



MAXCOM TELECOMUNICACIONES, S.A.B. DE C.V.

Third Quarter 2017 Results

MAXCOM REPORTS RESULTS FOR THE THIRD QUARTER OF 2017

Mexico City, October 18, 2017. – Maxcom Telecomunicaciones, S.A.B. de C.V. (OTCQX: MXMTY, BMV: MAXCOM A) ("Maxcom" or "the Company"), an integrated telecommunications company in Mexico, announced today its unaudited financial and operating results for the third quarter ended on September 30, 2017.

NOTE: The monetary amounts in this report have been presented in accordance with International Financial Reporting Standards (IFRS). Unless otherwise specified, the amounts are expressed in millions of current Mexican Pesos.

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

Figures in millions of pesos, except operating data

Item	3Q17	2Q17	% var
Total Revenues	438	638	(31%)
EBITDA	74	72	2%
EBITDA margin (%)	17%	11%	
Net income (loss)	(77)	73	(205%)
Net margin (%)	(18%)	11%	
Cash and financial instruments ¹	566	563	1%
CAPEX	52	66	(21%)
Debt ²	2,174	2,133	2%
Net debt / LTM EBITDA (X)	5.3	4.8	10%
Customers	90,775	97,850	(7%)
RGUs ³	316,216	337,799	(6%)

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

Summary

Maxcom's 3Q17 performance shows a greater strength, even though the quarterly income suffered a reduction of Ps.200 million by the wind down process in the residential business and the decision to reduce participation in the international traffic business. The Company generated an EBITDA of Ps.74 million during the quarter, 2% higher than the previous quarter. Maxcom recorded an EBITDA Margin of 17% in the quarter, 6 percentage points higher than the last quarter, which reflects the impact of the strategies and operational efficiencies implemented.

Unlike the previous quarter, during this quarter the exchange rate volatility has had an important effect over Maxcom's net income, causing the positive trend of the results seen during the first half of the year being partially reversed. In the same way, the exchange rate volatility has generated an increase in Net Debt/EBITDA ratio, carrying it from 4.8 times to 5.3 times.

On the other hand, the negative variation in both customers and Revenue Generating Units ("RGUs") is a direct consequence of the orderly divestiture plan made for the residential business.

Corporate Events

Regarding the Ordinary General Shareholders' Meeting held on August 21, 2017, it was agreed that the capital increase, in variable part, for the amount of Ps.154 million through the issuance of 25,700,000 shares, was concluded at the end of the 3Q17 with a paid subscription of 12,758,195 at a price of Ps.6.00 per share. During 3Q17, Maxcom received a total amount of Ps.98 million related to this capital raise, and the remaining Ps.56.2 million during the beginning of October.

The transformation process

With the objective to increase profitability and to maximize the operational cash flow, Maxcom continues with the satisfactory execution of the wind down process of the residential business, which began in September 2016 with the partial sale of its customer portfolio, and which is expected to conclude at the end of 2018. The company also continues to consolidate its growth efforts in the commercial segment, particularly in large and medium size businesses, call centers, government and carriers. As part of this effort, Maxcom has redefined its market strategy to focus its acquisition efforts on customers with an average revenue greater than Ps.40 thousand per month.

The result of these efforts translate into a generalized reduction of RGUs, accompanied by a significant improvement in the operating margins of the Company:

