

Q3 2026 Earnings Call

Company Participants

- Carlos Garcia Moreno Elizondo, Chief Financial Officer
- Daniel Hajj Aboumrad, Chief Executive Officer
- Daniela Lecuona, Chief Sustainability and Investor Relations Officer
- Oscar Von Hauske Solis, Chief Fixed-line Operations Officer and Chief Information Security Officer
- Unidentified Speaker

Other Participants

- David Lopez, Analyst, New Street Research
- Emilio Fuentes, Analyst, GBM
- Ernesto Gonzalez, Analyst, Morgan Stanley
- Gustavo Ferias, Analyst, UBS
- Jesus Romo, Analyst, GlobalData
- Marcelo Santos, Analyst, JPMorgan
- Phani Kanumuri, Analyst, HSBC
- Rogerio Araujo, Analyst, Bank of America
- Unidentified Participant
- Walter P. Piecyk, Analyst, Lightshed

Presentation

Operator

Good morning. My name is Caleb, and I will be your conference operator today. At this time, I would like to welcome everyone to the America Movil Third Quarter 2026 Conference Call and Webcast. All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer session. (Operator Instructions) Thank you.

I will now turn the call over to Ms. Daniela Lecuona, Head of Investor Relations.

Daniela Lecuona {[BIO 15302125 <GO>](#)}

Good morning, everyone. Thank you so much for joining us today to discuss our third-quarter financial and operating results.

We have on the line Mr. Daniel Hajj, CEO; Mr. Carlos Garcia Moreno, CFO; and Mr. Oscar Von Hauske, COO.

Daniel Hajj Aboumrad {[BIO 1898715 <GO>](#)}

Yeah. Thanks, Daniela. Welcome everyone. Thanks for being here in the third-quarter of 2026 conference call. And Carlos is going to make a summary of the results.

Carlos Garcia Moreno Elizondo {[BIO 1713687 <GO>](#)}

Okay. Thank you, Daniel. Good morning, everyone. Well, we had a the third-quarter with oil rises -- oil prices rising to a new peak in mid-September of our \$100 per barrel of WTI

crude. Long-term inflation expectations were duly affected, pushing rates up with the yield on 10-year Treasury notes accelerating its gains from the last week of August.

These factors, together with a particularly strong payrolls report for that month. That exceeded expectations were the main drivers of the Fed's decision on September 16 to increase its policy rate by 25 basis-points. The higher rates in the US supported a recovery of Dollar versus some currencies in our region of operations. The Mexican peso gave up in September all the gains it had posted versus dollar in the first two months of the quarter, 20 period down approximately 2.1%. The Colombian Peso managed to gain 3% in-part of it while the Brazilian real and the euro remain practically unchanged over the quarter. In the third-quarter, we added 3.1 million postpaid subscribers, roughly the average of the prior four quarters as Brazil led the way with 743,000 additions. Colombia followed with 348,000, Peru with 229,000, Mexico with 144,000, and Argentina with 126,000 subscribers. In the prepaid segment, we recorded 5 million net disconnections, primarily reflecting subscriber base cleanups in Mexico and Colombia. Notwithstanding the cleanups, we managed to post net prepaid subscriber gains in Eastern Europe, Argentina, Central America, and Ecuador that totaled 745,000 subscribers. In the fixed-line segment, we connected 390,000 new broadband accesses. Brazil was the main contributor with 94,000 additions, followed by Colombia with 67,000 and Argentina with 53,000. PayTV net additions totaled 50,000 units, with Eastern Europe and Central America accounting for most of the growth. Mobile postpaid and fixed-broadband accesses remain the main drivers of customer growth, increasing 8.9% and 5.6%, respectively compared to the year-earlier quarters. America Movil third-quarter revenue totaled MXN251 billion, 7.6% year-on-year increase with the EBITDA reaching 40.8% margin, a 0.5 percentage points increase from a year before. At constant exchange rates, service revenue was up 5.3% and EBITDA 6.7%. EBITDA continued to grow faster than service revenue. Service revenue growth resulted from mobile service revenue increasing 6.3%, very much in line with the pace observed prior three quarters, and fixed-line revenue growth accelerating to 3.7% from 2.7% in the prior quarter. On the mobile platform, postpaid service revenue increased 7.5% year-on-year at constant exchange rates, also very similar to that of the prior three quarters, while prepaid revenue rose 4.3%, slightly less rapidly than the pace of the preceding quarter, but very much in line with the prior quarters. Postpaid revenue growth accelerated in Mexico, Brazil and Colombia to 8%, 8.5% and 12% respectively, Growth rates in Chile and Peru also moved up to 11.5% and 7.5%, respectively. Operating profit as for prepaid service revenue growth decelerated in Mexico, partly reflecting the subscriber registration process mandated by the regulator, as well as in Brazil and Austria, but accelerated in Eastern Europe, Central America, Caribbean and Ecuador. Operating profit totaled MXN57 billion, up 13.9% from the year-earlier quarter. Outpacing EBITDA growth as depreciation and amortization charges rose only 3%. Although net interest expense were down 11.2% year-on-year, our comprehensive financing costs increased as a result of foreign-exchange losses of MXN3.6 billion in the period compared to foreign-exchange gains in the prior year. We posted a net profit of MXN34 billion in the quarter, 7% higher than in the year-ago quarter, bringing our year-to-date net income to MXN72 billion. In the nine months to September, our capital expenditures totaled MXN75.9 billion. They were fully funded by our cash flow, which also enabled us to reduce net debt in cash-flow terms by MXN34 billion and distribute MXN27 billion to our shareholders by way of share buybacks and dividends. Our labor obligations came down by MXN13 billion in the quarter. Our free cash flow was 41% higher than that of 2025, which in turn have been 47% greater than that of the year before. A rate share of the cash-flow went through the reduction of our net such that at the end of the quarter, our net-debt stood at MXN4.8 billion, excluding leases. It was

