



Maxcom Telecomunicaciones, S.A.B de C.V.

First Quarter 2018 Results

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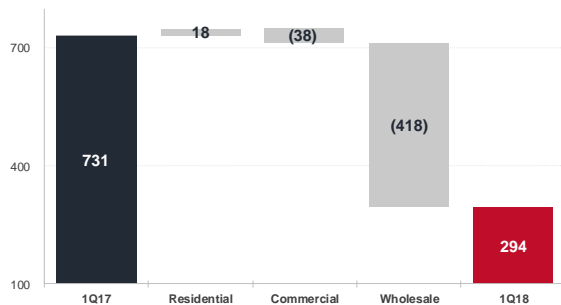
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Earnings Results Summary and Relevant Events

Maxcom's quarterly results remains with a high gross profit margin of 51%, which compares favorably against the 27% generated in the same quarter of 2017.

Compared to the previous quarter, the gross profit margin increased 7% mainly driven by our continuing focus on the commercial business unit and less reliance on the less profitable business units, as we continue our residential wind down process and gradually cease operations in the wholesale business segment. These two effects explain the revenue reduction when compared to 1Q18.

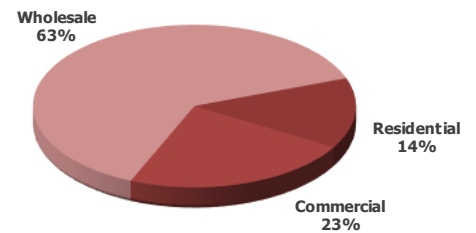


During this quarter, the revenue composition suffered an important change as a consequence of a reduction in the wholesale business unit share of revenue, decreasing from 63% in 1Q17 to 13% in this quarter. Conversely, the weight of the commercial business unit increased to 65% in this last quarter vs 23% in 1Q17.

WEIGHT (%) 1Q18



WEIGHT (%) 1Q17



In the corporate events of the quarter, the Ordinary General Shareholders' Meeting held on January 16, 2018, shareholders approved the accumulated losses absorption of Ps.6,327 million through a paid in capital reduction. In accordance with accounting standards, the Company recorded this effect in 2017.

As a subsequent event, on April 6, 2018 the Company signed an agreement to sell 72 telecommunications towers in benefit of the corporate group MXT at a price of Ps.197 million. At the same time, Maxcom entered a master lease agreement ("lease back") for the aforementioned towers for up to 20 years.

During this quarter, Maxcom continued with the execution of several cost efficiency initiatives, including consolidation of current sites and telephone centrals, infrastructure and software contracts review, and headquarter expense rightsizing, among others.

Maxcom's 1Q18 Performance

TOTAL REVENUES

Ps.296 million

NETWORK OPERATION COST

Ps.145 million

-73%. vs 1Q17

GROSS PROFIT MARGIN

51%

vs 27% 1Q17

EBITDA

Ps.34 million

NET INCOME

Ps.17 million

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MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES FINANCIAL AND OPERATING HIGHLIGHTS

Figures in millions of pesos, except operating data

Item	1Q18	4Q17	% var
Total Revenues	296	448	(34%)
EBITDA	34	89	(62%)
EBITDA margin (%)	11%	20%	
Net income (loss)	17	(188)	109%
Net margin (%)	6%	(42%)	
Cash and financial instruments ¹	455	618	(26%)
CAPEX	56	55	2%
Debt ²	2,171	2,299	(6%)
Net debt / LTM EBITDA (X)	6.4	5.3	21%
Customers	68,364	80,917	(16%)
Commercial	1,332	1,495	(11%)
Residential	67,032	79,422	(16%)
RGUs ³	261,845	294,536	(11%)

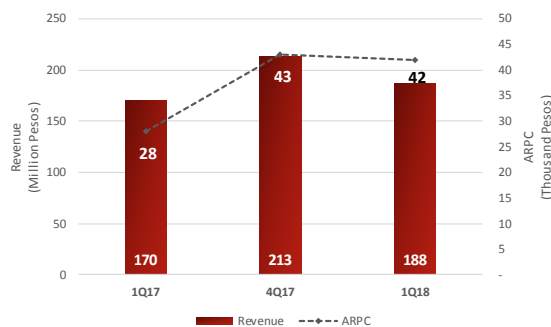
¹ Includes long-term restricted cash.

