4th Quarter 2012

San Pedro Garza Garcia, Mexico, February 18, 2013 - Axtel, S.A.B. de C.V. ("AXTEL" or "the Company"), a leading Mexican fixed-line integrated telecommunications company, announced today its unaudited fourth quarter results ended December 31, 2012(1).

Million Pesos	Q4 2012	Q4 2011	4Q12/4Q11 D%	Q3 2012	LTM Dec-12	LTM Dec-11
Revenues(2)	2,418	2,768	-13%	2,581	10,190	10,829
Costs(3)	669	678	-1%	741	2,855	2,799
Operating Expenses(4)	1,176	1,200	-2%	1,136	4,597	4,461
Adjusted EBITDA(5)	572	891	-36%	705	2,738	3,569
Adj. EBITDA Margin	23.7%	32.2%	-851 bps	27.3%	26.9%	33.0%
Net (loss) Income	-590	-1,058	44%	363	-709	-2,070
Earnings per CPO(6)	-0.47	-0.84	44%	0.29	-0.57	-1.65
Capital Expenditures	545	774	-30%	493	2,016	2,531
Net Debt / Adj EBITDA(7)					4.0x	3.1x

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AXTEL

EMPRESA SOCIALMENTE RESPONSABLE

Highlights:

- On January 31, 2013, AXTEL successfully completed the execution of its recapitalization plan, divesting 883 tower sites for $249 million, and exchanging existing debt for new secured and convertible debt and a cash payment. On a pro forma basis, as of December 31, 2012, AXTEL reduced its net debt leverage ratio from 4.0x to 2.4x.

- During the fourth quarter, AXTEL reinforced its productivity initiatives by downsizing its organization in approximately 1,350 collaborators, which will be reflected in savings of approximately 15% on its personnel expenses. AXTEL will now have a leaner and more focused organization concentrated in the implementation of its key strategic initiatives.

- On January 30, 2013, the Company launched its "AXTEL TV" pay television service in Mexico City, Guadalajara and Monterrey. This represents a key step in AXTEL´s competitive position in the mass market segment. AXTEL TV's image quality and innovative features are the result of the capacity and reliability of the Company's end-to-end fiber network.

- AXTEL's operating performance in the fourth quarter was negatively impacted by certain extraordinary expenses, as well as lost revenues due to the uncertainty surrounding the successful execution of its recapitalization plan. This revenue loss is expected to be gradually recovered as the recapitalization plan was successfully completed.

Sources of Revenues

Million Pesos	Q4 2012	Q4 2011	4Q/4Q11 D%	Q3 2012	LTM dec-12	LTM dec-11
Local	876	930	-6%	900	3,604	3,795
Long Distance	276	285	-3%	282	1,099	1,152
Data & Network	716	666	8%	704	2,788	2,585
Int'l. Traffic	146	335	-57%	141	655	1,246
Other	358	484	-26%	506	1,848	1,585
Mayor Wholesale Cust.	45	69	-35%	48	194	466
	2,418	**2,768**	**-13%**	**2,581**	**10,190**	**10,829**

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

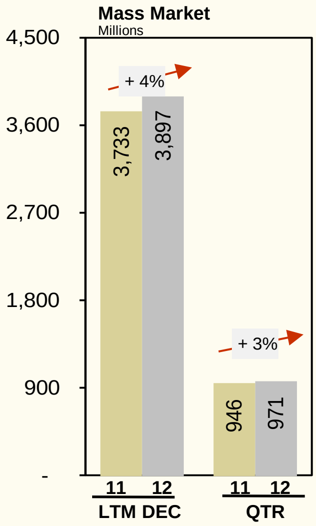
***Local services*.** Local service revenues totaled Ps. 876 million in the fourth quarter of 2012, compared to Ps. 930 million for same period in 2011, representing a decrease of Ps. 53 million, explained by Ps. 13 million, Ps. 14 million and Ps. 27 million decreases in monthly rents, measured service and cellular revenues, respectively. The 21% decrease in measured services is explained by 5% and 16% decreases in billed-traffic volume and prices, respectively. The 16% decrease in cellular revenue is explained by a 20% decrease in price, resulting from a market trend linked to lower interconnection tariffs and partially compensated by a 5% increase in cellular billed-traffic volume. Revenues coming from monthly rents represented 77% of local revenues during the three-month period ended December 31, 2012. For the twelve month period ended December 31, 2012, local revenues totaled Ps. 3,604 million, compared to Ps. 3,795 million registered in the same period in 2011, a decrease of Ps. 191 million or 5% mostly explained by Ps. 28, Ps. 58 and Ps. 105 million declines in monthly rents, measured service and cellular revenues.

