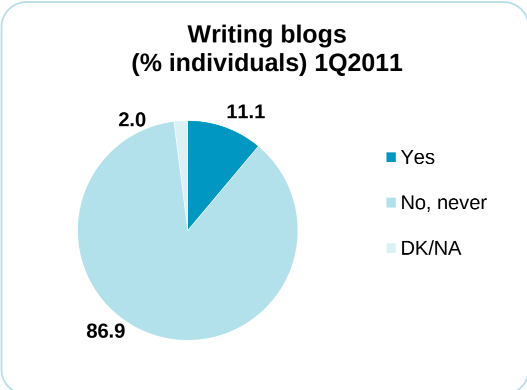


In the first quarter of 2011, 8.4% of Internet users stated having a personal blog, similarly to the same period the previous year. However, 5.5% of the users who have ever accessed the Internet do not know what a blog is.

% individuals (Internet users)	Yes	No	I do not know what a blog is	DK/NA
1Q2009	8.2	81.8	6.7	3.2
3Q2009	9.0	81.9	6.6	2.5
1Q2010	8.2	85.2	5.3	1.2
3Q2010	8.1	85.9	4.9	1.2
1Q2011	8.4	83.4	5.5	2.6

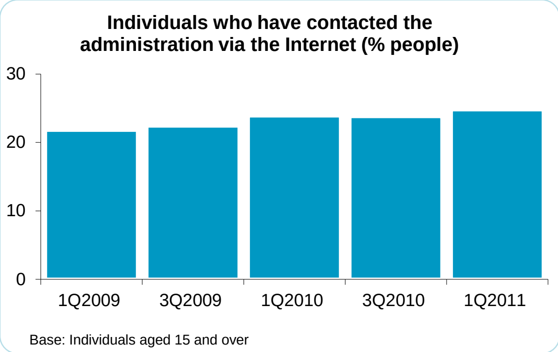
Base: users aged 15 and over who have used the Internet at some time.





In terms of writing one's own blog and/or participating in another's blog, 30% of individuals who have ever used the Internet have read a blog and 11% have participated in blogs in some occasion.

10.11. Contact with the Public Administration via the Internet



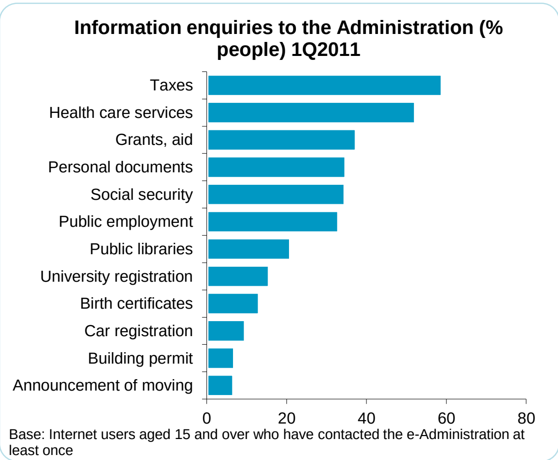
Contact with the Public Administration	% individuals	Thousands of individuals
1Q2009	21.8	8,334
3Q2009	22.4	8,528
1Q2010	23.9	9,317
3Q2010	23.8	9,279
1Q2011	**24.8**	**9,703**

A fourth part of the population has contacted the Public Administration (central, regional and/or local) via the Internet at least in one occasion. In absolute terms, this means 9.7 million people who have contacted the Public Administration via the Internet to make a consultation, download a form and/or carry out official procedures.

10.12. Information enquiries to the Administration

% individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Taxes	60.9	58.9	60.6	60.9	59.0
Health care services	34.2	37.1	45.2	51.4	52.3
Grants, aid	36.8	40.6	42.1	39.3	37.5
Social security	36.0	38.0	39.0	32.6	34.7
Public employment	37.9	35.3	36.0	35.6	33.1
Personal documents	22.8	29.4	34.0	35.5	34.9
Public libraries	21.6	22.9	23.3	21.2	21.0
University registration	14.0	16.7	18.8	16.0	15.7
Birth certificates	9.5	9.6	11.1	9.6	13.2
Car registration	6.5	6.3	9.4	8.0	9.7
Announcement of moving	5.1	8.7	6.6	4.9	6.8
Building permit	6.1	4.9	3.9	4.6	7.0

