

## Highlights:

- » The number of video subscribers grew 15% year-over-year (y-o-y), with 348 thousand net adds.
- » The Internet segment reported another quarter of record growth at 41% y-o-y, with 493 thousand net adds.
- » During 3Q15, Megacable surpassed 5 million RGU's.
- » Total Revenues grew 27%, reaching an EBITDA margin of 45% for the Cable Segment in 9M15.
- » Metrocarrier recorded revenue growth of 75% quarter-over-quarter, and 40% y-o-y.
- » Consolidated EBITDA reached Ps. 1,395 million in 3Q15 and Ps. 4,246 in 9M15.

Guadalajara, Jalisco, Mexico, October 26, 2015 - Megacable Holdings S.A.B. de C.V. ("Megacable" or "the Company") (BMV:MEGA.CPO) announced today its results for the third quarter of 2015 (3Q15). 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:

	3Q15	3Q14	% Var
<b>Financial Figures</b>			
Income	3,583,111	2,880,465	24.4%
EBITDA	1,395,321	1,203,158	16.0%
EBITDA Margin	38.9%	41.8%	
Non-Controlling interest	688,679	577,801	19.2%
Cash and short-term investments	3,799,509	3,942,435	(3.6%)
Net Debt	(640,441)	(1,555,390)	(58.8%)
CAPEX	1,089,754	675,297	61.4%
Mkt. Cap (Millones Ps.)	52,832	54,777	(3.6%)
<b>Subscribers</b>			
Video	2,646,536	2,298,783	15.1%
Internet	1,701,265	1,208,397	40.8%
Telephony	849,514	678,455	25.2%
<b>Other Data</b>			
Home Passed	7,430,830	7,122,472	4.3%
Network Kilometers	50,905	48,756	4.4%
Employees	15,515	13,794	12.5%

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

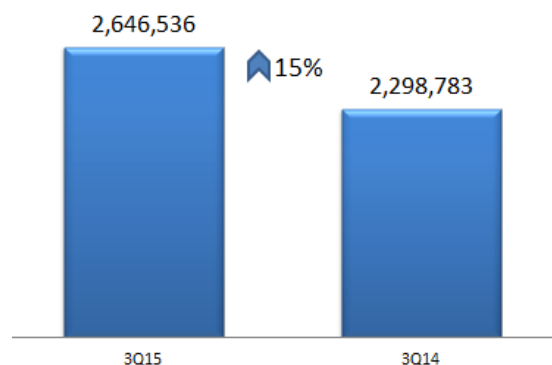
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## Video Subscribers

Video subscribers reached 2,646,536 in 3Q15, adding 348 thousand subscribers or 15% more than in 3Q14. In addition, the Company reached net additions of more than 77 thousand subscribers, or 3% compared to 2Q15.

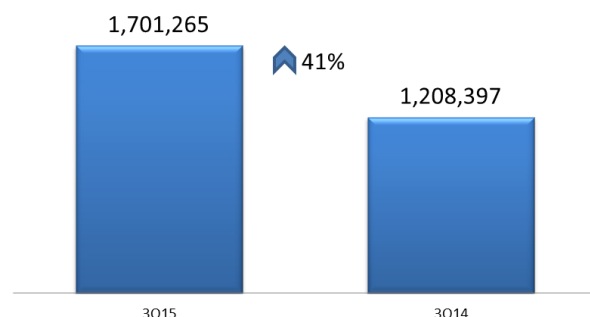
Digital subscribers grew 25%, or 378 thousand subscribers compared to 3Q14, as a result of the digitalization process. Furthermore, the Company registered net adds of 74 thousand digital subscribers, an increase of 4% compared to 2Q15. At the close of 3Q15, Megacable had placed in the market more than 1.9 million digital boxes and approximately 2.2 million additional boxes.

Megacable continues to strongly promote the utilization of OTT services (Over the Top), reaching today more than 60 thousand subscribers. With Megacable Play, subscribers can easily access live channels from every device, rent new movie releases and access the channel players such as ESPN Play, Fox Play and HBO Go. Moreover, subscribers can have an SVDO service with more than 5,000 hours of new movies and TV series.