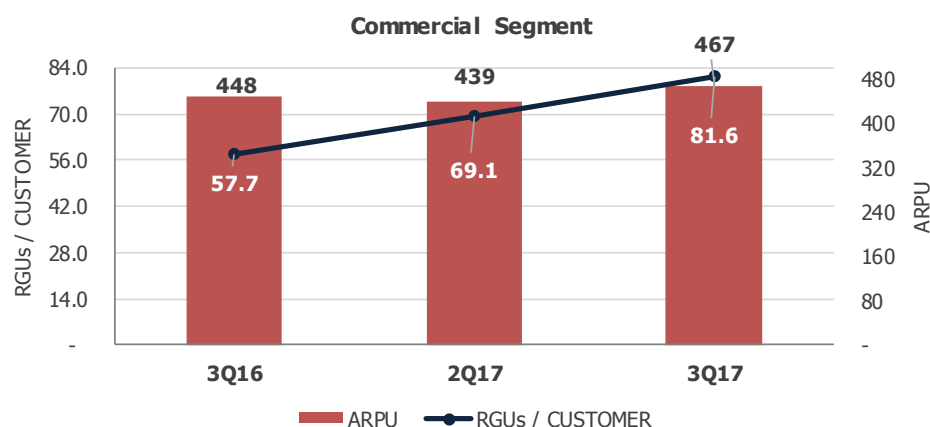
- Total RGUs decreased 17% to 316,216 in 3Q17 compared to the same period of the previous year. The Company registered negative RGUs net additions of 64,616 during the period. The Company's customer base decreased 24% to reach 90,775 customers.
- When comparing with the same period of the previous year, voice RGUs had a decrease of 12%, reaching 217,213. Voice RGUs include residential voice, business voice, and wholesale lines.
- Data RGUs of residential business unit decreased 25% to reach 72,177 compared to 96,645 in 3Q16, while in the commercial segment they decreased 7% to 3,202.
- The total base of mobile RGUs reached 889 units that is 72% lower than the recorded number 3Q16.
- The number of Pay TV RGUs reached 22,453 units, a decrease of 27% over the figure recorded in 3Q16.
- The proportion of RGUs per commercial customer increased from 57.7 in 3Q16 to 81.6 at the close of 3Q17.

3Q17	Item	3Q16	3Q17	Item	3Q16
89,198	Residential Customers	116,557	128,742	Commercial RGUs	129,405
72,216	Voice	98,895	125,238	Voice	125,676
73,212	Data	96,048	3,202	Data	3,439
748	Mobile	2,660	20	Mobile	26
21,401	TV	30,610	282	Other	264
			81.6	RGUs per Commercial Customer	57.7
168,402	Residential RGUs	231,832	19,072	Wholesale RGUs	19,595
72,903	Voice	101,339			
72,177	Data	96,645			
869	Mobile	3,149			
22,453	TV	30,699			
1.9	RGUs per Residential Customer	2.0	316,216	Total RGUs	380,832
1,577	Commercial Customers	2,241	217,213	Voice RGUs (lines in service)	246,610
1,304	Voice	1,918	90,775	Total Number of Customers	118,798
1,064	Data	1,155			
5	Mobile	8			
142	Other	163			

Revenue

Commercial

The efforts to consolidate revenue growth in the commercial segment have created a substantial increase in their share of the total revenue mix, increasing from 24% in 3Q16 to 46% in 3Q17. Revenue totaled Ps.200 million, an increase of 16% compared to Ps.173 million recorded during 3Q16. For the nine months ended September 30, 2017, revenue from the commercial business were Ps.543 million, representing an increase of 8% compared to Ps.501 million recorded in the same period of 2016. There is a positive trend in the performance of this business unit, resulting from the start of services with new customers and to provide new services to existing customers. On a sequential basis, revenue grew Ps.27 million.



Commercial business average revenue per unit ("ARPU") during 3Q17 was Ps. 467, 4% above of the Ps.448 recorded in 3Q16 and 6% higher compared to the figure recorded in 2Q17. The rate of RGUs per commercial customer increased 41 to 81.6 UGI per customer, against the 57.7 reached in 3Q16

