

Highlights:

- › The number of video subscribers grew 14%, with 321 thousand net adds.
- › Service income grew 33% reaching an EBITDA margin in cable of 44%.
- › The Internet segment reported another quarter of record growth at 42%, with 457 thousand net adds.
- › Operating income for 2Q15 rose 22% to Ps. 928 million.
- › RGUs reached approximately 5 million.

Guadalajara, Jalisco, Mexico, July 27, 2015 - Megacable Holdings S.A.B. de C.V. ("Megacable" or "the Company") (BMV:MEGA.CPO) announced today its results for the second quarter of 2015 (2Q15). Figures were prepared in accordance with International Financial Reporting Standards (IFRS). All figures are expressed in thousands of pesos (Ps.), unless otherwise indicated.

Consolidated Financial Results:

	2Q15	2Q14	% Var
Financial Figures			
Income	3,707,724	2,790,692	32.9%
EBITDA	1,386,892	1,195,347	16.0%
EBITDA Margin	37.4%	42.8%	
Non-Controlling interest	667,017	579,416	15.1%
Cash and short-term investments	4,477,636	4,052,130	10.5%
Net Debt	(1,424,615)	(1,608,759)	(11.4%)
CAPEX	1,039,820	692,989	50.0%
Mkt. Cap (Millones Ps.)	56,701	47,126	20.3%
Subscribers			
Video	2,570,008	2,249,046	14.3%
Internet	1,556,228	1,099,665	41.5%
Telephony	800,142	637,806	25.5%
Other Data			
Home Passed	7,334,623	6,709,161	9.3%
Network Kilometers	50,438	48,006	5.1%
Employees	15,519	13,678	13.5%

For more information please visit:
<http://inversionistas.megacable.com.mx>

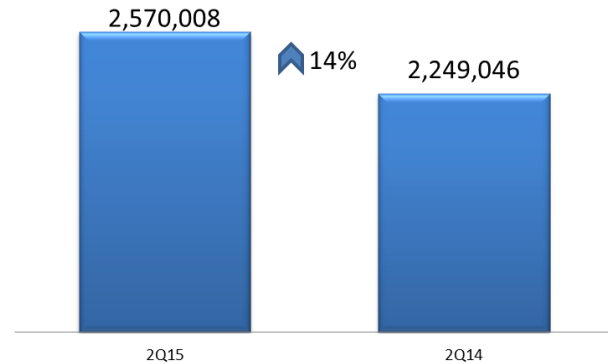
Investor Relations Contact:
 Saul Alonso Gil Peña, Investor Relations Officer
 Megacable Holdings, S.A.B. de C.V.
 Tel: 52 (33) 3750-0042 ext. 61091
investor.relations@megacable.com.mx

Video Subscribers

Video subscribers reached 2,570,008 in 2Q15, adding 321 thousand subscribers or 14% more than in 2Q14. In addition, the Company reached net additions of more than 79 thousand subscribers, compared to 1Q15.

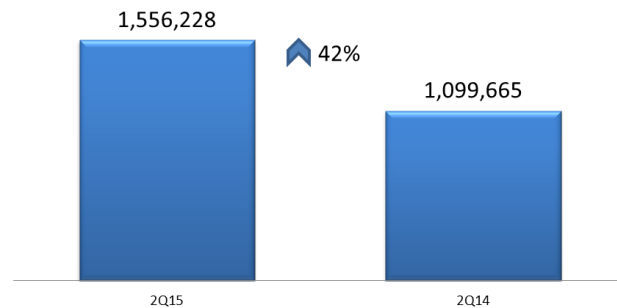
Digital subscribers grew 27%, adding 391 thousand subscribers when compared to 2Q14 as a result of the digitalization process. Furthermore, net adds of 92 thousand digital subscribers were registered, an increase of 5% when compared to 1Q15. At the close of 2Q15, Megacable had placed in the market more than 1.8 million digital boxes and approximately 2.1 million additional boxes.

The first stage of Megacable Play was launched during the quarter with linear television services, SVOD, and the integration of the OTT platforms with our content partners. This has enabled subscriber interactivity not only on the television but also on the various platforms available. The Company continues working on phase two, which includes Catch Up and Cloud DVR, and will soon launch it to become the only service of its kind in the market.



