1st Quarter 2013

San Pedro Garza Garcia, Mexico, April 25, 2013 - Axtel, S.A.B. de C.V. ("AXTEL" or "the Company"), a leading Mexican fixed-line integrated telecommunications company, announced today its unaudited first quarter results ended March 31, 2013[1].

Million Pesos	Q1 2013	Q1 2012	1Q13/1Q12 D%	Q4 2012	LTM Mar-13	LTM Mar-12
Revenues[2]	2,289	2,503	-9%	2,418	9,976	10,677
Costs[3]	554	625	-11%	669	2,784	2,665
Operating Expenses[4]	1,063	1,119	-5%	1,176	4,541	4,506
Adjusted EBITDA[5]	672	759	-11%	572	2,652	3,506
Adj. EBITDA Margin	29.4%	30.3%	-95 bps	23.7%	26.6%	32.8%
Net (loss) Income	3,192	496	544%	-590	1,987	-1,665
Earnings per CPO[6]	2.55	0.40	544%	-0.47	1.59	-1.33
Capital Expenditures	329	502	-35%	545	1,843	2,286
Net Debt / Adj EBITDA[7]					2.4x	3.1x

Investor Relations:
Adrian de los Santos
IR@axtel.com.mx
+52(81) 8114-1128

Nancy Llovera
IR@axtel.com.mx
+52(81) 8114-1128

Media Relations:
Julio Salinas
contacto@axtel.com.mx
+52(81) 8114-1144

Highlights:

- During the first quarter of 2013, EBITDA and EBITDA margin increased 18% and 570 bps respectively compared to the previous quarter. This was mainly due to lower operating expense levels derived from the productivity initiatives recently implemented.
- During February, AXTEL began making lease payments on the towers it had divested in January. Excluding this expense, EBITDA and EBITDA margin for the first quarter would have been Ps. 720 million and 31.5% respectively—an increase of 25% and 780 bps respectively compared to previous quarter.
- The quality of the revenue mix improved in the first quarter vis-à-vis the fourth quarter, as evidenced by the Gross Profit margin increase from 72.3% to 75.8%, or 350 bps. This trend reflects the increasing proportion of higher value services, which is consistent with AXTEL's strategy.
- During the quarter the Supreme Court resolved certain cases on fixed-to-mobile interconnection rates involving AXTEL, which resulted in no payment obligation or contingency for the Company. Concerning the Telecommunications and Competition Reform Act under review by Congress, AXTEL considers it is a positive initiative as it promotes a more competitive industry environment. This reform improves the prospects of the Company.

Sources of Revenues

Million Pesos	Q1 2013	Q1 2012	1Q/1Q12 D%	Q4 2012	LTM mar-13	LTM mar-12
Local	830	913	-9%	876	3,521	3,746
Long Distance	266	267	0%	276	1,099	1,132
Data & Network	705	683	3%	716	2,810	2,615
Int'l. Traffic	124	201	-38%	146	579	1,177
Other	326	389	-16%	358	1,785	1,635
Mayor Wholesale Cust.	38	50	-25%	45	182	372
	2,289	**2,503**	**-9%**	**2,418**	**9,976**	**10,677**

IMPORTANT DISCLOSURE. Unless otherwise stated, comments in this section exclude revenues generated by our largest wholesale customer (see note 9 for further information).

Local services. Local service revenues totaled Ps. 830 million in the first quarter of 2013, compared to Ps. 913 million for same period in 2012, representing a decrease of Ps. 82 million, explained by Ps. 38 million, Ps. 14 million and Ps. 30 million decreases in monthly rents, measured service and cellular revenues, respectively. Despite recording an 11% decline in customers, monthly rents declined only 6% implying a better customer mix. The 24% decrease in measured services is explained by 16% and 10% decreases in billed-traffic volume and prices, respectively. The 18% decrease in cellular revenue is explained by a 5% decline in cellular billed-traffic volume and a 14% decrease in price, resulting from a market trend linked to lower interconnection tariffs. Revenues coming from monthly rents represented 79% of local revenues during the three month period ended March 31, 2013. For the twelve month period ended March 31, 2013, local revenues totaled Ps. 3,521 million, compared to Ps. 3,746 million registered in the same period in 2012, a decrease of Ps. 225 million or 6% mostly explained by Ps. 55, Ps. 57 and Ps. 113 million declines in monthly rents, measured service and cellular revenues respectively.

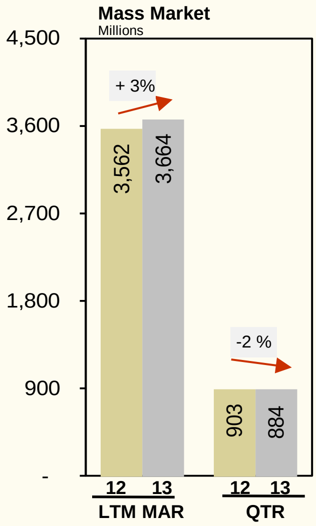
Long distance services. Revenues totaled Ps. 266 million in the first quarter of 2013, compared to Ps. 267 million for same period in 2012. Billed-traffic volume increased 21%, however revenues remained flat due to an 18% decline in billed-traffic prices. For the twelve month period ended March 31, 2013, long distance revenues totaled Ps. 1,099 million compared to Ps. 1,132 million registered in 2012, a Ps. 33 million, or 3%, decline.

