

# SECURITIES AND EXCHANGE COMMISSION

## FORM 6-K

Current report of foreign issuer pursuant to Rules 13a-16 and 15d-16 Amendments

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### FILER

#### **MAXCOM TELECOMMUNICATIONS INC**

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SIC: **4813** Telephone communications (no radiotelephone)

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**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

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**FORM 6-K**

REPORT OF FOREIGN ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE

SECURITIES EXCHANGE ACT OF 1934

FOR THE MONTH OF APRIL

COMMISSION FILE NUMBER: 333-11910

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

(Exact name of Registrant as specified in its Charter)

MAXCOM TELECOMMUNICATIONS, INC.

(Translation of Registrant's name into English)

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GUILLERMO GONZALEZ CAMARENA NO. 2000  
COLONIA CENTRO DE CIUDAD DE SANTA FE

MEXICO, DF 01210

(Address of Registrant's principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (1):

Yes  No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (7):

Yes  No

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): \_\_\_\_\_

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

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

By: /s/ Gonzalo Alarcon \_\_\_\_\_

Name: Gonzalo Alarcon

Title: General Counsel

Date: April 29, 2005



April 29, 2005

**MAXCOM TELECOMUNICACIONES FIRST QUARTER 2005 RESULTS**

*Revenues increased 26% over 1Q04 and 3% over 4Q04*

*EBITDA grew 38% over 1Q04 and 5% over 4Q04*

*Lines in service increased 28% over 1Q04 and 7% over 4Q04*

*Voice customers grew 27% over 1Q04 and 7% over 4Q04*

*Data customers grew 16% over 1Q04 and 11% over 4Q04*

**LINES:**

The number of lines in service at the end of 1Q05 increased 28% to 177,007 lines, from 138,829 lines at the end of 1Q04, and 7% when compared to 164,895 lines in service at the end of 4Q04.

During 1Q05, 21,444 new voice lines were installed, more than twice the 9,789 lines installed during 1Q04. When compared to 4Q04, the number of installations increased 9% from 19,752 lines.

During 1Q05, the monthly churn rate for voice lines was 1.9%, lower than the 2.2% monthly average churn during 1Q04. When compared to 4Q04, churn rate remained at 1.9%. Voluntary churn in 1Q05 resulted in the disconnection of 2,446 lines, a rate of 0.5%, similar to the rate registered in 4Q04 with 2,787 disconnected lines. Involuntary churn resulted in the disconnection of 6,626 lines, a rate of 1.4%, which is in line with 6,028 disconnected lines in 4Q04.

LINES	1Q04	4Q04	1Q05	vs. 1Q04	vs. 4Q04
Business Lines	24,700	28,249	30,617	24 %	8 %
Residential Lines	107,159	125,934	135,132	26 %	7 %
Public Telephony Lines	–	492	1,298	N/A	164 %
<b>Total Voice Lines</b>	<b>131,859</b>	<b>154,675</b>	<b>167,047</b>	<b>27 %</b>	<b>8 %</b>
Wholesale	6,970	10,220	9,960	43 %	-3 %
<b>Lines in Service (1)</b>	<b>138,829</b>	<b>164,895</b>	<b>177,007</b>	<b>28 %</b>	<b>7 %</b>
<b>Data Equivalent Lines (2)</b>	<b>14,557</b>	<b>17,837</b>	<b>19,233</b>	<b>32 %</b>	<b>8 %</b>

(1) Does not include Data Equivalent Lines

(2) Data Conversion @ 64Kbps

**CUSTOMERS:**

Total customers grew 27% to 129,535 at the end of 1Q05, from 102,332 at the end of 1Q04, and 7% when compared to 120,562 customers at the end of 4Q04.

The change in the number of customers by category was the following: (i) business customers increased by 7% from 1Q04 and 3% from 4Q04; and, (ii) residential customers increased by 27% from 1Q04 and 8% from 4Q04.

