

# 1st Quarter 2017



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**San Pedro Garza Garcia, Mexico, April 24, 2017** - Axtel, S.A.B. de C.V. ("Axtel" or "the Company"), a Mexican Information and Communications Technology company, announced today its unaudited first quarter results ended March 31, 2017<sup>(1)</sup>. Axtel is a subsidiary of Alfa S.A.B. de C.V. ("ALFA").

Million Pesos	Q1	Q4	Q1	(% 1Q17 vs.		LTM	LTM
	2017	2016	2016	4Q16	1Q16	mar-17	mar-16
Revenues <sup>(2)</sup>	3,683	3,783	2,840	-3%	30%	14,781	10,574
EBITDA <sup>(6)</sup>	1,177	910	359	29%	>100%	4,491	2,053
EBITDA Margin	32.0%	24.1%	12.6%	+ 790 bps	+ 1,931 bps	30.4%	19.4%
Net (loss) Income	1,020	-1,055	-1,141	n.a.	n.a.	-1,438	-3,050
Capital Expenditures	848	885	1,443	-4%	-41%	3,469	3,001
Net Debt	19,206	20,095	18,462	-4%	4%		
Net Debt / EBITDA <sup>(7)</sup>	4.4x	4.6x	3.9x				

*Note: Figures shown throughout the document include Alestra S. de R.L. de C.V. and its subsidiaries ("Alestra") as of February 15, 2016. However, in order to explain variations, reference is also made to pro forma figures, which include Alestra as of the beginning of each period.*

## Highlights:

- ❖ Results in this quarter reflect the execution of Axtel's business strategy focused on telecom and IT value-added services to enterprise and government customers, which represent approximately 80% of Axtel's total revenues. Demand for data, Internet, managed network, cloud and hosting solutions, as well as the positive performance of Axtel's FTTx-based services to mass market customers are the drivers of these results.
- ❖ First quarter 2017 EBITDA increased 85% compared to pro forma first quarter 2016, due to a 92% decline in the level of merger-related expenses and to the synergies' initiatives implemented in 2016 which translated into a 12% decline in recurring operative expenses.
- ❖ In 2017, Axtel continues working to further increase its profitability. On March 31<sup>st</sup>, legacy and separate ERP platforms of Alestra and Axtel were integrated into a modern, single platform. Additionally, and subject to shareholders' and legal approvals, on May 1<sup>st</sup>, legal entities Alestra and Axtel will merge to consolidate bookkeeping activities and operating processes, among others, to benefit customers and eliminate redundant activities.

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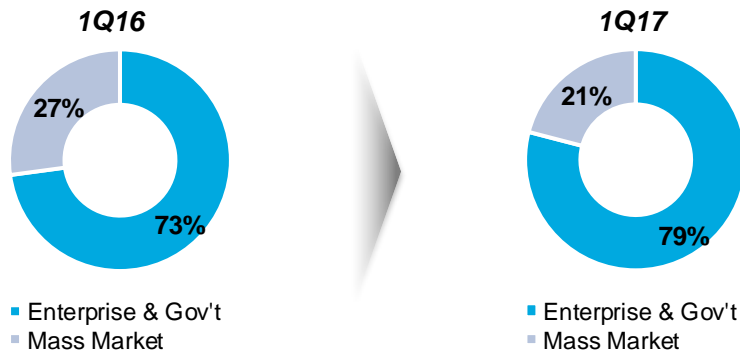
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## Revenues

Million Pesos	Q1 2017	Q4 2016	Q1 2016	(% 1Q17 vs.)		LTM mar-17	LTM mar-16
				Q4 2016	Q1 2016		
ENTERPRISE	2,388	2,451	1,631	-3%	46%	9,541	4,945
GOVERNMENT	523	558	438	-6%	19%	2,109	2,398
MASS MARKET	772	775	771	0%	0%	3,131	3,231
<b>TOTAL</b>	<b>3,683</b>	<b>3,783</b>	<b>2,840</b>	<b>-3%</b>	<b>30%</b>	<b>14,781</b>	<b>10,574</b>

Note: Figures shown throughout the document include Alestra as of February 15, 2016. However, in order to explain variations, reference is made to pro forma figures, which include Alestra as of the beginning of each period. For pro forma figures, please see page 7, Note 2.