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

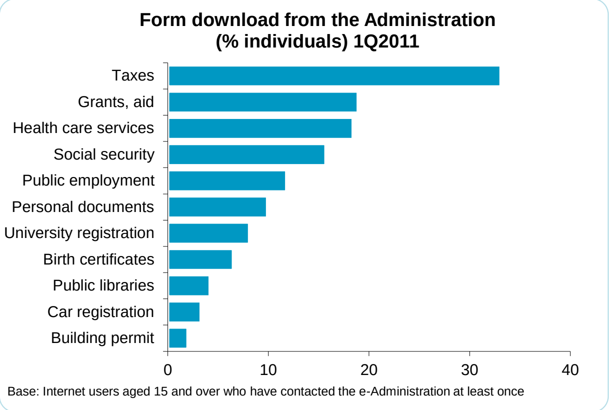


A total of 59% of Internet users who have contacted the Public Administration via the Internet, did it to pay their taxes, similarly to the previous year. Consultations via the Internet about healthcare services have experienced a year-on-year increase of more than 7 percentage points, so that, in the first quarter of 2011, over half the users had accessed the Internet to search for health related information.

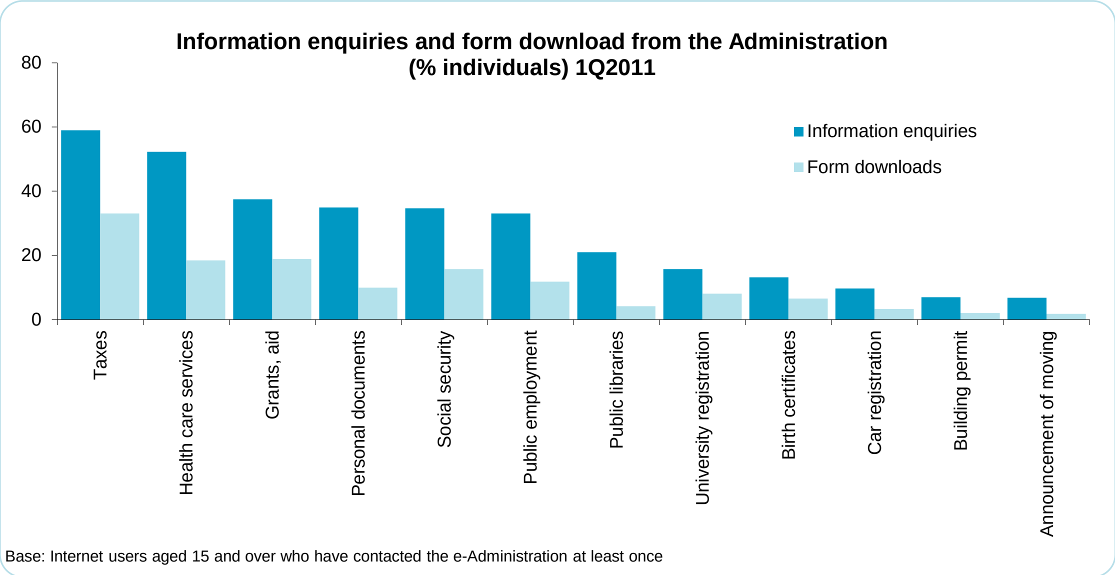
10.13. Official Administration form downloads

% of individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Taxes	32.1	33.1	35.6	35.0	33.1
Grants, aid	17.8	19.9	22.8	23.1	18.9
Health care services	13.5	13.3	19.9	19.0	18.4
Public employment	13.3	16.4	15.8	14.6	11.8
Social security	13.6	15.5	13.9	11.2	15.7
University registration	9.6	9.8	12.9	11.8	8.1
Personal documents	7.0	7.7	12.3	11.3	9.9
Public libraries	6.8	5.1	6.8	7.0	4.2
Birth certificates	3.9	5.3	6.0	3.7	6.5
Car registration	2.7	2.4	4.1	4.6	3.3
Announcement of moving	2.3	5.2	3.7	2.1	1.8
Building permit	1.6	1.4	1.5	1.9	2.0

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



The percentage of users downloading forms from the Public Administration via the Internet has not changed since last year. The exceptions are downloads of Social Security forms, which experienced a year-on-year increase of almost two percentage points, and of birth certificates and building permits, both recording a 0.5 point increase.