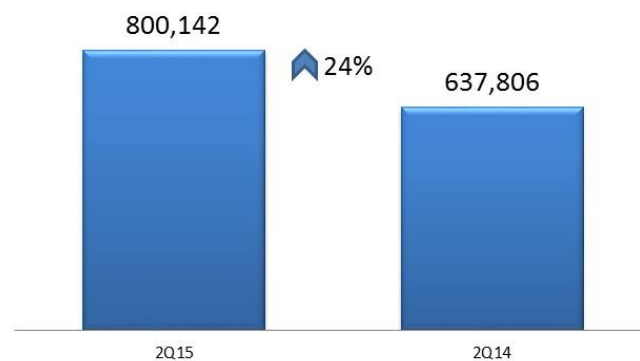
Internet Subscribers

Once again, the Company reported one of the highest growth rates in the industry. At the close of 2Q15, the internet segment reported 1,556,228 subscribers, up 42% or approximately 457 thousand net adds when compared to 2Q14. Furthermore, when compared to 1Q15, internet subscribers grew 7% or 103 thousand net adds. This result was driven by the preference for Megacable's speed offering, 10 Mb at a minimum and the capacity to offer up to 200 Mb, as well as highly competitive prices. Megacable has also benefitted from a growth in market share, however, the quality and service of our product has been essential for our market share growth.



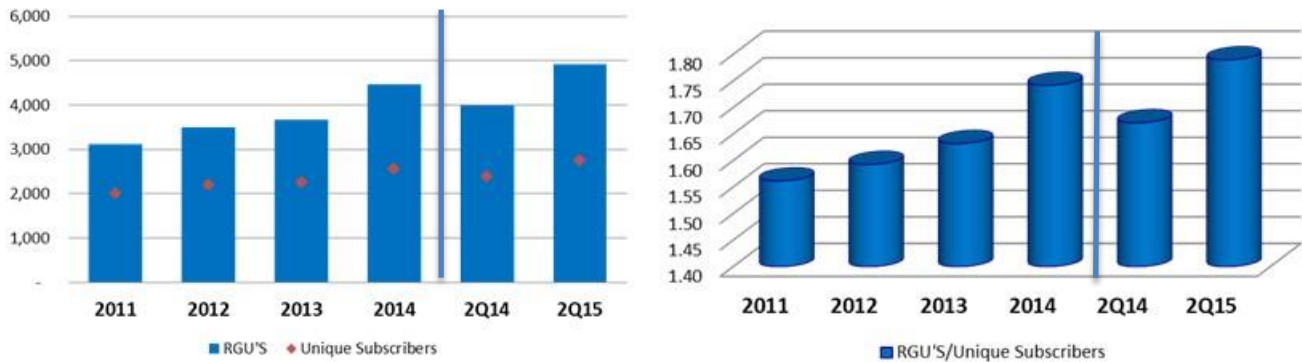
Telephony Subscribers

Telephony subscribers reached 800,142 in 2Q15, an increase of 25% or 162 thousand additional subscribers than in 2Q14. Compared to 1Q15, this figure grew 5%, with 40 thousand net adds. The increases achieved are mainly due to the bundling with other services which helped increase our market share in a static market.



Unique Subscribers and Revenue Generating Units (RGU's)

During 2Q15, RGU's reached 4,926,378, an increase of 24% compared to 2Q14, driven by growth in the various segments. As a result, RGU's per unique subscriber reached 1.79. Unique subscribers for 2Q15 totaled 2,753,119, up 15% compared to 2Q14.



Churn Rate

The churn rate for the video and internet segments declined during 2Q15 compared to 2Q14; video went from 2.6% to 2.4%, a decrease of 20 basis points; internet went from 2.9% to 2.6%, down 30 basis points, while telephony increased from 4.1% to 4.9%, 80 basis points, year-over-year. The churn rate reflects the aggressive bundling in our campaigns.

	2Q15	2Q14	1Q15
Monthly average churn rate			
Video	2.4%	2.6%	2.4%
Internet	2.6%	2.9%	2.5%
Telephony	4.9%	4.1%	4.6%

Revenues

Total revenues rose 33% year-over-year to Ps. 3,708 million in 2Q15 and 28% in the first half of 2015 to Ps. 7,047. The figures in this report for Video, Internet and Telephony reflect revenues from the mass market with the corporate revenues included in the corporate segment.

	2Q15	2Q14	%Var	6M15	6M14	%Var
Video	1,663,977	1,526,842	9%	3,355,869	3,061,420	10%
Internet	819,278	625,473	31%	1,608,723	1,200,400	34%
Telephony	332,663	313,019	6%	667,322	611,503	9%
Corporate	870,998	307,547	183%	1,369,508	573,280	139%
Other	20,808	17,811	17%	45,125	40,241	12%
Total	3,707,724	2,790,692	33%	7,046,547	5,486,845	28%

ARPU

To prevent the growth in the corporate segment from distorting ARPU per unique subscriber, beginning this quarter, the Company decided to include only the mass market revenues in the calculation of this indicator.