Data & Network. Data and network revenues amounted to Ps. 705 million in the first quarter of 2013, compared to Ps. 683 million in the same period in 2012, a Ps. 22 million increase driven by mass-market, or, "on-demand" internet services revenues, which increased 25% year-over-year. Private lines and dedicated internet revenues declined 6% and 4% respectively. Mass-market, or, "on-demand" internet services, represented 31% of data & network revenues during the quarter. During the twelve month period ended on March 31, 2013, data and network services revenues totaled Ps. 2,810 million from Ps. 2,615 million registered in 2012, an increase of Ps. 195 million, or 7%.

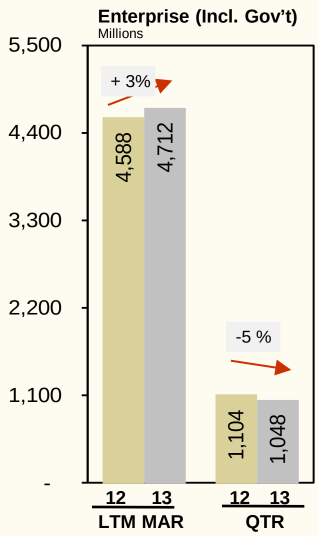
International traffic. In the first quarter of 2013, international traffic revenues totaled Ps. 124 million, a decrease of Ps. 76 million or 38% versus same quarter of previous year, explained by a blended 14% decline in prices and a 28% reduction in volume. In peso terms, the decline was also affected by a 3% appreciation of the Mexican peso vis-à-vis the US dollar. For the twelve month period ended March 31, 2013, revenues from international traffic totaled Ps. 579 million from Ps. 1,177 million in the same period in 2012, a decline of 51% explained by a 8% decline in volume and a 4% decline in prices.

Other services. Quarterly revenues from other services totaled Ps 326 million in the first quarter of 2013, from Ps. 389 million in the same quarter of previous year, a decrease of Ps. 63 million or 16%, mostly explained by a Ps. 60 million decrease in integrated services. For the twelve month period ended March 31, 2013, revenues totaled Ps. 1,785 million from Ps. 1,635 million registered in 2012, an increase of Ps. 150 million, or 9%.

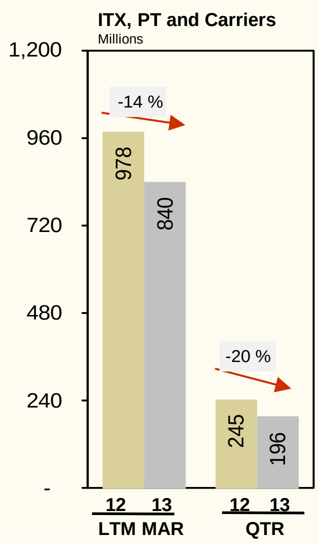
*Revenues by segment **



Mass Market. Revenues totaled Ps. 884 million in the first quarter of 2013, compared to Ps. 903 million for the same quarter in 2012, a decrease of 2%, mainly due to 10% and 13% decrease in local and long distance revenues, partially compensated by 25% and 17% increases in data and other revenues. For the twelve month period ended March 31, 2013, revenues totaled Ps. 3,664 million, an increase of 3% compared to the same period in 2012, mostly explained by a 39% increase in data revenues.

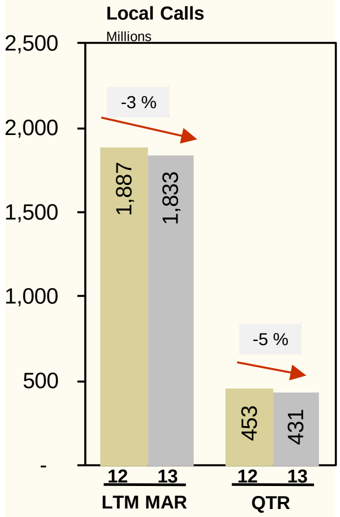


Enterprise (including Government). Revenues for this segment amounted to Ps. 1,048 million in the three month period ended March 31, 2013, a decrease of 5% versus the same period in 2012. This is explained by decreases of 24% in integrated services and equipment sales and 5% in local revenues, partially mitigated by increases of 11% in long distance revenues and 2% in data revenues. For the twelve month period ended March 31, 2013, revenues increased 3%, from Ps. 4,588 million registered in the twelve month period ended March 31, 2012, to Ps 4,712 million in 2013. This is due to increases of 10% and 5% in other and data revenues respectively, partially offset by a 5% decline in local revenues.



