



Fourth quarter and full year 2004 results

ONO surpasses 800,000 customers

- Revenues over €500 million
- EBITDA grows to €185 million
- EBITDA margin at 37% for the full year
- Broadband internet customers up by 50% in year

Madrid - 1 March 2005

Grupo Corporativo ONO, S.A. (“ONO”) one of Spain’s leading broadband services providers, and the holding company for the cable operating companies Cableuropa and Retecal, announced today the consolidated unaudited results for the fourth quarter and the full year ended 31 December 2004. Highlights are as follows:

FINANCIAL HIGHLIGHTS	Quarter ended 31-Dec-04	Quarter ended 30-Sep-04	% change	Year 2004	Year 2003	% change
Revenues (euro thousand)	136.177	124.981	9%	501.684	358.587	40%
Gross profit (euro thousand)	98.156	89.649	9%	357.058	252.990	41%
Gross margin (%)	72%	72%	0,3 pp	71%	71%	0,6 pp
EBITDA (euro thousand)	50.085	47.477	5%	185.124	103.031	80%
EBITDA (margin)	37%	38%	-1,2 pp	37%	29%	8,2 pp

OPERATING HIGHLIGHTS	Quarter ended 31-Dec-04	Quarter ended 30-Sep-04	% change	Year 2003	% change
Total customers	804.934	769.571	5%	594.478	35,4%
Residential market					
Customers	783.765	749.001	5%	581.345	34,8%
Penetration	30,7%	30,6%	0,1 pp	33,3%	-2,6 pp
Average monthly revenue per customer (€)	53,3	51,6	3%	54,1	-1,5%
Business market					
Customers	21.169	20.570	3%	13.133	61,2%
Average monthly revenue per customer (€)	213,0	177,0	20%	229,0	-7,0%
Infrastructure					
Homes passed	2.833.106	2.744.057	3%	2.003.233	41,4%

Commenting on the results, Eugenio Galdón, President of ONO, said:

“2004 was an important year in the evolution of ONO. We purchased, and successfully integrated the Retecal business, we commenced operations in our new franchise territory, Castilla La Mancha, we strengthened our balance sheet and at the same time we managed to continue to achieve considerable growth quarter after quarter in our base business. ONO is now a significant enterprise with over €500 million in annual revenues and 800,000 customers and is one of the best performing cable companies in Europe. We now have the scale to support further growth and take the company public when the equity markets are ready.”

Richard Alden, ONO’s Chief Executive Officer, added:

“2004 was a strong year, despite increasing competition. We added over 100,000 new customers in the year to provide service to more than one in three of the homes reached by our network, which means that today over two and half million people enjoy ONO’s services.

“In 2004, we continued to grow that network, investing close to €300 million. We also invested in people, strengthening our management team in line with the challenges faced by an every day larger company. ONO is today a leader in its sector, but the revolution is only just beginning.

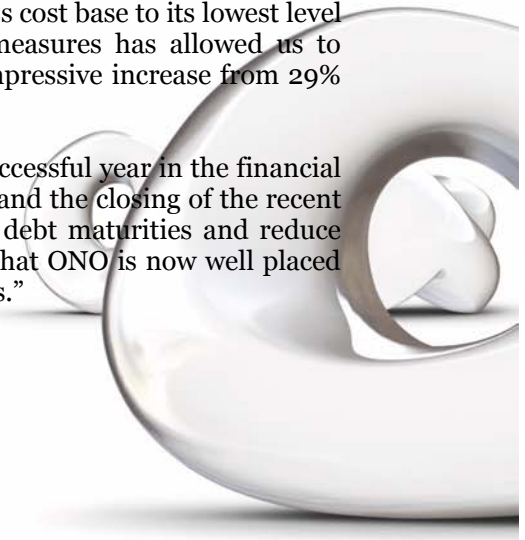
“We have set challenging targets for ourselves in 2005, not least to grow the business by around a further 30%, but I am convinced that we have, more than ever, the right team, the right motivation and the right assets to achieve our goals.”

Jonathan Cumming, Chief Financial Officer of ONO, stated:

“We are proud to announce another set of results that exceed the expectations of the market. We have consolidated our position as a leading Spanish communications and entertainment company and moved a step closer to our goal of net profitability.

“While we continued to concentrate on the efficient employment of our capital resources in network construction and customer acquisition during 2004, we also focused strongly on revenue per customer, margin generation and cost controls. Despite the significant growth in customers and network reach, we have managed to keep our gross cost base to its lowest level of the last three years. This intense targeting of efficiency measures has allowed us to increase EBITDA margins to 37% for the year as a whole, an impressive increase from 29% for the previous year.

