

San Pedro Garza Garcia, Mexico, April 30, 2015 - 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, 2015⁽¹⁾.

Million Pesos	Q1	Q1	1Q15/1Q14	Q4	LTM	
	2015	2014	Δ%	2014	mar-15	mar-14
Revenues ⁽²⁾	2,416	2,971	-19%	2,383	10,042	10,968
Costs ⁽³⁾	483	1,119	-57%	505	2,461	3,550
Operating Expenses ⁽⁴⁾	1,150	1,123	2%	1,091	4,503	4,490
Adjusted EBITDA ⁽⁵⁾	783	728	8%	786	3,078	2,928
Adj. EBITDA Margin	32.4%	24.5%	+ 791 bps	33.0%	30.7%	26.7%
Net (loss) Income	176	-260	n.a.	-1,028	-1,483	-1,044
Earnings per CPO ⁽⁶⁾	0.13	-0.20	n.a.	-0.78	-1.13	-0.80
Capital Expenditures	454	634	-28%	758	2,657	2,423
Net Debt / Adj EBITDA ⁽⁷⁾					2.8x	2.4x

Highlights:

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- ❖ In March, AXTEL and America Movil signed an agreement to terminate long-standing disputes related to interconnection services. As part of this agreement, AXTEL received a payment of Ps. 950 million and signed contracts for the sharing of Telmex's infrastructure and the resale of mobile services (MVNO) with Telcel.
- ❖ Starting on January 1st, the billing of domestic long-distance services was eliminated as mandated by the Telecom Reform. In spite of this effect, Adjusted EBITDA increased 8% compared to the same quarter of last year (adjusted for the long-distance impact, growth would have been 17% approx.), supported by growth of data and network revenues from the enterprise and government segment, as well as FTTH-based internet and video revenues from mass market customers.
- ❖ The positive operating income reported this quarter was not only positively affected by the extraordinary net revenue from the agreement with America Movil, but also by a lower depreciation expense. The latter is explained by the lower capital expenditures in recent years and the larger proportion of fiber-related investments which increases the average life of AXTEL's assets.



Sources of Revenues

Million Pesos	1Q15/1Q14			Q4 2014	LTM	LTM
	Q1 2015	Q1 2014	Δ%		mar-15	mar-14
Rents	564	597	-6%	616	2,365	2,445
Voice	275	410	-33%	372	1,451	1,793
Internet & Video	355	315	13%	353	1,378	1,130
Data & Network	491	464	6%	494	1,925	1,839
Int. Service & Eq. Sale	538	759	-29%	257	1,558	2,413
Int'l. Traffic	133	344	-61%	175	1,023	984
Other	60	81	-26%	115	343	364
	2,416	2,971	-19%	2,383	10,042	10,968

Note: Due to the Telecommunications Reform, as of January 1st, 2015, domestic long distance charges were eliminated. Therefore, starting this quarter, revenue services previously reported under "local" and "long distance" categories have been re-grouped under two new categories: "rents" and "voice services". Please see Page 11, Note 2 for more information and 2014 figures for these new categories.

Rents. Monthly rents revenues totaled Ps. 564 million in the first quarter of 2015, compared to Ps. 597 million for same period in 2014, representing a 6% decrease mainly due to a 6% decrease in the average number of customers. For the twelve month period ended March 31, 2015, rents revenues decreased 3% due to, among others, a 4% decline in the average number of lines in service.

Voice Services. Revenues amounted to Ps. 275 million in the first quarter of 2015, compared to Ps. 410 million in the same period in 2014, a 33% decrease. About half of this decline is explained by decreases in revenues of long distance calls to both fixed and mobile lines due to the elimination of domestic long distance charges in 2015. For the twelve month period ended March 31, 2015, voice revenues totaled Ps. 1,451 million compared to Ps. 1,793 million registered in 2014, a 19% decline.

Internet & Video. Quarterly revenues totaled Ps. 356 million, compared to Ps. 315 million in the same period in 2014, a 13% or Ps. 40 million increase driven by a 49% increase in the pay-tv service and a 5% increase in mass market, or "on-demand" internet services revenues. During the twelve month period ended on March 31, 2015, internet and video services revenues totaled Ps. 1,378 million from Ps. 1,130 million registered in 2014, an increase of Ps. 248 million, or 22%.

Data & Network. Data and network revenues amounted to Ps. 491 million in the first quarter of 2015, compared to Ps. 465 million in the same period in 2014, a 6% or Ps. 27 million increase driven by a 13% increase in private lines and 2% increase in dedicated internet due to a stronger demand for these services by enterprise customers. During the twelve month period ended on March 31, 2015, data and network services revenues totaled Ps. 1,925 million from Ps. 1,840 million registered in 2014, a 5% increase.