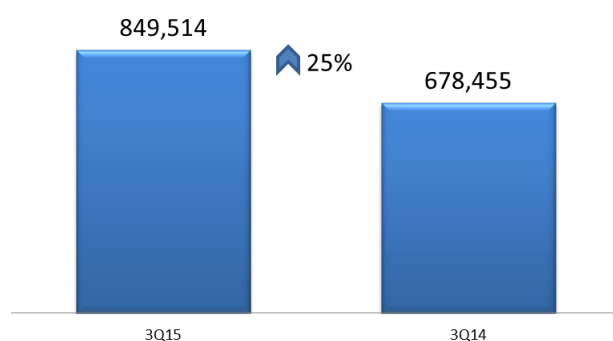
## Internet Subscribers

Once again, the Company reported significant growth rates in the industry. At the close of 3Q15, the internet segment reported 1,701,265 subscribers, up 41% or approximately 493 thousand net adds, compared to 3Q14. Furthermore, when compared to 2Q15, internet subscribers grew 9% or 145 thousand net adds. This growth was driven by very competitive rates and the highest speeds in the market combined with the *Back to School* campaign. Our customers continue to appreciate the Company's reliable service and speed offered.



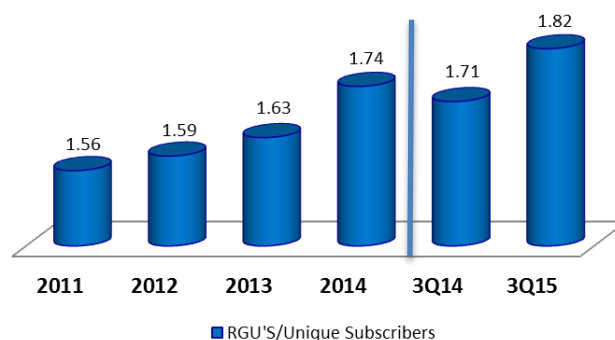
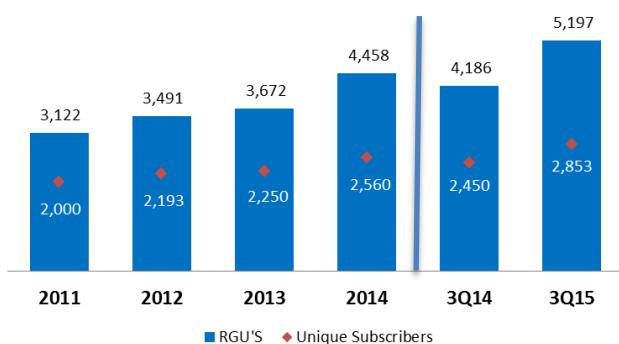
## Telephony Subscribers

Telephony subscribers reached 849,514 in 3Q15, an increase of 25%, or 171 thousand additional subscribers, more than in 3Q14. Compared to 2Q15, this figure grew 6%, with 49 thousand net adds. The increases achieved were mainly due to bundling with other services, which helped increase market share in an otherwise sluggish market.



## Unique Subscribers and Revenue Generating Units (RGU's)

During 3Q15, RGU's reached 5,197,315, an increase of 24% compared to 3Q14, driven by growth in the various segments. As a result, RGU's per unique subscriber reached 1.8. Unique subscribers for 3Q15 totaled 2,852,973, up 16%, compared to 3Q14.



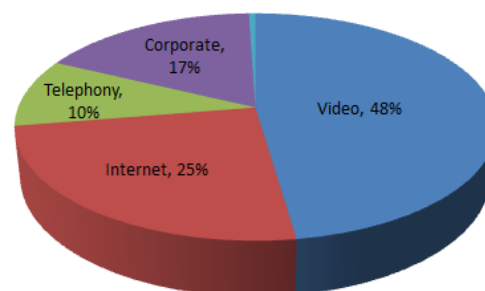
## Churn Rate

The churn rate for all the segments increased during 3Q15 compared to 3Q14; video went from 2.7% to 2.8%, an increase of 10 basis points; internet went from 2.6% to 2.8%, up 20 basis points, while telephony increased 100 basis points, from 4.2% to 5.2%, year-over-year. Telephony was significantly influenced by the Company's aggressive bundling campaign.

	3Q15	3Q14	1Q15
<b>Monthly average churn rate</b>			
Video	2.8%	2.7%	2.4%
Internet	2.8%	2.6%	2.6%
Telephony	5.2%	4.2%	4.9%

## Revenues

Total revenues rose 24% year-over-year to Ps. 3,583 million in 3Q15 and Ps. 10,630 million in 9M15, a 27% growth year-over-year. The figures in this report for Video, Internet and Telephony reflect revenues from the mass market while corporate revenues are included in the corporate segment.