***Long distance services*.** Revenues totaled Ps. 276 million in the fourth quarter of 2012, compared to Ps. 285 million for same period in 2011, representing a decrease of Ps. 8 million, or 3%, explained by a 16% decrease in billed-traffic prices, partially compensated by a 16% increase in billed-traffic volume. For the twelve month period ended December 31, 2012, long distance revenues totaled Ps. 1,099 million compared to Ps. 1,152 million registered in 2011, a Ps. 52 million, or 5%, decline.

***Data & Network*.** Data and network revenues amounted to Ps. 716 million in the fourth quarter of 2012, compared to Ps. 666 million in the same period in 2011, a Ps. 50 million increase driven by mass-market, or, "on-demand" internet services revenues, which increased 39% year-over-year, and a 2% increase in dedicated internet. Private lines revenues declined 11%. Mass-market, or, "on-demand" internet services, represented 31% of data & network revenues during the quarter. During the twelve month period ended on December 31, 2012, data and network services revenues totaled Ps. 2,788 million from Ps. 2,585 million registered in 2011, an increase of Ps. 203 million, or 8%.

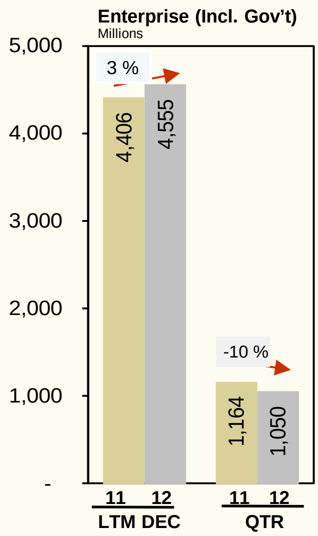
***International traffic*.** In the fourth quarter of 2012, international traffic revenues totaled Ps. 146 million, a decrease of Ps. 190 million or 57% versus same quarter of previous year, explained by a blended 44% decline in prices and a 23% reduction in volume. In peso terms, the decline was also affected by a 5% appreciation of the Mexican peso vis-à-vis the US dollar. For the twelve month period ended December 31, 2012, revenues from international traffic totaled Ps. 655 million from Ps. 1,246 million in the same period in 2011, a decline of 47% explained by a 20% decline in volume and a 34% decline in prices.

***Other services*.** Quarterly revenues from other services totaled Ps 358 million in the fourth quarter of 2012, from Ps. 484 million in the same quarter of previous year, an decrease of Ps. 126 million or 26%, mostly explained by a Ps. 105 million decrease in integrated services. For the twelve month period ended December 31, 2012, revenues totaled Ps. 1,848 million from Ps. 1,585 million registered in 2011, an increase of Ps. 263 million, or 17%.

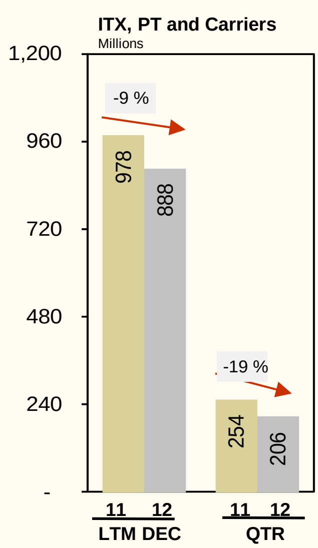


*Revenues by segment **

***Mass Market*.** Revenues totaled Ps. 971 million in the fourth quarter of 2012, compared to Ps. 946 million for the same quarter in 2011, an increase of 3%. This was mainly due to a 36% increase in data, a 4% increase in long distance and a 16% increase in other revenues. On the other hand, local revenues for this segment declined 44 million or 7%. For the twelve month period ended December 31, 2012, revenues totaled Ps. 3,897 million, an increase of 4% compared to the same period in 2011, mostly explained by a 46% increase in data revenues.



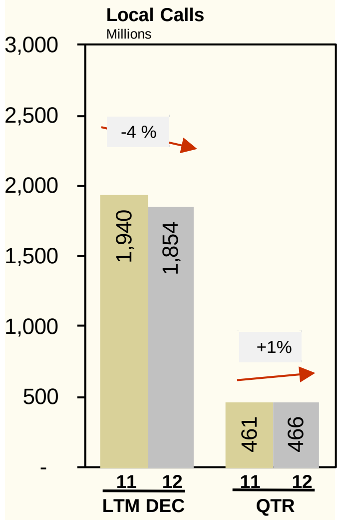
Enterprise (including Government). Revenues for this segment amounted to Ps. 1,050 million in the three-month period ended December 31, 2012, a decrease of 10% versus the same period in 2011. This is explained by decreases of Ps. 138 million or 36% in integrated services and equipment sales and Ps. 2 million in local revenues, partially mitigated by increases of Ps. 14 million or 8% in long distance revenues and Ps. 12 million or 3% in data revenues. For the twelve month period ended December 31, 2012, revenues increased 3%, from Ps. 4,406 million registered in the twelve month period ended December 31, 2011, to Ps 4,555 million in 2012, due to an increase of 243 million or 21% in integrated services and equipment sales, partially offset by declines in local, long distance and data revenues of 6%, 2% and 2%, respectively.