equivalent to 1.21 times net debt to EBITDA after leases, down from 1.52 times at the end of 2025. So with this, I will pass the floor back to Daniel so that we can begin the Q&A session.

Daniela Lecuona {[BIO 15302125 <GO>](#)}

Thank you, Carlos. And we can start with the Q&A.

Questions And Answers

Operator

(Operator Instructions)

Your first question comes from the line of Marcelo Santos with JPMorgan. Your line is open. Please go ahead.

Q - Marcelo Santos {[BIO 20444938 <GO>](#)}

Hi, good morning. Thanks for taking my questions. I think the first question I wanted to approach is the M&A pipeline and outlook for buybacks. I think in the Investor Day in New York, you mentioned that that was a priority. I want to know how is that pipeline if there is room to increase in buybacks I know we have been increasing so far, but I wanted to get a better feeling about the outlook there. And the second question is about Mexican broadband. I think there were a couple of different moving parts. I mean, this was a quarter where you -- the net-adds were much lower than in previous quarters. So just wanted to get -- understand what's happening there. But at the same time, the revenue growth was much stronger than in previous quarters. So just want to understand these moving parts in Mexican broadband. Thank you very much.

A - Carlos Garcia Moreno Elizondo {[BIO 1713687 <GO>](#)}

Thank you, Marcelo. Well, on the -- you were mentioning the Investor Day where we provided guidance really for the period '26 to '28, right? Here where we stated a leverage ratio that we intended to remain within, which was 1.5 times to 1.2 times to 1.5 times, which is basically where we have been and we said this had also to accommodate the share buyback was the overall distributions plus the M&A.

In this quarter, we are going to have important amount that we have to accommodate in the M&A front, which is the consolidation of [ph], as you know, the total value of the announced that is BRL1.4[ph] billion that although we still have not completed the 10-day offer, but it should be completed probably just after the turn of the year.

But for the most part that most of the BRL4 billion will be accounted for in the last quarter. And then also we have the last payment of dividends, which will take place in a couple of weeks, two, three weeks, which is in the neighborhood of MXN17 billion.

Okay. So those are the things that we have in the immediate -- in immediate time period. But as I said, the guidance that we provide is basically for the -- for the next -- for the overall -- for the next two years as well. And we don't have anything more in the M&A pipeline other than the acquisition in Peru that is waiting for regulatory approvals likely to be received until the second half of the year and we don't have anything else.

