

Second Quarter 2008 Results

During the first half 2008, Megacable acquired diverse cable systems, small concessions and operators close to the Company's coverage area, and has incorporated approximately 29,000 video cable subscribers to the Company's subscriber base, as well as fixed assets of 760 kilometers of network covering approximately 85,000 homes passed. The main cities acquired were San Luis de la Paz, Mineral del Monte, Villa Nicolas Romero, Temascalcingo, Tierra Blanca, Tarimbaro and Carapan, located in the states of Guanajuato, Hidalgo, Estado de Mexico, Veracruz and Michoacan. The penetration of these cities reached an average of 34%, which the Company believes possesses significant growth potential when it estimates that the population is approximately 757,000 inhabitants and a network coverage rate of 48%. In many cases, the integration process of these cities will be linked via fiber optic, thus grouping the small cities to the larger ones, which the Company expects will reduce medium-term operating costs as well as increase the efficiency of launching triple-play services. These additions were in-line with Megacable's growth strategy based on acquisitions and organic growth.

As of June 30, 2008, the distribution network reached 25,032 kilometers, with a bidirectional percentage of 85%, covering 3.7 million homes passed.

In addition, during the second half 2008, the Company commercially launched triple-play services in the cities of Morelia, Topolobampo and Ahome, reaching a population of over 625,000. With the launchings in these cities, the Company now offers telephone service to a total of 48 areas, thus reinforcing the Company's objective of offering convergent strategies in more communities which the Company expects will increase in number during the second semester of 2008.

On May 21, 2008, Megacable successfully launched a syndicated credit facility, signed August 23, 2007, for a total of US\$ 260 million (US\$ 120 million dollar-denominated debt and US\$ 140 million in peso-denominated debt). The revolving credit facility was distributed among seven financial institutions. Megacable is strengthening its financial structure each day in order to maintain the Company's growth strategy.

With regards to the 2Q08 financial and operating results, consolidated services revenues increased 45% compared to the same period of 2007, from Ps. 969 million to Ps. 1,404 million, due to an increase in the Company's subscriber base of 58% for video, 33% for Internet and 224% for telephony. Compared to the 2Q07 proforma revenues results, growth was 21%.

Adjusted EBITDA for the cable operations, which includes video, internet and voice business units, excluding MCM, increased 32%, from Ps. 528 million in 2Q07 to Ps. 700 million in 2Q08. The growth percentage in relation to the proforma quarterly 2007 figure was 23%.



Second Quarter 2008 Results

As a result, Megacable posted net income of Ps. 561 million for the second quarter of 2008 compared to Ps. 418 million for the second quarter of 2007, representing growth of 34% and 48%, versus proforma 2007 results.

Megacable has managed to increase the number of services by subscriber, from 1.35 revenue generating units ("RGU'S") per subscriber in 2Q07 to 1.37 RGU's per subscriber in 2Q08, considering the acquisitions of 2H07 and 1H08, or 1.49 RGU's per subscriber not considering the acquisitions.

"We will continue with Megacable's growth strategy via organic and value-added acquisitions. Through innovation and service we will reaffirm the Company's leadership position as the main operator of cable telecommunications services in Mexico".

Enrique Yamuni Robles
Chief Executive Officer

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

In Mexico

César Lau Yuen, CFO
Vanessa Lizarraga García, IR
Megacable Holdings, S.A.B. de C.V.
Tel: 01152 (33) 3750-0014
01152 (33) 3750-0042 x 1091
clau@megacable.com.mx / vlizarraga@megacable.com.mx

In the U.S.

Maria Barona / Kenia Vargas
i-advize Corporate Communications
Tel: 212 406 3690
megacable@i-advize.com



MEGACABLE
COMUNICACIONES



Second Quarter 2008 Results

Guadalajara, Jalisco, Mexico, July 22, 2008 - Megacable Holdings S.A.B. de C.V. ("Megacable") (BMV: MEGA CPO), Mexico's largest cable operator, announced today its results for the second quarter of 2008. Figures were prepared in accordance with Mexican Financial Reporting Standards.

All figures for 2008 are expressed in nominal pesos. All figures for 2007 are expressed in constant pesos as of December 31, 2007, unless indicated otherwise in this report.

