
Megacable announces the purchase of Axtel's fiber optic massive segment business in five cities

Guadalajara, Mexico, May 2, 2019. Megacable Holdings S.A.B. de C.V. (BMV: MEGA.CPO) ("Megacable" or "the Company") announced today that it signed a definitive agreement with Axtel, S.A.B. de C.V. to acquire the subscribers and entire network of its fiber optic massive segment business in the cities of Guadalajara, Leon, Puebla, Queretaro and Toluca for Ps. 1.150 billion effective May 1, 2019.

Through this transaction, Megacable will increase its residential and small business subscriber base by more than 50,000 subscribers, with an attractive ARPU in areas where the Company already has a presence.

This transaction includes 1,370 kilometers of fiber optic network, in addition to the human resources and infrastructure that this acquisition entails.

The Company had previously notified the Federal Institute of Telecommunications (Instituto Federal de Telecomunicaciones) of this transaction.

Mr. Enrique Yamuni, Chief Executive Officer of Megacable, stated: "It is a pleasure for Megacable, its Board of Directors and its management team to strengthen our presence in these regions and ensure that users of the country's massive market enjoy the products, technology, and investments that the Company carries out year after year within the sector".

Megacable assured that the integration process and the service of both companies will be transparent for these new users of Megacable, and that the operation and services will not be affected in terms of quality, which will remain the same as those currently received. The fiber optic network, services, infrastructure and personnel will remain the same.

For more information please visit www.megacable.com.mx or directly contact:

Alan Esaú Gallegos López, IRO
Tel. (33) 3750-0042 Ext. 61091
esau.gallegos@megacable.com.mx



About Megacable

Megacable Holdings, S.A.B. de C.V., is one of the largest Cable Telecommunications operator in Mexico by number of subscribers, as well as one of the main high-speed broadband and digital telephony by cable.

The Company has presence in 26 states and more than 350 municipalities, highlighting Guadalajara, Puebla, Toluca, León, Veracruz, Hermosillo, Culiacán, Morelia, Querétaro and Torreón. As of March 2019, Megacable has approximately 3.2 million paid TV subscribers by cable, more than 2.9 million broadband subscribers and more than 1.9 million for telephony. Our coaxial cable and fiber network extends to more than 60 thousand kilometers covering more than 8.5 million homes passed. We have a modern infrastructure that allow us to offer digital services such as VOD, HDTV and DVR.

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