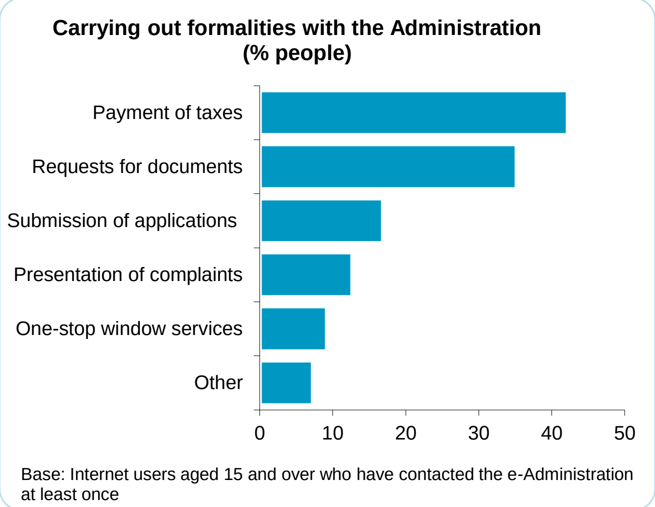


A certain parallel can also be observed between the number of individuals looking up information and those downloading forms from the Public Administration via the Internet in the case of taxes, grants/aids and university registrations.

10.14. Carrying out formalities with the Administration

% of individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Payment of taxes	35.6	40.8	36.6	45.0	42.2
Requests for documents	34.0	37.0	35.6	33.9	35.2
Submission of applications	14.6	14.7	16.6	15.7	16.9
Presentation of complaints	8.7	10.0	10.6	10.3	12.7
One-stop window services	4.2	8.4	7.0	7.4	9.2
Other	4.0	3.6	5.1	5.4	7.3

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



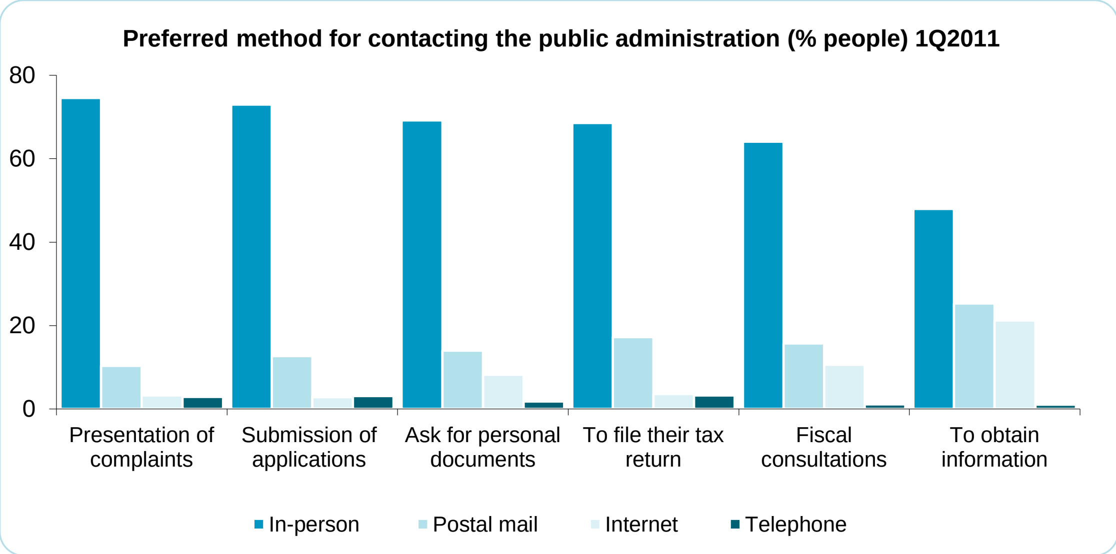
In the first quarter of 2011, procedures with the Public Administration via the Internet show a positive evolution. Payment of taxes experiences a year-on-year rise of 5.6 percentage points, and presentation of complaints and one-stop window services increase by over two points in a year.