Financial and Operating Highlights

Consolidated Financial Results Figures in million pesos	Not Audited			Variation 2Q08 vs 2Q07	Variation 2Q08 vs 2Q07 Proforma
	2Q08	2Q07	2Q07 Proforma		
Service Income	1,404	969	1,158	45%	21%
Adjusted EBITDA for Cable Operations (1)	700	528	526	32%	33%
Adjusted EBITDA Margin (2)	52.2%	57.1%	47.3%		
Net Debt	1,252	637			
Net Debt/Annualized Adjusted EBITDA	0.45	0.30			

Operating Results in Mexican Pesos	2Q08	2Q08 without Acq.	2Q07	Variation 2Q08 vs 1Q07	Variation 2Q08 Without Acq. vs 1Q07
Network Kilometers	25,032	16,468	15,623	60%	5%
Two-way Network Percentage	85%	96%	96%		
Cable Television Subscribers	1,388,756	961,517	880,337	58%	9%
Digital Cable Subscribers	146,304	143,595	87,113	68%	65%
Penetration Rate of Households	37.30%	37.14%	36.96%		
HSD Internet Subscribers	399,676	351,229	300,918	33%	17%
Penetration Rate of Households	10.74%	13.57%	12.63%		
Penetration Rate of Cable Subscribers	28.78%	36.53%	34.18%		
Telephony Subscribers	169,619	169,502	52,285	224%	224%
Penetration Rate of Households	4.56%	6.55%	2.20%		
Penetration Rate of Cable Subscribers	12.21%	17.63%	5.94%		
Unique Subscribers (3)	1,433,786	993,844	910,471	57%	9%
Penetration Rate of Households	38.51%	38.39%	38.23%		
Revenue Generating Units (RGU's) (4)	1,958,051	1,482,248	1,233,540	59%	20%
RGU's Per Unique Subscribers	1.37	1.49	1.35	1%	10%
ARPU per Unique Subscriber (5)	\$ 329	\$ 408	\$ 365	-10%	12%

Notes:

- (1) Adjusted EBITDA is calculated by adding to net income the following: depreciation and amortization, net comprehensive financing income, non ordinary expenses (income), total tax, provisions for labor obligations, equity in income of associated companies and minority interest, less MCM EBITDA.
- (2) Adjusted EBITDA Margin for cable operations is calculated by dividing adjusted EBITDA for cable operations between total revenue, less MCM revenues.
- (3) Unique Subscribers are defined as subscribers for services provided by our cable television, HSD Internet and digital telephony; this customer would be counted as only one "unique" customer. Additionally, if a single residential customer subscribes to cable television, HSD Internet and telephony, that customer would also be counted as a unique customer.
- (4) RGU's or revenue generating units are defined as unique services providers in our cable television, HSD Internet and digital telephony segments.
- (5) 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 (the sum is the average of subscribers between the first day of the period and the last day), then divided by the number of months during the period.
- (6) Starting October 2007, and as a result of the Company's capital restructure, Megacable presents its financial results on a consolidated basis. Megacable's combined financial statements include net assets and the operating results of all the companies where Megacable has a controlling participation.

Operating Results

Video:

As of June 30, 2008, the number of video subscribers reached 1,388,756, an increase of 58% compared to the figure as of June 30, 2007. Excluding subscribers acquired during 2H07 and 1H08, the increase was 9%. This increase was the result of the Company's effort to increase its subscriber base in the acquired areas, providing the newly-acquired areas with Megacable's operating resources.

In addition, digital video subscribers totaled 146,304, an increase of 68%, or 59,191 additional subscribers, compared to the figure as of June 30, 2007.

Video ARPU reached Ps. 231.7 per month during the second quarter 2008, a decrease of Ps. 13.0, or 5%, when compared to Ps. 244.7 during the second quarter 2007. This decrease was mainly due to the seasonal advanced payments registered during the first quarter 2008, particularly January and February, when clients took advantage of promotions to pay 12 months and receive 14 months of service. Compared to the same period 2007, video ARPU decreased 6%, including the acquisitions made during the second half 2007. Excluding acquisitions, video ARPU increased 17%.

The penetration of video subscribers over homes passed was 37.3%, as of June 30, 2008, slightly higher when compared to 37.0% for the same quarter 2007, despite the incorporation of the acquired network and the number of acquired homes passed.

