Investor Release

Fourth quarter 2007 trading update

EBITDA growth of 15% in the year, reaching €642 million

- **104,000 RGUs added in the fourth quarter**
- **5.5 pp EBITDA margin improvement for the year**
- **ONO reiterates expectation of FCF positive by end of 2008 on quarterly basis**

Madrid - 30 January 2008

Grupo Corporativo ONO, S.A. ("ONO"), the leading alternative provider of telecommunications, broadband Internet and pay television services in Spain, today reports unaudited highlights of its fourth quarter and full year 2007 operational and financial results. ONO will report full year results for 2007 on 25 March at which time it will provide full year 2008 guidance in accordance with its usual practices. Highlights are as follows:

FINANCIAL HIGHLIGHTS

	Quarter ended					Full year		
Data in €million	31-Dec-07	30-Sept-07	% change	31-Dec-06	% change	2007	2006	% change
Revenues	400	405	(1.2%)	404	(1%)	1,616	1,633	(1.0%)
Gross margin	74.3%	73.4%	0.9 pp	69.8%	4.5 pp	72.6%	68.4%	4.2 pp
EBITDA	162	172	(5.8%)	151	7.3%	642	558	15.1%
EBITDA margin	40.2%	42.5%	(2.3 pp)	37.3%	2.9 pp	39.7%	34.2%	5.5 pp
Capex	152	126	20.6%	221	(31.2%)	535	590	(9.3%)
Op. FCF	10	45	(77.8%)	-70	na	106	-32	na

OPERATING HIGHLIGHTS

	31-Dec-07	30-Sept-07	% change	31-Dec-06	% change
Cable data:					
Homes marketable (thousands)	6,793	6,670	1.8%	6,335	7.2%
Resid. customers (thousands)	1,859	1,830	1.6%	1,792	3.7%
Penetration	27.4%	27.4%	0.0 pp	28.3%	(0.9 pp)
RGUs (thousands)	3,768	3,664	2.8%	3,541	6.4%
ARPU (€)	52.2	52.6	(0.8%)	51.6	1.2%
RGUs per customer	2.03	2.00	1.5%	1.98	2.5%

- EBITDA for the year 2007 was €642 million, representing an increase of 15% with respect to 2006.

- The EBITDA margin for 2007 grew 5.5 pp, putting ONO close to the margins experienced before the acquisition of Auna, in November 2005.

- ONO has successfully combined strong growth in its fibre optic network reach with 458,000 homes released to marketing in 2007, coupled with a 9.4% reduction in capital expenditures. Capital expenditure for the fourth quarter was in line with expectations providing a year end total of €535 million versus €590 million in 2006.

- In 2007 Operating Free Cashflow (EBITDA-Capex) was €106 million positive, as compared with the negative €32 million for 2006.

- Revenues remained stable at €1,616 million despite the revenue decrease in non strategic business lines such as indirect access.

- In the fourth quarter, ONO completed the integration of the residential billing and CRM systems, key for the development of operations in the future. ONO acquired 29,000 new customers and 104,000 RGUs in the fourth quarter, of which 51,000 were TV, 43,000 broadband internet and 10,000 telephony.

- ONO's successful bundling strategy pushed the RGUs per customer ratio to 2.03 at the end of 2007.

- ONO will report full year results for 2007 on 25 March at which time it will provide full year 2008 guidance in accordance with its usual practices.

ONO reconfirms the statement that it made at the time of the February 2006 bond offering, and subsequently, with regard to free cashflow progression. Subject to the comments with regard to forward looking statements included in the corresponding bond offering memorandum and the statements set out below, management continue to expect the group to become free cashflow positive on a quarterly basis by the end of 2008.

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 1.9 million direct access residential and 69,000 business customers as of 31 December 2007, through its own state of the art networks which give direct access to 6.8 million homes in franchises which cover the majority of Spain, including the nine largest cities. ONO's shareholders are Caisse de Dépôt et Placement du Québec, CCMP Capital, GE Structured Finance Inc., Grupo Multitel, Grupo Santander, Providence Equity Partners, Quadrangle Capital Partners, Sodinteleco and Thomas H. Lee Partners.

Disclaimer

The Projections, defined as all data in this release and comments with regards to 2008, contain forward-looking statements (any statement other than those made solely with respect to historical fact) based upon management's beliefs, as well as assumptions made by and data currently available to management. This information has been, or in the future may be, included in reliance on the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on a variety of assumptions that may not be realized and are subject to significant business, economic, judicial and competitive risks and uncertainties, including those set forth above, many of which are beyond ONO's ("the Company") control. The Company's actual operations, financial condition, cash flows or operating results may differ materially from those expressed or implied by any such forward-looking statements and the Company undertakes no obligation to update or revise any such forward-looking statements.

The Projections set forth above are based on certain estimates with respect to the Company's liquidity, capital resources and results of operations for the full year 2008 and are subject to a number of risks and uncertainties including, but not limited to, the following: the ability of the Company to continue as a going concern; the ability of the Company and its subsidiaries to operate pursuant to the terms of their existing credit facilities and arrangements; the ability to fund, develop and execute the Company's business plan; competitive pressures from other companies in the same or similar lines of business as the Company; trends in the economy as a whole which may affect subscriber confidence and demand for the goods and services supplied by the Company; the ability of the Company to predict consumer demand as a whole, as well as demand for specific goods and services; the acceptance and continued use by subscribers and potential subscribers of the Company's services; changes in technology and competition; the Company's ability to achieve expected operational efficiencies and economies of scale and its ability to generate expected revenue and achieve assumed margins; the ability of the Company to attract, retain and compensate key executives and other personnel; the ability of the Company to maintain existing arrangements and / or enter into new arrangements with third party providers and contract partners; potential adverse publicity; as well as other factors detailed from time to time in the Company's filings with the SEC. Given these and other uncertainties, readers are cautioned not to place undue reliance on the forward-looking statements contained in the Projections.

Further information

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