CUSTOMERS	1Q04	4Q04	1Q05	vs. 1Q04	vs. 4Q04
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Business	3,753	3,925	4,034	7	%	3	%
Residential	98,579	116,637	125,501	27	%	8	%
<b>Total Voice Customers</b>	<b>102,332</b>	<b>120,562</b>	<b>129,535</b>	<b>27</b>	<b>%</b>	<b>7</b>	<b>%</b>
<b>Data Customers</b>	<b>5,869</b>	<b>6,154</b>	<b>6,816</b>	<b>16</b>	<b>%</b>	<b>11</b>	<b>%</b>

April 29, 2005

**REVENUES:**

Revenues for 1Q05 increased 26% to Ps\$246.3 million, from Ps\$195.9 million reported in 1Q04. Voice revenues for 1Q05 increased 21% to Ps\$199.9 million, from Ps\$165.6 million during 1Q04, driven by a 27% increase in voice lines while ARPU remained at the same level. Data revenues for 1Q05 were Ps\$11.2 million and contributed with 5% of total revenues. Data revenues in 1Q04 were Ps\$11.0 million. Wholesale revenues for 1Q05 were Ps\$35.1 million, an 82% increase from Ps\$19.3 million in 1Q04.

Revenues for 1Q05 increased 3% to Ps\$246.3 million, from Ps\$238.2 million in 4Q04. Voice revenues for 1Q05 increased 4% to Ps\$199.9 million, from Ps\$192.0 million during 4Q04. Data revenues in 1Q05 increased 9% to Ps\$11.2 million, from Ps\$10.3 million during 4Q04. During 1Q05, revenues from Wholesale customers decreased 2% to Ps\$35.1 million, from Ps\$35.9 million in 4Q04.

**COST OF NETWORK OPERATION:**

Cost of Network Operation in 1Q05 was Ps\$83.6 million, an 18% increase when compared to Ps\$71.1 million in 1Q04. Over the same period, outbound traffic grew 33%, showing an improvement on a cost per minute basis. The Ps\$12.5 million increase in Cost of Network Operation was generated by: (i) Ps\$7.2 million, or 15%, increase in network operating services, mainly driven by Ps\$3.3 million higher calling party pays interconnection charges; Ps\$2.8 million higher cost of circuits; and, Ps\$1.4 million higher long distance interconnection which were partially offset by Ps\$0.2 million lower AsistelMax, lease of ports and other services cost; (ii) Ps\$2.6 million higher technical expenses, basically as a result of Ps\$1.5 million higher lease of equipment expenses, Ps\$0.8 higher maintenance expenses; and, Ps\$0.3 higher leases of sites and poles; and, (iii) Ps\$2.6 million, or 100%, increase in installation expenses and cost of disconnected lines.

Cost of Network Operation increased 6% quarter-over-quarter when compared to Ps\$78.8 million in 4Q04. The Ps\$4.8 million increase in Cost of Network Operation was generated by: (i) Ps\$2.8 million, or 5% increase in Network operating services, mainly driven by Ps\$1.8 million higher long distance reselling cost, Ps\$1.2 million higher leases of circuits and ports, Ps\$0.4 million lower calling party pays charges; and, Ps\$0.2 lower AsistelMax and other services cost; (ii) Ps\$0.7 million increase in Technical expenses; and (iii) Ps\$1.4 million increase of installation expenses and cost of disconnected lines. On a traffic-related cost basis, the cost per minute deteriorated as outbound traffic decreased 11%.

Gross margin at 66% in 1Q05 showed an improvement from 64% reported in 1Q04 and a small decrease from the 67% reported in 4Q04.

**SG&A:**

SG&A expenses were Ps\$104.7 million in 1Q05, a 26% increase from Ps\$82.9 million in 1Q04. The increase was mainly driven by: (i) higher salaries, wages and benefits of Ps\$13.4 million; (ii) higher sales commissions of Ps\$6.2 million; (iii) higher consulting fees of Ps\$1.7 million; and, (iv) higher general and insurance expenses of Ps\$2.6 million. Higher expenses were partially offset by: (i) lower bad debt reserve of Ps\$1.5 million; and, (ii) lower leases and maintenance expenses of Ps\$0.5 million.