FTTx proportion within the revenue mix decreased from 16% in 1Q16 to 15% in 1Q17; wireless declined from 11% to 6%; Enterprise increased from 57% to 65% and Government declined from 15% to 14%.

## Enterprise

Million Pesos	Q1 2017	Q4 2016	Q1 2016	(% 1Q17 vs.)		LTM mar-17	LTM mar-16
				Q4 2016	Q1 2016		
<b>TELECOM</b>	<b>2,151</b>	<b>2,207</b>	<b>1,512</b>	<b>-3%</b>	<b>42%</b>	<b>8,619</b>	<b>4,742</b>
Voice	604	627	539	-4%	12%	2,577	1,826
Data and Internet	831	832	476	0%	74%	3,193	987
Managed Networks	716	747	497	-4%	44%	2,849	1,929
<b>IT</b>	<b>237</b>	<b>243</b>	<b>119</b>	<b>-2%</b>	<b>99%</b>	<b>923</b>	<b>203</b>
<b>TOTAL ENTERPRISE</b>	<b>2,388</b>	<b>2,451</b>	<b>1,631</b>	<b>-3%</b>	<b>46%</b>	<b>9,541</b>	<b>4,945</b>

Quarterly revenues totaled Ps. 2,388 million, compared to Ps. 1,631 million in the same period in 2016, a 46% increase. On a pro forma basis, Enterprise revenues increased 1% compared to first quarter 2016 revenues of Ps. 2,355 million mainly due to an increase in IT revenues.

Telecom revenues, on a pro forma basis, remained flat. *Voice* revenues decreased 16% due to reductions in fix-to-mobile and toll-free (800s) revenues. *Data and Internet* revenues increased 10% due to strong demand for dedicated internet from existing enterprise customers. *Managed networks* increased 6%, driven by a 33% growth in Ethernet solutions.

IT revenues, on a pro forma basis, increased 12%, mainly due to a 24% increase in *hosting*, 60% in *cloud services* and 39% in security services, partially mitigated by declines in *system integration* and *managed applications* revenues.

## Government

Million Pesos	Q1 2017	Q4 2016	Q1 2016	(% ) 1Q17 vs.		LTM mar-17	LTM mar-16
				Q4 2016	Q1 2016		
<b>TELECOM</b>	<b>316</b>	<b>247</b>	<b>244</b>	<b>28%</b>	<b>29%</b>	<b>994</b>	<b>1,451</b>
Voice	41	36	41	15%	0%	156	208
Data and Internet	83	100	72	-17%	15%	361	258
Managed Networks	191	111	131	73%	46%	477	986
<b>IT</b>	<b>207</b>	<b>311</b>	<b>194</b>	<b>-33%</b>	<b>7%</b>	<b>1,115</b>	<b>947</b>
<b>TOTAL GOVERNMENT</b>	<b>523</b>	<b>558</b>	<b>438</b>	<b>-6%</b>	<b>19%</b>	<b>2,109</b>	<b>2,398</b>

Government segment revenues amounted to Ps. 523 million in the first quarter of 2017, compared to Ps. 438 million in the same period in 2016, a 19% increase. On a pro forma basis, revenues increased 6% compared to first quarter 2016 revenues of Ps. 495 million mainly due to an increase in Telecom *managed networks*, mitigated by a decline in IT revenues.

Telecom revenues, on a pro forma basis, increased 22%. *Voice revenues* increased 2%. *Data and internet* increased 6% and *managed networks* increased 37% due to new projects with government entities.

IT revenues, on a pro forma basis, declined 12% mainly due to a 23% decline in *system integration* revenues due to extraordinary revenues in the first quarter of 2016 related to equipment sales.