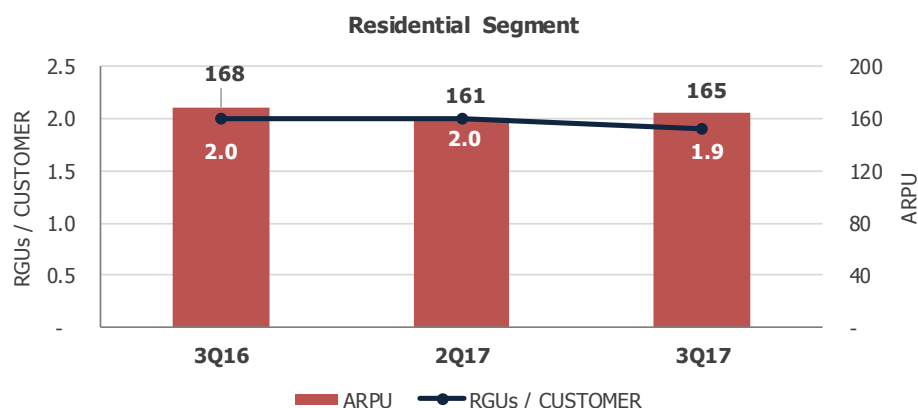
Wholesale

As already mentioned,, as of June 2017 the volume of the wholesale business was reduced in order to maximize the cash flow. As a result of this decision, in 3Q17, wholesale revenue were Ps.148 million, a decrease of 60% compared to the same period in 2016.

For the nine months ended September 30, 2017, revenue from the wholesale business was Ps. 976 million, a 22% increase compared to the Ps.799 million recorded in the same period of the previous year. The growth in this business unit was due to the increase in international traffic carried through our network. Sequentially, income decreased 60% due to lower operating volumes. The average monthly revenue from this business unit so far this year was Ps.108 million, while the monthly average of the last three months was Ps.49 million.

Residential

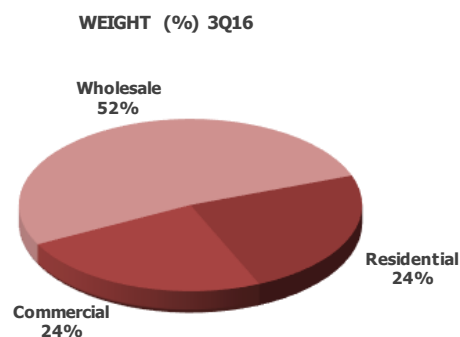
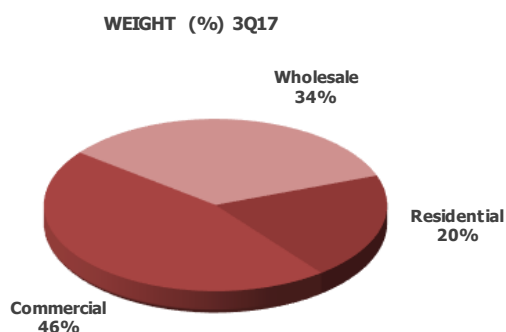
This segment has been experiencing a reduction in the customer base derived from the sale of customers to Megacable at the end of 3Q16 and the wind-down process that began at the end of 2016, which explains why revenue from this segment only represents 20% of total revenue generated in 3Q17. Compared to 3Q16, the income in this business unit had a decrease of 49% or Ps.83 million. For the nine months ended September 30, 2017, revenue from the residential business totaled Ps.286 million, a decrease of 47% compared to Ps.540 million recorded in 2016. Sequentially, the revenue of this business unit decreased Ps.6 millions.



The ARPU for the residential business was Ps.165 in 3Q17, 2% lowest than the ARPU of Ps.168 reported in 3Q16 and 2% above of Ps.161 posted in 2Q17. The rate of RGUs per residential customer during this quarter was 1.9, slightly minor at the reported on 3Q16 and 2Q17.

On a consolidated basis, the total revenue reported in 3Q17 amounted to Ps.438 million, a decrease of 38% compared to 3Q16. For the nine months ended September 30, 2017, revenue reached Ps.1,807 million, which represents a decrease of 2% compared to the Ps.1,840 million recorded in the same period of 2016. Sequentially, the revenue register a diminish of 31%, derived from less revenue in residential and wholesale segments.