Internet:

HSD Internet subscribers for the second quarter 2008 reached 399,676 subscribers, an increase of 33% or 98,758, including acquisitions and 17% excluding acquisitions, compared to the figure as of June 30, 2007.

Despite a highly-competitive scenario, Megacable's subscriber base remained flat when compared to the first quarter 2008, and was significantly higher compared to the second quarter 2007 as a result of the subscriber growth in Megacable's triple-play packages.

Internet ARPU decreased 15% when compared to the second quarter 2007. It is worth mentioning that currently, a large amount of Internet subscribers possess triple-play packages, which include contract and monthly fee discounts, thus resulting in lower Internet ARPU per subscriber.

Telephony:

Telephony subscribers for the second quarter 2008 increased 224%, or by 117,334 new adds, compared to the second quarter of 2007, reaching 169,619 subscribers. This is compared to the 136,365 new subscribers for 1Q08, or a 24% increase. The Telephony monthly ARPU declined due to similar reasons previously mentioned in the Internet segment. Telephony ARPU decreased 17% compared to the first quarter 2008. As a result of the triple-play package promotion, the monthly average revenue for the Telephony segment declined at a higher rate than Internet, as most clients already possess Megacable's triple-play packages.

Moreover, the subscription to one of Megacable's telephony services, which includes 200 free calls to local numbers, has significantly decreased the charge for additional calls considerably since this service has been able to adequately cover the demands of our client base.

Other Operating Data:

The Company's revenue generating units ("RGUs") increased 59%, from 1,233,540 as of June 30, 2007 to 1,958,051 as of June 30, 2008. Excluding acquisitions, this figure increased 20%. RGUs per subscriber rose from 1.35 in 2Q07 to 1.37 in 1Q08 including acquisitions; excluding the acquisitions, this figure was 1.49.

The number of unique subscribers reached 1,433,786, an increase of 57% compared to 2Q07, including acquisitions. Excluding the acquisitions, this figure grew 9%.

ARPU per unique subscriber reached Ps. 328.6 in 2Q08 including acquisitions, and Ps. 408.0 without; this represented a 10% decrease and a 12% increase, respectively, when compared to the ARPU in 2Q07 of Ps. 364.7. The aforementioned decrease was due to the incorporation of subscribers that were acquired and had lower ARPU than Megacable's standards.

For video, the churn rate slightly decreased from 2.9% in 2Q07 to 2.7% in 2Q08. For Internet, this increased from 4.1% in 2Q07 to 4.3% in 2Q08, and in terms of telephony, this figure declined from 5.3% in 2Q07 to 5.1% in 2Q08.

The number of homes passed increased 56% from 2Q07 to 2Q08 due to the above mentioned acquisitions as well constructions related to organic growth, increasing approximately 9,409 kms during the preceding 12 months, for a total of 3,722,766 homes passed and a network extension of 25,032 km. As of June 30, 2008, the network had an 85% bidirectional rate including systems acquired. The bidirectional rate is expected to grow for the third quarter, when the investments carried out during the first half of 2008 for this purpose will be activated in the cities where concessions are held.

MEGACABLE HOLDINGS S. A. B. DE C. V.					
Three months period ended as of June 30, 2008 and 2007					
	As of June 30, 2008			Variation 2Q08 With Adq. vs 1Q07	Variation 2Q08 Without Acq. Vs. 2Q07
	2008	2008	2007		
	With Acquisitions	Without Acquisitions	Consolidated		
Subscribers					
'Video	1,388,756	961,517	880,337	58%	9%
'Internet	399,676	351,229	300,918	33%	17%
'Telephony	169,619	169,502	52,285	224%	224%
RGUs (1)	1,958,051	1,482,248	1,233,540	59%	20%
Unique Subscribers (2)	1,433,786	993,844	910,471	57%	9%
RGUs per unique Subscribers	1.37	1.49	1.35	1%	10%
ARPU (3) (Ps.)					
'Unique Subscribers	328.6	408.0	364.7	-10%	12%
'Video	231.7	289.3	246.9	-6%	17%
'Internet	223.3	215.6	261.4	-15%	-18%
'Telephony	161.4	161.4			
EBITDA (4)/Average RGUs	120.3	133.8	148.3	-19%	-10%
EBITDA /Unique subscribers					
average	163.9	198.7	197.9	-17%	0%
Monthly Churn Rate					
'Video	2.7%	2.9%	2.9%		
'Internet	4.3%	4.4%	4.1%		
'Telephony	5.1%	5.1%	5.3%		
Homes Passed	3,722,766	2,588,630	2,381,794	56%	9%
Network by Kilometers	25,032	16,468	15,623	60%	5%