“In the face of a tough financial environment, we had another successful year in the financial markets in 2004. The bond refinancing operation of May 2004 and the closing of the recent €1,250 million senior credit facility have allowed us to extend debt maturities and reduce interest costs considerably. This balance sheet stability means that ONO is now well placed to take advantage of the opportunities that become available to us.”



About ONO

ONO is one of the leading broadband services providers in Spain. It offers direct access telephony, pay television and internet access services to the residential market where it has a potential market of over seven million homes. In the business market, ONO offers advanced voice, data and value added services across its own high capacity local access and national backbone networks. ONO's shareholders are Bank of America, Caisse de dépôt et placement du Québec, General Electric, Grupo Ferrovial, Grupo Multitel, Santander Central Hispano, Sodinteleco and VAL Telecomunicaciones.

Safe Harbor Statement under the Private Securities Litigation Reform Act 1995

Certain statements in this release are "forward-looking statements" intended to qualify for the safe harbour under liability established by the Private Securities Litigation Reform Act of 1995 and are subject to material risks and uncertainties. Actual results could differ materially from those stated or implied by those forward looking statements due to risks and uncertainties associated with the ONO group business which include, among others, competitive developments, risks associated with the group's growth, the development of the group's markets regulatory risks and other risks which are presented in the group's filings with the Securities and Exchange Commission.

Further information

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Grupo Albion

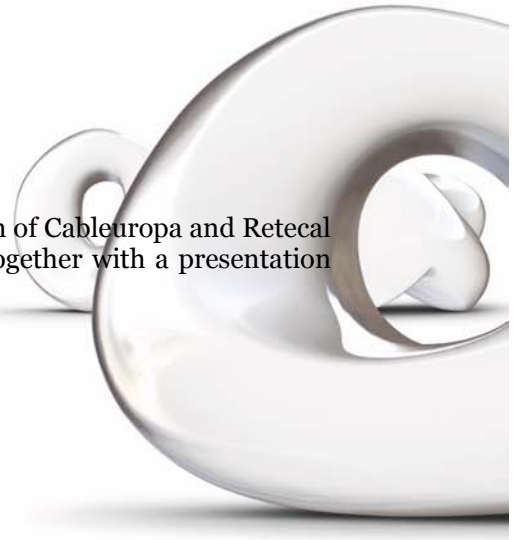
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Other

www.ono.es – Investor Relations
www.sec.gov – EDGAR

Note

Unaudited results for the Cableuropa group and for a combination of Cableuropa and Retecal are provided in our investors relations section at www.ono.es, together with a presentation covering those results.



**GRUPO CORPORATIVO ONO
OPERATING STATISTICS**

	Quarter ended 31-Dec-04	Quarter ended 30-Sep-04	% change	Year 2003	% change
Residential services					
Customers	783.765	749.001	4,6%	581.345	34,8%
Penetration	30,7%	30,6%	0,1 pp	33,3%	-2,6 pp
ARPU - euro	53,3	51,6	3,3%	54,1	-1,5%
Telephony					
Customers	697.934	673.783	3,6%	544.271	28,2%
Penetration	27,4%	27,5%	-0,1 pp	31,2%	-3,8 pp
ARPU - euro	29,7	29,2	1,7%	31,4	-5,4%
Television					
Customers	445.484	434.681	2,5%	339.378	31,3%
Penetration	17,5%	17,7%	-0,2 pp	19,5%	-2 pp
ARPU - euro	24,2	22,7	6,6%	23,1	4,8%
Broadband internet					
Customers	314.701	282.607	11,4%	186.447	68,8%
Penetration	12,3%	11,5%	0,8 pp	10,7%	1,6 pp
ARPU - euro	32,1	31,6	1,6%	33,3	-3,6%
Customer churn (annualised)	14,2%	13,4%	0,8 pp	13,7%	0,5 pp
Business services					
Customers	21.169	20.570	2,9%	13.133	61,2%
ARPU - euro	213	177	20,3%	229	-7,0%
Infrastructure					
Number of cities with service	140	133	5,3%	98	42,9%
Homes passed	2.833.106	2.744.057	3,2%	2.003.233	41,4%
Homes released / homes passed	90,0%	89,3%	0,7 pp	87,0%	3 pp



GRUPO CORPORATIVO ONO
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited figures (Euro thousand)