Sources of Revenues

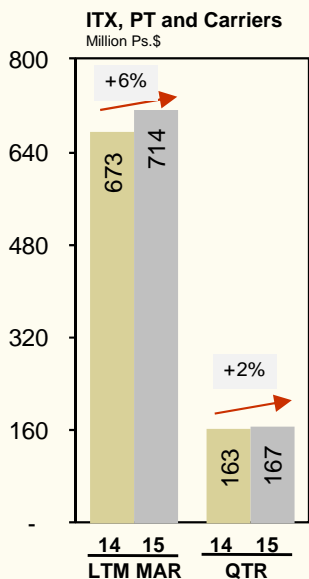
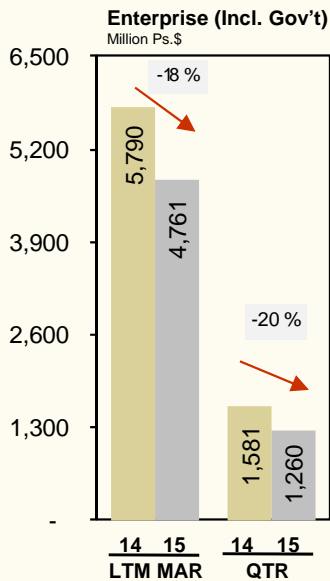
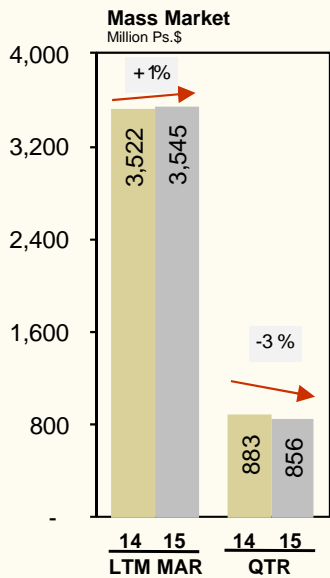
Million Pesos	1Q15/1Q14			Q4 2014	LTM	LTM
	Q1 2015	Q1 2014	Δ%		mar-15	mar-14
Rents	564	597	-6%	616	2,365	2,445
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Integrated Services & Equipment Sales. Quarterly revenues totaled Ps. 538 million in the first quarter of 2015, from Ps. 759 million in the same quarter of previous year, a 29% decrease due to an extraordinary level of these type of services to government entities in the first quarter of 2014. For the twelve month period ended March 31, 2015, revenues totaled Ps. 1,558 million from Ps. 2,413 million registered in 2014, a 35% decrease.

International traffic. In the first quarter of 2015, international traffic revenues totaled Ps. 133 million, a decrease of Ps. 211 million or 61% versus the same quarter of previous year, explained by declines in both volume and prices mainly due to the elimination of transit traffic, or traffic that terminates in other countries and not in Mexico. In peso terms, the decline in revenues was partially mitigated by the 11% depreciation of the Mexican peso vis-à-vis the US dollar. For the twelve month period ended March 31, 2015, revenues from international traffic totaled Ps. 1,023 million from Ps. 984 million in the same period in 2014, an increase of 4% mainly explained by a larger volume of higher priced transit traffic that terminates in other countries.

Other services. Quarterly revenues from other services totaled Ps. 60 million in the first quarter of 2015, from Ps. 81 million in the same quarter of previous year, a 26% decrease. For the twelve month period ended March 31, 2015, revenues totaled Ps. 343 million from Ps. 364 million registered in 2014, a decrease of Ps. 21 million, or 6%.

Revenues by segment *



Mass Market. Revenues totaled Ps. 856 million in the first quarter of 2015, a 3% decrease compared to the same quarter in 2014. This was mainly due to 3% and 35% decreases in rents and voice revenues, partially compensated by a 14% increase in internet and video revenues. For the twelve month period ended March 31, 2015, revenues totaled Ps. 3,545 million, a 1% increase compared to the same period in 2014.

Enterprise (including Government). Revenues for this segment amounted to Ps. 1,260 million in the three month period ended March 31, 2015, a decrease of 20% versus the same period in 2014. This is mostly explained by a 34% decrease in voice revenues mainly due to the elimination of long distance charges and a 29% decline in integrated services and equipment sales revenues due to an extraordinary large amount of these revenues to government entities a year ago. For the twelve month period ended March 31, 2015, revenues decreased 18% also due to declines in voice and integrated services revenues.