		3Q17		2Q17	QoQ Δ%	3Q16	YoY Δ%
Commercial	Ps.	200	Ps.	173	16%	173	16%
Wholesale		148		371	(60%)	368	(60%)
Residential		88		94	(6%)	171	(49%)
Others		2		-	-	-	-
Total	Ps.	438	Ps.	638	(31%)	712	(38%)



		9M17	%		9M16	%
Commercial	Ps.	543	30%	Ps.	501	27%
Wholesale		976	54%		799	44%
Residential		286	16%		540	29%
Others		2	-		0	-
Total	Ps.	1,807	100%	Ps.	1,840	100%

Network Operation Cost

Network operation costs in 3Q17 decreased 47% to reach Ps.249 million, compared to the Ps.471 million reported in 3Q16. For the nine-month period, costs had an increase of 10%, from Ps.1,120 million to Ps.1,234 million, mainly explained by the increase in traffic termination of the wholesale business. Gross margin increased from 34% in 3Q16 to 43% in 3Q17, because of the change in revenue mix and the efforts to increase the profitability per customer in the commercial segment. In the nine months ended September 30, 2017 the gross margin was 32%, below the 39% registered in the same period of 2016.

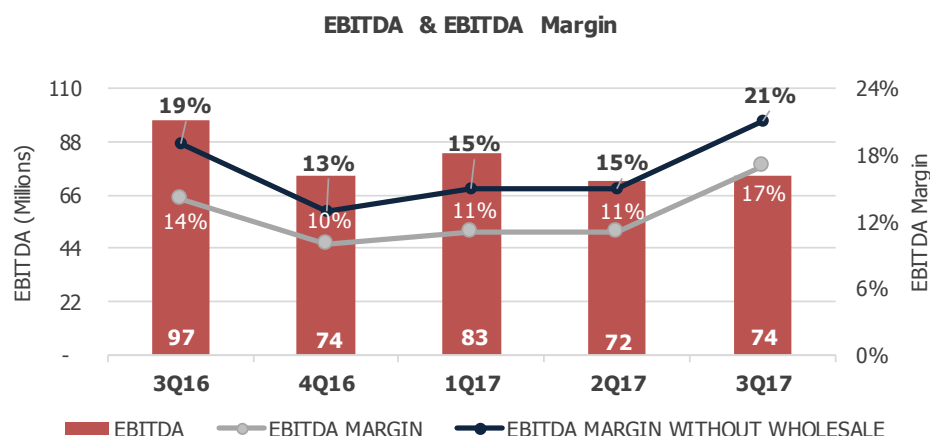
SG&A

During 3Q17 the Company executed several projects for the reduction of corporate expenses, resulting in a reduction of 20%, when comparing the SG&A of Ps.115 million generated in 3Q17 against Ps.143 million in 3Q16. Almost half of this reduction was due to lower payroll expenses. By 3Q17, Maxcom had 475 employees, a decrease of 52% compared to 983 employees in 3Q16. For the nine-month period ended September 30, expenses were reduced by 23%, from Ps.446 million in 2016 to Ps.345 million in 2017.

EBITDA

The multiple efforts to increase operating efficiency and drive a higher recurrent revenue base are reflected in the EBITDA margin, which increased from 14% reported in 3Q16 to 17% in 3Q17. EBITDA for 3Q17 was Ps.74 million, Ps.23 million lower than the Ps.97 million registered in the same period of the previous year. For the nine months ended September 30, 2017, EBITDA of Ps.229 million was reported, representing a decrease of 16% compared to Ps.274 million reported in 2016, while the EBITDA margin was 13% less than 15% in 2016. Sequentially, EBITDA was Ps.2 million or 3% higher than the amount reported in 2Q17.

Excluding the effect of the wholesale operation, EBITDA for 3Q17 was Ps.62 million, lower than Ps.64 million recorded in the same period of the previous year. The EBITDA margin was 21% in 3Q17, being above the 19% reported in 3Q16.



Operating Income (Loss)

The Company recorded operating income of Ps.2 million in 3Q17, higher than the operating loss of Ps.325 million reported in the same period of 2016. For the nine months ended September 30, 2017, the Company reported operating income of Ps.9 million that compares favorably against an operating loss of Ps.364 million recorded in the same period in 2016. The variation is explained by the decrease in selling, general and administrative expenses, as well as by lower charges for depreciation and amortization of the period, as a result of the recorded asset impairment during 4Q16 related to the residential segment.

