



## First quarter 2006 results

# EBITDA up by 15%

- Strong growth in RGUs per customer
- Opex and capex reductions
- EBITDA margin rises to 31.5%

Madrid - 7 June 2006

Grupo Corporativo ONO, S.A. ("ONO"), one of Spain's leading broadband services providers, announced today the consolidated unaudited results for the first quarter ended 31 March 2006. A complete set of results is available at [www.ono.es](http://www.ono.es). Highlights are as follows:

### FINANCIAL HIGHLIGHTS

	Quarter ended 31-Mar-06	Quarter ended 31-Dec-05	% change	Quarter ended 31-Mar-05	% change
Revenues (€ million)	422	425	(0.7%)	144	193.8%
Gross margin	67.1%	66.0%	1.1 pp	71.9%	(4.8 pp)
EBITDA (€ million)	133	116	14.6%	55	143.2%
EBITDA margin	31.5%	27.3%	4.2 pp	38.0%	(6.6 pp)

### OPERATING HIGHLIGHTS

	Quarter ended 31-Mar-06	Quarter ended 31-Dec-05	% change	Quarter ended 31-Mar-05	% change
<b>Customers (thousands):</b>					
Residential direct access	1,782	1,771	0.6%	814	119.0%
Business (incl. indirect access)	115	122	(5.4%)	22	411.7%
<b>Other data – Cable:</b>					
Homes marketable (thousands)	5,756	5,652	1.9%	2,658	116.6%
Penetration	29.3%	29.4%	(0.1 pp)	30.6%	(1.4 pp)
ARPU (€)	53.2	51.9	2.5%	54.3	(2.0%)
RGUs (thousands)	3,218	3,129	2.8%	1,518	112.0%
RGUs per customer	1.91	1.89	1.4%	1.87	2.4%

Commenting on the results, **Richard Alden**, ONO's Chief Executive Officer, said:

“It has been a positive first quarter in the life of the new ONO. As anticipated, revenues were flat as we concentrated on higher value added business and the improvements in gross margin and EBITDA margin demonstrate our steady progress.

“In a competitive environment, we have had good commercial success adding almost 90,000 new RGUs to surpass 3.2 million at the end of the quarter, with our broadband internet business continuing to be the main driver of the growth. Our focus on the “triple play” strategy has yielded good results with a significant increase in the average number of services contracted by each customer.

“In this first quarter we have been active with a number of new commercial offers for our customers, including our video on demand service “ojo” and “ONO light”, our ULL service for customers currently not covered by our cable infrastructure. The rest of 2006 will see us extend these, and other new and exciting, services across our franchise areas as we seek to fulfil our commitment of offering our new and potential customers high quality communications and entertainment services at competitive prices.”

**Jonathan Cumming**, Chief Financial Officer of ONO, added:

“With these positive results for the first quarter, we remain on target to meet the guidance that we have provided for full year 2006 results. EBITDA for the first quarter stands at €532 million on a last quarter annualised basis against full year guidance of €550 - €580 million.

“In this first quarter of the year, we have launched numerous integration projects within ONO whose ultimate goal is to take us back to the levels of efficiency that ONO was achieving prior to the purchase of Auna. Whilst a lot of these projects are aimed at cost savings, we also continue to be focused strongly on profitable revenue growth.”



## **About ONO**

ONO is the leading alternative provider of telecommunications, broadband Internet and pay television services in Spain and the only cable operator with national coverage. ONO offers its services to approximately 1.8 million residential and 115,000 business direct access customers as of March 31, 2006, through its own state of the art networks which give direct access to nearly six million homes in franchises which cover the majority of Spain, including the eight largest cities. ONO's shareholders are Caisse de Dépôt et Placement du Québec, GE Structured Finance Inc., Grupo Multitel, Grupo Santander, JPMorgan Partners, Providence Equity Partners, Quadrangle Capital Partners, Sodinteleco and Thomas H. Lee Partners.

## **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 and the development of the group's markets regulatory risks.

## **Further information**

### ONO

Jonathan Cumming  
Chief Financial Officer  
Telephone: +34 91 180 9444  
E-mail: [jonathan.cumming@ono.es](mailto:jonathan.cumming@ono.es)

### Investor Relations

E-mail: [investor.relations@ono.es](mailto:investor.relations@ono.es)