	3Q15	3Q14	%Var	9M15	9M14	%Var
Video	1,708,977	1,561,784	9%	5,064,847	4,623,204	10%
Internet	885,583	630,538	40%	2,494,306	1,830,938	36%
Telephony	348,798	325,792	7%	1,016,120	937,295	8%
Corporate	621,382	330,239	88%	1,990,890	903,520	120%
Other	18,370	32,111	-43%	63,495	72,352	-12%
<b>Total</b>	<b>3,583,111</b>	<b>2,880,465</b>	<b>24%</b>	<b>10,629,658</b>	<b>8,367,309</b>	<b>27%</b>

## ARPU

Beginning in the previous quarter (2Q15), the Company opted to include only mass market revenues in the calculation of this indicator in order to prevent distortions in the ARPU per unique subscriber.

ARPU is in line with 3Q14 reaching Ps. 349.9 in 3Q15, up 1% compared to 2Q15. This was due to the acceptance of Megacable's products and the constant growth throughout all segments.

Video ARPU decreased 5%, compared to 3Q14, reaching Ps. 217.1 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 is in line with 3Q14, due to higher net adds, growth in bundling and the mix of subscribers at more competitive rates.

Telephony ARPU declined 14%, compared to 3Q14, due to the application of the new telecommunications regulation, which affected revenues.

	3Q15	3Q14	% Var	1Q15	% Var
<b>ARPU (1) (Ps.)</b>					
Unique subscribers of cable	<b>349.9</b>	349.9	0%	346.9	1%
Video	<b>217.1</b>	227.8	-5%	218.0	0%
Internet	<b>179.2</b>	179.9	0%	179.3	0%
Telephony	<b>139.9</b>	163.0	-14%	140.7	-1%

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

	<b>3Q15</b>	<b>3Q14</b>	<b>%Var</b>	<b>9M15</b>	<b>9M14</b>	<b>%Var</b>
Metrocarrier	98,370	56,251	75%	250,440	179,250	40%
PCTV	90,364	-	100%	370,112	-	100%
HO1A	272,234	130,621	108%	915,417	337,762	171%
MCM	160,414	143,367	12%	454,921	386,508	18%
<b>Total</b>	<b>621,382</b>	<b>330,239</b>	<b>88%</b>	<b>1,990,890</b>	<b>903,520</b>	<b>120%</b>

With the four units we are able to cover all markets, from government agencies to the small and mid-sized companies, with a product portfolio that includes the traditional services (connectivity and telephony) to the more advanced integrated services, equipment, production and distribution of content, with a presence throughout most of the nation.

Revenues from the corporate segment rose 88%, or Ps. 291 million compared to 3Q14, of which PCTV contributed Ps. 90 million and Ho1a, with the CFE project, contributed Ps. 142 million. The additional growth comes from Metrocarrier with 75% and MCM with 12% compared to 3Q14. It is important to mention that revenues from the micro segment continue to be reflected in the number of subscribers and mass market revenues.

## Cost of Service

Cost of service increased 21% in the mass market in 3Q15, in line with revenues, while the cost for the corporate market grew 170%. Cost of service was significantly impacted by the CFE project, operated by Ho1a, as well as the operating costs for PCTV; which were not consolidated during 3Q14.

## Operating and General Expenses

Operating and general expenses increased 16% compared to 3Q14 in the mass market, which are aligned with the Company's income growth. In addition, the corporate market grew 50% due to the operation of PCTV.

## EBITDA

Adjusted EBITDA for the cable operations reached Ps. 1,305 million in 3Q15, up 16% compared to 3Q14, with an adjusted EBITDA margin of 42.7%. Consolidated EBITDA margin was 38.9% in 3Q15, reaching Ps. 1,395 million, up 16% compared to 3Q14. As previously stated, this consolidated EBITDA margin decline was mainly driven by Ho1a, which has a margin of 9.2% and PCTV which has a 9.2% margin; however, both companies contributed an EBITDA of Ps. 32 million in 3Q15.