² Debt is considered at face value and includes interest payable as of the end of the period

³ Revenue generating units

Commercial Business Unit

- Commercial revenue reached Ps.188 million, representing an increase of 11% or Ps.18 million in comparison with Ps.170 million recorded during 1Q17. This is a direct consequence of the increased focus Maxcom has put in increasing the number of new customers, increasing the average ticket size per customer and upselling to our current clients.
- On a sequential basis, revenue decreased Ps.25 million or 12% from 1Q18 compared to 4Q17, mainly due to one time projects that amounted Ps.28 million during the 4Q17.
- Commercial revenue weight within the revenue mix increased from 23% in 1Q17 to 65% in 1Q18. On a sequential basis also grew by 17 percentage points.
- Commercial business ARPC during 1Q18 was Ps.42 thousand pesos, 50% higher than the Ps.28 thousand pesos recorded in 1Q17 and Ps.1 thousand below when compared to the figure recorded in 4Q17.



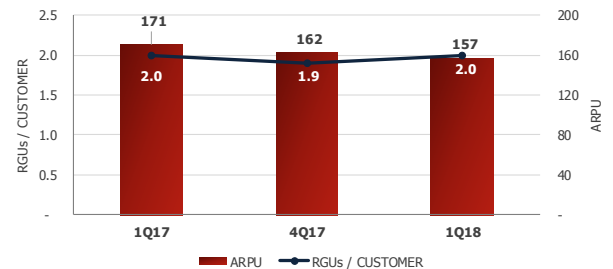
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Wholesale Business Unit

- The revenue during the quarter in this business unit was Ps.39 million, a significant decrease of 91% compared with the same period in 2017 and 75% below revenue reported during last quarter of 2017.
- As previously mentioned, Maxcom was continuously reducing its revenue stream coming for the termination of international traffic throughout its long distance network. As of April 2018, Maxcom will not record any revenue coming from this business unit until certainty can be provided by the Servicio de Administración Tributaria (SAT) with respect to the VAT tax refunds.

Residential Business Unit

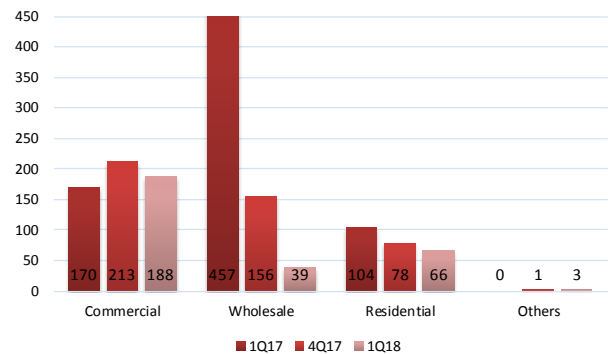
- The Company continues with the execution of the wind down process and is currently analyzing an extension of the closing date, expecting to conclude at the end of the first half of 2019. In line with the plan, the revenue generated by the segment represented 22% of all income posted during the 1Q18 and will continue to decrease in the following quarters as the Company continues to shut down less profitable clusters.
- Comparing 1Q18 to 1Q17, the revenue from this business unit had a decrease of 37% or Ps.38 million. This was mainly due to the programmed shut down of clusters contemplated in the original plan. Sequentially, the decrease was 15% or Ps.12 million.
- The ARPU for the residential business was Ps.157 in 1Q18, 8% lower than the ARPU of Ps.171 reported in 1Q17 and 3% below of Ps.162 posted in 4Q17. The rate of RGUs per residential customer during this quarter was 2.0, same figure of 1Q17.



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Consolidated Revenue

- On a consolidated basis, total revenue reported in 1Q18 amounted to Ps.296 million, a decrease of 60% when compared to 1Q17. Notwithstanding, the reduction is due to the important decrease of the revenue from wholesale operations.
- Sequentially, the revenue registered a decrease of 34% compared to 4Q17, as a result of non recurrent revenues accounted for in 4Q17 totaling Ps.28 million.