Colombia, it's not --

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Colombia that we think that it could be at the end of this so the -- and on the Mexico broadband, Oscar can talk a little bit more, but I can tell you that we have been growing good the last quarters, and what we do this last quarter We clean a little bit also our base -- people for us -- not consumer not paying or not consuming and we clean it up. So that's the reason why revenues are increasing, and the net adds are not as previous quarters. I don't know, Oscar,

A - Oscar Von Hauske Solis {BIO 2053819 <GO>}

No, it is worth to say, but I will add that we increased the speed of all the customer-base to be more competitive in the market and we are focused more on churn as well and not selling the customer-base. That's why we had a good increase in awareness, and we have how many in FDI already in fiber?

94% of the customers are already connected with fiber.

Q - Marcelo Santos {BIO 20444938 <GO>}

Okay. Thanks very much.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Thank you, Marcelo.

A - Carlos Garcia Moreno Elizondo {BIO 1713687 <GO>}

Thank you, Marcelo.

Operator

Your next question comes from the line of Phani Kanumuri with HSBC. Your line is open. Please go ahead.

Q - Phani Kanumuri

Thanks for taking my questions. The first question is on Argentina. You seem to have a very strong momentum there, but also there is a new operator now after Telecom Argentina has divested its assets. So how are you seeing the competitor scenario there and what do you expect from this new competition in Argentina?

The second question is more accounting-related. In your cash-flow statements, I observed that your taxes that you paid this year are lower than last year in the first nine months. Could you please specify what is driving it? Are you seeing better realization from these taxes? Thank you.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Well, talking a little bit about Argentina, well, yes, I think it was a very good quarter for Argentina. We have been investing for a long-time. We have a very good 5G network. We have also a lot of broadband and the telephonic and telecom has merged. I think they already approve it, but they have been -- we know that since maybe one year.

So I think it's a good market. The economy is improving, things are going good with us. So we are taking advantage on that. So we have good quality, good networks, good distribution, a very good data center for corporate businesses and that's the reason why we are growing there.

A - Carlos Garcia Moreno Elizondo {BIO 1713687 <GO>}

Okay, and on the the question of of the taxes paid they basically have to do partly with some. The money that we receive back from the tax authorities in some countries of Mexico are partly something having to do with some limited measures that we've done and then something having to do basically with the cash flow during the year: how much you pay for the year vis-a-vis how much you pay in the annual amount. So whenever you have paid too much during the year based on the formula that we have in different countries, and I think this is the most important thing. Then at the -- at the moment that you present your annual returns, then you basically get some credit back, okay. So that's -- it basically has to do with that.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

No Thanks. And adding a little bit more on Argentina, so there they approved the merge and the remedies we understand that there is a new company called Metropale[ph], there's going to move 6 million subscribers. There's only -- there's not going to be a new network. It's like I think it's going to be like an MVNO, 200,000 broadband subscribers and they have to do it in 18 months.

So well, there's a lot of things going on in Argentina, but we are well-prepared to still grow and that we are good in corporate business. We have a very good fiber network, doing good in broadband and in 5G and spectrum and the network also quality and we're doing okay. So let's see what's going to happen.

Q - Phani Kanumuri

Yeah, thanks for answering my questions.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Thank you Phani.

Operator

Your next question comes from the line of Walter P. Piecyk with Lightshed. Your line is open. Please go ahead.

Q - Walter P. Piecyk {BIO 1510511 <GO>}

Thanks. What do you guys expect Tel Avisa to do differently? After they buy or if they complete the purchase of the AT&T assets in Mexico?

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Well. It's difficult to say I think AT&T was a strong competitor, do a lot of things. Well, it's one of the biggest companies in the US and do a lot of things in Mexico. I think television is also going to be a strong competitor. We think that's going to happen. But at the end of

the day, we need to do what we have been doing for a long time. We need to have the best network, good investments, 5G coverage, a good-quality. We have a

A - Unidentified Speaker

Almost 700 customer care centers, a good to take care of the people, our customers. So all of this distribution with Telcel is a very strong brand in Mexico. So all of that, we need to follow that and still do what we have been doing. We don't know exactly what they are going to do, what they are going to change or what's going to be their strategy. Let's see what's going to happen when they authorize and take the operation of the company.

What, as I told you, AT&T used to be -- Juasa [ph] is a strong competitor and I'm sure that Televisa is going to be also a strong competitor. So we still need to do what we have been doing reinforce our investment take -- train our people, more salespeople, more distributors, all of that, we have to still focus on that and do what we have been doing for the last years.

