



ONO launches digital television

Madrid – 23 June 2003

ONO, one of Spain's leading integrated broadband service providers, today announced the launch of its digital television service. The new service will be offered initially in Valencia and will later be extended to ONO's other franchise areas.

ONO will offer three different digital television products:

ONO 2000 Digital – together with the ONO telephony service this package provides customers with a selection of more than 100 channels of television, of which around half are reserved for pay-per-view events to give customers a near video on demand experience.

ONO 4000 Digital – this package adds another 50 television channels to ONO 2000 Digital and in addition offers customers four Disney channels.

ONO 6000 Digital – this package adds the multiplex of the three premium Gran Vía channels to the ONO 4000 Digital offer, together with a number of other thematic television channels.

Customers will be able to purchase digital television as a single service but as with all of ONO's services they will be encouraged to take a package that includes direct access telephony and broadband internet.

This is the first phase of the ONO digital television migration. In this initial phase, customers will benefit from an electronic interactive programme guide on-screen, improved sound and digital image quality, an increased and improved selection of television content and near video on demand pay per view events. Additional services will be introduced in the future based on the success of the digital television offer.

As and when the service is launched in a franchise area, all new ONO television customers will be offered only the digital service. However, ONO has no immediate plans for an aggressive migration of the existing customer base from analogue to the digital.

About ONO

ONO is one of the leading integrated broadband services providers in Spain. It offers direct access telephony, pay television and internet access services to the residential market where it has a target market of over four and a half 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 and VAL Telecomunicaciones.

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Certain statements in this release are “forward looking statements” intended to qualify for the safe harbor 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, dependence on its major customers and their spending patterns and other risks which are presented in the group’s filings with the Securities and Exchange Commission.

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