## Mass Market <sup>(3)</sup>

Million Pesos	Q1 2017	Q4 2016	Q1 2016	(% ) 1Q17 vs.		LTM mar-17	LTM mar-16
				Q4 2016	Q1 2016		
FTTx	548	520	447	5%	23%	2,060	1,727
Legacy Technologies	224	255	324	-12%	-31%	1,070	1,504
<b>TOTAL MASS MARKET</b>	<b>772</b>	<b>775</b>	<b>771</b>	<b>0%</b>	<b>0%</b>	<b>3,131</b>	<b>3,231</b>

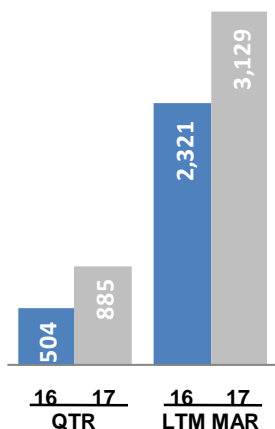
Quarterly revenues remained unchanged:

*FTTx* revenues totaled Ps. 548 million in the first quarter of 2017, compared to Ps. 447 million for same period in 2016, representing a 23% increase in line with a 18% increase in customers and an upward price adjustment starting February 2017. *Voice revenues* increased 21% resulting from a 28% increase in monthly rent revenues mitigated by a decline in fixed-to-mobile revenues. *Internet and video revenues* increased 19% and 22% respectively, mainly due to increases in internet and video subscribers.

*Legacy technologies* revenues amounted to Ps. 224 million in the first quarter of 2017, a 31% decrease compared the same period in 2016 explained by a 37% decline in customers.

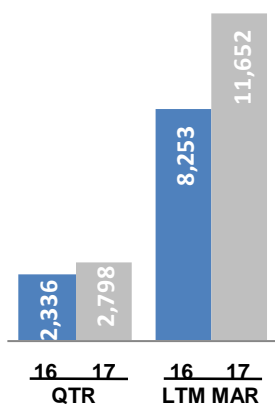
## Cost of Revenues

(in MPs.)



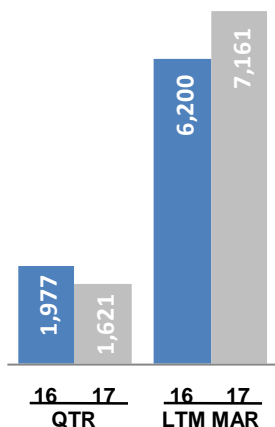
## Gross Profit

(in MPs.)



## Expenses

(in MPs.)



## Cost of revenues and Operating and Other expenses

Note: Figures in graphs include Alestra as of February 15, 2016. However, in order to explain variations, reference is made to pro forma figures, which include Alestra as of the beginning of each period.

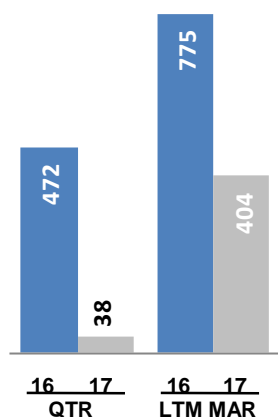
**Cost of revenues<sup>(4)</sup>.** For the three month period ended March 31, 2017, the cost of revenues represented Ps. 885 million, a 76% or Ps. 381 million increase compared to the same period of year 2016. On a pro forma basis, costs increased 28% compared to Ps. 689 million in the year-earlier quarter, mainly due to an increase in *Telecom* and *Mass market voice* costs due to an extraordinary voice-related benefit recorded in the first quarter of 2016 and to an increase in FTTx video costs in the Mass market segment. In addition, as part of the homologation accounting process between Axtel and Alestra, costs that were previously classified as operating expenses related to billing, collection and maintenance directly associated with customers are being recorded as costs as of 2017. This adjustment represents a year-over-year increase of Ps. 82 million in the quarter.

**Gross Profit.** Gross profit is defined as revenues minus cost of revenues. For the first quarter of 2017, the gross profit accounted for Ps. 2,798 million, 20% higher than the same period in year 2016. On a pro forma basis, gross profit declined 5% compared to Ps. 2,931 million in the first quarter 2016 mainly due to the decline in *Telecom* and *Mass Market* gross margins resulting from a higher cost in voice revenues. As a result, the gross profit margin declined from 81% to 76% year-over-year.

**Operating and other expenses<sup>(5)</sup>.** In the first quarter of year 2017, expenses totaled Ps. 1,621 million, 18% lower than the expenses recorded in the same period in 2016. On a pro forma basis, expenses decreased 29% compared to Ps. 2,296 million in the first quarter of 2016, mainly due to the decline in merger-related expenses and in personnel and outsourcing related to the synergies' initiatives implemented during 2016.