SG&A expenses in 1Q05 slightly increased to Ps\$104.7 million from Ps\$104.4 million in 4Q04. Increases of Ps\$2.6 million in salaries, wages and benefits and Ps\$2.6 million in sales commissions were offset by Ps\$4.1 million lower bad debt reserve and Ps\$2.3 million lower advertising expenses.

**EBITDA:**

EBITDA for 1Q05 increased 38% to Ps\$58.0 million, from Ps\$41.9 million reported in 1Q04. When compared to 4Q04, EBITDA grew 5% from Ps\$55.0 million.

EBITDA margin of 24% improved from 21% of 1Q04, and from 23% in 4Q04.





April 29, 2005

**CAPITAL EXPENDITURES:**

Capital expenditures for 1Q05 were Ps\$84.1 million, two and a half times the Ps\$24.0 million reported in 1Q04, and a 58% decrease when compared to Ps\$141.6 million in 4Q04.

**CASH POSITION:**

Maxcom's cash position at the end of 1Q05 was Ps\$37.4 million in Cash and Cash Equivalents, including Ps\$5.6 million of restricted cash in connection with a banking financing obtained in 4Q04, compared to Ps\$53.0 million at the end of 1Q04. Cash and Cash Equivalents at the end of 4Q04 were Ps\$66.3 million, including Ps\$5.6 million of restricted cash.

**NEW REPORTING FORMAT:**

Beginning this quarter, we are improving our quarterly reports to provide a more executive summary on the results and performance of the Company. We are also modifying this report to more closely align with information released by peers and competitors, in the telecom industry.

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*Maxcom Telecomunicaciones, S.A. de C.V., headquartered in Mexico City, Mexico, is a facilities-based telecommunications provider using a "smart-build" approach to deliver last-mile connectivity to micro, small and medium-sized businesses and residential customers in the Mexican territory. Maxcom launched commercial operations in May 1999 and is currently offering Local, Long Distance and Internet & Data services in greater metropolitan Mexico City, Puebla and Queretaro. The information contained in this press release is the exclusive responsibility of Maxcom Telecomunicaciones, S.A. de C.V. and has not been reviewed by the National Banking and Securities Commission of Mexico (CNBV). The registration of the securities described in this press release before the Special Section of the National Registry of Securities (Registro Nacional de Valores) held by the CNBV does not imply a certification of the investment quality of the securities or of Maxcom's solvency. The securities described in this press release have not been registered before the Securities Section of the National Registry of Securities held by the CNBV and therefore can not be publicly offered or traded in Mexico. The trading of these securities by a Mexican investor will be made under such investor's own responsibility.*

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*This document may include forward-looking statements that involve risks and uncertainties that are detailed from time to time in the U.S. Securities and Exchange Commission filings of the Company. Words such as "estimate," "project," "plan," "believe," "expect," "anticipate," "intend," and similar expressions may identify such forward-looking statements. The Company wants to caution readers that any forward-looking statements in this document or made by the company's management involves risks and uncertainties that may change based on various important factors not under the Company's control. These forward-looking statements represent the Company's judgment as of the date of this document. The company disclaims, however, any intent or obligation to update these forward-looking statements.*

(Financial Statements to follow)

April 29, 2005

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

**CONSOLIDATED BALANCE SHEET**

(Thousands of Mexican pesos “Ps” with purchasing power as of March 31, 2005 and thousands of US Dollars “\$”)