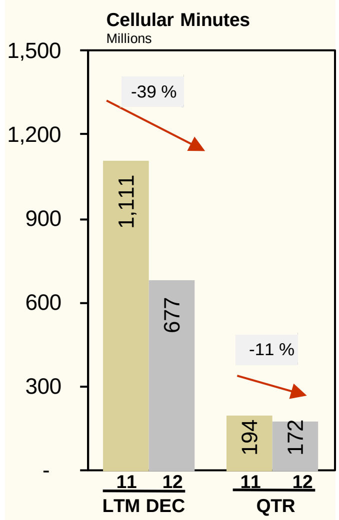
***Interconnection, Public Telephony and Carriers*.** Revenues for this segment declined 19%, from Ps. 254 million in the fourth quarter 2011 to Ps. 206 million in 2012, due to decreases in local, long distance and data revenues, which declined Ps. 7 million, Ps. 25 million and Ps. 17 million respectively and partially offset by an increase in other revenues. For the twelve month period ended December 31, 2012 revenues reached Ps. 978 million, a decline of 9% compared to the same period in 2011, primarily explained by a 66% decrease in local and long distance revenues.

(*) Excludes International Traffic and Major Wholesale Customer

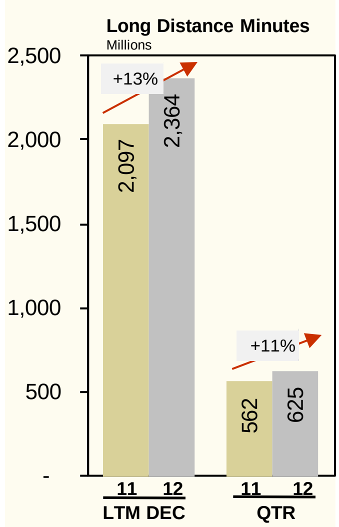
Consumption



Local Calls. Local calls excluding our largest wholesale customer totaled 461 million calls in the fourth quarter of 2012, compared to 445 million calls for same period in 2011, representing an increase of 16 million calls, or 4%. Billed local calls decreased 5 million or 5%, while local calls included in commercial offers increased by 21 million or 6%. Business and residential customers contributed with 3 million and 2 million calls respectively to the billed local calls decline. Local calls included in commercial offers represented 80% of total calls in the fourth quarter of 2012. For the twelve month period ended December 31, 2012, local calls totaled 1,818 million excluding our largest wholesale customer, compared to 1,843 million registered in the same period in 2011, a decline of 25 million calls, or 1%.

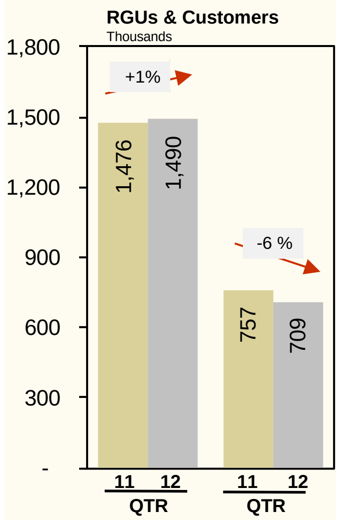


Cellular ("Calling Party Pays"). Minutes of use of calls completed to a cellular line excluding our largest wholesale customer amounted to 170 million in the three-month period ended December 31, 2012, compared to 157 million in the same period in 2011, an increase of 9% equivalent to 13 million minutes. Billed cellular minutes increased 6 million or 5%, while minutes in modules included in a monthly rent increased 8 million minutes or 19%. Billed cellular minutes represented 72% of cellular minutes in the fourth quarter of 2012, compared to 74% in the year-earlier quarter. For the twelve month period ended December 31, 2012 and excluding our largest wholesale customer, cellular minutes increased 49 million, or 8%, from 620 million registered in the twelve month period ended December 31, 2011, to 669 million in 2012.