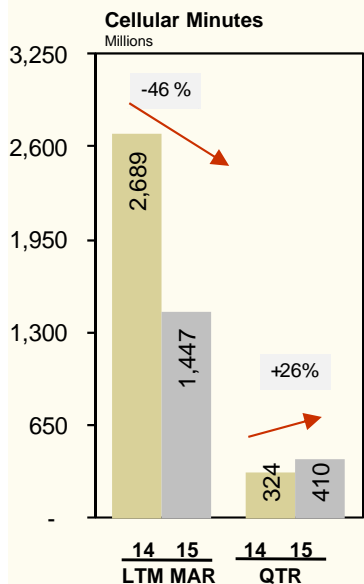
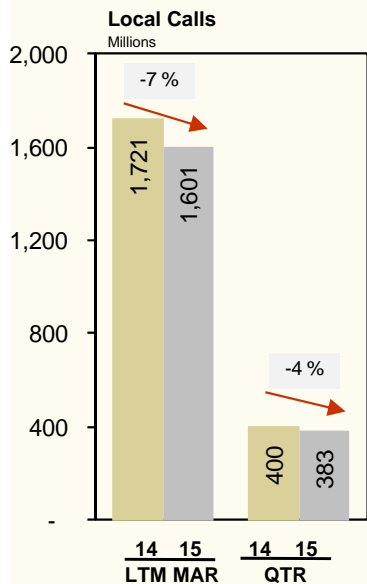
Interconnection, Public Telephony and Carriers. Revenues for this segment totaled Ps. 167 million in the first quarter 2015, a 2% increase compared to the same quarter in 2014 mainly due to an increase in data and network revenues. For the twelve month period ended March 31, 2015, revenues reached Ps. 714 million, an increase of 6% compared to the same period in 2014, also primarily explained by increases in data and network revenues.

(*) Excludes International Traffic

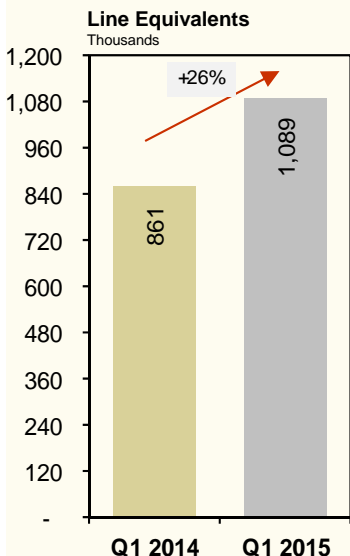
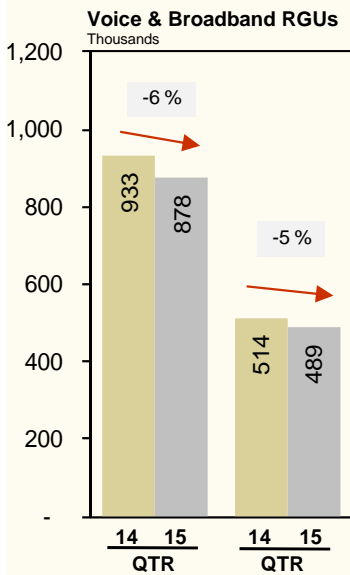
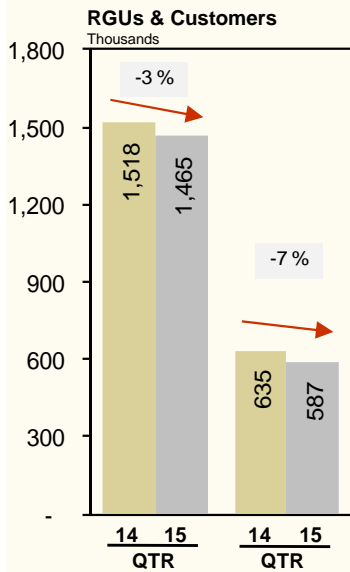
Consumption

Local Calls. Local calls totaled 383 million in the first quarter of 2015, compared to 400 million calls for the same period in 2014, representing a decrease of 4%. Billed local calls increased 68% due to certain volume of domestic long distance calls now being billed as local calls starting this quarter. Local calls included in commercial offers decreased 18% and represented 72% of total calls in the first quarter of 2015. For the twelve month period ended March 31, 2015, local calls decreased 7% compared to the same period in 2014, due to a decrease in billed calls.

Cellular (“Calling Party Pays”). Minutes of use of calls completed to a cellular line amounted to 410 million in the three month period ended March 31, 2015, compared to 324 million in the same period in 2014, a 26% increase. This was mainly due to a 34% increase in billed minutes related to 045 billed cellular minutes, partially compensated by a 6% decrease in minutes in modules included in monthly rents. Billed cellular minutes represented 86% of cellular minutes in the first quarter of 2015, compared to 81% in the year-earlier quarter. For the twelve month period ended March 31, 2015, cellular minutes decreased 46% compared to the same period in 2014, mainly due to a decrease in billed 045 cellular minutes.