Comprehensive Financing Result

During 3Q17, the Company recorded a comprehensive financing loss of Ps.79 million, a decrease of Ps.57 million compared to the loss of Ps.136 million recorded in the same period of 2016. This result is mainly explained by the appreciation which has had the weight, yielding a smaller loss in changes in the quarter.

	3Q17	3Q16	ΔPs.	Δ%
Interest Expense	39	43	(4)	(8%)
Interest (Income)	(5)	(6)	1	(4%)
Valuation Effects – Net	11	14	(3)	(21%)
Exchange Rate (Gain) Loss – Net	34	85	(51)	(60%)
Total	79	136	(57)	(42%)

For the nine months ended September 30, 2017, comprehensive financing income was Ps.164 million compared to the net loss of Ps.392 million recorded in the same period of 2016. The variation is mainly explained by the appreciation the peso maintained during the first half of the year, with a significant profit on changes. On the other hand, it has an accelerated amortization of the issuance expenses associated with the portion of the USD \$ 13.1 million repurchased from Step-Up Senior Notes 2020, as well as by the increase in interest paid.

Taxes

In the 3Q17 the Company recorded taxes of Ps.0.03 million, while at the end of the same period of 2016 the Company not recorded taxes.

Net Income (Loss)

During 3Q17 the Company posted a net income of Ps.77 million, compared to a net loss of Ps.461 million recorded in the same period of 2016 and a net income of Ps.73 million posted in 2Q17. It is worth to mention that the net income of the period derives mainly from the exchange loss and the payment of interest. For the nine months ended September 30, 2017, the Company recorded a net income of Ps.173 million in comparison with the net loss of Ps.756 million recorded in the same period of 2016.

Liquidity and Capital Resources

Millions of Pesos	Third Quarter of 2017	Third Quarter of 2016
Operating Activities	(59)	(214)
CAPEX	(52)	245
Financing Activities	114	(24)
Increase (Decrease) in Cash and Financial Instruments	3	7
Cash and Financial Instruments at Beginning of Period	534	665
Cash and Financial Instruments at End of Period	538	672

Millions of Pesos	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Operating Activities	(65)	54
CAPEX	(175)	(13)
Financing Activities	(70)	(164)
Increase (Decrease) in Cash and Financial Instruments	(310)	(123)
Cash and Financial Instruments at Beginning of Period	848	795
Cash and Financial Instruments at End of Period	538	672

Capital Expenditures

Capital expenditures during the period totaled Ps.52 million, an increase of Ps.297 million compared to 3Q16. It is important to mention that during 3Q16, it shows a decrease by Ps.245 as an effect of the write-offs associated to the sale of customers to Megacable. Capital expenditures for the quarter were primarily used to develop last-mile connectivity for business customers and increase network capacity.

For the nine months ended September 30, 2017, capital expenditures reached Ps.175 million, an increase of more than 100% compared to Ps.13 million recorded in the same period of 2016.

Indebtedness

At September 30, 2017, the Company reported indebtedness of Ps.2,174 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 7.16 times, while the Net Debt to EBITDA ratio stood at 5.30 times (last twelve months EBITDA is used in these calculations).

Maxcom Financial Liabilities at September 30, 2017

Figures in Millions	Face Value			Due date	Rate
	Pesos	Dollars	Total Pesos ¹		
Step-Up Senior Notes 2020	-	112.4	2,040.4	June, 2020	6%, 7% y 8% ²
Bancomext	90.0	-	90.0	September, 2020	9.86% ³
Total financial debt	90.0	112.4	2,130.4		

¹ Considers the FIX exchange rate at September 30, 2017: Ps\$ 18.1590 per dollar

² The Step-Up Senior Notes bear interest (i) from the date of issuance (October 13) 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.