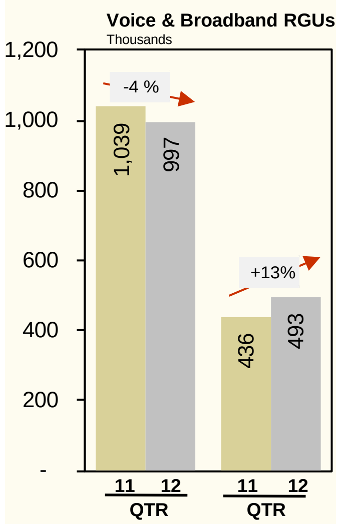
Long distance. Excluding our largest wholesale customer, which represents 13% of total volume, outgoing long distance minutes amounted to 547 million for the three-month period ended December 31, 2012, from 480 million in the same period in 2011, a 14% increase. This, resulting from a 1% decrease and 17% increase in traffic from residential and business customers, respectively. Billed long distance minutes during the fourth quarter of 2012 increased 16% compared to the same period in 2011. Domestic long distance minutes represented 96% of total traffic during the quarter. For the twelve month period ended December 31, 2012 and excluding our largest wholesale customer, outgoing long distance minutes amounted 2,022 million, compared to 1,905 million registered in 2011, an increase of 117 million of minutes, or 6%, explained by increased traffic from both residential and business customers and further penetration of commercial offers including national and North America region long distance minutes within a monthly rent.

Operating Data



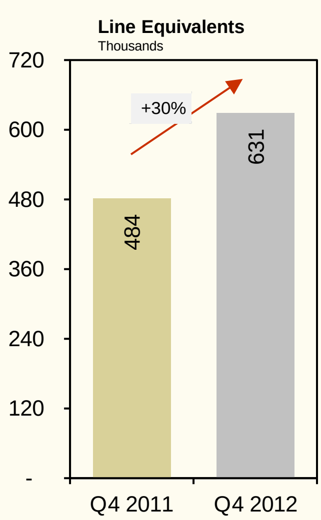
RGUs[8] and Customers**.** As of December 31, 2012, RGUs (Revenue Generating Units) totaled 1,490 thousand, an increase of 1% or 15 thousand versus the same date in 2011. During the fourth quarter of 2012, RGU net-disconnections totaled 20 thousand, compared to 29 thousand net-additions in the fourth quarter of 2011, attributable to a greater number of disconnections from voice RGUs. As of December 31, 2012, customers totaled 709 thousand, a decline of 48 thousand from the same date in 2011. Total customers declined 28 thousand on a sequential basis.

Voice RGUs (lines in service)**.** As of December 31, 2012, lines in service totaled 997 thousand, a 42 thousand reduction from the same date in 2011. During the fourth quarter of 2012, gross additional lines totaled 50 thousand compared to 72 thousand in the fourth quarter of 2011. Disconnections in the fourth quarter of 2012 totaled 74 thousand compared to 72 thousand in the year-earlier quarter. Voice-only customers in low-ARPU offers represented the majority of disconnections during the quarter. Lines-in-service in the fourth quarter of 2012 decreased 23 thousand, compared to 1 thousand net-disconnections in the same period of 2011. As of December 31, 2012, residential lines represented 66% of total lines in service.



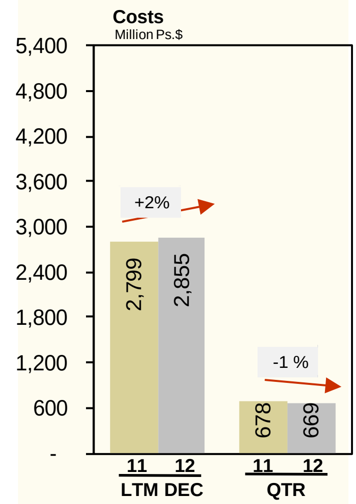
Broadband RGUs (broadband subscribers)**.** Broadband subscribers increased 13% year-over-year totaling 493 thousand subs as of December 31, 2012. During the fourth quarter of 2012, broadband subscribers increased 3 thousand compared to 29 thousand in the same period of 2011. As of December 31, 2012, WiMAX broadband subs reached 377 thousand, compared to 368 thousand a year ago, while AXTEL X-tremo, or FTTH customers, totaled 100 thousand. The slower pace in broadband additions is explained by the acceleration of WiMAX disconnections that cannot be totally compensated by the acquisition of new FTTH subscribers. Broadband penetration reached 49% at the end of the fourth quarter of 2012, compared to 42% a year ago.

Internet subscribers**.** As of December 31, 2012, Internet subscribers reached 493 thousand, compared to 444 thousand a year ago, representing an 11% increase.

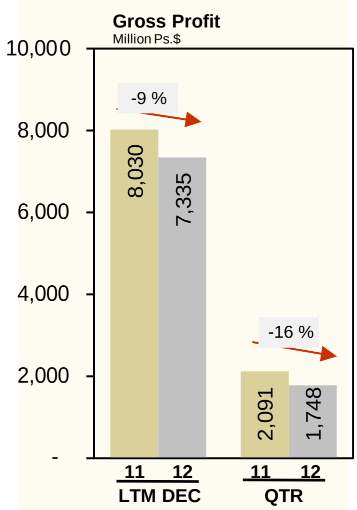


Line equivalents (E0 equivalents)**.** We offer from 64 kilobytes per second ("KBps") up to 150 megabytes per second ("MBps") dedicated data links in all of our thirty-nine existing cities. We account for data links by converting them to E0 equivalents in order to standardize our comparisons versus the industry. As of December 31, 2012, line equivalents totaled 631 thousand, 30% increase.