	Quarter ended 31-Dec-04	Quarter ended 30-Sep-04	Year 2004	Year 2003
REVENUES				
Residential services				
Telephony	61.197	58.292	231.451	184.035
Television	31.955	29.405	117.398	83.032
Internet	29.331	26.615	104.806	62.299
Business and other services	13.694	10.669	48.029	29.221
Total revenues:	136.177	124.981	501.684	358.587
COST OF SERVICES	(38.021)	(35.332)	(144.626)	(105.597)
GROSS PROFIT	98.156	89.649	357.058	252.990
OPERATING EXPENSES				
Gross expense	(54.092)	(47.614)	(193.588)	(165.206)
Capitalized costs	6.021	5.442	21.654	15.247
Total operating expenses:	(48.071)	(42.172)	(171.934)	(149.959)
EBITDA	50.085	47.477	185.124	103.031
DEPRECIATION & AMORTIZATION	(35.581)	(32.316)	(128.170)	(107.496)
OPERATING PROFIT	14.504	15.161	56.954	(4.465)
OTHER EXPENSE				
Amortization of goodwill	(2.153)	(4.354)	(14.881)	(13.390)
Interest expense, net	(26.667)	(25.536)	(101.887)	(102.658)
Foreign exchange profit / (loss)	113	(36)	(893)	(10.452)
Total other expense:	(28.707)	(29.926)	(117.661)	(126.500)
LOSS FROM ORDINARY ACTIVITIES	(14.203)	(14.765)	(60.707)	(130.965)
Extraordinary (expense) / income, net	(27.449)	16.732	(45.387)	(55.404)
Income tax	(3.226)	(5.319)	9.066	64.743
Minority interests	2.946	2.194	9.414	0
NET LOSS	(41.932)	(1.158)	(87.614)	(121.626)

GRUPO CORPORATIVO ONO
CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited figures (Euro thousand)

	31-Dec-04	30-Sep-04	31-Dec-03
ASSETS			
Current assets			
Cash	4.669	4.592	6.802
Short-term investments, net	22.370	42.637	26.450
Accounts receivable and other current assets	63.044	50.971	54.876
Total current assets:	90.083	98.200	88.128
Fixed assets			
Start-up costs, net	13.229	14.677	11.502
Intangible assets, net	191.209	140.424	121.443
Tangible assets, net	1.658.792	1.609.718	1.295.143
Financial assets, net	274.360	284.518	263.577
Total fixed assets:	2.137.590	2.049.337	1.691.665
Goodwill on consolidation	239.304	258.066	226.543
Deferred expenses, net	33.578	33.878	57.260
TOTAL ASSETS	2.500.555	2.439.481	2.063.596
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term debt	38.345	28.475	22.418
Accrued interest expense	15.697	14.917	25.184
Accounts payable and other current liabilities	369.716	297.476	266.380
Total current liabilities:	423.758	340.868	313.982
Long-term debt			
Senior bank facility	789.000	769.000	515.000
Senior subordinated notes	456.547	449.222	410.427
Other	36.703	28.337	25.460
Total long-term debt:	1.282.250	1.246.559	950.887
Other long-term liabilities	49.642	45.721	63.208
Commitments and contingencies	10.095	10.483	11.349
Minority interests	0	24.158	0
Shareholders' loan	3.400	3.400	3.400
Shareholders' equity			
Common stock	979.346	974.469	881.263
Share premium	173	0	0
Accumulated deficit, beginning of period	(160.495)	(160.495)	(38.867)
Net loss for the period	(87.614)	(45.682)	(121.626)
Total shareholders' equity:	731.410	768.292	720.770
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2.500.555	2.439.481	2.063.596

GRUPO CORPORATIVO ONO
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited figures (Euro thousand)

	Quarter ended 31-Dec-04	Quarter ended 30-Sep-04	Year 2004	Year 2003
EBITDA	50.085	47.476	185.124	103.031
Capex - Tangible	(96.697)	(68.074)	(265.579)	(187.691)
Capex - Intangible	(3.038)	(3.724)	(10.427)	(5.804)
Capex - Leasehold improvements	(1.043)	(582)	(1.351)	(1.803)
Change in working capital	62.519	10.982	49.182	85.241
Other	(2.927)	5.534	1.564	(16.189)
OPERATING FREE CASH FLOW	8.899	(8.388)	(41.487)	(23.215)
Shares acquisition	(28.755)	0	(29.369)	0
Paid interests, net	(22.889)	(26.980)	(117.983)	(112.145)
FREE CASH FLOW AFTER DEBT SERVICE	(42.745)	(35.368)	(188.839)	(135.360)
Senior bank facilities	20.000	62.698	155.222	245.000
Contributions / debt from shareholders	0	5.050	5.706	(55.049)
Sale / (acquisition) of notes	5.057	0	(236.065)	0
Issuance of notes, net	0	0	273.173	0
State subsidies	9.315	(1.285)	10.176	8.057
Short term credit lines	9.118	(25.300)	(2.747)	(13.016)
Other financing items	(668)	(2.628)	(18.759)	(55.216)
CASH FLOW FROM FINANCING	42.822	38.535	186.706	129.776
NET CASH FLOW	77	3.167	(2.133)	(5.584)
CASH BEGINNING OF PERIOD	4.592	1.425	6.802	12.386
CASH END OF PERIOD	4.669	4.592	4.669	6.802