ARPU declined 1% due to three main factors: the decrease in individual ARPUs from bundling, a stronger recovery of revenues in March 2015 compared to holy week in 2014, which offset the natural growth for the rise in RGU's and due to the elimination of long-distance charges.

Video ARPU decreased 5% compared to 2Q14, reaching Ps. 218.0 mainly driven by the wide acceptance of double and triple play services, which grew 5% and 3%, respectively, in addition to the high growth in net adds.

Internet ARPU declined 8% when compared to 2Q14, due to higher net adds, growth in bundling and the mix of subscribers at more competitive rates.

Telephony ARPU declined 15%, compared to 2Q14, due to the application of the new regulation in telecommunications which affected revenues due to the elimination of long-distance charges.

	2Q15	2Q14	% Var	1Q15	% Var
ARPU (1) (Ps.)					
Unique subscribers of cable	346.9	351.2	-1%	358.2	-3%
Video	218.0	229.3	-5%	228.5	-5%
Internet	179.3	194.0	-8%	185.8	-3%
Telephony	140.7	165.7	-15%	149.3	-6%

Notes:

- (1) ARPU, or average revenue per unit for each segment, is the result of calculating total revenue per each segment for the period, divided by the average number of subscribers

Corporate Segment Revenues

	2Q15	2Q14	%Var	6M15	6M14	%Var
Metrocarrier	83,006	70,873	17%	152,070	122,999	24%
PCTV	144,339	-	100%	279,748	-	100%
HO1A	497,276	111,280	347%	643,183	207,140	211%
MCM	146,377	125,395	17%	294,507	243,141	21%
Total	870,998	307,547	183%	1,369,508	573,280	139%

The Company continues to experience significant growth within this segment, which we consider to be strategic and fundamental in our consolidation in the telecommunications sector. Among the four units we are able to cover all of the verticals, from government agencies to the small and mid-sized companies with a product portfolio that includes the traditional services, such as connectivity and telephony, to the more advanced integrated services such as equipment, production and distribution of content, with a presence throughout most of the nation.

Revenues from the corporate segment rose 183%, or Ps. 563 million, of which PCTV contributed Ps. 144 million and Ho1a with the CFP project and a 28% progress rate, contributed Ps. 386 million; the additional growth comes from Metrocarrier and MCM. It is important to mention that revenues from the micro segment continue to be reflected in the number of subscribers and mass market revenues (residential).

EBITDA margin for these business units reached 12%, representing Ps. 98 million, or 7% of Total EBITDA. We will continue working towards raising revenues and margins in this unit.

Cost of Service

Cost of service increased 14% in the mass market in line with our revenues, while the cost for the corporate market grew 443%. Cost of service in 2Q15 was significantly impacted by the CFE bidding project, operated by Ho1a, as well as the operating costs of PCTV.

Operating and General Expenses

Operating and general expenses increased 17% compared to 2Q14, in the mass market while the corporate market grew 67% mainly affected by the PCTV operation.

EBITDA

It is important to distinguish the revenues, costs and expenses of the mass market versus the corporate segment to understand the overall performance of our EBITDA.

Adjusted EBITDA for the cable operations reached Ps. 1,289 million in 2Q15, up 13% compared to 2Q14, with an adjusted EBITDA margin of 44.1%. Consolidated EBITDA margin was 37.4% in 2Q15, reaching Ps. 1,387 million, up 16% when compared to 2Q14, mainly driven by Ho1a, as previously mentioned.

	2Q15	2Q14	%Var	6M15	6M14	%Var
CONSOLIDATED						
Consolidated operating profit	928,235	758,174	22%	1,983,356	1,538,418	29%
Plus consolidated depreciation and amortization	458,658	437,173	5%	867,546	851,368	2%
Consolidated EBITDA	1,386,892	1,195,347	16%	2,850,902	2,389,787	19%
Consolidated EBITDA Margin	37.4%	42.8%		40.5%	43.6%	
CABLE OPERATIONS						
Non Cable Operations	98,163	53,204	85%	169,694	100,940	68%
Cable Adjusted EBITDA	1,288,729	1,142,142	13%	2,681,208	2,288,847	17%
EBITDA Margin of Cable	44.1%	44.7%		46.0%	45.4%	

Notes:

(1) Consolidated EBITDA is calculated by adding to the net income/loss the following: depreciation and amortization, net comprehensive financing income, other net income, non-recurring expenses (income) total income tax, workers profit sharing, equity in income of associated companies and minority interest.