		1Q18	4Q17	QoQ Δ%	1Q17	YoY Δ%
Commercial	Ps.	188	Ps. 213	(12%)	Ps. 170	11%
Wholesale		39	156	(75%)	457	(91%)
Residential		66	78	(15%)	104	(37%)
Others		3	1	-	-	-
Total	Ps.	296	Ps. 448	(34%)	Ps. 731	(60%)

Cost, Expenses and Other Items

Network Operation Cost

- Network operation costs in 1Q18 decreased 73% to reach Ps.145 million, compared to the Ps.535 million reported in 1Q17, mainly explained by the decrease in the termination of traffic attributable to the wholesale business and the reduction in the residential segment operating structure.
- Due to this cost reductions and other efficiencies, gross margin increased from 27% in 1Q17 to 51% in 1Q18. The improvement is due by the change in revenue mix and initiatives to increase the profitability per customer in the commercial business unit.

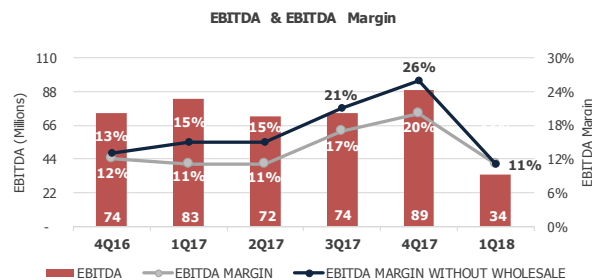
SG & A

- During the 1Q18 the Company reported total SG&A expenses of Ps.117 million, 3% higher than the Ps.113 million in 1Q17.
- On a sequential basis, this item increased 8%.
- The expenses increase derived from non recurring expenses recorded in the quarter by Ps.8 million, including legal fees and software maintainance. However, the payroll expenses improved by Ps.11 million when compared to 1Q17; as the headcount went down from 575 employees in 1Q17 to 421 employees on this reporting quarter.

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EBITDA

- Despite of the income loss by the residential and wholesale business units, during 1Q18 the EBITDA margin was 11%, in line with the margin recorded during 1Q17. EBITDA for 1Q18 was Ps.34 million, Ps.49 million less than the Ps.83 million registered in the same period of the previous year.
- Excluding the effect of the wholesale operation, EBITDA margin for 1Q18 remains on 11% as a consequence of the significant reduction in the volume of operation in this business unit.
- Sequentially, EBITDA was Ps.55 million or 62% less than the amount reported in 4Q17 .
- Quarterly Maxcom's EBITDA without Celmax operation was Ps.46 million.



Operating Income (Loss)

- The Company recorded an operating loss of Ps.27 million in 1Q18 that compare with the operating income of Ps.31 million reported in the same period of 2017, mainly attributable to the reduction in EBITDA for the quarter.

Comprehensive Financing Result

- During 1Q18, the Company recorded a comprehensive financing income of Ps.45 million, a decrease of Ps.101 million when compared to the income of Ps.146 million recorded in the same period of 2017. This result is mainly explained by a lower appreciation of the mexican peso compared to 1Q17, yielding a lower foreign exchange income in the quarter.

	1Q18	1Q17	ΔPs.	Δ%
Interest Expense	39	48	(9)	(18%)
Interest (Income)	27	(7)	34	(474%)
Valuation Effects – Net	21	18	3	19%
Exchange Rate (Gain) Loss – Net	(132)	(205)	73	(36%)
Total	(45)	(146)	101	(70%)

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Taxes

- In 1Q18 the Company recorded Ps.694 thousand of income tax.

Net Income (Loss)

- During 1Q18 the Company posted a net income of Ps.17 million, compared to a net income of Ps.177 million recorded in the same period of 2017 and a net loss of Ps.188 million posted in 4Q17.
- Excluding the results from Celmax, Maxcom generated a net profit of Ps.31 million for the year.

Capital Expenditures

- Capital expenditures during the quarter totaled Ps.56 million, a decrease of Ps.2 million when compared to 1Q17. Capital expenditures for the quarter were primarily used to develop last-mile connectivity for business customers and increase network capacity.
- It is important mentioning, that the figure presented in the next table does not consider the restricted cash. Including this amount the all cash position of the Company totaled Ps.455 million.