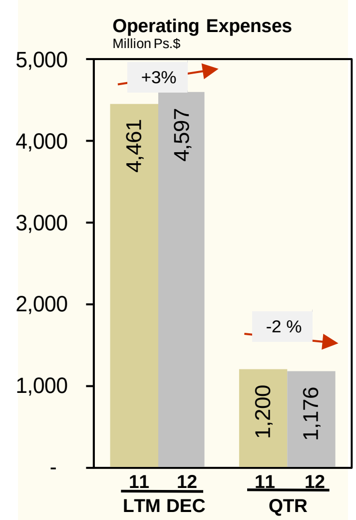
Cost of Revenues and Operating Expenses



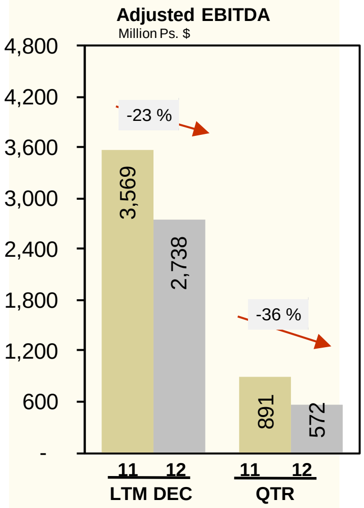
Cost of Revenues. For the three-month period ended December 31, 2012, the cost of revenues represented Ps. 669 million, a decrease of Ps. 9 million, compared with the same period of year 2011, mainly explained by decreases of Ps. 31 million and Ps. 14 million in international traffic and fixed-to-mobile termination costs due to lower volume; these benefits are reduced by a Ps. 28 million increase in Internet links. The fixed-to-mobile lower volume is explained by the phase-out of the contract with Nextel. For the twelve month period ended December 31, 2012, cost of revenues reached Ps. 2,855 million, an increase of Ps. 56 million in comparison with year 2011, mainly due to in increases in costs related to equipment sales and integrated services, 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 fourth quarter of 2012, the gross profit accounted for Ps. 1,748 million, a decrease of Ps. 342 million compared with the same period in year 2011. The gross profit margin decreased from 75.5% to 72.3% year-over-year, influenced by (i) reduced margins of international traffic revenues, as market prices significantly declined and (ii) lower enterprise segment gross margin due to market competitiveness. Excluding the effect of international traffic, gross profit margin would have been approximately 76%. For the twelve month period ended December 31, 2012, our gross profit totaled Ps. 7,335 million, compared to Ps. 8,030 million recorded in year 2011, a decrease of Ps. 695 million.

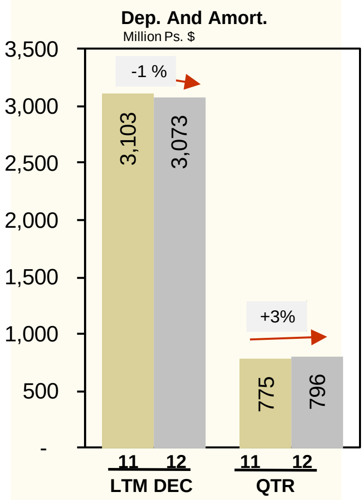


Operating expenses. In the fourth quarter of year 2012, operating expenses totaled Ps. 1,176 million, Ps. 23 million lower than the Ps. 1,200 million recorded in the same period in year 2011, explained by an Ps. 80 million decrease in personnel and outsourcing expenses that compensated the increase in uncollectible reserve, marketing and other expenses. For the twelve month period ended December 31, 2012, operating expenses totaled Ps. 4,597 million, coming from Ps. 4,461 million in the same period in 2011. Personnel represented 43% of total operating expenses in the twelve month period ended December 31, 2012.