Comparative leverage ratios:

	3Q17	2Q17	1Q17
Net Debt/LTM EBITDA	5.30	4.80	5.33

As of September 30, the Company entered into cross-currency swaps to cover the interests of the Step-Up Senior Notes 2020 for a notional amount of USD\$80 million mature on December 15, 2017 and USD\$60 million mature on June 15, 2020.

Stockholders' Equity

At the close of 3Q17, the Company reported stockholders' equity of Ps.1,139 million, an increase of 44% compared to Ps.790 million at the end of the previous year. This is mainly due to the profits of the period and the increase in the capital stock of Celmax Móvil and Maxcom, respectively.

Capital Structure

	3Q17	3Q16
Subscribed and paid shares	127,768,725	115,010,530

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.

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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 annual 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 September 30, 2017	As of December 31, 2016	Var \$	Var %
<u>ASSETS:</u>				
CURRENT ASSETS:				
Cash and financial instruments	Ps. 537,784	Ps. 847,547	Ps. (309,763)	(37%)
	537,784	847,547	(309,763)	(37%)
Accounts receivable:				
Customers, net of allowance	268,561	264,178	4,383	2%
Recoverable value added tax	104,633	44,604	60,029	135%
Other sundry debtors	18,007	24,925	(6,918)	(28%)
	391,201	333,707	57,494	17%
Inventory	1,364	1,514	(150)	(10%)
Prepaid expenses	32,542	27,006	5,536	20%
Total current assets	962,891	1,209,774	(246,883)	(20%)
Telephone network systems and equipment, net	2,228,406	2,359,301	(130,895)	(6%)
Intangible assets, net	370,434	221,111	149,323	68%
Long-term restricted cash	28,355	14,569	13,786	95%
Financial instruments	-	20,040	(20,040)	(100%)
Deposits in guarantee	8,620	8,790	(170)	(2%)
Deferred taxes	12,921	12,922	(1)	-
Other assets	2,151	2,151	-	-
Total assets	Ps. 3,613,778	Ps. 3,848,658	Ps. (234,880)	(6%)
<u>LIABILITIES</u>				
CURRENT LIABILITIES:				
Bank loans	30,000	Ps. 30,000	Ps. -	-
Interest payable	43,898	7,954	35,944	452%
Accounts payable and accrued expenses	289,824	395,985	(106,161)	(27%)
Customer deposits	2,110	2,484	(374)	(15%)
Derivative financial instruments	20,210	-	20,210	-
Other taxes payable	7,006	35,463	(28,457)	(80%)
Total current liabilities	393,048	471,886	-	-
LONG-TERM LIABILITIES:				
Step-up senior notes	1,914,743	2,373,224	(458,481)	(19%)
Bank loans	60,000	82,500	(22,500)	(27%)
Deferred income	40,799	46,976	(6,177)	(13%)
Deferred taxes	-	4,398	(4,398)	(100%)
Labor obligations	2,692	2,241	451	20%
Other long-term liabilities	63,763	77,129	(13,366)	(17%)
Long-term liabilities	2,081,997	2,586,468	(504,471)	(20%)
Total liabilities	Ps. 2,475,045	Ps. 3,058,354	Ps. (583,309)	(19%)
<u>SHAREHOLDERS' EQUITY</u>				
Capital stock	Ps. 7,726,745	Ps. 7,628,698	Ps. 98,047	1%
Additional paid-in capital	50,170	41,113	9,057	22%
Accumulated losses	(6,920,751)	(4,802,595)	(2,118,156)	44%
Net income (loss) for the period	186,683	(2,118,156)	2,304,839	(109%)
Other comprehensive income	(4,998)	41,244	(46,242)	(112%)
Controlling interest	1,037,849	790,304	247,545	31%
Non-controlling interest	100,884	-	100,884	-
Total shareholders' equity	Ps. 1,138,733	Ps. 790,304	Ps. 348,429	44%
Total liabilities and shareholders' equity	Ps. 3,613,778	Ps. 3,848,658	Ps. (234,880)	(6%)