## Merger Expenses

(in MPes.)



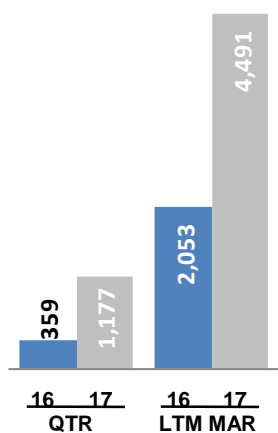
## Merger expenses, EBITDA, Operating income (loss)

Note: Figures in graphs include Alestra as of February 15, 2016. However, in order to explain variations, reference is made to pro forma figures, which include Alestra as of the beginning of each period.

**Merger and integration expenses.** For the first quarter 2017 expenses related to the Axtel-Alestra merger totaled Ps. 38 million pesos. In the year-earlier quarter, merger-related expenses totaled Ps. 472 million. For the twelve month period ended March 31, 2017, merger expenses totaled Ps. 404 million, the most relevant being severance payments.

## EBITDA

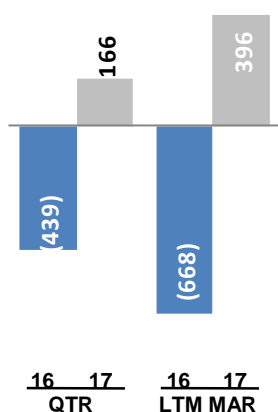
(in MPes.)



**EBITDA<sup>(6)</sup>.** For the first quarter of 2017, EBITDA reached Ps. 1,177 million, a 228% increase from the same period in 2016. Pro forma EBITDA increased 85% compared to Ps. 635 million in the first quarter of 2016 summarized as the result of a 12% decline in operating expenses and a 92% decline in merger related expenses. EBITDA margin increased from 17.5% to 32.0%.

## Operating income (loss)

(in MPes.)



**Operating income (loss).** In the first quarter of 2017, operating income totaled Ps. 166 million, compared to an operating loss of Ps. 439 million. On a pro forma basis, operating income increased Ps. 458 million compared to an operating loss of Ps. 292 million in the first quarter of 2016, mainly due to lower operating and merger-related expenses.

## Comprehensive Financing Result

Million Pesos	Q1 2017	Q4 2016	Q1 2016	(% 1Q17 vs.)		LTM	LTM
				Q4 2016	Q1 2016	Q1 2017	Q1 2016
Net interest expense	(358)	(320)	(1,010)	12%	-65%	(1,202)	(1,927)
FX gain (loss), net	1,438	(908)	(177)	n.a.	n.a.	(1,163)	(1,528)
Ch. in FV of fin. Instruments	(13)	(41)	(9)	-69%	45%	(228)	129
<b>Total</b>	<b>1,067</b>	<b>(1,268)</b>	<b>(1,196)</b>	<b>n.a.</b>	<b>n.a.</b>	<b>(2,593)</b>	<b>(3,326)</b>

The comprehensive financing income reached Ps. 1,067 million in the first quarter of 2017, compared to a cost of Ps. 1,196 million in the same period of 2016, or Ps. 1,504 million on a pro forma basis. The comprehensive financing result is mostly explained by lower interest expense in the first quarter of 2017 due to lower interest rates and due to the redemption premium in the year-earlier quarter related to the prepayment of the Senior Notes. The result is also explained by the FX gain during the first quarter of 2017 due to a 10% appreciation of the Mexican peso.

## Total Debt and Net Debt <sup>(8)</sup>

Million Pesos	Q1 2017	Q4 2016	Q1 2016
Syndicated Credit Facility	15,664	16,592	13,461
Other loans	4,019	4,380	4,953
Other financing obligations	513	591	834
Accrued interests	140	133	60
<b>Total Debt</b>	<b>20,336</b>	<b>21,695</b>	<b>19,307</b>
(-) Cash and cash equivalents	(1,130)	(1,600)	(845)
<b>Net Debt</b>	<b>19,206</b>	<b>20,095</b>	<b>18,462</b>

**Total Debt.** At the end of the first quarter 2017, total debt increased Ps. 1,029 million in comparison with first quarter 2016, mostly explained by (i) a Ps. 1,500 million increase related to an additional peso-denominated portion of the Syndicated Credit Facility obtained in April 2016 used to refinance short-term debt, which is reflected in the (ii) Ps. 1,532 million decrease in other loans and financial leases; (iii) a Ps. 79 million increase in accrued interests and (iv) a Ps. 981 million non-cash increase caused by the 7% depreciation of the Mexican peso.