Q - Unidentified Participant

Got it. And then I guess, Carlos on CapEx. I think in the past, you've cited currency moves having an impact on CapEx. Given the more recent currency move, of the dollar recovering, does that give you more room to change CapEx there or is MXN7 [ph] billion the number? Or like how do you what type of moves, I guess, in currency (Multiple Speakers) have an impact.

A - Unidentified Speaker

You'll see.

Q - Unidentified Participant

Yeah, go ahead [ph]

A - Unidentified Speaker

Sorry, what do you see this year we have less CapEx and it's exactly because what you are saying, we give a CapEx in dollars to the subsidiaries and then the movement of the currencies make -- that we have less CapEx in pesos. So at this time, we don't need to move the CapEx to do more. Some countries are exceeding a little bit their budgets, other ones they are not exceeding.

So we all overall we said MXN7 billion, 5% plus, 5% less and it's where we are and I think for next year, we're going to have the same MXN7 billion, something like that and we are still making. I don't know, if we need to do a little bit more or a little bit less. We haven't finished our budget, but no major changes in CapEx. So that's what we have been doing. And what we.

Q - Unidentified Participant

Okay.

A - Unidentified Speaker

Budgeting for next year.

Q - Unidentified Participant

Great. Thanks, Daniel. Appreciate it.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Thank you.

Operator

(Operator Instructions) Your next question comes from the line of Gustavo Ferias with UBS. Your line is open. Please go ahead.

Q - Gustavo Ferias

Hi, everyone. Thanks for taking my questions. So two on my end, on Brazil competition, so we see in Brazil mobile trends improving this quarter. Do you believe the competitive environment is stabilizing or promotional pressures are still increasing? And my second one on Convergent offers. In Brazil, we've seen mobile service revenue accelerating, but fixed service revenue has slowed down.

So my question is, as convergence becomes more relevant, and you believe investors should focus more on the total of service revenue, and not maybe only on or more focused on mobile service revenue alone. Thank you.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Well, let's talk a little bit about Brazil, we have a lot of competition. That's no doubt there's a lot of competitors. There are different competitors in mobile, and we have other competitors in broadband fiber, TV. So it's a lot of competition there. So if you are telling -- I think in mobile, we are stabilizing a little bit the promotions, but we don't know what is going to happen on the third-quarter -- in the fourth-quarter. It's coming Christmas and all of that.

So we don't know what is going to happen. I don't know what the competitions are going to do, but I think and all of them wants to have a long-term view, not only so maybe they have promotions, but there will be some promotions, not reducing price for for a year or two years. So let's see what we're going to get-in the fourth-quarter in promotions, but that's what it is. In the broadband business and the TV business, there's a lot -- as you know, there's a lot of companies with fiber that they call them Fibreros in ISPs in Brazil.

So we are growing good. We grow 90[ph] a broadband subscribers that that's good for us. And maybe we have more promotions that we used to do, but those promotions should have some time, and then the revenue will come a later. We are working very hard because we are Taking desktop in 1st of October. So I see I think we have a lot of synergies and we're going to have also good synergies on the commercial side, where we can sell to these customers, other products that we have and to some postpaid or mobile customers that we have, we can sell also where we have fiber as Disney [ph] because desktop has around 4.8 million have [ph] home passes and made more than half of that, we are not those areas.

A - Unidentified Speaker

A greenfield.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Exactly. So, we're going to have a lot of opportunities there and that's what we're focusing. So these next six months, we want to integrate the company and take advantage as much as possible to all these desktop subscribers that we have and the mobile that we -- where we don't have a footprint of fiber to give and offer fiber to them.

A - Unidentified Speaker

Yeah. And just a comment there [ph] We haven't made any changes in the allocation of Fixed Line revenues as per the different services, okay. So as you know, between broadband and Pay TV and voice, we haven't made any changes in the ways that we allocate already.

Q - Unidentified Participant

All right. Very clear. Thank you guys.

A - Unidentified Speaker

Thank you.

Operator

Your next question comes from the line of Rogerio Araujo with Bank of America. Your line is open. Please go ahead.