	3Q15	3Q14	%Var	9M15	9M14	%Var
<b>CONSOLIDATED</b>						
Consolidated operating profit	<b>891,305</b>	778,602	<b>14%</b>	<b>2,874,661</b>	2,317,021	<b>24%</b>
Plus consolidated depreciation and amortization	<b>504,015</b>	424,556	<b>19%</b>	<b>1,371,561</b>	1,275,924	<b>7%</b>
<b>Consolidated EBITDA</b>	<b>1,395,321</b>	<b>1,203,158</b>	<b>16%</b>	<b>4,246,223</b>	<b>3,592,945</b>	<b>18%</b>
<b>Consolidated EBITDA Margin</b>	<b>38.9%</b>	<b>41.8%</b>		<b>39.9%</b>	<b>42.9%</b>	
<b>CABLE OPERATIONS</b>						
Non Cable Operations	<b>89,940</b>	<b>74,129</b>	<b>21%</b>	<b>259,633</b>	<b>175,069</b>	<b>48%</b>
Cable Adjusted EBITDA	<b>1,305,381</b>	<b>1,129,029</b>	<b>16%</b>	<b>3,986,589</b>	<b>3,417,876</b>	<b>17%</b>
<b>EBITDA Margin of Cable</b>	<b>42.7%</b>	<b>43.3%</b>		<b>44.8%</b>	<b>44.7%</b>	

## 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 19% to Ps. 689 million, compared to Ps. 578 million in 3Q14, since price increases for supplies have not been transferred to customers, as well as an exchange loss effect caused by the peso versus dollar depreciation.

## Net Comprehensive Financing

The Company reported a net financing cost of Ps. 54 million in 3Q15, where interest income represented Ps. 46 million and a net exchange loss of Ps. 51 million, driven by the 27% depreciation of the peso vs the dollar during the period.

	3Q15	3Q14	3Q15	3Q14
Net Exchange Gain/Loss	- <b>51,019</b>	- 7,219	- <b>102,178</b>	- 2,809
Interest Income	<b>46,227</b>	42,342	<b>137,530</b>	119,000
Interest Expense	<b>48,847</b>	33,210	<b>119,247</b>	95,834
<b>Net Comprehensive Financial Result</b>	<b>- 53,640</b>	<b>1,913</b>	<b>- 83,895</b>	<b>20,356</b>

## CAPEX

During 3Q15, Megacable reported CAPEX of Ps. 1,090 million and Ps. 2,891 million in 9M15. This investment was mainly allocated towards the construction of new network kilometers, the acquisition of subscriber equipment for both the digitalization project and subscriber growth in the internet/telephony segment, as well as the modernization of the Company's cable network. CAPEX was mainly allocated towards subscriber equipment, which represented 37%, 21% for access and transportation equipment, 15% in construction, 12% in CRC equipment and tools, 7% in office and computer equipment and the remaining 8% for others.

## Stock Information

<b>Ticker MEGA.CPO</b>	<b>CPO's</b>	<b>Serie "A"</b>
<b>Total Shares (thousands)</b>		<b>1,721,356</b>
<b>Outstanding shares (thousands)</b>	<b>300,119</b>	<b>600,237</b>
<b>Shares in Treasury (thousands)</b>	<b>1,486</b>	<b>2,972</b>
<b>2 Series "A" Shares =</b>		<b>1 CPO</b>
<b>Mkt. Cap (In Ps. millions)</b>		<b>\$ 52,832</b>
<b>Closing Price (Ps) *</b>		<b>\$ 61.49</b>
<b>Free Float</b>		<b>35%</b>

**As of September 30, 2015**

**Source: Infosel**

### 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 3Q15 Earnings Conference Call on October 27, 2015 at 10:00am (Central Time) / 12:00am (Eastern 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