Operating Data



RGUs⁽⁸⁾ and Customers. As of March 31, 2015, RGUs (Revenue Generating Units) totaled 1,465 thousand. During the first quarter of 2015, there were 46 thousand net disconnections, compared to 14 thousand net additions in the first quarter of 2014 due to a greater number of wireless disconnections in 2015. As of March 31, 2015, customers totaled 587 thousand, a decline of 47 thousand from the same date in 2014. Total customers declined 18 thousand on a sequential basis.

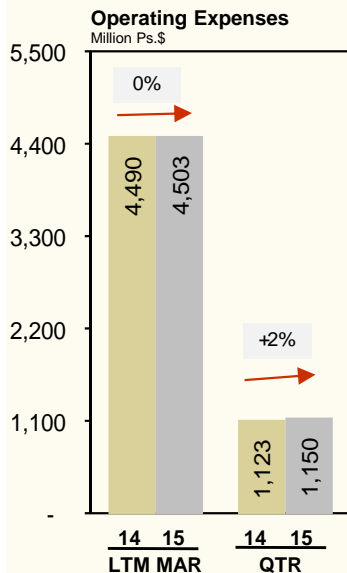
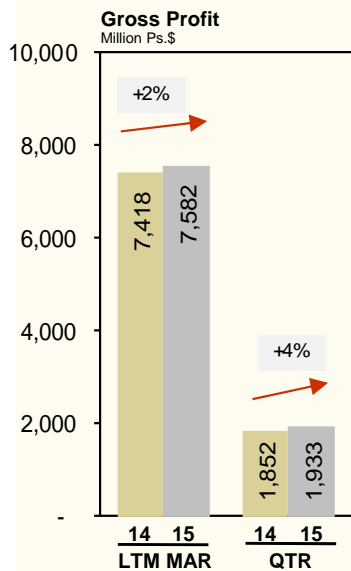
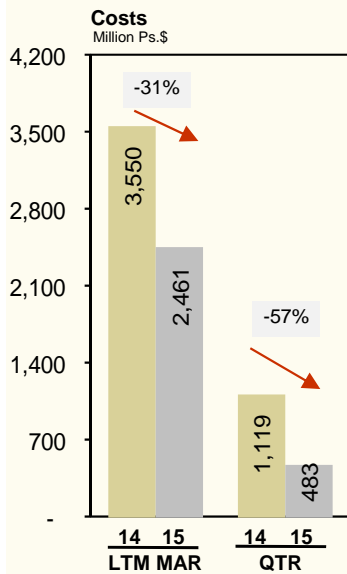
Voice RGUs (lines in service). As of March 31, 2015, lines in service totaled 878 thousand. During the first quarter of 2015 and first quarter 2014, gross additional lines totaled 44 and 59 thousand respectively. Disconnections in the first quarter 2015 totaled 75 thousand compared to 63 thousand in the year-earlier quarter. Lines in service in the first quarter of 2015 decreased 31 thousand, compared to a decrease of 4 thousand in the same period of 2014. As of March 31, 2015, residential lines represented 57% of total lines in service.

Broadband RGUs (broadband subscribers). Broadband subscribers decreased 5% year-over-year totaling 489 thousand as of March 31, 2015. During the first quarter of 2015, broadband subscribers' net disconnections totaled 20 thousand compared to 8 thousand net additions in the same period of 2014, due to a reduction in wireless subscribers this quarter. As of March 31, 2015, wireless broadband subs reached 304 thousand, compared to 358 thousand a year ago, while AXTEL X-tremo, or FTTH customers, totaled 185 thousand compared to 157 thousand a year ago. Broadband penetration reached 56% at the end of the first quarter of 2015, compared to 55% a year ago.

Video subscribers. AXTEL launched its pay-television service, AXTEL TV, on January 30th, 2013, and as of March 31, 2015, video subscribers reached 99 thousand compared to 70 thousand a year ago, a 40% increase.

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, 2015, line equivalents totaled 1,089 thousand, a 26% increase.