Q - Rogerio Araujo {BIO 22909572 <GO>}

Hi, guys. Thanks a lot for the opportunity. I have a follow-up on the Brazilian market regarding pricing outlook and also new sales autonomy. Given the limited front book price increases this year. How do you see the pricing outlook for next year? And if you could be more specific on unlimited prepaid as well, we noticed that Vivo and then TIM [ph] they took it out from their plans if could follow and then if there is any expectation of prepaid price increase after several years of flattish prices? And also if you could, there was a little bit on the strategy for pricing of a new sale if they have full autonomy or if participates in those decisions, and what to expect for -- looking into '27? Thank you so much.

A - Unidentified Speaker

The first one NuCel, I think we have a -- an agreement with them and they can do whatever they want to do

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Is inside this agreement, okay, but no, they can decide their prices alone. But if they do, let's say -- if they reduce the price, I don't think we're going to reduce the cost. So they have -- they are going to manage their prices on the area that they can do it. So that's what the agreement that we have with NuCel. I think they are doing good.

They have a good customer base, and they are still growing and doing good as an MVNO. So NuCel is doing okay. On the promotions, and WhatsApp and prepaid promotions. It's -- sometimes it's very difficult to increase the price of the card. So while I think it's better if

you want to increase the prices to take out some promotions and that's what we do on the WhatsApp inside the card.

So you take promotions, and it's a little bit increasing the price. So I think that's more or less the way to do things in prepaid because if you sell at 100 card, it's difficult to do it at 103. So it's not so easy. You can do it, but it's not so easy. So sometimes it's better. I'm not saying that always sometimes it's better to reduce the duration.

The raise, the time of the card. So that's the way to increase price or do it or take out some promotions or increase the card or take out some gigas or put. So there's a lot of things. And in postpaid, wells, you can increase price. I don't know. I can lie to you if I can tell you what is going to be our price strategy for next year. Of course, there is inflation in Brazil, costs are increasing, but I don't know if we are going to be allowed -- allowed means competition to increase or not increase prices.

So still we haven't discussed that. And where we -- by we're sure that costs and are increasing, but we don't know still if we are going to increase or when we are going to increase prices or take-out some promotions. So that's what we have. What I can tell you is that the promotions in in broadbands are high as they -- and where we're going to still and we will remain competitive and do what we need to do to be stay competitive in all the segments in Brazil. So that's what we do and what we're going to do this year and next year.

Q - Rogerio Araujo {BIO 22909572 <GO>}

Okay, that's very clear. If I may, one follow-up on the agreement with NuCel, that you mentioned. You mentioned the cost and if they reduce price, not necessarily this cost will reduce. But is this cost with collater [ph] increases by inflation on an annual basis or any other rates? Is there an automatic inflation pass-through on those costs?

A - Unidentified Speaker

I don't remember the agreement, but I don't remember the agreement that we have with NuCel, but don't know if it said inflation or effect with two years. I don't know, I don't remember really the agreement that we had with them.

Q - Rogerio Araujo {BIO 22909572 <GO>}

Okay. No worries. Fair enough. Thanks very much and congratulations on the results.

A - Unidentified Speaker

Thank you. Thank you very much.

Operator

Your next question comes from the line of Jesus Romo with GlobalData. Your line is open. Please go ahead.

Q - Jesus Romo {BIO 3517912 <GO>}

Good morning. Congratulations on the results and thank you for taking my questions. I have a couple of questions about the dynamics of postpaid and prepaid in Mexico. And I'm wondering, if you could add more color. The first one is regarding postpaid. I see that

you had a substantial growth in net adds over 140,000, which is one of the best quarters lately and 8% increase in postpaid revenue. I wonder if you could add some color on what are the dynamics that are pushing postpaid forward in terms of both subscriptions and revenue, if it's related to IoT to renewals or clients demanding more data. And on prepaid, just to clarify, if part of the net losses that you posted for this quarter are related to the prepaid registration mandate in Mexico. Thank you.

A - Unidentified Speaker

Well, we're talking about postpaid, I think in postpaid, we're doing an excellent job. I can tell you that, all the customers that are coming to renew their plan in our customer care centers are moving half of them are moving to a better plan. That's a good ARPU and that's the reason why revenues are increasing. So we have a source of revenues, new customers, but other source of revenue is that the customers are jumping to a new plan and that's a -- and that's better for them, better for us.