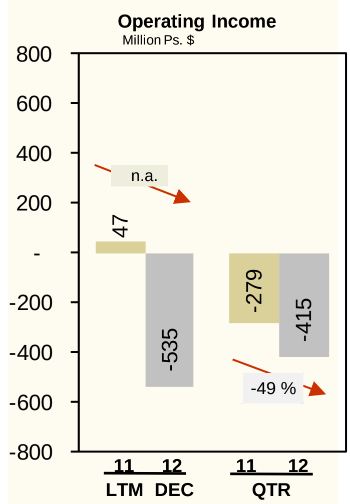


Adjusted EBITDA, D&A and Operating Income

Adjusted EBITDA*[(5)]*. The Adjusted EBITDA totaled Ps. 572 million for the three-month period ended December 31, 2012, compared to Ps. 891 million for the same period in 2011. As a percentage of total revenues, Adjusted EBITDA represented 23.7% in the fourth quarter of 2012, 851 bps lower than the margin recorded in the year-earlier quarter. For the twelve-month period ended December 31, 2012, Adjusted EBITDA amounted to Ps. 2,738 million, compared to Ps. 3,569 million in year 2011.



Depreciation and Amortization*[(11)]*. Depreciation and amortization totaled Ps. 796 million in the three-month period ending on December 31, 2012 compared to Ps. 775 million for the same period in year 2011. Depreciation and amortization for the twelve-month period ended December 31, 2012 reached Ps. 3,073 million, from Ps. 3,103 million in the same period in year 2011, a decrease of Ps. 30 million.



Operating Income (loss). In the three-month period ended December 31, 2012, the Company recorded an operating loss of Ps. 415 million compared to an operating loss of Ps. 279 million registered in the same period in year 2011. For the twelve month period ended December 31, 2012 our operating loss reached Ps. 535 million when compared to the operating income of Ps. 47 million in the same period of year 2011, a variation of Ps. 581 million.

CFR, Indebtedness and Cash

Comprehensive Financial Result

Million Pesos	Q4 2012	Q4 2011	4Q/4Q11 D%	Q3 2012	LTM Q4 2012	LTM Q4 2011
Net interest expense	(270)	(250)	-8%	(237)	(1,036)	(980)
FX gain (loss), net	(80)	(464)	83%	613	798	(1,276)
Ch. in FV of fin. Instruments	(9)	(12)	27%	6	(109)	(74)
Total	**(359)**	**(726)**	**51%**	**382**	**(347)**	**(2,330)**

Comprehensive financial result. Net interest expense for the fourth quarter 2012 increased Ps. 19 million vis-à-vis the fourth quarter 2011 due to larger interest payments and commitment fees for the syndicated bank facility and its committed line tranche. During the fourth quarter 2012, a 1% peso depreciation against the U.S. dollar generated a Ps. 80 million FX loss, compared to an FX loss of Ps. 464 million related to a 4% peso depreciation recorded in the fourth quarter of 2011. Concerning variations in the fair value of financial instruments, these are partially explained by 9% and 12% declines in the price of AXTELCPO during the fourth quarters of 2012 and 2011, respectively, which affected the valuation of AXTEL´s position held in its own stock through the zero-strike-calls instruments. The Ps. 347 million comprehensive financial loss for year ended in December 2012, compared to a Ps. 2,330 million comprehensive financial loss for year ended in December 2011, is mainly explained by a 5% appreciation of the Mexican peso against the U.S. dollar in the 2012 period, compared to a 9% depreciation in the 2011 period.

Total Debt as of the end of each period

Million Pesos	Q4 2012	Q4 2011	Q3 2012
2017 Senior Notes	3,578	3,847	3,552
2019 Senior Notes	6,375	6,855	6,329
Other financing obligations	136	327	175
Financial Leases	434	594	487
Bank Facilities	1,058	839	791
Notes Premium	42	48	44
Notes issuance and deferred financing costs	(156)	(189)	(165)
Total Debt	**11,467**	**12,323**	**11,213**
(+/-) Mark-to-market Derivative Instruments	47	(168)	48
(-) Cash and cash equivalents	(608)	(1,425)	(678)
Net Debt	**10,905**	**10,730**	**10,583**

Debt[10]. At the end of the fourth quarter of 2012, total debt decreased Ps. 856 million in comparison with the same date in 2011, explained by (i) a Ps. 271 million net increase in bank debt related to the drawdown under the revolving facility, (ii) a decrease of Ps. 339 million in leases and financial obligations, (iii) a Ps. 32 million decrease in notes issuance and deferred financing costs, and (iv) a Ps. 814 million non-cash decrease caused by the 5% appreciation of the Mexican peso.

Cash[10]. As of the end of the fourth quarter of 2012, our cash and equivalents balance totaled Ps. 608 million, compared to Ps. 1,425 million a year ago, and Ps. 678 million at the beginning of the quarter. As of the end of the quarter, 26 percent of the cash balance was maintained in dollars, the rest in pesos.

Investments and Derivative Instruments

Capital Investments. In the fourth quarter of 2012, capital investments totaled Ps. 545 million, or $42 million, compared to Ps. 774 million, or $57 million, in the year-earlier quarter. Accumulated for the twelve-month period ended December 31, 2012, capital investments totaled Ps. 2,016 million, or $153 million, compared to Ps. 2,531 million, or $204 million, in year 2011.