Cost of Revenues and Operating Expenses

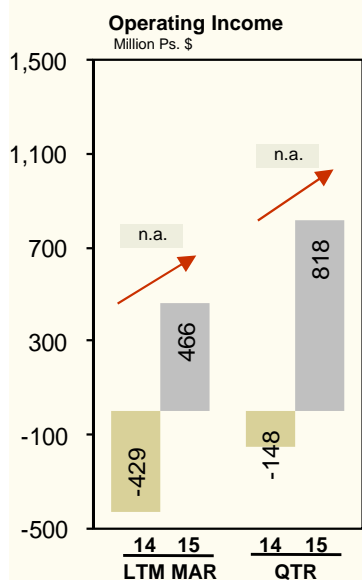
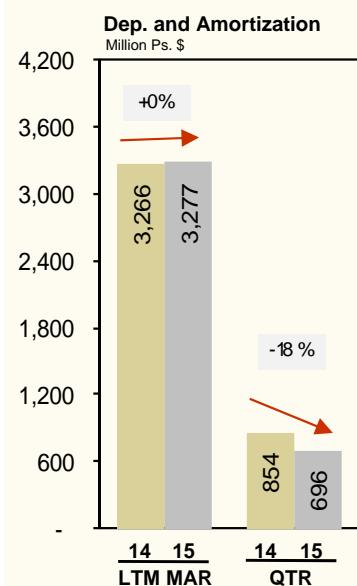
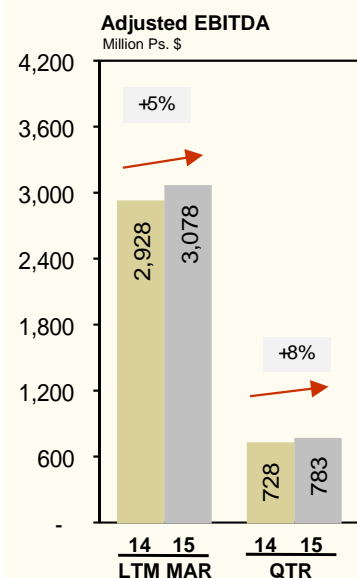


Cost of Revenues. For the three month period ended March 31, 2015, the cost of revenues represented Ps. 483 million, a decrease of 57% or Ps. 636 million, compared with the same period of year 2014, explained by a decline in international traffic volume mainly due to the elimination of transit traffic which terminates in other countries; a decline in integrated services and equipment sales costs and decreases in mobile and long distance costs related to the elimination of termination costs paid to the preponderant carrier. For the twelve month period ended March 31, 2015, cost of revenues reached Ps. 2,461 million, a decrease of Ps. 1,089 million in comparison with year 2014, mainly due to declines in mobile and long distance costs and integrated services and equipment sales costs associated to a lower level of revenues.

Gross Profit. Gross profit is defined as revenues minus cost of revenues. For the first quarter of 2015, the gross profit accounted for Ps. 1,933 million, a 4% or Ps. 82 million increase compared with the same period in year 2014. The gross profit margin increased from 62.3% to 80.0% year-over-year. For the twelve month period ended March 31, 2015, our gross profit totaled Ps. 7,582 million, compared to Ps. 7,418 million recorded in year 2014, an increase of Ps. 163 million or 2%.

Operating expenses. In the first quarter of year 2015, operating expenses totaled Ps. 1,150 million, Ps. 27 million or 2% higher than the Ps. 1,123 million recorded in the same period in year 2014, explained mainly by a 24% increase in maintenance expenses. For the twelve month period ended March 31, 2015, operating expenses totaled Ps. 4,504 million, similar to the Ps. 4,490 million of the same period in 2014. Personnel represented 41% of total operating expenses in the twelve month period ended March 31, 2015.

Adjusted EBITDA, D&A and Operating Income



Adjusted EBITDA⁽⁵⁾. The Adjusted EBITDA totaled Ps. 783 million for the three month period ended March 31, 2015, an 8% increase compared to Ps. 728 million for the same period in 2014. As a percentage of total revenues, Adjusted EBITDA margin represented 32.4% in the first quarter of 2015, 791 bps higher than the margin recorded in the year-earlier quarter. For the twelve month period ended March 31, 2015, Adjusted EBITDA amounted to Ps. 3,078 million, compared to Ps. 2,928 million in year 2014, a 5% increase.

Depreciation and Amortization⁽⁹⁾. Depreciation and amortization totaled Ps. 696 million in the three month period ending on March 31, 2015 compared to Ps. 854 million for the same period in year 2014, a Ps. 158 million decrease due to lower capital investments in recent years and also to a larger proportion of investments in fiber which increases the average life of our assets. Depreciation and amortization for the twelve month period ended March 31, 2015 reached Ps. 3,277 million, similar to Ps. 3,266 million in the same period in year 2014.

Operating Income (loss). In the three month period ended March 31, 2015, the Company recorded an operating income of Ps. 818 million compared to an operating loss of Ps. 148 million registered in the same period in year 2014, mainly due to the benefit obtained from the agreements with America Movil to terminate several interconnection-related claims. For the twelve month period ended March 31, 2015, operating income reached Ps. 466 million when compared to the operating loss of Ps. 429 million in the same period of year 2014, an increase of Ps. 895 million also mainly explained by the agreement with America Movil in the first quarter of 2015.