Notes:

- (1) RGU'S, or revenue generating units, are defined as unique services provided by our cable television, HSD internet and digital telephony segments.
- (2) Unique Subscribers are defined as subscribers for services provided by our cable television, HSD Internet or telephony; this customer would be counted as only one "unique" customer. Additionally, if a single residential customer subscribes to cable television, HSD Internet and telephony, that customer would also be counted as a unique customer.
- (3) 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 (the sum is the average of subscribers between the first day of the period and the last day), then divided by the number of months during the period.
- (4) Monthly adjusted EBITDA is calculated by adding to net income, depreciation and amortization, net comprehensive financing income, other net income, non ordinary expenses (income), total tax, provisions for labor obligations, equity in income of associated companies and minority interest, less MCM EBITDA.

Consolidated Results

Megacable's consolidated revenue increased 45% in 2Q08, when compared to 2Q07, and 21% on a proforma basis. As of June 30, 2008 total revenues reached Ps. 1,404 million, a decrease of 1% compared to 1Q08, mainly due to a larger collection of annual advanced payments during the first two months of the year, as well as increased sales during the 2Q08, via promotions and discounts, for the acquisition of triple-play services.

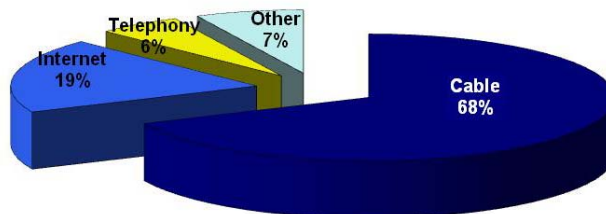
Total Revenue by Business Segment:

In million pesos										
	Consolidated		Without Acq.		Consolidated		Proforma		Var. 2Q08 vs 2Q07 Proforma	
	2Q08		2Q08		2Q07		2Q07			
Video	958	68%	831	67%	632	65%	780	67%	23%	23%
Internet	268	19%	227	18%	234	24%	270	23%	-1%	-1%
Telephony	78	6%	78	6%	30	3%	30	3%	161%	161%
Other	100	7%	96	8%	72	7%	79	7%	27%	27%
Total	1,404	100%	1,231	100%	969	100%	1,159	50%	21%	21%

* Consolidated results include Cable and MCM operations

Overall, 2Q08 results increased 23% in video, decreased 1% in Internet and increased 161% in telephony, when compared to pro-forma basis 2Q07.

Revenues for the video segment represented 68% of Megacable's total revenues, Internet 19% and telephony 6%, while the "Others" segment represented 7%.



Cost of services increased 27% in 2Q08 compared to 2Q07 on a pro-forma basis. However, operating and general costs decreased 2%. As a result of the aforementioned, income before income tax and minority interest increased 99%.

The comprehensive financing income was comprised as follows:

In thousands of Pesos	Second Quarter,		Proforma
	2008	2007	June 2007
Exchange Gain	56,486	30,301	30,608
Interest Income	16,368	27,066	25,858
Monetary Position Gain	-	1,537	1,961
Exchange Loss	22,689	16,147	14,758
Interest Expenses	33,828	44,785	85,118
Surplus in restatement of income	-	1,273	1,239
Comprehensive Financing (Income) Loss , Net	16,336	- 6,374	- 46,609

The exchange gain posted during both periods resulted mainly from dollar-denominated debt, which was US\$ 100 million in 2Q07, compared to US\$ 120 million in 2Q08, while cash in foreign currency for both periods was US\$ 37 million and US\$ 55 million, respectively. Exchange gain (loss) is based on a combination of short-term appreciation and depreciation of peso-dollar exchange rates.