	<u>March 31, 2004</u>		<u>December 31, 2004</u>		<u>March 31, 2005</u>	
	<u>Pesos</u>	<u>US Dollars</u>	<u>Pesos</u>	<u>US Dollars</u>	<u>Pesos</u>	<u>US Dollars</u>
<b>ASSETS</b>						
<b>CURRENT ASSETS:</b>						
Cash and cash equivalents	Ps53,002	\$4,693	Ps60,720	\$5,376	Ps31,885	\$2,823
Restricted Cash	–	–	5,605	496	5,555	492
	<u>53,002</u>	<u>4,693</u>	<u>66,325</u>	<u>5,872</u>	<u>37,440</u>	<u>3,315</u>
Accounts receivable:						
Customers, net of allowance	139,469	12,349	117,866	10,436	127,173	11,260
Value added tax refundable	–	–	2,620	232	–	–
Other sundry debtors	14,761	1,307	29,802	2,639	17,892	1,584
	<u>154,230</u>	<u>13,656</u>	<u>150,288</u>	<u>13,307</u>	<u>145,065</u>	<u>12,844</u>
Inventory	18,898	1,673	11,412	1,010	12,110	1,072
Prepaid expenses	63,923	5,660	67,560	5,982	59,932	5,306
Total current assets	<u>290,053</u>	<u>25,682</u>	<u>295,585</u>	<u>26,171</u>	<u>254,547</u>	<u>22,537</u>
Restricted Cash Long Term	–	–	12,795	1,133	12,682	1,123
Frequency rights, Net	100,408	8,890	95,117	8,422	93,353	8,266
Telephone network systems & Equipment, Net	1,596,393	141,345	1,741,680	154,212	1,767,941	156,536
Preoperating expenses, Net	181,469	16,067	154,860	13,711	145,999	12,927
Intangible Assets, Net	395,982	35,061	369,391	32,706	349,813	30,973
Other assets	27,566	2,441	21,101	1,868	19,746	1,748
Total assets	<u>Ps2,591,871</u>	<u>\$229,486</u>	<u>Ps2,690,529</u>	<u>\$238,223</u>	<u>Ps2,644,081</u>	<u>\$234,110</u>
<b>LIABILITIES</b>						
<b>CURRENT LIABILITIES:</b>						
Interest Payable	Ps9,773	\$865	Ps8,585	\$760	Ps17,286	\$1,531
Accrued expenses and other accounts payable	157,170	13,916	228,397	20,223	262,672	23,257
Bank Financing	–	–	146,888	13,006	144,785	12,819
Customers deposits	2,204	195	2,613	231	2,458	218
Payroll and other taxes payable	56,794	5,029	47,344	4,192	51,367	4,548
Total current liabilities	<u>225,941</u>	<u>20,005</u>	<u>433,827</u>	<u>38,412</u>	<u>478,568</u>	<u>42,373</u>
<b>LONG-TERM LIABILITIES:</b>						
Senior notes, net	2,088,246	184,895	598,729	53,012	595,185	52,698
Bank Financing	–	–	28,033	2,482	11,175	989
Notes payable	15,019	1,330	31,465	2,786	3,995	354

Total liabilities	<u>Ps2,329,206</u>	<u>\$ 206,230</u>	<u>Ps1,092,054</u>	<u>\$ 96,692</u>	<u>Ps1,088,923</u>	<u>\$ 96,414</u>
<b>SHAREHOLDERS' EQUITY</b>						
Capital stock	1,860,000	164,686	2,441,863	216,205	2,441,863	216,205
Additional paid-in capital	1,558	138	874,335	77,415	874,335	77,415
Accumulated deficit	(1,587,569)	(140,565)	(1,587,569)	(140,565)	(1,717,722)	(152,089)
Net loss for the period	<u>(11,324 )</u>	<u>(1,003 )</u>	<u>(130,154 )</u>	<u>(11,524 )</u>	<u>(43,318 )</u>	<u>(3,835 )</u>
Total shareholders' equity (deficit)	<u>Ps262,665</u>	<u>\$ 23,256</u>	<u>Ps1,598,475</u>	<u>\$ 141,531</u>	<u>Ps1,555,158</u>	<u>\$ 137,696</u>
	<u>Ps2,591,871</u>	<u>\$ 229,486</u>	<u>Ps2,690,529</u>	<u>\$ 238,223</u>	<u>Ps2,644,081</u>	<u>\$ 234,110</u>

**NOTES TO FINANCIAL STATEMENTS:**

**Financial statements are reported in period-end pesos as of March 31, 2005 to adjust for the inter-period effect of inflation. For readers' convenience, all Peso amounts were converted to U.S. dollars at the exchange rate of Ps\$11.2942 per US\$1.00.**