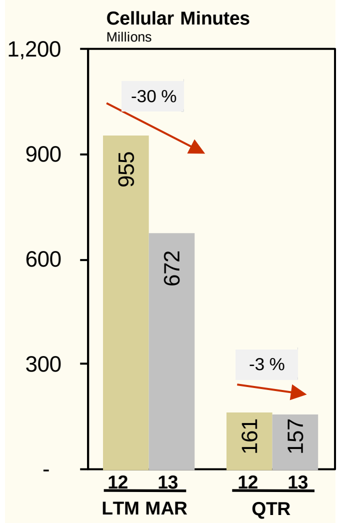
Interconnection, Public Telephony and Carriers. Revenues for this segment declined 20%, from Ps. 245 million in the first quarter 2012 to Ps. 196 million in 2013, mainly due to 35% and 17% decreases in long distance and data revenues. For the twelve month period ended March 31, 2013 revenues reached Ps. 840 million, a decline of 14% compared to the same period in 2012, primarily explained by a 30% and 44% decrease in local and long distance revenues respectively.

(*) Excludes International Traffic and Major Wholesale Customer

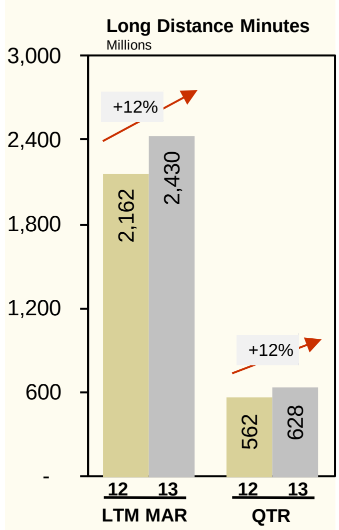


Consumption

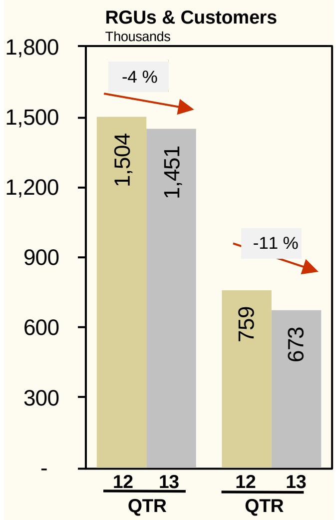
Local Calls. Local calls excluding our largest wholesale customer totaled 427 million calls in the first quarter of 2013, compared to 441 million calls for same period in 2012, representing a decrease of 3%. Billed local calls decreased 14 million or 16%, while local calls included in commercial offers increased by 1 million. Business and residential customers contributed with 12 million and 2 million calls respectively to the billed local calls decline. Local calls included in commercial offers represented 82% of total calls in the first quarter of 2013. For the twelve month period ended March 31, 2013, local calls totaled 1,804 million excluding our largest wholesale customer, compared to 1,812 million registered in the same period in 2012, a decline of 8 million calls.

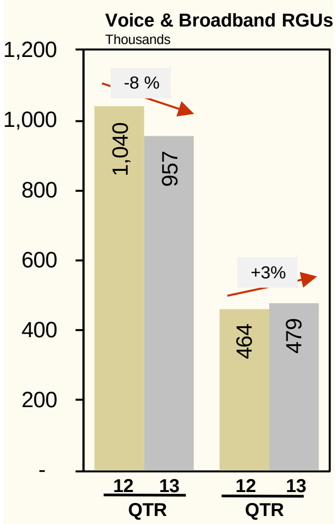


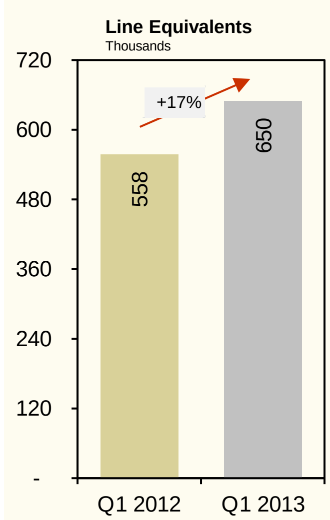
Cellular ("Calling Party Pays"). Minutes of use of calls completed to a cellular line excluding our largest wholesale customer amounted to 155 million in the three month period ended March 31, 2013, compared to 159 million in the same period in 2012, a decrease of 2%. Billed cellular minutes decreased 5 million or 5%, while minutes in modules included in a monthly rent increased 2 million minutes or 4%. Billed cellular minutes represented 70% of cellular minutes in the first quarter of 2013, compared to 72% in the year-earlier quarter. For the twelve month period ended March 31, 2013 and excluding our largest wholesale customer, cellular minutes increased 38 million, or 6%, from 627 million registered in the twelve month period ended March 31, 2012, to 665 million in 2013.



Long distance. Excluding our largest wholesale customer, which represents 12% of total volume, outgoing long distance minutes amounted to 552 million for the three month period ended March 31, 2013, from 475 million in the same period in 2012, a 16% increase. This, resulting from a 10% decrease and 23% increase in traffic from residential and business customers, respectively. Billed long distance minutes during the first quarter of 2013 increased 21% compared to the same period in 2012. Domestic long distance minutes represented 96% of total traffic during the quarter. For the twelve month period ended March 31, 2013 and excluding our largest wholesale customer, outgoing long distance minutes amounted 2,100 million, compared to 1,908 million registered in 2012, an increase of 10%, explained by increased traffic from business customers, particularly in billed long distance minutes.