Millions of Pesos	First Quarter of 2018	First Quarter of 2017
Operating Activities	(100)	(106)
CAPEX	(56)	(58)
Financing Activities	2	(24)
Increase (Decrease) in Cash and Financial Instruments	(154)	(188)
Cash and Financial Instruments at Beginning of Period	585	848
Cash and Financial Instruments at End of Period	431	660

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Indebtedness

- At March 31, 2018, the Company reported indebtedness of Ps.2,171 million (debt is valued at face value and includes interest payable at period end). The Company's leverage ratio measured by the Debt to EBITDA ratio was 8.08 times, while the Net Debt to EBITDA ratio stood at 6.39 times (last twelve months EBITDA is used in these calculations).

Maxcom Financial Liabilities at March 31, 2018

Figures in Millions	Face Value			Due date	Rate
	Pesos	Dollars	Total Pesos ¹		
Step-Up Senior Notes 2020	-	112.4	2,053.0	June, 2020	6%, 7% y 8% ²
Bancomext	75.0	-	75.0	September, 2020	9.86% ³
Total financial debt	75.0	112.4	2,128.0		

¹ Considers the FIX exchange rate at March 28, 2017: Ps\$ 18.2709 per dollar

² The Step-Up Senior Notes bear interest (i) from the date of issuance (October 2013) until June 14, 2016, at the annual fixed rate of 6% per annum, (ii) from June 15, 2016 until June 14, 2018, at the annual fixed rate of 7% per annum, and (iii) from June 15, 2018 until the maturity date, at the annual fixed rate of 8% per annum; have a maturity date of June 15, 2020

³ This loan was signed on October 2015 at 9.86% fixed interest rate

	1Q18	4Q17	3Q17
Net Debt/LTM EBITDA	6.39	5.28	5.30

- As of March 31, the Company maintains cross-currency swaps to cover the interests of the Step-Up Senior Notes 2020 for a notional amount of USD\$70 million maturing on June 15, 2020.

Stockholders' Equity

- At the end of 1Q18, the Company reported stockholders' equity of Ps.1,019 million. As already mentioned before, shareholders approved the accumulated losses absorption of Ps.6,327 million through a paid in capital reduction.

Capital Structure

	1Q18	1Q17
Subscribed and paid shares	140,710,530	115,010,530



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About MAXCOM

MAXCOM Telecomunicaciones, S.A.B. de C.V., headquartered in Mexico City, is a facilities-based telecommunications provider using a “smart-build” approach to deliver “last-mile” connectivity to enterprises and residential customers in the Mexican territory. MAXCOM launched its commercial operations in May 1999 and is currently offering local and long distance telephony services; wired, wireless and cellular data transmission; IP-based TV services and value-added services in Mexico City metropolitan area, Monterrey, Puebla, Querétaro, León, Guadalajara, San Luis Potosí, Tehuacán and Toluca, and on a selected basis in several cities in Mexico. The information contained in this press release is the exclusive responsibility of Maxcom Telecomunicaciones, S.A.B. de C.V. and has not been reviewed by the Mexican National Banking and Securities Commission (CNBV) or any other authority. The registration of the securities described in this press release before the National Registry of Securities (Registro Nacional de Valores) held by the CNBV, shall it be the case, does not imply any certification as to the investment quality of the securities or of Maxcom’s solvency. The trading of these securities by an investor will be made under such investor’s own responsibility.

For more information contact:

Rodrigo Wright

México, D.F., México

(52 55) 4770-1170

rodrigo.wright@maxcom.com

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Unless otherwise specified, all references to “USD\$” are to United States dollars and references to “Ps.” are to Mexican pesos. Amounts presented in this quarterly report may not add up or may be slightly inconsistent due to rounding.

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MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)
Thousands of Mexican Pesos ("Ps.")