April 29, 2005

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

**CONSOLIDATED STATEMENT OF OPERATIONS**

**YEAR 2004 AND 2005 QUARTERLY PERIODS**

**(Thousands of Mexican pesos "Ps" with purchasing power as of March 31, 2005 and thousands of US Dollars "\$")**

	January 1 to March 31, 2004			October 1 to December 31, 2004			January 1 to March 31, 2005		
	Pesos	US Dollars	%	Pesos	US Dollars	%	Pesos	US Dollars	%
Voice	165,619	14,664	84 %	191,976	16,998	81 %	199,884	17,698	81 %
Data	11,009	975	6 %	10,341	916	4 %	11,243	995	5 %
Wholesale	19,272	1,706	10 %	35,902	3,179	15 %	35,146	3,112	14 %
<b>TOTAL REVENUES</b>	<b>Ps195,900</b>	<b>\$ 17,345</b>	100%	<b>Ps238,219</b>	<b>\$ 21,093</b>	100%	<b>Ps246,273</b>	<b>\$ 21,805</b>	100%
Network operating services	49,592	4,391	25 %	54,062	4,787	23 %	56,826	5,031	23 %
Technical expenses	19,146	1,695	10 %	21,096	1,868	9 %	21,792	1,929	9 %
Installation expenses	2,375	210	1 %	3,600	319	1 %	4,964	440	2 %
<b>Cost of Network Operation</b>	<b>71,113</b>	<b>6,296</b>	36 %	<b>78,758</b>	<b>6,974</b>	33 %	<b>83,582</b>	<b>7,400</b>	34 %
<b>GROSS PROFIT</b>	<b>124,787</b>	<b>11,049</b>	64 %	<b>159,461</b>	<b>14,119</b>	67 %	<b>162,691</b>	<b>14,405</b>	66 %
SG&A	82,889	7,339	42 %	104,421	9,246	44 %	104,713	9,271	43 %
<b>EBITDA</b>	<b>41,898</b>	<b>3,710</b>	21 %	<b>55,040</b>	<b>4,873</b>	23 %	<b>57,978</b>	<b>5,134</b>	24 %
Depreciation and amortization	89,440	7,919		85,031	7,529		87,778	7,772	
<b>Operating Loss</b>	<b>(47,542)</b>	<b>(4,209)</b>		<b>(29,991)</b>	<b>(2,656)</b>		<b>(29,800)</b>	<b>(2,638)</b>	
<b>Comprehensive (Income)</b>									
<b>Cost of Financing:</b>									
*Interest expense	5,098	451		12,693	1,124		15,576	1,379	
**Interest income	1,255	111		2,251	199		(1,123 )	(99 )	
Exchange (income) loss, net	(16,503 )	(1,460 )		(27,223 )	(2,410 )		2,170	192	
Gain on net monetary position	(29,664 )	(2,626 )		(19,413 )	(1,719 )		(6,561 )	(581 )	
	<b>(39,814)</b>	<b>(3,524)</b>		<b>(31,692)</b>	<b>(2,806)</b>		<b>10,062</b>	<b>891</b>	
Other income (Expense)	(201 )	(18 )		998	88		71	6	

<b>INCOME (LOSS) BEFORE TAXES</b>	<b>(7,527 )</b>	<b>(667 )</b>	<b>703</b>	<b>62</b>	<b>(39,933)</b>	<b>(3,535)</b>
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Provisions for:

Asset Tax	3,312	293	11,634	1,030	3,172	281
Income Tax & Profit Sharing	485	43	264	23	213	19
<b>Total Provisions</b>	<b>3,797</b>	<b>336</b>	<b>11,898</b>	<b>1,053</b>	<b>3,385</b>	<b>300</b>

<b>NET INCOME (LOSS)</b>	<b><u>Ps(11,324)</u></b>	<b><u>\$ (1,003)</u></b>	<b><u>Ps(11,195)</u></b>	<b><u>\$ (991 )</u></b>	<b><u>Ps(43,318)</u></b>	<b><u>\$ (3,835)</u></b>
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**NOTES TO FINANCIAL STATEMENTS:**

\* Interest related to Senior Notes and Vendor Financing

\*\* Interest Income net of bank commissions

Financial statements are reported in period-end pesos as of March 31, 2005 to adjust for the inter-period effect of inflation. For readers' convenience, all Peso amounts were converted to U.S. dollars at the exchange rate of Ps\$11.2942 per US\$1.00.