Operating Data

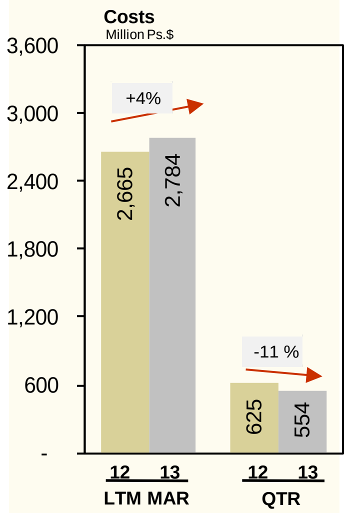
RGUs[8] and Customers. As of March 31, 2013, RGUs (Revenue Generating Units) totaled 1,451 thousand. During the first quarter of 2013, RGU net-disconnections totaled 38 thousand, compared to 29 thousand net-additions in the first quarter of 2012, attributable to a greater number of disconnections from both voice and wireless RGUs, compensated by an increase in video RGUs. As of March 31, 2013, customers totaled 673 thousand, a decline of 87 thousand from the same date in 2012. Total customers declined 37 thousand on a sequential basis.

Voice RGUs (lines in service). As of March 31, 2013, lines in service totaled 957 thousand. During the first quarter of 2013, gross additional lines totaled 40 thousand compared to 69 thousand in the first quarter of 2012. Disconnections in the first quarter of 2013 totaled 79 thousand compared to 68 thousand in the year-earlier quarter. Customers in low-ARPU offers represented the majority of disconnections during the quarter. Lines in service in the first quarter of 2013 decreased 40 thousand, compared to 1 thousand net-additions in the same period of 2012. As of March 31, 2013, residential lines represented 65% of total lines in service.

Broadband RGUs (broadband subscribers). Broadband subscribers increased 3% year-over-year totaling 479 thousand subs as of March 31, 2013. During the first quarter of 2013, broadband subscribers decreased 14 thousand compared to 27 thousand net-additions in the same period of 2012. As of March 31, 2013, WiMAX broadband subs reached 356 thousand, compared to 383 thousand a year ago, while AXTEL X-tremo, or FTTH customers, totaled 109 thousand. The decrease in broadband subscribers is explained by a temporary high level of WiMAX disconnections, which is expected to come to more normal levels in the short term, as new commercial offers and retentions strategies have been implemented. Broadband penetration reached 50% at the end of the first quarter of 2013, compared to 45% a year ago.

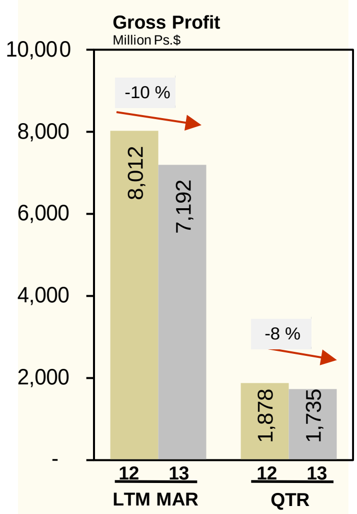
Video subscribers. Axtel commercially launched its pay-television service, AXTEL TV, on January 30th, 2013, and as of March 31, 2013, video subscribers had reached 15 thousand. Video subscribers totaled one thousand at the beginning of this quarter.

Line equivalents (E0 equivalents). We offer from 64 kilobytes per second ("KBps") up to 200 megabytes per second ("MBps") dedicated data links in all of our thirty-nine existing cities. We account for data links by converting them to E0 equivalents in order to standardize our comparisons versus the industry. As of March 31, 2013, line equivalents totaled 650 thousand, 17% increase.

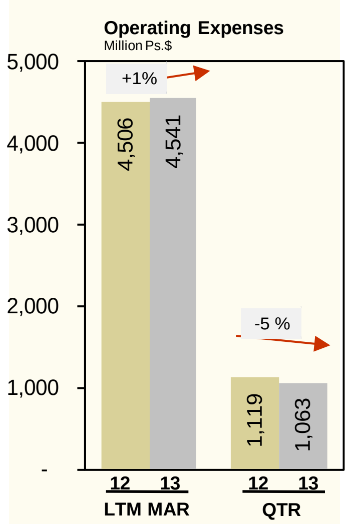


Cost of Revenues and Operating Expenses

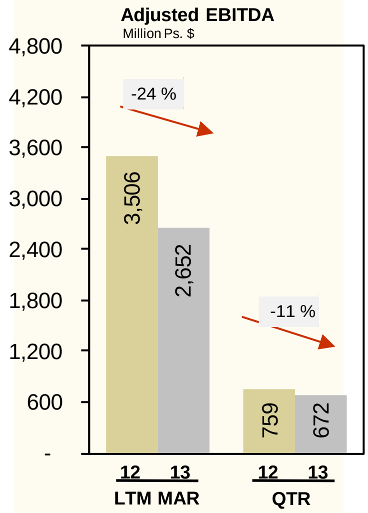
Cost of Revenues. For the three month period ended March 31, 2013, the cost of revenues represented Ps. 554 million, a decrease of Ps. 71 million, compared with the same period of year 2012, mainly explained by decreases of Ps. 68 million in integrated services costs. For the twelve month period ended March 31, 2013, cost of revenues reached Ps. 2,784 million, an increase of Ps. 119 million in comparison with year 2012, mainly due to increases in costs related to equipment sales, partially offset by decreases in fixed-to-mobile and international traffic costs.