(2) Adjusted EBITDA for the Cable operations is calculated by subtracting MCM, PCTV and Ho1a EBITDA from Consolidated EBITDA.

Net Income

Net income for the quarter rose 15% to Ps. 667 million, compared to Ps. 579 million in 2Q14, due to higher costs from the Ho1a project mentioned previously, as well as an exchange loss driven by the depreciation of the peso.

Net Comprehensive Financing

The Company reported a net financing cost of Ps. 1 million in 2Q15, where interest income represented Ps. 12 million and the net exchange loss was Ps. 13 million, driven by the 19% depreciation of the peso during the period.

	2Q15	2Q14	6M15	6M14
Net Exchange Gain/Loss	- 12,880	580	- 51,158	4,410
Interest Income	51,141	37,858	91,303	76,658
Interest Expense	39,452	27,834	70,400	62,625
Net Comprehensive Financial Result	- 1,191	10,604	- 30,256	18,443

CAPEX

During 2Q15, Megacable reported CAPEX of Ps. 1,040 million, invested mainly in the construction of new network kilometers, the acquisition of subscriber equipment for both the digitalization project and subscriber growth in Internet/telephony, as well as the modernization of the Company's network.

Stock Information

Ticker MEGA.CPO	CPO's	Serie "A"
Total Shares (thousands)		1,721,356
Outstanding shares (thousands)	300,119	600,237
Shares in Treasury (thousands)	1,306	2,611
2 Series "A" Shares =		1 CPO
Mkt. Cap (In Ps. millions)		\$ 56,701
Closing Price (Ps) *		\$ 65.98
Free Float		35%

As of June 30, 2015

Source: Infotel

Disclaimer

This press release contains forward-looking statements regarding the company's results and future prospects which are subject to risk and uncertainty. Therefore, these results and statements may differ due to various factors. Moreover, figures in this report may vary due to rounding.

Conference Call

Megacable will hold its 2Q15 Earnings Conference Call on July 28, 2015 at 10:00am (Central Time).

To access the call dial in:

1-800-311-9404 (from within the U.S.)

1-334-323-7224 (from outside the U.S.)

Conference ID Number: 35832

Balance Sheet

	2015	2014
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and short-term investments	4,477,636	4,052,130
Accounts receivable from customers and other, net	1,434,485	884,703
Recoverable taxes	784,018	645,136
Inventories	326,380	257,495
Total Current Assets	7,022,518	5,839,463
Investment in shares of associated companies	-	105,891
Property, systems and equipment, net	15,611,129	13,369,163
Goodwill, net	4,378,397	4,378,397
Deferred Taxes	211,860	166,954
Other assets	324,269	215,311
Affiliated and associated companies	702,558	686,861
Total Assets	28,250,731	24,762,040
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
One year maturity of long-term liabilities	859,845	158,415
Suppliers	959,809	613,808
Affiliated and associated companies	117,166	39,650
Accounts payable and accrued expenses payable	2,269,357	1,831,778
Total Current Liabilities	4,206,176	2,643,652
LONG TERM LIABILITIES		
Bank loans	2,130,227	2,171,859
Labor obligations	170,148	137,624
Accounts payable	62,949	113,097
Deferred taxes	2,472,902	2,219,645
Affiliated and associated companies	644,711	762,113
Total Long-Term Liabilities	5,480,937	5,404,338
Total Liabilities	9,687,112	8,047,990
<u>STOCKHOLDERS' EQUITY</u>		
Capital Stock	910,244	910,244
Net Premium on the placement of shares	2,117,560	2,117,560
Retained Earnings	14,281,883	12,524,693
Minority Interest	765,101	672,722
Legal Reserve	488,832	488,832
Total Stockholders' Equity	18,563,619	16,714,050
Total Liabilities & Stockholders' Equity	28,250,731	24,762,040