The second is the migration from prepaid to postpaid. We're having more and since the registration of the of the number, I think more people are

A - Daniel Hajj Aboumrads {BIO 1898715 <GO>}

Are coming from prepaid to postpaid and people is using also more from 4G to 5G. So I think we are the only ones who has a very good 5G and coverage network in Mexico, and that's what you are seeing. So that's more or less what -- what we have in postpaid.

And in prepaid, well, we have a disconnections, and their disconnections that sometimes it's people that only use one time; they take the card and move it. So those are people that we are disconnecting and we still are in the process of registering all the numbers. It's every 15 days; it's a new number that people have to register until the end of December and well, still a long way to go there. But yes, people are -- some people are not -- people that are consuming are not also a wants to register. But well, that's what we have there and and I think at the beginning, we are going to have a little bit of reduction on the prepaid revenues, but in the mid run, I think this is going to recover.

So that's what we have. So people is taking more time to register their number. But at the end of the day, I hope and I don't think that people is going to stay without home or without connected because of the registration. So it's going to take time. Maybe in the short term, we can have like a slowdown a little bit on the -- on the revenues on prepaid, both in the mid and long, then we're going to recuperate that.

So that's what -- that's the way I'm seeing things, okay. In the other side on postpaid, things are going very well and people is consuming and upselling and doing good.

A - Carlos Garcia Moreno Elizondo {BIO 1713687 <GO>}

Just to add to what I'm really saying the -- our ARPU posted ARPU growth in Mexico in the quarter we see is that for the last three years at least, we are seeing a continuous acceleration of approvals, which is quite significant.

Q - Rogerio Araujo {BIO 22909572 <GO>}

Yeah. Thank you. One follow-up, if I may. Regarding postpaid, I understand that these are mostly like consumer trends. But do you see that the corporate of the B2B side of the

operation is also helping the postpaid

Q - Jesus Romo {BIO 3517912 <GO>}

Revenue in this year.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Yes, we're having more -- more corporate -- the corporate is helping a lot on the peaks -- on all these data center clouds, and all these services is growing very good this quarter in the fixed side and also is doing good in the -- in the mobile. So we are -- we are -- yes, yes, as you are asking, yes, it's been good corporate customers.

Q - Jesus Romo {BIO 3517912 <GO>}

Excellent. Thank you.

Operator

Your next question comes from the line of David Lopez with New Street Research. Your line is open. Please go ahead.

Q - David Lopez {BIO 20084277 <GO>}

Hi, thanks for the opportunity and congrats on your results. Just one question on Colombia, please. And it's another very strong quarter for Colombia. And I was wondering if you can comment on what's working well there and also comment on the ARPU growth this quarter and how sustainable this kind of performance is in Colombia? Thank you.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Well, in Colombia, if we go back five, five years ago, when one enters, they do crazy promotions with a lot of data that hurts all the market, but well, that passed and -- We have been since that we have been growing and we have been doing good. We do and we focus as we're focusing in Mexico, a good network, good customer retention, good upselling.

We have a lot of upselling there, very good upselling, and one of the things that we have is we have the biggest 5G network because they launch -- they launch the -- well, they sell the spectrum and we do we start to do 5G since the beginning. So we don't have to wait to do the network. We already do and invest in the 5G network.

So we were the first starters in Colombia in the market, and that is helping us. That's the reason. We have a very good coverage. We have a good network and we're growing also very, very, very good. So that's what you are seeing in Colombia.

Q - David Lopez {BIO 20084277 <GO>}

Very clear. Thank you. And maybe a quick follow-up. While you mentioned spectrum, what is the next big auction coming in your main markets, please?

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Where -- in which country?

Q - David Lopez {BIO 20084277 <GO>}

Across your markets, which one will be the largest ones coming?

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

I think we have

A - Unidentified Speaker

I don't remember exactly, but I think we have something in Honduras or for the end of the year and end of this year to do 5G, but nothing. I don't remember all other options.

Q - Unidentified Participant

Okay. Thank you very much.

A - Unidentified Speaker

We don't need it. We don't need it at this time. So we good.

Q - Unidentified Participant

Very clear. Thanks.