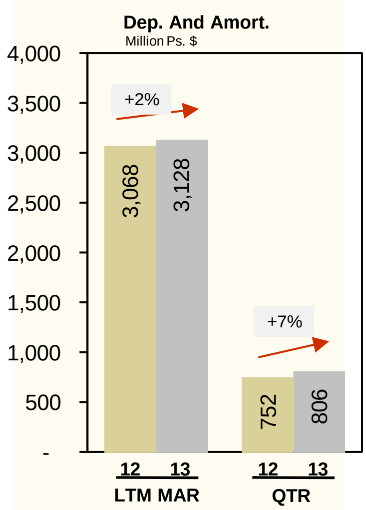


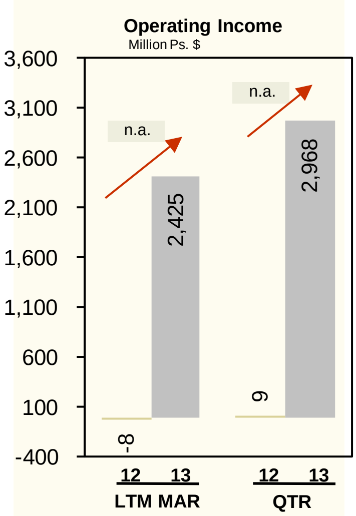
Gross Profit. Gross profit is defined as revenues minus cost of revenues. For the first quarter of 2013, the gross profit accounted for Ps. 1,735 million, a decrease of Ps. 143 million compared with the same period in year 2012. The gross profit margin increased from 75.0% to 75.8% year-over-year, influenced by slightly higher enterprise segment gross margin. For the twelve month period ended March 31, 2013, our gross profit totaled Ps. 7,192 million, compared to Ps. 8,012 million recorded in year 2012, a decrease of Ps. 820 million, or 10%.



Operating expenses. In the first quarter of year 2013, operating expenses totaled Ps. 1,063 million, Ps. 56 million or 5% lower than the Ps. 1,119 million recorded in the same period in year 2012, explained by Ps. 73, Ps. 11 and Ps. 12 million decreases in personnel, outsourcing and maintenance expenses, respectively, due to the efficiency initiatives initiated during the fourth-quarter of last year. These reductions were partially offset by the Ps. 48 million increase in rents due to the towers lease expenses of February and March. For the twelve month period ended March 31, 2013, operating expenses totaled Ps. 4,541 million, coming from Ps. 4,506 million in the same period in 2012. Personnel represented 41% of total operating expenses in the twelve month period ended March 31, 2013.







Adjusted EBITDA, D&A and Operating Income

Adjusted EBITDA(5). The Adjusted EBITDA totaled Ps. 672 million for the three month period ended March 31, 2013, compared to Ps. 759 million for the same period in 2012. As a percentage of total revenues, Adjusted EBITDA margin represented 29.4% in the first quarter of 2013, 95 bps lower than the margin recorded in the year-earlier quarter. Excluding the tower lease expense, Adjusted EBITDA in the first quarter would have been Ps. 720 million, representing a 31.5% margin, or 113 bps higher than a year earlier. For the twelve month period ended March 31, 2013, Adjusted EBITDA amounted to Ps. 2,652 million, compared to Ps. 3,506 million in year 2012.

Depreciation and Amortization(11). Depreciation and amortization totaled Ps. 806 million in the three month period ending on March 31, 2013 compared to Ps. 752 million for the same period in year 2012. Depreciation and amortization for the twelve-month period ended March 31, 2013 reached Ps. 3,128 million, from Ps. 3,068 million in the same period in year 2012, an increase of Ps. 60 million.

Operating Income (loss). In the three month period ended March 31, 2013, the Company recorded an operating income of Ps. 2,968 million compared to an operating income of Ps. 9 million registered in the same period in year 2012. The first quarter 2013 result includes Ps. 3,113 million in gains related to the tower sale. For the twelve month period ended March 31, 2013 our operating income reached Ps. 2,425 million when compared to the operating loss of Ps. 8 million in the same period of year 2012, a variation of Ps. 2,433 million mostly explained by the sale of 883 telecommunication sites.

