



CIE announces an Agreement to sell a Majority Ownership in the “live entertainment” segment of its South American operations

Mexico City, May 8, 2007 - Corporación Interamericana de Entretenimiento, S.A.B. de C.V. (“CIE”, or “the Company”) (BMV:CIE) announced today that it has reached an agreement to sell a majority participation of its shareholder ownership in its “live entertainment” businesses in Brazil, Argentina and Chile to a group of investors headed by Mr. Fernando Alterio, current CEO and Partner of CIE in Brazil, and Gavea Investimentos.

- With this transaction, CIE will pass from an original position of 85% in Brazil, 100% in Chile and 100% of the “live entertainment” in Argentina, to a 24% economic interest in the whole business, now grouped into a company called (“Newco”);
- The resources generated by the transaction to CIE are of approximately US\$ 150 million;
- The transaction does not include the radio stations and the zoo in Argentina;
- The net resources obtained from the transaction will mainly be used to reduce the Company’s level of debt, and therefore strengthening its financial structure;
- As a result of the transaction, CIE and Newco will have a strategic alliance to capitalize on the existing synergies and enhance the “live entertainment” business throughout the region. CIE will focus on taking advantage of its fast growth opportunities in Mexico;
- Mr. Alejandro Soberon Kuri, current Executive President and President of the Board of Directors of CIE, will be a member of the Board of Directors of Newco.

Mr. Alejandro Soberon Kuri said: *“we are very satisfied reaching an agreement with this new Multinational Brazilian Corporation leaded by Fernando Alterio, converting our equity participation into a minority presence in the live entertainment business in South America, and benefiting from its performance and expertise, but also reinforcing our commitment to ensuring that our resources are focused on our core growth businesses in Mexico”.*

Mr. Fernando Alterio said: *“this transaction transforms and strengthens our already successful business model by enabling us to consolidate our position in the market and to capitalize in other fast growing opportunities, such as motor sports, corporate communications and below the line marketing within the South American region. We are very pleased to count with the support of Gavea Investimentos, renowned for its excellence in fund management in addition to CIE’s unquestionable expertise in the entertainment field and our key commercial partners backing and strength in the region;*

Mr. Arminio Fraga said: *“Gavea Investimentos is pleased to join with Mr. Fernando Alterio and CIE as partners in the largest entertainment company in South America. The association between Fernando Alterio and CIE has proven to be very successful and Gavea is honored to join them for this next phase of growth. Our motivation stems from the potential of the entertainment industry in the region combined with Fernando’s excellent leadership and CIE’s longstanding experience in the sector”.*

* * * * *

ABOUT CIE

Created in 1990, Corporación Interamericana de Entretenimiento, S.A.B. de C.V. (CIE), today is the leading “out of home” entertainment company for the Spanish- and Portuguese-speaking markets in Latin America. Through a unique, vertically integrated structure, the Group participates in each of its recreational and leisure products and services businesses.

These services and products mainly include the operation of entertainment centers, the Las Americas Racetrack and amusement parks, the promotion and realization of a wide variety of events, the promotion of commercial fairs and expos, the sale of sponsorships, publicity, and food and beverages for those events, and centers for public shows.

CIE is a publicly traded company whose shares have been traded on the Mexican Stock Exchange since 1995 under the ticker “CIE B.”

ABOUT GAVEA INVESTIMENTOS

Gávea Investimentos is a Brazilian independent investment firm, founded in 2003 by Arminio Fraga, former head of the Central Bank of Brazil (1999-2002) and former Managing Director for Soros Fund Management in New York (1993-1998).

Gávea manages three hedge funds, including one Brazilian domestic fund, two illiquid strategies funds, and a number of managed accounts. The total amount managed is around US\$4.5 billion.

The firm, based in Rio de Janeiro, has seventy-two employees (from which 17 are partners) with proven track records in international and local markets.

Gávea was recently announced as part of the consortium that purchased McDonalds operations in Latin America.

As a precautionary note to investors, except for the historical information contained herein, certain subjects discussed in this document are considered to be forward-looking statements. These subjects assume risks and uncertainties, including economic conditions in Mexico and other countries where CIE operates, as well as fluctuations in the value of the Mexican peso in comparison with the United States dollar.

CIE CONTACTS:

Jaime J. Zevada
Corporate Finance Director

Jorge F. Padilla
Investor Relations

Conrado M. Ramírez
Communication with Financial Groups

E: inversionistas@cie.com.mx
T: +52 (55) 5201-9000

OUTSIDE CONTACT:

Jesús Martínez Rojas
IR Communications
E: jesus@irandpr.com
T: +52 (55) 5644-1247