**Cash.** As of the end of the first quarter of 2017, the cash balance totaled Ps. 1,130 million, compared to Ps. 845 million a year ago, and Ps. 1,600 million at the beginning of the quarter. The cash balance at the end of the quarter includes Ps. 155 million restricted cash.

## Capital Expenditures

In the first quarter of 2017, capital investments totaled Ps. 848 million, or \$42 million, compared to pro forma Ps. 1,614 million, or \$89 million, in the year-earlier quarter, a 47% decline due to a non-recurring intangible investment related to the merger transaction in the first quarter of 2016.

## Appendix

### Other important information

- 1) We are presenting financial information based on International Financial Reporting Standards (IFRS) in nominal pesos for the following periods:
  - Consolidated income statement information for the three month periods ending on March 31, 2017 and 2016, and December 31, 2016; and twelve month period ending on March 31, 2017 and 2016, and
  - Balance sheet information as of March 31, 2017 and 2016; and December 31, 2016.
  
- 2) 1Q16 Consolidated (include Alestra as of February 15, 2016) and Pro Forma (include Alestra as of the beginning of the period) revenues:

<i>Million Pesos</i>	Q1 2016	Q1 2016
	Cons.	Proforma
<b>ENTERPRISE</b>	<b>1,631</b>	<b>2,355</b>
Telecom	1,512	2,144
IT	119	212
<b>GOVERNMENT</b>	<b>438</b>	<b>495</b>
Telecom	244	259
IT	194	236
<b>MASS MARKET</b>	<b>771</b>	<b>771</b>
FTTx	447	447
Legacy Technologies	324	324
<b>TOTAL</b>	<b>2,840</b>	<b>3,620</b>

- 3) Mass market operating data:

<i>In thousands</i>	Q1 2017	Q4 2016	Q1 2016
<b>FTTX</b>			
Customers	242	233	205
RGUs	661	639	552
<i>Lines in service</i>	295	281	233
<i>Broadband subscribers</i>	242	234	204
<i>Video subscribers</i>	124	124	116
<b>LEGACY TECHNOLOGIES</b>			
Customers	182	207	289
RGUs	348	393	528
<i>Lines in service</i>	200	226	314
<i>Broadband subscribers</i>	148	167	214

\* Revenue Generating Units, represent individual service subscriptions (line, broadband, video) which generate recurring revenues for the Company.

- 4) Costs of revenues include expenses related to the termination of customers' cellular and long distance calls in other carriers' networks, as well as expenses related to billing, payment processing, operator services and leasing of private circuit links. Costs that were previously classified as operating expenses related to billing, collection and maintenance directly associated with customers are being recorded as costs as of 2017.

- 5) Operating and other expenses are those incurred in connection with general and administrative matters, such as personnel, land and tower leases, sales and marketing, maintenance of our network and net other not recurrent expenses including merger and integration expenses.
- 6) EBITDA is defined as operating income (loss) before depreciation and amortization, and impairment of assets.
- 7) Net Debt to EBITDA ratio: Net debt translated into U.S. Dollars using the end-of-period exchange rate divided by the respective LTM pro forma EBITDA translated into U.S. Dollars using the average exchange rate for each month.
- 8) Total debt includes accrued interests for each period. Net debt is calculated subtracting cash and equivalents, including non-current restricted cash, from total debt.
- 9) In March 2017, Axtel entered into a FX forward transaction fixing its dollar-denominated interest payments at an exchange rate of 20.0629 MXN/USD for the following amounts and dates:
 

April 2017	US\$ 6.3 million
July 2017	US\$ 7.7 million
October 2017	US\$ 7.3 million
January 2018	US\$ 7.6 million
- 10) The number of outstanding paid Series B shares was 19,229,939,531 as of March 31, 2017, equivalent to 2,747,134,219 CPOs. On July 21, 2016, all former Series A shares were converted into Series B shares.