CFR, Indebtedness and Cash

Comprehensive Financial Result

Million Pesos	Q1 2013	Q1 2012	1Q/1Q12 D%	Q4 2012	LTM Q1 2013	LTM Q1 2012
Net interest expense	(325)	(260)	25%	(270)	(1,100)	(1,006)
FX gain (loss), net	436	969	-55%	(80)	264	(618)
Result from debt exchange	1,546	-	n.a.	-	1,546	-
Ch. in FV of fin. Instruments	(44)	(14)	-209%	(9)	(139)	(84)
Total	**1,613**	**694**	**132%**	**(359)**	**572**	**(1,708)**

Comprehensive financial result. Net interest expense for the first quarter 2013 increased Ps. 64 million vis-à-vis the first quarter 2012 due to the Ps. 48 million cancellation of deferred costs related to the prepayment of the syndicated bank facility and Ps. 81 million related to the structuring of the telecommunication towers sale. Without these 2 effects, net interest expense would have been Ps. 195 million. During the first quarter 2013, a 5.3% peso appreciation against the U.S. dollar generated a Ps. 436 million FX gain, compared to an FX gain of Ps. 969 million related to a 9.3% peso appreciation recorded in the first quarter of 2012. Concerning variations in the fair value of financial instruments, these are partially explained by 29% increase and 4% decline in the price of AXTELCPO during the first quarters of 2013 and 2012, respectively, which affected the valuation of AXTEL´s position held in its own stock through the zero-strike-calls instruments. The Ps. 572 million comprehensive financial gain for year ended in March 2013, compared to a Ps. 1,708 million comprehensive financial loss for year ended in March 2012, is mainly explained by a 3% appreciation of the Mexican peso against the U.S. dollar in the 2013 period, compared to a 7% depreciation in the 2012 period.

Total Debt as of the end of each period

Million Pesos	Q1 2013	Q1 2012	Q4 2012
2017 Senior Notes	1,643	3,521	3,578
2019 Senior Notes	1,663	6,274	6,375
2020 Senior Secured Notes	3,347	-	-
Other financing obligations	97	259	136
Financial Leases	381	561	434
Bank Facilities	-	786	1,058
Notes Premium	11	47	42
Notes issuance and deferred financing costs	(31)	(180)	(156)
Total Debt	**7,112**	**11,268**	**11,467**
(+/-) Mark-to-market Derivative Instruments	-	107	47
(-) Cash and cash equivalents	(824)	(526)	(608)
Net Debt	**6,288**	**10,849**	**10,905**

Debt. At the end of the first quarter of 2013, total debt decreased Ps. 4,156 million in comparison with the same date in 2012, explained by (i) a Ps. 2,901 million net reduction related to the exchange of the senior notes due 2017 and 2019, (ii) a Ps. 786 million decrease in bank debt related to the prepayment of the syndicated bank facility, (iii) a decrease of Ps. 337 million in leases and financial obligations, (iv) a Ps. 149 million decrease in notes issuance and deferred financing costs, and (v) a Ps. 244 million non-cash decrease caused by the 3% appreciation of the Mexican peso.

***Cash*.** As of the end of the first quarter of 2013, our cash and equivalents balance totaled Ps. 824 million, compared to Ps. 526 million a year ago, and Ps. 608 million at the beginning of the quarter. As of the end of the quarter, 67 percent of the cash balance was maintained in dollars, the rest in pesos.

Investments and Derivative Instruments

***Capital Investments*.** In the first quarter of 2013, capital investments totaled Ps. 329 million, or $26 million, compared to Ps. 502 million, or $39 million, in the year-earlier quarter. Accumulated for the twelve-month period ended March 31, 2013, capital investments totaled Ps. 1,843 million, or $141 million, compared to Ps. 2,286 million, or $181 million, for the same period ended in 2012.

***Other Investments*.** As of March 31, 2013, the Company maintained an economic position equivalent to 30.4 million AXTELCPOs in ZSC.

Derivative Instruments. The following table summarizes the Company's derivatives position as of March 31, 2013.

	AXTEL receives	AXTEL pays	Other
Zero-strike Equity Call Option			
Notional			30.4 million AXTELCPO
Value	30.4 million AXTELCPO	Strike price: ¢1 per CPO	
Settlement			In cash
Expiration Date			July 2013
Valuation			Ps. 114 million

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, 2013, and December 31 and March 31, 2012; and twelve-month period ending on March 31, 2013 and March 31, 2012, and
   - Balance sheet information as of March 31, 2013 and 2012; and December 31, 2012.

2) Revenues are derived from:
   i. Local services. We generate revenue by enabling our customers to originate and receive calls within a defined local service area and by providing offers with local calls, calls completed on a cellular line (“calling party pays,” or CPP calls) and long distance minutes included in the monthly rent. Customers are charged a flat monthly fee for a variety of commercial offers and in certain offers, a per call fee for local calls (“measured service”), a per minute usage fee for CPP calls and value added services.
   ii. Long distance services. We generate revenues by providing long distance services (domestic and international) for our customers’ completed calls from AXTEL lines.
   iii. Data & network. We generate revenues by providing data, Internet access and network services, like virtual private networks and private lines.
   iv. International traffic. We generate revenues terminating international traffic from foreign carriers.
   v. Other services. Include among others, video service revenues, activation fees, customer premises equipment (‘‘CPE’’) sales and revenues generated from integrated telecommunications services provided to corporate customers, financial institutions and government entities.