Other Investments. As of December 31, 2012, 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 December 31, 2012.

	AXTEL receives	AXTEL pays	Other
Full Cross-Currency Swap (MXN/US$) - Principal included			
Notional	US$44 million	Ps. 593 million	
Interest	libor + 4% quarterly	11.51% quarterly	
Principal payments	n.a.	n.a.	
Expiration Date			Nov. 2012 - Nov. 2015
Estimated Fair Value			Ps. (46.5) million
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. 88.4 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 December 31 and September 30, 2012, and December 31, 2011; and twelve-month period ending on December 31, 2012 and December 31, 2011, and

   – Balance sheet information as of December 31, 2012 and 2011; and September 30, 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, 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.com.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 December 31, 2012.

Other important information

7) Net Debt to Adjusted EBITDA: The figure comes from dividing the net debt, including cash and mark-to-market of derivative instruments, at the end of the period by the respective 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 and broadband service customers or subscribers

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

Sources of Revenues

Million Pesos	Q4 2012	Q4 2011	Q3 2012	LTM dec-12	LTM dec-11
Local	880	953	904	3,619	4,160
Long Distance	306	323	316	1,236	1,224
Data & Network	718	668	706	2,797	2,595
Int'l. Traffic	146	335	141	655	1,246
Other	368	490	514	1,882	1,604
	2,418	**2,768**	**2,581**	**10,190**	**10,829**

10) RECAPITALIZATION PLAN — **SUBSEQUENT MATERIAL EVENTS**

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.

Proceeds from the tower sale were used as follow:

	(Ps. millions)	(US$ millions)
Tower sale proceeds	3,233	249
(+/-) Estimated tower sale and EO fees	(195)	(15)
(+/-) Secured Bank Facility	(1,053)	(81)
(+/-) Unwind Bank Facility Swaps	(80)	(6)
(+/-) Cash payment on Exchange Offer	(1,074)	(83)
(=) Incremental cash balance	831	64

Other important information

Pro forma total debt and net debt as of December 31, 2012, considering the tower sale, the estimated $20 million in annual net lease expenses and the exchange offer results, are the following:

Million Pesos	Q4 2012	Adjustments	Q412 Proforma
2017 Senior Unsecured Notes	3,578	(1,848)	1,730
2019 Senior Unsecured Notes	6,375	(4,624)	1,751
2020 Secured Senior Notes	-	3,235	3,235
2020 Secured Convertible Notes	-	289	289
Other financing obligations	136	-	136
Financial Leases	434	-	434
Bank Facilities	1,058	(1,058)	-
Notes Premium	42	-	42
Notes issuance and deferred financing costs	(156)	-	(156)
Total Debt	**11,467**	**(4,006)**	**7,461**
(+/-) Mark-to-market Derivative Instruments	47	(47)	-
(-) Cash and cash equivalents	(608)	(831)	(1,439)
Net Debt	**10,905**	**(4,884)**	**6,021**
Net Debt / Adj EBITDA	4.0x		2.4x

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.

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.

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Axtel, S.A.B. de C.V. and Subsidiaries
Unaudited Consolidated Balance Sheet
December 31, 2012 and 2011 and September 30, 2012
(figures in Thousands of Mexican pesos)

ASSETS	December-2012	September-2012	December-2011
Current assets:			
Cash and equivalents	597,201	666,592	1,372,896
Restricted cash	10,709	11,321	52,127
Accounts receivable	2,406,764	2,547,063	2,018,013
Refundable taxes and other accounts receivable	232,508	231,085	344,080
Advances to suppliers	52,188	195,216	79,580
Inventories	105,471	118,244	152,756
Financial Instruments (Zero Strike Call)	88,419	96,927	135,212
Financial Instruments (others)	-	-	184,911
Assets classified as held for sale	460,462	478,343	-
Total current assets	**3,953,722**	**4,344,791**	**4,339,575**
Non current assets			
Property, plant and equipment, net	13,997,994	14,203,348	15,423,023
Long-term accounts receivable	15,470	15,530	17,712
Intangible assets, net	224,676	287,145	325,495
Deferred income taxes	2,081,718	1,891,017	1,853,392
Investment in assoc. Cos. & other investments	9,647	9,651	9,667
Other assets	217,104	131,415	123,090
Total non current assets	**16,546,609**	**16,538,106**	**17,752,379**
TOTAL ASSETS	**20,500,331**	**20,882,897**	**22,091,954**
LIABILITIES			
Current liabilities			
Account payable & Accrued expenses	2,404,471	2,648,146	2,395,837
Accrued Interest	276,043	63,816	297,107
Short-term debt	-	-	-
Current portion of long-term debt	411,969	325,372	380,880
Taxes payable	135,703	148,819	168,319
Derivative Financial Instruments	46,532	48,121	16,888
Deferred Revenue	631,298	565,538	567,878
Provisions	281,808	281,247	59,855
Other accounts payable	106,702	169,643	139,994
Total current liabilities	**4,294,526**	**4,250,702**	**4,026,758**
Long-term debt			
Long-term debt	11,054,645	10,887,328	11,941,813
Employee Benefits	19,452	25,313	21,935
Deferred revenue	33,900	33,900	33,900
Long-term provisions	-	-	253,129
Other LT liabilities	9,534	11,402	12,233
Total long-term debt	**11,117,531**	**10,957,943**	**12,263,010**
TOTAL LIABILITIES	**15,412,057**	**15,208,645**	**16,289,768**
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)	(2,314,955)	(1,725,108)	(1,606,086)
Change in the fair value of derivative instruments	(29,351)	(33,220)	(24,308)
TOTAL STOCKHOLDERS EQUITY	**5,088,274**	**5,674,252**	**5,802,186**
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	**20,500,331**	**20,882,897**	**22,091,954**