CFR and Indebtedness

Comprehensive Financing Result

Million Pesos	1Q15/1Q14			LTM		
	Q1 2015	Q1 2014	Δ%	Q4 2014	Q1 2015	Q1 2014
Net interest expense	(282)	(193)	46%	(275)	(949)	(734)
FX gain (loss), net	(308)	2	n.a.	(834)	(1,384)	(394)
Result from debt exchange	-	-	n.a.	-	-	23
Ch. in FV of fin. Instruments	26	(3)	n.a.	(13)	8	35
Total	(565)	(194)	>100%	(1,122)	(2,324)	(1,070)

Comprehensive financing result. Net interest expense for the first quarter 2015 increased Ps. 90 million due to the higher level of debt and the increase on the interest rate related to the step-up scheme of the 2020 Secured Notes. During the first quarter of 2015, the peso depreciated 3% against the U.S. dollar generating a FX loss of Ps. 308 million while during the first quarter of 2014 the peso remained constant against the U.S. dollar. Concerning variations in the fair value of financial instruments, these are explained by a 44% increase and a 5% decrease in the price of AXTELCPO during the first quarter of 2015 and 2014, which affected the valuation of AXTEL's position held in its own stock through the zero-strike call instruments. The Ps. 2,324 million comprehensive financing loss for year ended in March 2015, compared to a Ps. 1,070 million loss for year ended in March 2014, is mainly explained by an Ps. 1,384 million FX loss during 2015 due to a 14% depreciation of the peso against the U.S. dollar.

Total Debt as of the end of each period

Million Pesos	Q1 2015	Q1 2014	Q4 2014
2017 Senior Notes	764	659	742
2019 Senior Notes	1,542	1,331	1,497
2020 Senior Secured Notes	8,254	5,164	8,016
2020 Senior Secured Convertible Notes	172	270	209
Other loans and financing obligations	1,168	672	733
Notes Premium (discount)	(13)	(21)	(13)
Notes issuance and deferred financing costs	(112)	(17)	(117)
FV option convertible bond	(57)	(105)	(70)
Total Debt	11,717	7,954	10,996
(-) Cash and cash equivalents	(3,223)	(828)	(2,698)
Net Debt	8,495	7,126	8,298

Debt. At the end of the first quarter 2015, total debt increased Ps. 3,764 million in comparison with first quarter 2014, explained by (i) a Ps. 1,841 million net increase related to the \$150 million reopening of the 2020 notes, (ii) an increase of Ps. 432 million in leases and other financial obligations mostly related to a Ps. 325 million increase in a capacity lease signed during the quarter, (iii) a Ps. 87 million decrease related to the notes' discount, issuance and deferred financing costs, (iv) a Ps. 48 million increase related to the implicit derivative instrument embedded in the Senior Secured Convertible Notes and (v) a Ps. 1,530 million non-cash increase caused by the 14% depreciation of the Mexican peso.

Cash, Investments and Derivative Instruments

Cash. As of the end of the first quarter of 2015, the cash and equivalents balance totaled Ps. 3,223 million, compared to Ps. 828 million a year ago, and Ps. 2,698 million at the beginning of the quarter. As of the end of the quarter, 45 percent of the cash balance was maintained in dollars, the rest in pesos.

Capital Investments. In the first quarter of 2015, capital investments totaled Ps. 454 million, or \$30 million, compared to Ps. 634 million, or \$48 million, in the year-earlier quarter. For the twelve month period ended March 31, 2015, capital investments totaled Ps. 2,657 million, or \$194 million, compared to Ps. 2,423 million, or \$188 million, for 2014.

Other Investments. As of March 31, 2015, the Company maintained an economic position equivalent to 36.0 million AXTELCPOs in ZSC.

Derivative Instruments. The following table summarizes the Company's derivatives position as of March 31, 2015.

	AXTEL receives	AXTEL pays	Other
Zero-strike Equity Call Option			
Notional Value	30.4 million AXTELCPO	Strike price: ¢1 per CPO	30.4 million AXTELCPO
Settlement			In cash
Expiration Date			July 2015
Valuation			Ps. 148.0 million
Notional Value	5.6 million AXTELCPO	Strike price: ¢1 per CPO	5.6 million AXTELCPO
Settlement			In cash
Expiration Date			June 2015
Valuation			Ps. 27.5 million

At the end of the quarter, the Company's balance sheet recorded a liability of Ps. 71 million to reflect an implicit derivative instrument embedded in its Senior Secured Convertible Notes, per applicable accounting standards.