3) Cost of revenues include expenses related to the termination of our customers’ cellular and long distance calls in other carriers’ networks, as well as expenses related to billing, payment processing, operator services and our leasing of private circuit links.

4) Operating expenses include costs incurred in connection with general and administrative matters which incorporate compensation and benefits, the costs of leasing land related to our operations and costs associated with sales and marketing and the maintenance of our network.

5) Adjusted EBITDA is defined as net income plus interest, taxes, depreciation and amortization, and further adjusted for extraordinary or non-recurrent income and expenses. For additional detail on the Adjusted EBITDA Reconciliation, go to AXTEL’s web site at www.axtel.mx

6) Earnings per CPO are calculated dividing the net income by the average number of Series A and Series B shares outstanding during the period divided by seven. The number of outstanding Series A and Series B shares was 96,636,627 and 8,672,716,596, respectively, as of March 31, 2013.

Other important information

7) Net Debt to Adjusted EBITDA: The figure comes from dividing the net debt at the end of the period by the respective LTM Adjusted EBITDA.

8) Revenue Generating Unit, or RGU, represents individual service subscriber who generates recurring revenue for the Company. Total RGUs include the sum of all lines in service, broadband service customers and video subscribers.

9) Breakdown of AXTEL's revenues including its major wholesale customer:

Sources of Revenues

Million Pesos	Q1 2013	Q1 2012	Q4 2012	LTM mar-13	LTM mar-12
Local	834	917	880	3,536	3,982
Long Distance	283	303	306	1,217	1,234
Data & Network	708	685	718	2,819	2,624
Int'l. Traffic	124	201	146	579	1,177
Other	340	396	368	1,825	1,659
	2,289	**2,503**	**2,418**	**9,976**	**10,677**

10) RECAPITALIZATION PLAN

- On January 31, 2013, the Company closed the sale of 883 telecommunications sites to MATC Digital, S. de R.L. de C.V. (MATC) for $249 million, and also agreed to lease space on these telecommunications sites back from MATC for approximately $20 million in annual net lease expense for the Company and for a term ranging from 6 years to 15 years depending on the technology installation at each site.

- Concurrent with the tower sale, the Company exchanged $142 million and $355 million of its existing Senior Unsecured Notes due 2017 and 2019, respectively, for $249 million and $22 million of new Senior Secured Notes and Senior Secured Convertible Notes, respectively, both due in 2020, and a cash payment of $83 million to tendering bondholders.

11) Depreciation and amortization includes depreciation of all communications network and equipment and amortization of pre-operating expenses and cost of spectrum licenses, among others.

12) Subject to market conditions, the Company's liquidity position and its contractual obligations, from time to time, the Company may acquire its senior secured and unsecured notes in the open market or in privately negotiated transactions.

Other important information

About AXTEL

AXTEL is a Mexican telecommunications company with significant growth in the broadband segment, and one of the leading companies in information and communication technologies solutions in the corporate, financial and government sectors. The Company serves all market segments - corporate, financial, government, wholesale and residential with the most robust offering of integrated communications services in Mexico. Its world-class network consists of different access technologies like fiber optic, fixed wireless access, point to point and point to multipoint links, in order to offer solutions tailored to the needs of its customers.

AXTELCPO trades on the Mexican Stock Exchange since 2005. AXTEL's American Depositary Shares are eligible for trading in The PORTAL Market, a subsidiary of the NASDAQ Stock Market, Inc.

Visit AXTEL's Investor Relations Center on www.axtel.mx

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

Unaudited Consolidated Balance Sheet
March 31, 2013 and 2012 and December 31, 2012
(figures in Thousands of Mexican pesos)

ASSETS	March-2013	December-2012	March-2012
Current assets			
Cash and equivalents	824,090	597,201	460,594
Restricted cash	-	10,709	64,978
Accounts receivable	2,545,337	2,406,764	2,191,240
Refundable taxes and other accounts receivable	297,483	232,508	267,708
Advances to suppliers	107,519	52,188	126,722
Inventories	95,845	105,471	136,658
Financial Instruments (Zero Strike Call)	113,943	88,419	130,350
Financial Instruments (others)	-	-	29,958
Assets classified as held for sale	-	460,462	-
Total current assets	**3,984,217**	**3,953,722**	**3,408,208**
Non current assets			
Property, plant and equipment, net	13,564,881	13,997,994	15,199,464
Long-term accounts receivable	411,837	15,470	16,082
Intangible assets, net	261,776	288,622	312,712
Deferred income taxes	724,883	2,081,718	1,730,543
Investment in assoc. Cos. & other investments	9,649	9,647	9,649
Other assets	141,483	153,158	121,401
Total non current assets	**15,114,509**	**16,546,609**	**17,389,851**
TOTAL ASSETS	**19,098,726**	**20,500,331**	**20,798,059**
LIABILITIES			
Current liabilities			
Account payable & Accrued expenses	2,167,884	2,404,471	2,102,365
Accrued Interest	72,964	276,043	63,390
Short-term debt	-	-	-
Current portion of long-term debt	264,603	411,969	362,173
Taxes payable	305,240	135,703	71,321
Derivative Financial Instruments	-	46,532	136,696
Deferred Revenue	560,028	631,298	554,333
Provisions	-	281,808	22,394
Other accounts payable	111,474	106,702	123,867
Total current liabilities	**3,482,193**	**4,294,526**	**3,436,539**
Long-term debt			
Long-term debt	6,847,390	11,054,645	10,905,403
Employee Benefits	20,495	19,452	23,083
Deferred revenue	33,900	33,900	33,900
Long-term provisions	-	-	260,298
Other LT liabilities	405,575	9,534	12,150
Total long-term debt	**7,307,360**	**11,117,531**	**11,234,834**
TOTAL LIABILITIES	**10,789,553**	**15,412,057**	**14,671,373**
STOCKHOLDERS EQUITY			
Capital stock	6,625,536	6,625,536	6,625,536
Additional paid-in capital	644,710	644,710	644,710
Reserve for repurchase of shares	162,334	162,334	162,334
Cumulative earnings (losses)	876,593	(2,314,955)	(1,110,457)
Change in the fair value of derivative instruments	-	(29,351)	(195,437)
TOTAL STOCKHOLDERS EQUITY	**8,309,173**	**5,088,274**	**6,126,686**
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	**19,098,726**	**20,500,331**	**20,798,059**