10.15. Preferred method for contacting the public administration

% of individuals	Type of contact	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
To obtain information	In-person	49.6	50.1	48.5	51.1	48.0
	Telephone	20.6	19.3	18.4	19.8	21.2
	Postal mail	1.1	0.9	1.1	1.1	1.0
	Internet	19.9	20.9	23.5	23.5	25.3
To file their tax return	In-person	69.2	67.7	66.5	70.2	68.6
	Telephone	3.1	3.0	3.5	3.1	3.6
	Postal mail	3.0	2.1	3.0	2.7	3.2
	Internet	12.6	15.0	14.4	16.0	17.2
Fiscal consultations	In-person	64.5	63.9	63.9	65.1	64.1
	Telephone	9.7	9.8	8.9	10.4	10.6
	Postal mail	1.3	0.8	1.0	1.4	1.1
	Internet	11.5	12.5	13.5	14.7	15.7
Ask for personal documents	In-person	69.7	69.6	69.1	71.9	69.2
	Telephone	7.2	6.8	6.5	7.7	8.2
	Postal mail	1.7	1.2	1.2	1.3	1.8
	Internet	10.2	11.7	13.0	12.1	14.0
Submission of applications	In-person	71.5	72.2	70.8	75.6	73.0
	Telephone	1.6	1.7	2.4	1.7	2.8
	Postal mail	3.6	3.3	3.4	3.5	3.1
	Internet	9.6	9.8	9.9	9.8	12.7
Presentation of complaints	In-person	72.1	72.5	71.1	76.8	74.6
	Telephone	2.6	2.1	3.1	2.4	3.2
	Postal mail	3.4	3.1	3.0	3.3	2.9
	Internet	7.6	8.1	7.7	7.5	10.3

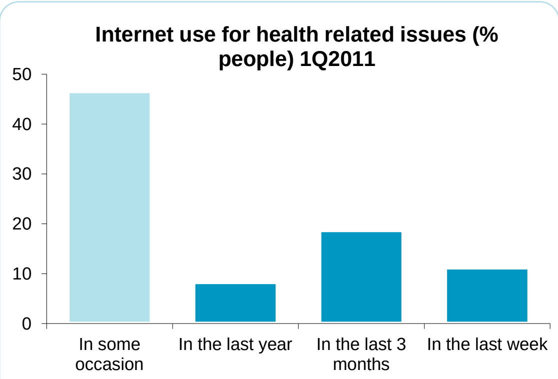
Base: Internet users aged 15 and over who have contacted the e-Administration at least once

Contact with the Public Administration via the Internet has consolidated, with 25.3% of the users who have contacted the Public Administration via the Internet at some time preferring this channel to search for information, and 17.2% preferring this channel to file income tax returns (vs. the traditional channel).

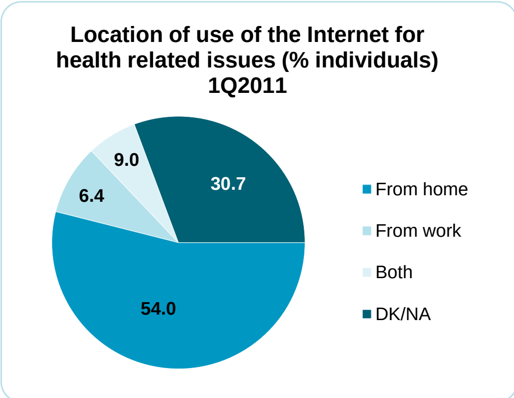


Base: Internet users aged 15 and over who have contacted the e-Administration at least once

10.16. Internet use for health related issues



Base: Internet users aged 15 and over



In the first quarter of 2011, 46.6% of Internet users say that they had used the Internet for health related issues at some time. This percentage has increased by almost five percentage points in a year.