Axtel, S.A.B. de C.V. and Subsidiaries
Unaudited Consolidated Income Statement
Periods ended December 31, 2012 and 2011
(figures in Thousands of Mexican pesos)

	Fourth Quarter ended December 31			LTM ended December 31		
	2012	2011	D%	2012	2011	D%
Rental. Installation, service and other income	2,417,722	2,768,383	-13%	10,189,732	10,829,405	-6%
Operating cost and expenses						
Cost of sales and services	(669,287)	(677,881)	-1%	(2,854,785)	(2,799,269)	2%
Selling and administrative expenses	(1,176,367)	(1,199,826)	-2%	(4,596,598)	(4,461,366)	3%
Other income (expenses), net	(190,812)	(394,687)	-52%	(199,987)	(419,450)	-52%
Depreciation and amortization	(796,072)	(774,833)	3%	(3,073,240)	(3,102,824)	-1%
	(2,832,538)	(3,047,227)	-7%	(10,724,610)	(10,782,909)	-1%
Operating income (loss)	(414,816)	(278,844)	49%	(534,878)	46,496	n.a.
Comprehensive financing result:						
Interest expense	(274,731)	(239,598)	15%	(1,057,513)	(1,002,580)	5%
Interest income	4,805	(10,896)	n.a.	21,967	22,340	-2%
Foreign exchange gain (loss), net	(80,475)	(463,634)	-83%	797,630	(1,276,332)	n.a.
Change in the fair value of derivative inst.	(8,508)	(11,597)	-27%	(109,197)	(73,886)	48%
Comprehensive financing result, net	(358,909)	(725,725)	-51%	(347,113)	(2,330,458)	-85%
Income (loss) before income taxes, and equity in results of assoc. Cos.	(773,725)	(1,004,569)	-23%	(881,991)	(2,283,962)	-61%
Income tax	-	-		-		
Deferred income tax	223,890	89,978	149%	157,503	311,829	-49%
IETU	(8,477)	(38,365)	-78%	(53,022)	(73,105)	-27%
Deferred IETU	(31,531)	(105,256)	-70%	68,661	(24,747)	n.a.
Total income tax	183,882	(53,643)	n.a.	173,142	213,977	-19%
Equity in results of associated company	(4)	(82)	-95%	(20)	(141)	-86%
Net Income (Loss)	(589,847)	(1,058,294)	-44%	(708,869)	(2,070,126)	-66%

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

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

		Fourth Quarter ended December 31				LTM ended December 31		
		2012	2011	D%		2012	2011	D%
Net Income (Loss)	Ps.$	(589,847)	(1,058,294)	-44%	Ps.$	(708,869)	(2,070,126)	-66%
Other income (expense), Net		(190,812)	(394,687)	-52%		(199,987)	(419,450)	-52%
Depreciation and Amortization		(796,072)	(774,833)	3%		(3,073,240)	(3,102,824)	-1%
Interest Expense, Net		(269,926)	(250,494)	8%		(1,035,546)	(980,240)	6%
Total Income Tax		183,882	(53,643)	n.a.		173,142	213,977	-19%
EBITDA		483,081	415,363	16%		3,426,762	2,218,411	54%
FX Gain (Loss), Net		(80,475)	(463,634)	-83%		797,630	(1,276,332)	n.a.
Change in the fair value of derivative instruments		(8,508)	(11,597)	-27%		(109,197)	(73,886)	48%
Equity in results of an associate company		(4)	(82)	-95%		(20)	(141)	-86%
Adjusted EBITDA	Ps.$	572,068	890,676	-36%	Ps.$	2,738,349	3,568,770	-23%