	<b>2015</b>	<b>2014</b>
<b><u>ASSETS</u></b>		
CURRENT ASSETS:		
Cash and short-term investments	3,799,509	3,942,435
Accounts receivable from customers and other, net	1,883,884	834,962
Recoverable taxes	906,212	553,009
Inventories	541,947	205,941
<b>Total Current Assets</b>	<b>7,131,552</b>	<b>5,536,347</b>
Investment in shares of associated companies	-	161,209
Property, systems and equipment, net	15,887,654	13,706,009
Goodwill, net	4,378,397	4,349,709
Deferred Taxes	198,716	166,954
Other assets	109,094	163,530
Affiliated and associated companies	675,648	582,761
<b>Total Assets</b>	<b>28,381,061</b>	<b>24,666,518</b>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
<b>CURRENT LIABILITIES</b>		
One year maturity of long-term liabilities	2,489,797	146,938
Suppliers	1,311,154	618,982
Affiliated and associated companies	113,740	62,791
Accounts payable and accrued expenses payable	1,336,155	1,331,905
<b>Total Current Liabilities</b>	<b>5,250,847</b>	<b>2,160,616</b>
<b>LONG TERM LIABILITIES</b>		
Bank loans	622,589	2,142,743
Labor obligations	178,269	153,702
Accounts payable	46,682	97,364
Deferred taxes	2,363,623	2,128,716
Affiliated and associated companies	644,711	640,132
<b>Total Long-Term Liabilities</b>	<b>3,855,874</b>	<b>5,162,656</b>
<b>Total Liabilities</b>	<b>9,106,720</b>	<b>7,323,272</b>
<b><u>STOCKHOLDERS' EQUITY</u></b>		
Capital Stock	910,244	910,244
Net Premium on the placement of shares	2,100,040	2,117,560
Retained Earnings	14,999,378	13,130,784
Minority Interest	775,847	695,827
Legal Reserve	488,832	488,832
<b>Total Stockholders' Equity</b>	<b>19,274,341</b>	<b>17,343,246</b>
<b>Total Liabilities &amp; Stockholders' Equity</b>	<b>28,381,061</b>	<b>24,666,518</b>



## Income Statement - Quarterly

	<b>3Q15</b>	<b>3Q14</b>	<b>% Var</b>
<b>Income</b>	<b>\$ 3,583,111</b>	<b>\$ 2,880,465</b>	<b>24%</b>
Cost of Services	1,191,950	847,238	41%
<b>Gross Profit</b>	<b>\$ 2,391,162</b>	<b>\$ 2,033,227</b>	<b>18%</b>
Operating and General Expenses	995,841	830,068	20%
<b>EBITDA</b>	<b>\$ 1,395,321</b>	<b>\$ 1,203,158</b>	<b>16%</b>
Depreciation and amortization	504,015	424,556	19%
<b>Operating Profit</b>	<b>\$ 891,305</b>	<b>\$ 778,602</b>	<b>14%</b>
Other income (expenses), net	105,920	7,869	1246%
Comprehensive Financing Income, Net	53,640	-1,913	(2904%)
Equity in income of associated companies	0	753	(100%)
<b>Income Before Income Tax and Minority Interest</b>	<b>\$ 943,585</b>	<b>\$ 787,632</b>	<b>20%</b>
Income Tax	244,159	186,726	31%
<b>Net Profit</b>	<b>\$ 699,426</b>	<b>\$ 600,906</b>	<b>16%</b>
<b>Net income attribute to:</b>			
Non-Controlling interest	10,747	23,105	(53%)
Controlling interest	688,679	577,801	19%
	<b>\$ 699,426</b>	<b>\$ 600,906</b>	<b>16%</b>

## Income Statement - Accumulated

	9M15	9M14	% Var
<b>Income</b>	<b>\$ 10,629,658</b>	<b>\$ 8,367,309</b>	<b>27%</b>
Cost of Services	3,562,998	2,427,424	47%
<b>Gross Profit</b>	<b>\$ 7,066,661</b>	<b>\$ 5,939,885</b>	<b>19%</b>
Operating and General Expenses	2,820,438	2,346,940	20%
<b>EBITDA</b>	<b>\$ 4,246,223</b>	<b>\$ 3,592,945</b>	<b>18%</b>
Depreciation and amortization	1,371,561	1,275,924	7%
<b>Operating Profit</b>	<b>\$ 2,874,661</b>	<b>\$ 2,317,021</b>	<b>24%</b>
Other income (expenses), net	228,783	76,163	200%
Comprehensive Financing Income, Net	83,895	-20,356	(512%)
Equity in income of associated companies	0	-3,368	(100%)
<b>Income Before Income Tax and Minority Interest</b>	<b>\$ 3,019,549</b>	<b>\$ 2,416,908</b>	<b>25%</b>
Income Tax	783,895	590,072	33%
<b>Net Profit</b>	<b>\$ 2,235,654</b>	<b>\$ 1,826,836</b>	<b>22%</b>
<b>Net income attribute to:</b>			
Non-Controlling interest	104,650	87,779	19%
Controlling interest	2,131,004	1,739,057	23%
	<b>\$ 2,235,654</b>	<b>\$ 1,826,836</b>	<b>22%</b>