Interest expenses in 2Q07 were mainly derived from a credit of Ps. 200 million, of which US\$100 million was dollar-denominated debt and US\$100 million peso-denominated, at a rate of LIBOR + 0.65% and TIIE + 0.65%, respectively. As of June 30, 2008, Megacable's liabilities consisted of US\$ 120 million in dollar-denominated debt and Ps. 140 million in peso-denominated debt; both at a rate of LIBOR and TIIE + a 0.70% spread. The decrease in the financial costs is explained by the peso-dollar exchange appreciation.

Income tax was comprised as follows:

INCOME TAXES			
Second Quarter,			
In Thousands of Pesos	2008	2007	2Q07 Proforma
Income Tax	12,135	13,147	15,081
Asset Tax	-	18,363	17,779
Deferred Income Tax	- 5,485	- 108,798	- 105,633
Flat Tax (IETU)	24,550	-	-
Deferred Flat Tax (IETU)	- 10,746	-	-
Total	\$ 20,453	-\$ 77,288	-\$ 72,772

A new business flat tax (IETU) was implemented at the beginning in 2008. In 2008, the rate will be 16.5%. Deferred IETU refers to amortization, which was calculated at the close of 2007.

Net income for 2Q08 increased 34% compared to 2Q07, and 48% compared to the Proforma Results of 2Q07.

➤ **Adjusted EBITDA for Video Operations**

Adjusted EBITDA for 2Q08 reached Ps. 700 million, an increase of 23% compared to Proforma Adjusted EBITDA in 2Q07. Consolidated EBITDA increased 24% to Ps. 705 million compared to 2Q07.

In thousands of Pesos	ADJUSTED EBITDA FOR CABLE OPERATIONS				Variation %		
	2008 Consolidated	As of June 30, 2008 2008 without acq.	2007 Combined ⁽³⁾	2007 Proforma	2Q08 vs 2Q07	2Q08 w/o acq. vs 2Q07	2Q08 vs 2Q07 Proforma
Consolidated operating Income	\$ 547,336	\$ 454,207	\$ 395,535	\$ 411,593	38%	15%	33%
Less operating Income (Loss) of MCM Holding	- 3,225	- 3,225	- 7,239	- 7,239	-55%	-55%	-55%
Operating Income for Cable Operations	550,562	457,432	402,774	418,832	37%	14%	31%
Plus Consolidated depreciation and amortization	140,733	121,785	81,055	104,403	74%	50%	35%
Less depreciation and amortization of MCM Holding	8,123	8,123	7,885	7,885	3%	3%	3%
Plus Non-recurring items	16,849	18,526	52,459	52,463	-68%	-65%	-68%
Adjusted EBITDA for Cable Operations (1)	\$ 700,022	\$ 589,621	\$ 528,403	\$ 567,813	32%	12%	23%
Total Income excluding MCM	\$ 1,341,325	\$ 1,106,232	\$ 925,162	\$ 1,110,824	45%	20%	21%
Adjusted EBITDA Margin for Cable Operations	52.2%	53.3%	57.1%	51.1%			
Consolidated EBITDA (2)	\$ 704,919	\$ 594,519	\$ 529,049	\$ 568,459	33%	12%	24%
Consolidated EBITDA Margin	50.2%	50.9%	54.6%	49.1%			

Notes:

- (1) Adjusted EBITDA is calculated by adding to net income the following: depreciation and amortization, net comprehensive financing income, other net income, non ordinary expenses (income), total tax, provisions for labor obligations, equity in income of associated companies and minority interest, less MCM EBITDA.
- (2) Consolidated EBITDA is calculated by adding to the net income the following: depreciation and amortization, net comprehensive financing income, other net income, non ordinary expenses (income), total tax, provisions for labor obligations, equity in income of associated companies and minority interest.
- (3) Starting October 2007, as a result of the Company's capital restructure, Megacable presents its financial results on a consolidated basis. Megacable's combined financial statements include net assets and the operating results of all the Companies where Megacable has a controlling participation.

Liquidity, Debt and Capital Structure

The following analysis is based on the Balance Sheet as of the second quarter 2007 and 2008.

➤ Liquidity

Liquidity Ratio	As of June 30,	
	2008	2007
Assets Ratio	3.30	2.33

The Company's liquidity ratio improved in 2Q08 when compared to 2Q07, to 3.30x from 2.33x, mainly due to the syndicated loan as the short-term liability became a long-term liability.