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 September 30				vs 3M 2016		9 months ended September 30				vs 9M 2016	
	2017	%	2016	%	\$ var	% var	2017	%	2016	%	\$ var	% var
TOTAL REVENUES	Ps. 437,977	100%	Ps. 711,534	100%	Ps. (273,557)	(38%)	Ps. 1,807,591	100%	Ps. 1,839,973	100%	Ps. (32,382)	(2%)
Network operating services	196,459	45%	418,808	59%	(222,349)	(53%)	1,075,832	60%	972,909	53%	102,923	11%
Technical expenses	49,034	11%	47,831	7%	1,203	3%	153,235	8%	141,890	8%	11,345	8%
Installation expenses	3,772	1%	4,832	1%	(1,060)	(22%)	4,898	0%	5,332	0%	(434)	(8%)
Network operation cost	249,265	57%	471,471	66%	(222,206)	(47%)	1,233,965	68%	1,120,131	61%	113,834	10%
GROSS PROFIT	188,712	43%	240,063	34%	(51,351)	(21%)	573,626	32%	719,842	39%	(146,216)	(20%)
Selling, general and administrative expenses	114,981	26%	143,008	20%	(28,027)	(20%)	344,517	19%	446,235	24%	(101,718)	(23%)
EBITDA	73,731	17%	97,055	14%	(23,324)	(24%)	229,109	13%	273,607	15%	(44,498)	(16%)
Depreciation and amortization	54,342		96,162		(41,820)	(43%)	157,777		283,787		(126,010)	(44%)
Other (income) expense	17,771		325,481		(307,710)	(95%)	62,540		353,640		(291,100)	(82%)
Operating income (loss)	1,618		(324,588)		326,206	(100%)	8,792		(363,820)		372,612	(102%)
Comprehensive (income) cost of financing:												
Interest expense	39,429		42,885		(3,456)	(8%)	136,134		124,214		11,920	10%
Interest (income) loss, net	(5,334)		(5,531)		197	(4%)	(101,344)		(16,849)		(84,495)	501%
Valuation effects, net	10,758		13,605		(2,847)	(21%)	59,078		(32,543)		91,621	(282%)
Exchange (income) loss, net	34,158		85,113		(50,955)	(60%)	(258,300)		316,927		(575,227)	(182%)
	79,011		136,072		(57,061)	(42%)	(164,432)		391,749		(556,181)	(142%)
INCOME (LOSS) BEFORE TAXES	(77,393)		(460,660)		383,267	(83%)	173,224		(755,569)		928,793	(123%)
Taxes:												
Income taxes	26		-		26	-	657		-		657	-
Deferred taxes	-		-		-	-	-		-		-	-
Total taxes	26		-		26	-	657		-		657	-
NET INCOME (LOSS)	Ps. (77,419)		Ps. (460,660)		Ps. 383,241	(83%)	Ps. 172,567		Ps. (755,569)		Ps. 928,136	(123%)
Other comprehensive result	(4,018)		4,007		(8,025)	(200%)	(46,242)		9,886		(56,128)	(568%)
COMPREHENSIVE NET INCOME (LOSS)	Ps. (81,437)		Ps. (456,653)		Ps. 375,216	(82%)	Ps. 126,325		Ps. (745,683)		Ps. 872,008	(117%)
Controlling interest	(66,583)		(460,660)		394,077	(86%)	186,683		(755,569)		942,252	(125%)
Non-controlling interest	(10,836)		-		(10,836)	-	(14,116)		-		(14,116)	-
NET INCOME (LOSS)	Ps. (77,419)		Ps. (460,660)		Ps. 383,241	(83%)	Ps. 172,567		Ps. (755,569)		Ps. 928,136	(123%)
Average basic shares	117,978		111,940		-	-	117,978		111,940		0	0
Average diluted shares	117,978		111,940		-	-	117,978		111,940		0	0
Earnings per basic share	(0.56)		(4.12)		0	0	1.58		(6.75)		0	0
Earnings per diluted share	(0.56)		(4.12)		0	0	1.58		(6.75)		0	0

