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TELEFÓNICA JOINS HOMEGRID FORUM BOARD OF DIRECTORS

Telecommunications Leader to Drive Commercialization of ITU-T G.hn Next-Generation Wired Networking Standard

Beaverton, Ore., Nov. 18, 2009 – HomeGrid Forum, a global, non-profit trade group promoting the United Nations' International Telecommunication Union's (ITU-T) G.hn standardization efforts, today announced that one of the largest telecommunications service providers in Europe and Latin America – Telefónica – has been appointed to the organization's board of directors. This announcement confirms the growing importance and broadening adoption of G.hn as the next-generation global standard for wired home networking.

The G.hn standard is designed to deliver a unified technology for the wired home network that addresses key issues of service providers, electronics manufacturers, and consumers alike. Through one worldwide standard, G.hn will unify the networking of content and devices over any wire -- coax cable, phone, and power lines. G.hn enables service providers to deploy new offerings, including IPTV, more cost effectively; allows electronics manufacturers to provide powerful devices for connecting all types of entertainment, home automation, and security products throughout the house; and greatly simplifies consumer purchasing and installation processes.

"The addition of Telefónica to the HomeGrid board is evidence of the increasing support from telecommunications carriers around the world," said Michael J. Palma, senior research analyst for consumer semiconductors at IDC. "Telefónica's global reach throughout Europe and Latin America, along with their endorsement of the standard, increases the momentum for the adoption of G.hn on a global scale."

Within Europe, Telefónica operates in six countries including Spain, Czech Republic, Germany, Ireland, Slovakia, and UK, and has presence in the form of commercial offices or owned infrastructure in an additional 20 EU member states. In addition, the company provides telecommunications services in 13 Latin American countries including Argentina, Brazil, Chile, Colombia, Ecuador, El Salvador, Guatemala, México, Nicaragua, Panamá, Peru, Uruguay and Venezuela.

"As G.hn moves towards approval, a growing number of service providers are now actively involved in the delivery of the standard to the marketplace," said Matthew Theall, president of HomeGrid Forum. "Telefónica's support and expertise will help accelerate the adoption of G.hn products in markets around the world. We look forward to their contributions at the board level, and as a key member of our technical and marketing workgroups."

Telefónica joins a growing list of industry-leading organizations that are part of HomeGrid Forum. Global leaders in the service provider, computing, and consumer electronics industries also support the adoption of G.hn through their participation in the ITU-T. For a complete list of HomeGrid Forum members, visit www.homegridforum.org.

About Telefónica

Telefónica is one of the largest telecommunications companies in the world in terms of market capitalisation. Its activities are centered mainly on the fixed and mobile telephony businesses with broadband as the key tool for the development of both. The company has a significant presence in 25 countries and a customer base that amounts to 264 million accesses around the world. Telefónica has a strong presence in Spain, Europe and Latin America, where the company focuses an important part of its growth strategy. Telefónica is a 100% listed company, with more than 1.5 million direct shareholders. Its share capital currently comprises 4,704,996,485 ordinary shares traded on the Spanish Stock Market (Madrid, Barcelona, Bilbao and Valencia) and on those in London, Tokyo, New York, Lima, Buenos Aires and São Paulo.

About HomeGrid Forum

HomeGrid Forum is a global, non-profit trade group promoting the International Telecommunication Union's G.hn standardization efforts for next-generation home networking. HomeGrid Forum promotes adoption of G.hn through technical and marketing efforts, addresses certification and interoperability of G.hn-compliant products, and cooperates with complementary industry alliances. For more information on HomeGrid Forum, please visit www.homegridforum.org or follow us on Twitter @homegrid_forum.