## Income Statement by Segment - Quarterly

	3Q15	3Q14	% Var
<b>CABLE OPERATIONS</b>			
<b>Income</b>	<b>3,060,099</b>	<b>2,606,476</b>	<b>17%</b>
Cost of Services	893,085	736,710	21%
<b>Gross Profit</b>	<b>2,167,014</b>	<b>1,869,766</b>	<b>16%</b>
Operating and General Expenses	861,633	740,737	16%
<b>EBITDA</b>	<b>\$ 1,305,381</b>	<b>\$ 1,129,029</b>	<b>16%</b>
	<b>43%</b>	<b>43%</b>	
<b>OTHER</b>			
<b>Income</b>	<b>523,012</b>	<b>273,989</b>	<b>91%</b>
MCM	160,414	143,367	12%
HO1A	272,234	130,621	108%
PCTV	90,364	0	100%
<b>Cost of Services</b>	<b>298,864</b>	<b>110,528</b>	<b>170%</b>
MCM	28,215	23,601	20%
HO1A	222,251	86,927	156%
PCTV	48,399	0	100%
<b>Gross Profit</b>	<b>224,148</b>	<b>163,461</b>	<b>37%</b>
<b>Operating and General Expenses</b>	<b>134,208</b>	<b>89,331</b>	<b>50%</b>
MCM	74,458	62,949	18%
HO1A	25,054	26,382	(5%)
PCTV	34,697	0	100%
<b>EBITDA</b>	<b>\$ 89,940</b>	<b>\$ 74,129</b>	<b>21%</b>
	<b>17%</b>	<b>27%</b>	
<b>TOTAL OPERATION</b>			
<b>Income</b>	<b>3,583,111</b>	<b>2,880,465</b>	<b>24%</b>
Cost of Services	1,191,950	847,238	41%
<b>Gross Profit</b>	<b>2,391,162</b>	<b>2,033,227</b>	<b>18%</b>
Operating and General Expenses	995,841	830,068	20%
<b>EBITDA</b>	<b>\$ 1,395,321</b>	<b>\$ 1,203,158</b>	<b>16%</b>
	<b>39%</b>	<b>42%</b>	

## Income Statement by Segment - Accumulated

	9M15	9M14	% Var
<b>CABLE OPERATIONS</b>			
<b>Income</b>	<b>8,889,208</b>	<b>7,643,040</b>	<b>16%</b>
Cost of Services	2,484,355	2,132,345	17%
<b>Gross Profit</b>	<b>6,404,853</b>	<b>5,510,694</b>	<b>16%</b>
Operating and General Expenses	2,418,264	2,092,818	16%
<b>EBITDA</b>	<b>\$ 3,986,589</b>	<b>\$ 3,417,876</b>	<b>17%</b>
	<b>45%</b>	<b>45%</b>	
<b>OTHER</b>			
<b>Income</b>	<b>1,740,450</b>	<b>724,270</b>	<b>140%</b>
MCM	454,921	386,508	18%
HO1A	915,417	337,762	171%
PCTV	370,112	0	100%
<b>Cost of Services</b>	<b>1,078,643</b>	<b>295,079</b>	<b>266%</b>
MCM	83,758	80,195	4%
HO1A	772,465	214,884	259%
PCTV	222,420	0	100%
<b>Gross Profit</b>	<b>661,807</b>	<b>429,191</b>	<b>54%</b>
<b>Operating and General Expense</b>	<b>402,174</b>	<b>254,122</b>	<b>58%</b>
MCM	218,932	179,299	22%
HO1A	78,491	74,823	5%
PCTV	104,752	0	100%
<b>EBITDA</b>	<b>\$ 259,633</b>	<b>\$ 175,069</b>	<b>48%</b>
		<b>24%</b>	
<b>TOTAL OPERATION</b>			
<b>Income</b>	<b>10,629,658</b>	<b>8,367,309</b>	<b>27%</b>
Cost of Services	3,562,998	2,427,424	47%
<b>Gross Profit</b>	<b>7,066,661</b>	<b>5,939,885</b>	<b>19%</b>
Operating and General Expenses	2,820,438	2,346,940	20%
<b>EBITDA</b>	<b>\$ 4,246,223</b>	<b>\$ 3,592,945</b>	<b>18%</b>
	<b>40%</b>	<b>43%</b>	