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, 2015 and 2014, and December 31, 2014; and twelve month period ending on March 31, 2015 and 2014, and
 - Balance sheet information as of March 31, 2015 and 2014; and December 31, 2014.

- 2) Revenues are derived from:
 - i. Rents: Revenues are generated from the provision of connectivity to AXTEL's infrastructure which can deliver voice, data and video services to its customers. Services are provided through bundled commercial offers or, in some instances, as stand-alone or add-on services.
 - ii. Voice services. The Company may charge customers a per call fee for local calls ("measured service"), a per minute usage fee for CPP calls, a per minute usage fee for international long distance completed calls and for services related to 800s numbers for the enterprise segment.
 - iii. Internet & video. We generate revenues by providing "on demand" Internet access and video (Pay-TV) services.
 - iv. Data & network. We generate revenues by providing data, dedicated Internet and network services, such as virtual private networks and private lines, to the enterprise and government segments.
 - v. Integrated Services & equipment sale. We generate revenues from managed telecommunications services provided to corporate customers, financial institutions and government entities and the sale of customer premises equipment ("CPE") necessary to provide these services.
 - vi. International traffic. We generate revenues terminating international traffic from foreign carriers.
 - vii. Other services. Include, among others, memberships, late payment charges, spectrum, interconnection, activation and wiring and presubscription.

Sources of Revenues - 2014

Million Pesos	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Rents	597	595	590	616
Voice services	410	391	414	372
Internet & Video	315	330	339	353
Data & Network	464	474	466	494
Int. Services & Eq. Sale	759	428	335	257
Int'l. Traffic	344	372	343	175
Others	81	84	84	115
	2,971	2,673	2,570	2,383

- 3) Costs 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.

Other important information

- 4) Operating expenses include costs incurred in connection with general and administrative matters which incorporate compensation and benefits, the costs of leasing land and towers 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.
- 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 97,750,656 and 9,074,567,969 respectively, as of March 31, 2015.
- 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) Depreciation and amortization includes depreciation of all communications network and equipment and amortization of pre-operating expenses and cost of spectrum licenses, among others.
- 10) 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 as well as financial instruments whose underlying is related to the performance of its stock price.

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 at axtel.mx

Axtel, S.A.B. de C.V. and Subsidiaries
 Unaudited Consolidated Balance Sheet
 March 31, 2015 and 2014 and December 31, 2014
 (figures in Thousands of Mexican pesos)

ASSETS	March-2015	December-2014	March-2014
Current assets			
Cash and equivalents	3,222,591	2,697,835	827,990
Restricted cash	-	-	-
Accounts receivable	2,506,452	2,426,167	3,530,173
Refundable taxes and other accounts receivable	325,858	378,522	302,321
Advances to suppliers	195,412	112,763	200,869
Inventories	64,861	67,097	111,280
Financial Instruments (Zero Strike Call)	175,675	121,999	135,516
Total current assets	6,490,849	5,804,383	5,108,149
Non current assets			
Property, plant and equipment, net	13,242,102	12,961,543	12,989,256
Long-term accounts receivable	205,210	230,752	307,544
Intangible assets, net	161,717	173,959	211,178
Deferred income taxes	1,647,262	1,675,202	1,185,784
Investment in assoc. Cos. & other investments	8,217	8,217	11,690
Other assets	134,375	131,042	141,800
Total non current assets	15,398,883	15,180,715	14,847,252
TOTAL ASSETS	21,889,732	20,985,098	19,955,401
LIABILITIES			
Current liabilities			
Account payable & Accrued expenses	2,566,768	2,347,302	3,237,517
Accrued Interest	268,244	458,822	163,509
Short-term debt	130,000	130,000	130,000
Current portion of long-term debt	362,535	220,554	266,816
Taxes payable	551,814	363,351	202,188
Financial Instruments	-	-	-
Deferred Revenue	433,066	695,868	512,109
Other accounts payable	113,796	96,018	136,067
Total current liabilities	4,426,223	4,311,915	4,648,206
Long-term debt			
Long-term debt	11,224,632	10,645,447	7,556,712
Derivative Financial Instruments	71,070	46,952	107,934
Employee Benefits	25,980	25,127	21,530
Deferred revenue	33,900	33,900	33,900
Other LT liabilities	190,114	216,039	301,838
Total long-term debt	11,545,696	10,967,465	8,021,914
TOTAL LIABILITIES	15,971,919	15,279,380	12,670,120
STOCKHOLDERS EQUITY			
Capital stock	6,764,271	6,728,342	6,645,418
Additional paid-in capital	644,710	644,710	644,710
Reserve for repurchase of shares	90,000	90,000	162,334
Cumulative earnings (losses)	(1,581,168)	(1,757,334)	(167,181)
Change in the fair value of derivative instruments	-	-	-
TOTAL STOCKHOLDERS EQUITY	5,917,813	5,705,718	7,285,281
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	21,889,732	20,985,098	19,955,401

