

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

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

	First Quarter ended March 31			LTM ended March 31		
	2011	2010	Effect	2011	2010	Effect
Net Income (Loss)	Ps.\$ 74,714	45,863	63%	Ps.\$ (257,178)	570,847	N/A
Depreciation and Amortization	793,570	709,283	12%	3,071,283	2,979,675	3%
Interest Expense, Net	228,357	195,483	17%	942,514	893,319	6%
Income Tax and Employee Profit Sharing (Benefit) Expense	<u>38,704</u>	<u>15,237</u>	<u>154%</u>	<u>20,153</u>	<u>338,050</u>	<u>-94%</u>
EBITDA	1,135,345	965,866	18%	3,776,772	4,781,891	-21%
Foreing Exchange (Gain) Loss, Net	(295,360)	(359,583)	-18%	(373,228)	(1,101,930)	-66%
Change in the fair value of derivative instruments	4,533	39,107	-88%	64,659	(173,463)	N/A
Other (income) expense, Net	(25,207)	33,533	N/A	(100,031)	44,199	N/A
Equity in results of an associate company	<u>(1)</u>	<u>(2)</u>	<u>-50%</u>	<u>(5)</u>	<u>6,998</u>	<u>N/A</u>
Adjusted EBITDA	Ps.\$ <u>819,310</u>	<u>678,921</u>	<u>21%</u>	Ps.\$ <u>3,368,167</u>	<u>3,557,695</u>	<u>-5%</u>

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