	As of March 31, 2018	As of December 31, 2017	Var \$	Var %
ASSETS:				
CURRENT ASSETS:				
Cash and financial instruments	Ps. 430,952	Ps. 585,271	Ps. (154,319)	(26%)
	430,952	585,271	(154,319)	(26%)
Accounts receivable:				
Customers, net of allowance	271,580	253,674	17,906	7%
Recoverable value added tax	105,437	110,502	(5,065)	(5%)
Other sundry debtors	14,917	14,857	60	-
	391,934	379,033	12,901	3%
Inventory	2,110	3,404	(1,294)	(38%)
Prepaid expenses	43,001	37,153	5,848	16%
Total current assets	867,997	1,004,861	(136,864)	(14%)
Telephone network systems and equipment, net	2,364,744	2,338,606	26,138	1%
Intangible assets, net	241,208	264,307	(23,099)	(9%)
Long-term restricted cash	23,643	33,145	(9,502)	(29%)
Financial instruments	-	-	-	#DIV/0!
Deposits in guarantee	8,829	8,804	25	-
Deferred taxes	22,710	22,710	-	-
Other assets	2,151	2,151	-	-
	Ps. 3,531,282	Ps. 3,674,584	Ps. (143,302)	(4%)
LIABILITIES				
CURRENT LIABILITIES:				
Bank loans	Ps. 30,000	Ps. 30,000	Ps. -	-
Interest payable	43,409	6,801	36,608	538%
Accounts payable and accrued expenses	273,088	317,642	(44,554)	(14%)
Customer deposits	1,896	2,157	(261)	(12%)
Derivative financial instruments	30,061	4,784	25,277	-
Other taxes payable	8,039	18,463	(10,424)	(56%)
Total current liabilities	386,493	379,847	6,646	-
LONG-TERM LIABILITIES:				
Step-up senior notes	1,958,884	2,089,402	(130,518)	(6%)
Bank loans	45,000	52,500	(7,500)	(14%)
Deferred income	37,300	35,010	2,290	7%
Labor obligations	2,011	1,898	113	6%
Other long-term liabilities	82,241	95,038	(12,797)	(13%)
Long-term liabilities	2,125,436	2,273,848	(148,412)	(7%)
Total liabilities	Ps. 2,511,929	Ps. 2,653,695	Ps. (141,766)	(5%)
SHAREHOLDERS' EQUITY				
Capital stock	Ps. 1,455,066	Ps. 1,455,066	Ps. -	-
Additional paid-in capital	50,170	50,170	-	-
Accumulated losses	(590,647)	(592,919)	2,272	-
Net income (loss) for the period	23,739	2,272	21,467	945%
Other comprehensive income	(9,216)	9,496	(18,712)	(197%)
Controlling interest	929,112	924,085	5,027	1%
Non-controlling interest	90,241	96,804	(6,563)	-
Total shareholders' equity	Ps. 1,019,353	Ps. 1,020,889	Ps. (1,536)	-
Total liabilities and shareholders' equity	Ps. 3,531,282	Ps. 3,674,584	Ps. (143,302)	(4%)

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MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES
 UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)
 Thousands of Mexican Pesos ("Ps.")

	3 months ended March 31				vs 3M 2017	
	2018	%	2017	%	\$ var	% var
TOTAL REVENUES	Ps. 295,670	100%	Ps. 731,301	100%	Ps. (435,631)	(60%)
Network operating services	92,645	31%	481,094	66%	(388,449)	(81%)
Technical expenses	52,175	18%	52,864	7%	(689)	(1%)
Installation expenses	125	0%	960	0%	(835)	(87%)
Network operation cost	144,945	49%	534,918	73%	(389,973)	(73%)
GROSS PROFIT	150,725	51%	196,383	27%	(45,658)	(23%)
Selling, general and administrative expenses	117,160	40%	113,466	16%	3,694	3%
EBITDA	33,565	11%	82,917	11%	(49,352)	(60%)
Depreciation and amortization	52,821		50,763		2,058	4%
Other (income) expense	7,369		1,013		6,356	627%
Operating income (loss)	(26,625)		31,141		(57,766)	(185%)
Comprehensive (income) cost of financing:						
Interest expense	39,393		48,245		(8,852)	(18%)
Interest (income) loss, net	26,962		(7,212)		34,174	(474%)
Valuation effects, net	21,402		17,923		3,479	19%
Exchange (income) loss, net	(132,252)		(205,134)		72,882	(36%)
	(44,495)		(146,178)		101,683	(70%)
INCOME (LOSS) BEFORE TAXES	17,870		177,319		(159,449)	(90%)
Taxes:						
Income taxes	694		-		694	-
Total taxes	694		-		694	-
NET INCOME (LOSS)	Ps. 17,176		Ps. 177,319		Ps. (160,143)	(90%)
Other comprehensive result	(18,712)		(21,657)		2,945	(14%)
COMPREHENSIVE NET INCOME (LOSS)	Ps. (1,536)		Ps. 155,662		Ps. (157,198)	(101%)
Controlling interest	23,739		177,319		(153,580)	(87%)
Non-controlling interest	(6,563)		-		(6,563)	-
NET INCOME (LOSS)	Ps. 17,176		Ps. 177,319		Ps. (160,143)	(90%)
Average basic shares	139,426		111,940		-	-
Average diluted shares	139,426		111,940		-	-
Earnings per basic share	0.17		(4.12)		0	0
Earnings per diluted share	0.17		(4.12)		0	0

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MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)
Thousands of Mexican Pesos ("Ps.")