### **About AXTEL**

Axtel is a Mexican Information and Communication Technology Company that serves the enterprise, government and residential markets with a robust portfolio of solutions through its brand Alestra (enterprise and government services) and its brand Axtel (residential and small businesses services).

With a network infrastructure of over 40 thousand kilometers of fiber and more than 7 thousand square meters of data center, Axtel enables organizations to be more productive and brings people together to improve their quality of life.

As of February 15, 2016, Axtel is a subsidiary of Alfa, which owns 51% of its equity.

Axtel shares, represented by Ordinary Participation Certificates, or CPOs, trade on the Mexican Stock Market under the symbol "AXTELCPO" since 2005.

Axtel's Investor Relations Center: [www.axtelcorp.mx](http://www.axtelcorp.mx)

Enterprise and Government services website: [www.alestra.mx](http://www.alestra.mx)

Mass Market services website: [www.axtel.mx](http://www.axtel.mx)



**Axtel, S.A.B. de C.V. and Subsidiaries**  
 Unaudited Consolidated Balance Sheet  
 March 31, 2017 and 2016 and December 31, 2016  
*(in Thousand Mexican pesos)*

<b>ASSETS</b>	<b>March-2017</b>	<b>December-2016</b>	<b>March-2016</b>
<b>Current assets:</b>			
Cash and equivalents	975,031	1,447,118	695,882
Accounts receivable	2,824,136	3,129,046	3,490,048
Related parties	15,866	20,949	21,060
Refundable taxes and other accounts receivable	910,106	916,831	1,045,777
Advances to suppliers	539,345	517,457	693,447
Inventories	130,897	109,388	111,412
Financial Instruments	162,974	152,978	368,538
<b>Total current assets</b>	<b>5,558,356</b>	<b>6,293,766</b>	<b>6,426,165</b>
<b>Non current assets</b>			
Restricted cash	155,126	153,040	149,285
Property, plant and equipment, net	19,596,073	19,619,451	19,872,296
Long-term accounts receivable	-	8,642	102,565
Intangible assets, net	1,754,467	1,838,727	1,982,381
Deferred income taxes	4,053,186	4,056,773	3,029,907
Investment in shares of associated company & other inve	1,708	1,708	18,131
Other assets	199,788	203,597	183,207
<b>Total non current assets</b>	<b>25,760,347</b>	<b>25,881,936</b>	<b>25,337,773</b>
<b>TOTAL ASSETS</b>	<b>31,318,703</b>	<b>32,175,703</b>	<b>31,763,938</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Account payable & Accrued expenses	3,268,279	3,183,091	3,004,736
Accrued Interest	139,636	132,815	60,343
Short-term debt	412,498	400,000	609,053
Current portion of long-term debt	450,110	495,773	1,364,590
Taxes payable	185,697	17,357	44,022
Deferred Revenue	673,962	1,022,982	444,640
Provisions	46,972	129,647	205,187
Other accounts payable	2,066,356	2,444,610	2,045,801
<b>Total current liabilities</b>	<b>7,243,511</b>	<b>7,826,275</b>	<b>7,778,370</b>
<b>Long-term debt</b>			
Long-term debt	19,178,670	20,485,861	17,075,414
Derivative Financial Instruments	-	-	-
Employee Benefits	492,856	467,036	406,971
Other LT liabilities	986,356	996,292	351,521
<b>Total long-term debt</b>	<b>20,657,882</b>	<b>21,949,190</b>	<b>17,833,906</b>
<b>TOTAL LIABILITIES</b>	<b>27,901,393</b>	<b>29,775,465</b>	<b>25,612,277</b>
<b>STOCKHOLDERS EQUITY</b>			
Capital stock	365,512	10,233,841	10,364,785
Additional paid-in capital	-	644,710	644,710
Reserve for repurchase of shares	-	-	-
Cumulative earnings (losses)	3,051,797	(8,478,314)	(4,857,834)
<b>TOTAL STOCKHOLDERS EQUITY</b>	<b>3,417,310</b>	<b>2,400,238</b>	<b>6,151,662</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS EQUITY</b>	<b>31,318,703</b>	<b>32,175,703</b>	<b>31,763,938</b>

## Axtel, S.A.B. de C.V. and Subsidiaries

Unaudited Consolidated Income Statement

Periods ended March 31, 2017 and 2016

(in Thousand Mexican pesos)