Income Statement - Quarterly

	2Q15	2Q14	% Var
Income	\$ 3,707,724	\$ 2,790,692	33%
Cost of Services	1,374,646	819,802	68%
Gross Profit	\$ 2,333,078	\$ 1,970,891	18%
Operating and General Expenses	946,185	775,544	22%
EBITDA	\$ 1,386,892	\$ 1,195,347	16%
Depreciation and amortization	458,658	437,173	5%
Operating Profit	\$ 928,235	\$ 758,174	22%
Other income (expenses), net	66,941	53,326	26%
Comprehensive Financing Income, Net	1,191	-10,604	(111%)
Equity in income of associated companies	0	3,523	(100%)
Income Before Income Tax and Minority Interest	\$ 993,984	\$ 818,581	21%
Income Tax	266,736	200,672	33%
Net Profit	\$ 727,248	\$ 617,909	18%
Net income attribute to:			
Non-Controlling interest	60,231	38,494	56%
Controlling interest	667,017	579,416	15%
	\$ 727,248	\$ 617,909	18%

Income Statement - Accumulated

	6M15	6M14	% Var
Income	\$ 7,046,547	\$ 5,486,845	28%
Cost of Services	2,371,048	1,580,187	50%
Gross Profit	\$ 4,675,499	\$ 3,906,658	20%
Operating and General Expenses	1,824,597	1,516,871	20%
EBITDA	\$ 2,850,902	\$ 2,389,787	19%
Depreciation and amortization	867,546	851,368	2%
Operating Profit	\$ 1,983,356	\$ 1,538,418	29%
Other income (expenses), net	122,863	68,294	80%
Comprehensive Financing Income, Net	30,256	-18,443	(264%)
Equity in income of associated companies	0	-4,120	(100%)
Income Before Income Tax and Minority Interest	\$ 2,075,964	\$ 1,629,276	27%
Income Tax	539,736	403,346	34%
Net Profit	\$ 1,536,228	\$ 1,225,930	25%
Net income attribute to:			
Non-Controlling interest	93,903	64,673	45%
Controlling interest	1,442,324	1,161,257	24%
	\$ 1,536,228	\$ 1,225,930	25%

Income Statement by Segment - Quarterly

	2Q15	2Q14	% Var
CABLE OPERATIONS			
Income	2,919,732	2,554,018	14%
Cost of Services	820,396	717,686	14%
Gross Profit	2,099,335	1,836,332	14%
Operating and General Expenses	810,606	694,189	17%
EBITDA	\$ 1,288,729	\$ 1,142,142	13%
	44%	45%	
OTHER			
Income	787,992	236,675	233%
MCM	146,377	125,395	17%
HO1A	497,276	111,280	347%
PCTV	144,339	0	100%
Cost of Services	554,250	102,116	443%
MCM	26,134	29,237	(11%)
HO1A	439,064	72,879	502%
PCTV	89,052	0	100%
Gross Profit	233,743	134,559	74%
Operating and General Expenses	135,580	81,355	67%
MCM	74,549	59,214	26%
HO1A	26,023	22,141	18%
PCTV	35,007	0	100%
EBITDA	\$ 98,163	\$ 53,204	85%
	12%	22%	
TOTAL OPERATION			
Income	3,707,724	2,790,692	33%
Cost of Services	1,374,646	819,802	68%
Gross Profit	2,333,078	1,970,891	18%
Operating and General Expenses	946,185	775,544	22%
EBITDA	\$ 1,386,892	\$ 1,195,347	16%
	37%	43%	

Income Statement by Segment - Accumulated

	6M15	6M14	% Var
CABLE OPERATIONS			
Income	5,829,109	5,036,564	16%
Cost of Services	1,591,269	1,395,636	14%
Gross Profit	4,237,839	3,640,928	16%
Operating and General Expenses	1,556,631	1,352,081	15%
EBITDA	\$ 2,681,208	\$ 2,288,847	17%
	46%	45%	
OTHER			
Income	1,217,438	450,281	170%
MCM	294,507	243,141	21%
HO1A	643,183	207,140	211%
PCTV	279,748	0	100%
Cost of Services	779,779	184,551	323%
MCM	55,544	56,594	(2%)
HO1A	550,214	127,957	330%
PCTV	174,021	0	100%
Gross Profit	437,659	265,730	65%
Operating and General Expenses	267,966	164,791	63%
MCM	144,474	116,350	24%
HO1A	53,437	48,440	10%
PCTV	70,055	0	100%
EBITDA	\$ 169,694	\$ 100,940	68%
		22%	
TOTAL OPERATION			
Income	7,046,547	5,486,845	28%
Cost of Services	2,371,048	1,580,187	50%
Gross Profit	4,675,499	3,906,658	20%
Operating and General Expenses	1,824,597	1,516,871	20%
EBITDA	\$ 2,850,902	\$ 2,389,787	19%
	40%	44%	