

**First quarter 2008 results****EBITDA growth of 11%**

- **1.9 million residential cable customers**
- **Over 250,000 RGUs added**
- **Continued growth in RGUs per customer**
- **EBITDA margin reaches 40.9%**

Madrid - 22 May 2008

Grupo Corporativo ONO, S.A. ("ONO"), the leading alternative provider of telecommunications, broadband Internet and pay television services in Spain, announced today the consolidated unaudited results for the first quarter ended 31 March 2008. A complete set of results is available at www.ono.es/investorrelations. Highlights are as follows:

FINANCIAL HIGHLIGHTS

<i>Data in €million</i>	Quarter ended		
	31-Mar-08	31-Mar-07	% change
Revenues	400	402	(0.4%)
Gross margin (%)	75.1%	70.9%	4.2 pp
EBITDA	164	148	10.6%
EBITDA margin (%)	40.9%	36.8%	4.1 pp
Capex	(98)	(119)	(17.6%)
Op. FCF	66	29	125.1%

OPERATING HIGHLIGHTS

	31-Mar-08	31-Mar-07	% change
Cable data:			
Homes marketable (thousands)	6,850	6,436	6.4%
Resid. customers (thousands)	1,878	1,815	3.5%
Penetration (%)	27.4%	28.2%	(0.8 pp)
RGUs (thousands)	3,868	3,612	7.1%
ARPU (€)	52.0	51.4	1.2%
RGUs per customer (#)	2.06	1.99	3.5%

Richard Alden, Chief Executive Officer of ONO, commented:

"I am pleased with the results that we publish today as ONO continues to show good operating and financial strength. In the last twelve months, we have added more than 255,000 new cable services to reach a total of 3.9 million. Our broadband internet service continues to be the main driver of the growth with 121,000 net adds over that period. Moreover, our focus on the "triple play" strategy yielded positive results, with significant growth in the average number of RGUs per customer.

"ONO's pay television business performed very strongly in the first quarter and we surpassed the one million TV customers landmark. In the last two quarters, we have acquired 102,000 net new pay television customers, making us the most successful pay television operator in Spain"

ONO's Chief Financial Officer, **Jonathan Cumming**, added:

"We have delivered a sound financial performance in the first quarter. Revenues have grown in the important parts of the ONO business; continuing businesses revenues increased by 4% to €318m in the first quarter of 2008 from €307m in the first quarter of 2007, contributing 79% of total revenues in Q1 2008.

"Our continued focus on efficiency has led to a good EBITDA result of €164 million for the first quarter, up 10.6% on the same quarter of the previous year. In addition, we have produced an important improvement in the EBITDA margin which has increased by 4.1 percentage points to 40.9% as compared to the same quarter of the previous year. In this quarter we have also achieved the highest operating free cash flow in ONO's history with €66 million."

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 March 2008, 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 facts) 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 public reports. Given these and other uncertainties, readers are cautioned not to place undue reliance on the forward-looking statements contained in the Projections.

Further information

Investor Relations

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