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, 2015	Ps. 7,528,698	Ps. 41,113	Ps. (4,802,595)	Ps. 32,442	Ps. 2,799,658	Ps. -	Ps. 2,799,658
Increase in capital stock	100,000	-	-	-	100,000	-	100,000
Comprehensive net loss	-	-	(755,569)	9,886	(745,683)	-	(745,683)
Balances as of September 30, 2016	Ps. 7,628,698	Ps. 41,113	Ps. (5,558,164)	Ps. 42,328	Ps. 2,153,975	Ps. -	Ps. 2,153,975
	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 of non-controlling interest	-	-	-	-	-	115,000	115,000
Increase in capital stock	98,047	-	-	-	98,047	-	98,047
Stock option plan	-	9,057	-	-	9,057	-	9,057
Comprehensive net income	-	-	186,683	(46,242)	140,441	(14,116)	126,325
Balances as of September 30, 2017	Ps. 7,726,745	Ps. 50,170	Ps. (6,734,068)	Ps. (4,998)	Ps. 1,037,849	Ps. 100,884	Ps. 1,138,733

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 September 30		vs 3M 2016		9 months ended September 30		vs 9M 2016	
	2017	2016	\$ var	% var	2017	2016	\$ var	% var
Operating Activities:								
Income (loss) before taxes	Ps. (77,393)	Ps. (460,660)	Ps. 383,267	(83%)	Ps. 173,224	Ps. (755,569)	Ps. 928,793	(123%)
Items not requiring the use of cash	126,225	304,579	(178,354)	(59%)	(2,121)	793,900	(796,021)	(100%)
Cash flow from income (loss) before taxes	48,832	(156,081)	204,913	(131%)	171,103	38,331	132,772	346%
Cash flow from:								
Accounts receivable	(21,992)	(163,500)	141,508	(87%)	(18,304)	(199,851)	181,547	(91%)
Inventory	1,063	5,625	(4,562)	(81%)	150	4,555	(4,405)	(97%)
Accounts payable	(65,731)	77,130	(142,861)	(185%)	(106,161)	(4,745)	(101,416)	2,137%
Other assets and liabilities	(20,982)	23,109	(44,091)	(191%)	(111,624)	215,808	(327,432)	(152%)
Cash flow from operating activities	(107,642)	(57,636)	(50,006)	87%	(235,939)	15,767	(251,706)	(1,596%)
Net cash flow from operating activities	(58,810)	(213,717)	154,907	(72%)	(64,836)	54,098	(118,934)	(220%)
Investing Activities:								
Telephone network systems and equipment, net	(52,038)	244,568	(296,606)	(121%)	(175,341)	(13,217)	(162,124)	1,227%
Net cash flow used in investing activities	(52,038)	244,568	(296,606)	(121%)	(175,341)	(13,217)	(162,124)	1,227%
Financing Activities:								
Bank loans	(7,500)	(7,500)	-	-	(22,500)	(22,500)	-	-
Senior notes	23,767	(15,373)	39,140	(255%)	(246,347)	(243,198)	(3,149)	1%
Increase of non-controlling interest	-	-	-	-	115,000	-	115,000	-
Capital stock	98,047	-	98,047	-	98,047	100,000	(1,953)	(2%)
Other financing activities	(284)	(953)	669	(70%)	(13,786)	1,702	(15,488)	(910%)
Net cash flow from financing activities	114,030	(23,826)	137,856	(579%)	(69,586)	(163,996)	94,410	(58%)
Increase (decrease) in cash and financial instruments	3,182	7,025	(3,843)	(55%)	(309,763)	(123,115)	(186,648)	152%
Cash and financial instruments at beginning of period	534,602	665,158	(130,556)	(20%)	847,547	795,298	52,249	7%
Cash and financial instruments at end of period	Ps. 537,784	Ps. 672,183	Ps. (134,399)	(20%)	Ps. 537,784	Ps. 672,183	Ps. (134,399)	(20%)

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.