Cash and short-term investments for the second quarter, decreased 11%, from Ps.1,619 million in 2Q07 to Ps.1,441 million in 2Q08, mainly due to the payment for the acquisitions made during the second half 2007 and the first half 2008.

The accounts receivable for the period ended June 30, 2008 decreased 42% compared to the same period 2007, mainly due to the application of a down payment for the acquisitions of Tlanepantla and Grupo Ira in 3Q07.

➤ Property, Plant and Equipment

The 63% increase in fixed assets, net from June 2007 to June 2008 was mainly due to the construction of additional network coverage, the incorporation of terminal equipment for subscribers, such as cable modems for voice and data, and digital set top boxes, as well as for acquisitions during the second half 2007 and the first half 2008. Goodwill amortization, net, increased 340% primarily due to the aforementioned acquisitions.

➤ Net Debt

Net debt rose from Ps. 637 million in 1H07 to Ps. 1,252 million in 1H08, which represents an increase in annualized net debt to EBITDA ratio of 0.30x in 1H07 to 0.45x in 1H08. The ratio of EBITDA to interest paid was 20.7x in 1H08 compared to 11.7x in 1H07.

On May 21, 2008 the syndicated loan signed on August 23, 2007 for US\$ 260 million, was allocated as follows: US\$ 120 million dollar-denominated debt and US\$ 140 million in peso-denominated debt. This revolving credit was distributed between seven financial institutions and matures on August 23, 2010.

Thousands of Pesos	2Q08	2Q07
Short term Debt	917	281,924
One year maturity of long term bank loans	917	281,924
Long Term Debt	2,692,336	1,973,473
Bank loans	2,692,336	1,973,473
Total Debt	2,693,253	2,255,397
Cash and short term investments	1,441,394	1,618,785
Net Debt	1,251,859	636,613

➤ **Shareholders' Equity**

Shareholders' equity increased 150%, from Ps. 2,878 million in 2Q07 to Ps. 7,190 million in 2Q08, mainly supported by the growth in retained earnings, as well as the net premium of the Company's initial public offering completed in November 2007.

➤ **CAPEX**

During the second half 2008, Megacable invested Ps. 382 million, mainly allocated towards network expansion, upgrades, cable modems, set top boxes, computer systems and transportation equipment.

About the Company

Megacable is the largest cable operator in Mexico in terms of number of subscribers, and is the main provider of high speed data Internet services, and digital telephony over cable network according to the National Chamber of Cable Telecommunications (CANITEC). The Company operates in 23 states in Mexico and 200 municipalities. As of June 30, 2008, the Company has 6,731 employees.

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.

Stock Information	
Ticker	MEGA.CPO
2 Series "A" Shares =	1 CPO
Total Outstanding Series "A" Shares	1,721,355,673
Outstanding CPO's	197,955,903
Float	23%

(Financial Tables Follow)

MEGACABLE HOLDINGS, S. A. B. DE C.V.					
RESULTS FOR THE THREE MONTHS PERIOD ENDED JUNE 30, 2008 AND 2007					
Thousands of Pesos					
In Thousands of Pesos	Unaudited			Variation 2Q08 vs 2Q07	Variation 2Q08 vs Proforma
	2Q08	2Q07	2Q07 Proforma (2)		
Services Income	\$ 1,403,789	\$ 968,824	\$ 1,158,203	45%	21%
Cost of Services	376,551	228,192	296,404	65%	27%
Gross Profit	1,027,238	740,632	861,799	39%	19%
Operating and General Expenses (1)	479,902	345,097	492,206	39%	(2%)
Other income (expenses), net	23,622	- 58,143	- 26,937	(141%)	(188%)
Comprehensive Financing Income, Net	16,336	-6,374	-46,609	(356%)	(135%)
Equity in income of associated companies	- 259	- 441	- 440	(41%)	(41%)
Income Before Income Tax and Minority Interest	587,036	330,577	295,607	78%	99%
Income Tax	20,453	- 77,288	- 72,772	(126%)	(128%)
Income Before Minority Interest	566,582	407,865	368,378	39%	54%
Minority Income	5,298	-10,055	-10,154		
		\$ 0.00			
Net Profit	\$ 561,285	\$ 417,920	\$ 378,532	34%	48%

NOTES:

- (1) Depreciation and amortization for the periods ended June 30th, 2008 and 2007, was of Ps. 140,733 thousand and Ps. 81,055 thousand, respectively. For the proforma income statement for 2007, depreciation was Ps. 104,403 thousand.
- (2) Proforma statements are calculated as if the acquisitions of the second quarter 2007 were reported as consolidated results beginning January 1st, 2007.