	First Quarter ended March 31			LTM ended March 31		
	2017	2016	Δ%	2017	2016	Δ%
Total Revenues	3,682,789	2,839,569	30%	14,780,540	10,573,891	40%
Operating cost and expenses						
Cost of sales and services	(884,609)	(503,593)	76%	(3,128,628)	(2,320,524)	35%
Selling and administrative expenses	(1,582,891)	(1,482,772)	7%	(6,767,452)	(5,072,675)	33%
Other income (expenses), net	(38,323)	(494,179)	-92%	(393,515)	(1,127,661)	-65%
Asset impairment	970	(7)	n.a.	(51,817)	(7)	>100%
Depreciation and amortization Cost	(855,584)	(705,182)	21%	(3,346,893)	(2,441,982)	37%
Depreciation and amortization Expenses	(156,481)	(93,154)	68%	(696,423)	(278,973)	
	(3,516,917)	(3,278,889)	7%	(14,384,728)	(11,241,823)	28%
Operating income (loss)	165,872	(439,319)	n.a.	395,811	(667,932)	n.a.
Comprehensive financing result:						
Interest expense	(369,001)	(1,015,151)	-64%	(1,231,612)	(1,959,204)	-37%
Interest income	10,742	5,240	>100%	29,883	32,322	-8%
Foreign exchange gain (loss), net	1,438,212	(177,368)	n.a.	(1,163,100)	(1,527,989)	-24%
Change in the fair value of financial instrument	(12,770)	(8,778)	45%	(228,330)	128,739	n.a.
Comprehensive financing result, net	1,067,183	(1,196,058)	n.a.	(2,593,159)	(3,326,133)	-22%
Equity in results of associated company	(0)	0	n.a.	(5,189)	(5)	>100%
Income (loss) before income taxes,	1,233,054	(1,635,377)	n.a.	(2,202,537)	(3,994,070)	-45%
Income taxes:						
Current	(219,603)	(31,330)	>100%	(273,433)	(43,508)	>100%
Deferred	6,134	525,528	-99%	1,037,472	987,966	5%
Total income taxes	(213,469)	494,198	n.a.	764,039	944,458	-19%
Net Income (Loss)	1,019,585	(1,141,179)	n.a.	(1,438,498)	(3,049,612)	-53%

**Axtel, S.A.B. de C.V. and Subsidiaries**Unaudited **PRO FORMA** Consolidated Income Statement

Periods ended March 31, 2017 and 2016

*(in Thousand Mexican pesos)*

	First Quarter ended March 31		Δ%
	2017	2016	
Total Revenues	3,682,789	3,620,328	2%
Operating cost and expenses			
Cost of sales and services	(884,609)	(689,342)	28%
Selling and administrative expenses	(1,582,891)	(1,799,099)	-12%
Other income (expenses), net	(38,323)	(496,989)	-92%
Asset impairment	970	(204)	n.a.
Depreciation and amortization Cost	(855,584)	(806,967)	6%
Depreciation and amortization Expenses	(156,481)	(120,062)	30%
	<u>(3,516,917)</u>	<u>(3,912,663)</u>	-10%
Operating income (loss)	<u>165,872</u>	<u>(292,335)</u>	n.a.
Comprehensive financing result:			
Interest expense	(369,001)	(1,037,091)	-64%
Interest income	10,742	6,699	60%
Foreign exchange gain (loss), net	1,438,212	(464,707)	n.a.
Change in the fair value of financial instruments	<u>(12,770)</u>	<u>(8,778)</u>	45%
Comprehensive financing result, net	<u>1,067,183</u>	<u>(1,503,877)</u>	n.a.
Equity in results of associated company	<u>(0)</u>	<u>0</u>	n.a.
Income (loss) before income taxes,	<u>1,233,054</u>	<u>(1,796,212)</u>	n.a.
Income taxes:			
Current	(219,603)	(52,881)	>100%
Deferred	<u>6,134</u>	<u>616,532</u>	-99%
Total income taxes	<u>(213,469)</u>	<u>563,650</u>	n.a.
Net Income (Loss)	<u><u>1,019,585</u></u>	<u><u>(1,232,562)</u></u>	n.a.