Operator

Your next question comes from the line of Ernesto Gonzalez with Morgan Stanley. Your line is open. Please go ahead.

Q - Ernesto Gonzalez {BIO 23965839 <GO>}

Hi, thank you for taking our question. Just talking about the smaller markets. You also delivered strong results in Peru and Ecuador. Anything to call out here or in any of the other markets we didn't discuss? Thank you.

A - Unidentified Speaker

I think, well, I think we're doing very good in Ecuador. Ecuador is growing good. We have a strategy on fourth play. We're doing fiber. It cost us a lot of time to understand the peaks business in Ecuador. What I think we have been having like maybe two years doing good, increasing our fiber footprint, taking good customers, giving TV. So all of that is working good. And the economy of Ecuador is also improving. That's why we have a very good increase in the pre -- postpaid -- sorry, prepaid ARPU also increasing revenues.

So things are going better in the economy and we are doing better in fixed, and in mobile. Starting also in corporate customers there. So while Ecuador has been doing good, all Central America, we have outstanding -- results in Central America, growing in all the countries, moving a lot more on fixed [ph] moving in 5G, all of all of Central America is doing good, reducing a lot cost and expenses. All these small countries, we are really -- not the small countries and something that we haven't talked about is that, we have been improving a lot in cost and efficiencies with some of AI platforms that we think are very convenient for us. So we are understanding more our customer and doing a lot more things on the cost of call centers, cost side and all of that.

So we are having like a big strategy and cost control with all AI platforms and Oscar can talk a little bit on that.

A - Oscar Von Hauske Solis {BIO 2053819 <GO>}

As you mentioned, we are focused on the main agents and help us to reduce costs.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

And we are more focused on customer interactions and some part of the network that has been helping us to reduce costs in call centers and maintenance in the network.

A - Carlos Garcia Moreno Elizondo {BIO 1713687 <GO>}

And content the customer faster and solving the problem faster on the content, let's say in the broadband, AI is helping us to go faster to solve the problem, to attend our customer. All of these things were improving, and we have like a three-year plan to improve every day-on all of these areas.

So that's Peru, Peru is doing also good. We have more competition, but Peru is doing also good. We have the the third -- at the third operator that is very aggressive in pricing, but we have convergence, we have all of that, and we hope that we can close our company that we buy and consolidate it as soon as possible.

In Peru also.

And just -- and what Daniel was saying on Central America, just to give you an idea, revenue growth -- service revenue growth in Central America in the quarter was 11.4%, and EBITDA growth again in the region was 16.1%. Okay. So Central America, which is a collection of small countries, as you would say about. It's a very significant block. It is doing extremely well and area with a very stable currencies and very resilient growth.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Yeah. Good.

Q - David Lopez {BIO 20084277 <GO>}

Really clear. Thank you.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Thanks.

Operator

Your next question comes from the line of Emilio Fuentes with GBM. Your line is open. Please go ahead.

Q - Emilio Fuentes

Hi, thank you for taking my question. My question is regarding the acquisition of AT&T. There's been rumors circling around of how Televisa could bundle both its current services with AT&T's mobile services. Related to this, do you expect to receive permission to also offer both fixed and mobile service bundled in Mexico? Thank you.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

Well, I think, yeah it's they already have they are going to have all the services and I hope the the government and will allow us to do all the services also. So I think they should do it. There is no reason

A - Unidentified Speaker

Not to do it.

Q - Unidentified Participant

Thank you. Very clear.

A - Unidentified Speaker

And as I told you again, I think strategies are okay, but then you have to have a lot more things on not only a bundled strategy, then you have to have good coverage, good networks, good distribution, customer care centers. You have to have a lot of things. And well, that's something that we have been working and we're going to still work on that, know [ph].

Q - Unidentified Participant

Thank you again.

Operator

Thank you. We have reached the end of the Q&A sessi

Q - Ernesto Gonzalez {BIO 23965839 <GO>}

On. I will now turn the call back over to Mr. Daniel Hajj for final remarks.

A - Daniel Hajj Aboumrad {BIO 1898715 <GO>}

I just thank everyone for being in the call. Thank you very much.

A - Unidentified Speaker

Thank you all. Thank you. Thank you.

Operator

This concludes today's conference call. You may now disconnect.

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