MEGACABLE HOLDINGS, S. A. B. DE C.V.					
RESULTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2008 AND 2007					
Thousands of Pesos					
In Thousands of Pesos	Unaudited			Variation 2Q08 vs 2Q07	Variation 2Q08 vs Proforma
	2Q08	2Q07	2Q07 Proforma (2)		
Services Income	\$ 2,824,729	\$ 1,911,768	\$ 2,309,379	48%	22%
Cost of Services	711,075	454,187	570,421	57%	25%
Gross Profit	2,113,653	1,457,581	1,738,958	45%	22%
Operating and General Expenses (1)	925,226	655,086	920,245	41%	1%
Other income (expenses), net	31,618	16,467	58,961	92%	(46%)
Comprehensive Financing Income, Net	- 8,935	-23,079	-108,234	(61%)	(92%)
Equity in income of associated companies	- 518	-656	-656	(21%)	(21%)
Income Before Income Tax and Minority Interest	1,210,591	795,227	768,783	52%	57%
Income Tax	77,937	- 23,648	- 31,908	(430%)	(344%)
Income Before Minority Interest	1,132,654	818,875	800,691	38%	41%
Minority Income	17,624	61	125		
Net Profit	\$ 1,115,030	\$ 818,814	\$ 800,565	36%	39%

NOTES:

- (1) Depreciation and amortization for the periods ended June 30, 2008 and 2007, was of Ps. 253,381 thousand and Ps. 169,375 thousand, respectively. For the proforma income statement for 2007, depreciation was Ps. 211,056 thousand.
- (2) Proforma statements are calculated as if the acquisitions of the second quarter 2007 were reported as consolidated results beginning January 1, 2007.

MEGACABLE HOLDINGS, S. A. B DE C. V.		
BALANCE SHEET (Non Audited)		
As of June 30, 2008 in thousands of Pesos		
	As of June 30,	
	2008	2007
	<u>Consolidated</u>	<u>Consolidated & Combined</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and short term investments	1,441,394	1,618,785
Accounts receivable from customers and other	157,401	271,334
Recoverable taxes	63,474	152,779
Affiliated an associated companies	-	1,567
Inventories	132,502	63,495
Total Current Assets	1,794,771	2,107,959
Investment in shares of associated companies	46,579	46,396
Property, systems and equipment, net	4,647,117	2,858,854
Goodwill, net	4,277,020	971,704
Preoperating expenses, net	10,770	8,489
Other assets	240,052	54,437
TOTAL ASSETS	\$ 11,016,310	\$ 6,047,839
<u>LIABILITIES AND STOCKHOLDER'S EQUITY</u>		
CURRENT LIABILITIES		
Suppliers	242,310	220,251
One-year maturity of long term liabilities	917	281,924
Affiliated and Associated Companies	73,411	41,329
Accounts payable and accrued expenses payable	227,479	360,241
TOTAL CURRENT LIABILITIES	544,116	903,746
LONG TERM LIABILITIES		
Bank loans	2,692,336	1,973,473
Labor obligations	53,578	48,633
Accounts Payable	1,598	-
Deferred Income Tax	200,429	168,937
Deferred Flat Tax (IETU)- Net	333,788	-
Deferred Goodwill, net	928	74,602
Total Long Term Liabilities	3,282,657	2,265,645
TOTAL LIABILITIES	\$ 3,826,773	\$ 3,169,391
<u>STOCKHOLDERS' EQUITY</u>		
Capital Stock	918,350	1,002,895
Premium on subscription of shares	4,999	4,998
Net Premium on the placement of shares	2,104,671	-
Cumulative effect of deferred income tax	- 48,891	- 48,890
Surplus in the restatement of stockholders' equity	175,385	33,618
Retained Earnings	3,905,001	1,884,229
Minoritary Interest	130,021	1,599
TOTAL STOCKHOLDERS' EQUITY	\$ 7,189,536	\$ 2,878,448
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 11,016,310	\$ 6,047,839