Axtel, S.A.B. de C.V. and Subsidiaries
Unaudited Consolidated Income Statement
Periods ended March 31, 2013 and 2012
(figures in Thousands of Mexican pesos)

	First Quarter ended March 31			LTM ended March 31		
	2013	2012	D%	2013	2012	D%
Rental. Installation, service and other income	2,288,977	2,502,544	-9%	9,976,165	10,677,427	-7%
Operating cost and expenses						
Cost of sales and services	(553,702)	(624,696)	-11%	(2,783,791)	(2,665,201)	4%
Selling and administrative expenses	(1,062,968)	(1,119,013)	-5%	(4,540,553)	(4,506,074)	1%
Other income (expenses), net	3,102,496	1,354	229036%	2,901,155	(445,917)	n.a.
Depreciation and amortization	(806,337)	(751,605)	7%	(3,127,972)	(3,067,796)	2%
	679,489	(2,493,960)	n.a.	(7,551,161)	(10,684,988)	-29%
Operating income (loss)	2,968,466	8,584	34481%	2,425,004	(7,561)	n.a.
Comprehensive financing result:						
Interest expense	(328,342)	(267,343)	23%	(1,118,512)	(1,026,826)	9%
Interest income	3,552	6,867	-48%	18,652	20,907	-11%
Foreign exchange gain (loss), net	435,537	968,680	-55%	264,487	(618,331)	n.a.
Result from the exchange of debt, net	1,546,421	-	n.a.	1,546,421	-	n.a.
Change in the fair value of derivative inst.	(44,249)	(14,334)	209%	(139,112)	(83,662)	66%
Comprehensive financing result, net	1,612,919	693,870	132%	571,936	(1,707,912)	n.a.
Equity in results of associated company	1	(17)	n.a.	(2)	(159)	-99%
Income (loss) before income taxes,	4,581,386	702,437	552%	2,996,938	(1,715,632)	n.a.
Income tax	(37,869)	-	n.a.	(37,869)	-	
Deferred income tax	(1,372,158)	(215,387)	537%	(999,268)	171,880	n.a.
IETU	(7,714)	(10,616)	-27%	(50,120)	(72,567)	-31%
Deferred IETU	27,903	19,195	45%	77,369	(48,487)	n.a.
Total income tax	(1,389,838)	(206,808)	572%	(1,009,888)	50,826	n.a.
Net Income (Loss)	3,191,548	495,629	544%	1,987,050	(1,664,806)	n.a.

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

International financial reporting standards Adjusted EBITDA Reconciliation
(Figures in Thousands of Mexican pesos)

		First Quarter ended March 31				LTM ended March 31		
		2013	2012	D%		2013	2012	D%
Net Income (Loss)	Ps.$	3,191,548	495,629	544%	Ps.$	1,987,050	(1,664,806)	n.a.
Depreciation and Amortization		(806,337)	(751,605)	7%		(3,127,972)	(3,067,796)	2%
Interest Expense, Net		(324,790)	(260,476)	25%		(1,099,860)	(1,005,919)	9%
Total Income Tax		(1,389,838)	(206,808)	572%		(1,009,888)	50,826	n.a.
EBITDA		5,712,513	1,714,518	233%		7,224,770	2,358,083	206%
FX Gain (Loss), Net		435,537	968,680	-55%		264,487	(618,331)	n.a.
Result from exchange of debt, net		1,546,421	-	n.a.		1,546,421	-	n.a.
Ch. in fair value of derivative inst.		(44,249)	(14,334)	209%		(139,112)	(83,662)	66%
Other income (expense), Net		3,102,496	1,354	229036%		2,901,155	(445,917)	n.a.
Eq. Results in an asso. Co.		1	(17)	n.a.		(2)	(159)	-99%
Adjusted EBITDA	Ps.$	672,307	758,835	-11%	Ps.$	2,651,821	3,506,152	-24%