



investor release

## ONO CLOSES HISTORIC FINANCING AGREEMENT

- **Largest ever financing in Spanish cable sector**
- **Extends debt maturities and allows for reduced financing costs**

Madrid, 9 February 2005. - ONO, one of Spain's leading broadband service providers, announced that it has today signed and closed its new €1,250 million senior secured credit facility. This new credit facility, which refinances the existing senior credit facilities of Cableuropa and Retecal, has no impact on ONO's current debt levels and no recourse to the company's shareholders.

The eight year financing consists of €1,200 million of senior secured credit facilities in three separate tranches and a €50 million senior secured bank guarantees tranche. The facilities, which have final maturity dates of 30 June and 31 December 2012, will pay an initial margin of between 250 and 275 basis points over EURIBOR. This margin will be gradually reduced to 100 basis points over the coming years depending on the evolution of the company's EBITDA.

Commenting on the closing of the financing, Richard Alden, ONO's Chief Executive Officer, said: "This financing represents a significant strengthening of the ONO balance sheet. It gives us the flexibility to continue to grow the business by investing in our franchise areas and better control over our future".

Jonathan Cumming, Chief Financial Officer of ONO, added: "This has been a very successful financial transaction, which has been professionally executed by the financial institutions with whom we have worked. The financing allows us to extend our debt amortisation profile and also achieve a significant reduction in our cost of debt; over the next twelve months we expect to be able to save around €10 million in interest costs."

In addition to providing on-going funding for the ONO operations, these new senior secured credit facilities will refinance and replace the existing €750 million senior credit facilities of Cableuropa and the €150 million senior credit facilities of Retecal and will allow, on the dates and under the conditions set forth in the indentures thereunder, the refinancing of ONO bond debt.

The facility documentation will be filed with the SEC in the next few days.

### 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 principal shareholders are Bank of America, Caisse de dépôt et placement du Quebec, General Electric, Grupo Ferrovial, Grupo Multitel, Santander Central Hispano, Sodinteleco and VAL Telecomunicaciones.

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