Axtel, S.A.B. de C.V. and Subsidiaries
 Unaudited Consolidated Income Statement
 Periods ended March 31, 2015 and 2014
 (figures in Thousands of Mexican pesos)

	First Quarter ended March 31			LTM ended March 31		
	2015	2014	Δ%	2015	2014	Δ%
Rental, Installation, service and other income	2,416,113	2,970,756	-19%	10,042,361	10,968,273	-8%
Operating cost and expenses						
Cost of sales and services	(482,929)	(1,119,189)	-57%	(2,460,845)	(3,550,060)	-31%
Selling and administrative expenses	(1,149,728)	(1,123,104)	2%	(4,503,474)	(4,489,934)	0%
Other income (expenses), net	730,388	(22,411)	n.a.	665,130	(91,803)	n.a.
Gain in sale of telecommunication towers	-	-	n.a.	-	-	n.a.
Depreciation and amortization	(695,948)	(853,641)	-18%	(3,277,389)	(3,265,843)	0%
	<u>(1,598,217)</u>	<u>(3,118,345)</u>	<u>-49%</u>	<u>(9,576,578)</u>	<u>(11,397,640)</u>	<u>-16%</u>
Operating income (loss)	<u>817,896</u>	<u>(147,589)</u>	<u>n.a.</u>	<u>465,783</u>	<u>(429,367)</u>	<u>n.a.</u>
Comprehensive financing result:						
Interest expense	(292,254)	(197,173)	48%	(970,826)	(751,285)	29%
Interest income	9,847	4,313	>100%	22,149	16,990	30%
Foreign exchange gain (loss), net	(308,445)	2,207	n.a.	(1,383,862)	(393,648)	>100%
Result from the exchange of debt, net	-	-	n.a.	-	22,562	n.a.
Change in the fair value of financial inst.	26,189	(3,498)	n.a.	8,414	35,448	-76%
Comprehensive financing result, net	<u>(564,663)</u>	<u>(194,151)</u>	<u>>100%</u>	<u>(2,324,125)</u>	<u>(1,069,933)</u>	<u>>100%</u>
Equity in results of associated company	-	-	n.a.	(3,423)	1,991	n.a.
Income (loss) before income taxes,	<u>253,233</u>	<u>(341,740)</u>	<u>n.a.</u>	<u>(1,861,765)</u>	<u>(1,497,309)</u>	<u>24%</u>
Income taxes:						
Current	(49,127)	(2,012)	>100%	(81,574)	(7,246)	>100%
Deferred	(27,940)	83,847	n.a.	460,809	460,781	0%
Total income tax	<u>(77,067)</u>	<u>81,835</u>	<u>n.a.</u>	<u>379,235</u>	<u>453,535</u>	<u>-16%</u>
Net Income (Loss)	<u>176,166</u>	<u>(259,905)</u>	<u>n.a.</u>	<u>(1,482,530)</u>	<u>(1,043,774)</u>	<u>42%</u>

Axtel, S.A.B. de C.V. and Subsidiaries
Adjusted EBITDA Reconciliation
(Figures in Thousands of Mexican pesos)

	First Quarter ended March 31			LTM ended March 31		
	2015	2014	Δ%	2015	2014	Δ%
Net Income (Loss)	Ps. 176,166	(259,905)	n.a.	Ps. (1,482,530)	(1,043,774)	42%
Depreciation and Amortization	(695,948)	(853,641)	-18%	(3,277,389)	(3,265,843)	0%
Interest Expense, Net	(282,407)	(192,860)	46%	(948,677)	(734,295)	29%
Total Income Tax	(77,067)	81,835	n.a.	379,235	453,535	-16%
FX Gain (Loss), Net	(308,445)	2,207	n.a.	(1,383,862)	(393,648)	>100%
Result from exchange of debt, net	-	-	n.a.	-	22,562	n.a.
Ch. in fair value of financial inst.	26,189	(3,498)	n.a.	8,414	35,448	-76%
Eq. Results in an asso. Co.	-	-	n.a.	(3,423)	1,991	n.a.
EBITDA	1,513,844	706,052	>100%	3,743,172	2,836,476	32%
Other income (expense), Net	730,388	(22,411)	n.a.	665,130	(91,803)	n.a.
Adjusted EBITDA	Ps. <u>783,456</u>	<u>728,463</u>	<u>8%</u>	Ps. <u>3,078,042</u>	<u>2,928,279</u>	<u>5%</u>