	Capital stock	Additional paid-in capital	Accumulated losses	Other comprehensive income	Controlling interest	Non-controlling interest	Total shareholders' equity
Balances as of December 31, 2016	Ps. 7,628,698	Ps. 41,113	Ps. (6,920,751)	Ps. 41,244	Ps. 790,304	Ps. -	Ps. 790,304
Increase in capital stock	-	-	-	-	-	-	-
Comprehensive net loss	-	-	177,318	(21,657)	155,661	-	155,661
Balances as of March 31, 2017	Ps. 7,628,698	Ps. 41,113	Ps. (6,743,433)	Ps. 19,587	Ps. 945,965	Ps. -	Ps. 945,965
	Capital stock	Additional paid-in capital	Accumulated losses	Other comprehensive income	Controlling interest	Non-controlling interest	Total shareholders' equity
Balances as of December 31, 2017	Ps. 1,455,066	Ps. 50,170	Ps. (590,647)	Ps. 9,496	Ps. 924,085	Ps. 96,804	Ps. 1,020,889
Increase of non-controlling interest	-	-	-	-	-	-	-
Increase in capital stock	-	-	-	-	-	-	-
Stock option plan	-	-	-	-	-	-	-
Restitution of accumulated losses	-	-	-	-	-	-	-
Comprehensive net income	-	-	23,739	(18,712)	5,027	(6,563)	(1,536)
Balances as of March 31, 2018	Ps. 1,455,066	Ps. 50,170	Ps. (566,908)	Ps. (9,216)	Ps. 929,112	Ps. 90,241	Ps. 1,019,353



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MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW (IFRS)
 Thousands of Mexican Pesos ("Ps.")

	3 months ended March 31		vs 3M 2017	
	2018	2017	\$ var	% var
Operating Activities:				
Income (loss) before taxes	Ps. 17,870	Ps. 177,319	Ps. (159,449)	(90%)
Items not requiring the use of cash	(28,720)	(83,327)	54,607	(66%)
Cash flow from income (loss) before taxes	(10,850)	93,992	(104,842)	(112%)
Cash flow from:				
Accounts receivable	(23,786)	(7,283)	(16,503)	227%
Inventory	1,294	(81)	1,375	(1,698%)
Accounts payable	(44,554)	(103,783)	59,229	(57%)
Other assets and liabilities	(22,641)	(89,159)	66,518	(75%)
Cash flow from operating activities	(89,687)	(200,306)	110,619	(55%)
Net cash flow from operating activities	(100,537)	(106,314)	5,777	(5%)
Investing Activities:				
Telephone network systems and equipment, net	(55,784)	(57,523)	1,739	(3%)
Net cash flow used in investing activities	(55,784)	(57,523)	1,739	(3%)
Financing Activities:				
Bank loans	(7,500)	(7,500)	-	-
Senior notes	-	(16,101)	16,101	(100%)
Other financing activities	9,502	(636)	10,138	(1,594%)
Net cash flow from financing activities	2,002	(24,237)	26,239	(108%)
Increase (decrease) in cash and financial instruments	(154,319)	(188,074)	33,755	(18%)
Cash and financial instruments at beginning of period	585,271	847,547	(262,276)	(31%)
Cash and financial instruments at end of period	Ps. 430,952	Ps. 659,473	Ps. (228,521)	(35%)

- **Important notice:** In compliance with provision 4.033.01 and other applicable provisions of the internal regulations of the Mexican Stock Exchange ("MSE"), regarding the "Independent Analyst", Maxcom Telecomunicaciones S.A.B. de C.V. attests that its share, which is listed on the MSE (Maxcom A) and on the OTCQX (MXMTY), is being covered by more than two financial institutions, thus the Company will not request nor has requested registration to the program "Independent Analyst", likewise Maxcom complies with all applicable regulations of the MSE and the National Banking and Securities Commission.