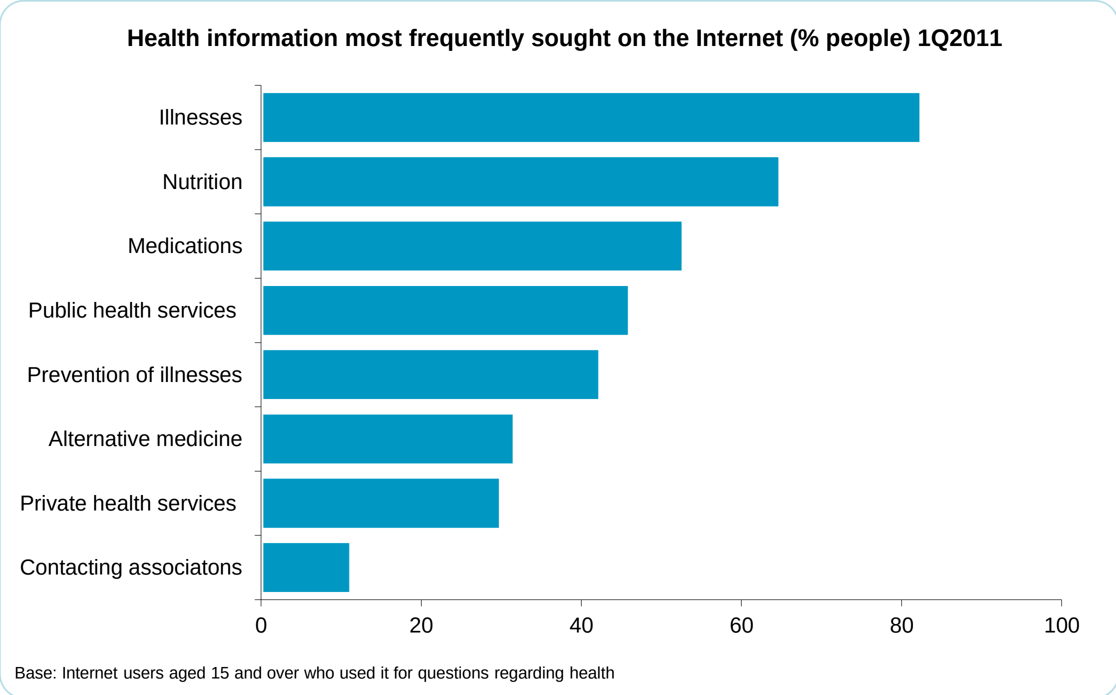
54% of the users that had used the Internet for health related issues accessed from their homes and only 9% from their workplace, similarly to the previous year.

% of individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
In some occasion	39.3	41.4	41.7	41.7	**46.6**
In the last year	7.9	9.4	8.1	8.1	**8.3**
In the last 3 months	13.5	13.3	13.3	14.6	**18.7**
In the last week	10.8	10.8	13.4	10.4	**11.2**

Base: Internet users aged 15 and over

% of individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
From home	55.1	56.4	53.2	50.9	**54.0**
From work	12.1	10.6	9.8	8.0	**9.0**
Both	7.3	7.5	7.0	7.2	**6.4**
DK/NA	25.5	25.6	30.0	33.8	**30.7**

Base: Internet users aged 15 and over



Although, the health information most frequently sought on the Internet was on illnesses and nutrition, searches about public health services, alternative medicine and medications record the most notable growth in the last year, of 4.7, 3.7 and 2 percentage points, respectively.

% of individuals	1Q2009	3Q2009	1Q2010	3Q2010	1Q2011
Illnesses	78.7	79.9	82.8	82.4	82.5
Nutrition	58.5	57.3	66.9	62.0	64.9
Medications	43.9	44.9	50.8	52.1	52.8
Prevention of illnesses	38.5	42.4	41.3	39.6	42.4
Public health services	38.0	42.5	41.4	44.0	46.1
Private health services	25.3	29.5	29.4	32.1	30.0
Alternative medicine	21.9	25.3	28.0	29.6	31.7
Contacting associatons	12.8	9.8	12.4	13.0	11.3

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 and expenditure levels, in addition to uses and attitudes towards technology, classified under five areas: fixed telephone, mobile telephone, Internet, audiovisual and pay TV, and ICT services and devices. To measure expenditure by Spanish households on ICT, fixed telephone, mobile telephone, Internet and pay TV services are considered.

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: 17,068,913 households. Individuals aged 15 and over: 39.066 million. Individuals aged 10 and over: 41.200 million.
The data published in this quarterly report refers to individuals aged 15 and over.

Sample: 3,164 households and 6,723 individuals aged 10 and over were included in the questionnaire analysis, 6,345 individuals aged 15 and over. A total of 2,874 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 January-March 2011 was completed during May 2011.

Sampling error: Assuming simple random sampling, for the case of maximum uncertainty (p=q=50%) and a confidence level of 95%, sampling errors were ±1.74% for households and ±1.23% for individuals aged 15 and over.