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**Corporación Interamericana de Entretenimiento, S.A. de C.V.
Granted Mexico City Racetrack Concession**

Mexico City, July 8, 1998 - Corporación Interamericana de Entretenimiento, S.A. de C.V. ("CIE" or "the Company") (BMV: CIEB) Latin America's leading live mass entertainment company, today announced that it had been awarded the concession to operate Mexico City's *Hipodromo de las Americas* racetrack ("Hipodromo"). On December 20, 1996, the local Mexican government called for bid proposals regarding the operation of the Hipodromo. The auction took place during the months of April and May 1997, at which time CIE tendered a bid via its subsidiary, OCESA.

On May 16, 1997, the government had awarded the concession to ECE-MAXXAM, a holding company for theme restaurants. However, on August 6, 1997, ECE-MAXXAM declined the concession, which was then awarded to OCESA as the next best qualified bidder.

This award was granted in September 1997, and Administradora Mexicana de Hipódromo, S.A. de C.V. ("AMH"), a newly-formed and 100% CIE-owned subsidiary, received permission to operate the Hipodromo. Finally, on June 30, 1998, following extensive negotiations with the various parties involved in the transaction, the government finalized the terms of the concession to AMH.

The contract includes the following:

- The settlement of current labor conflicts and labor payments to the Hipodromo's union workers which had not been resolved by the Hipodromo's previous operator
- A 25-year concession for the renovation and inauguration of the Hipodromo by AMH

Besides the operation of horse racetrack, it is intended that the new enlarged and upgraded Hipodromo entertainment complex will include a five-star hotel, a convention and exposition center, family and cultural entertainment centers, among others. Thus, the new Hipodromo constitutes a whole new dimension in integrated recreation, entertainment, exposition and lodging facilities in Mexico City.

This project is expected to require an eventual capital investment of approximately Ps. 1,350 million (US\$ 150 million¹). The first phase is budgeted at about Ps. 400 million (US\$ 45 million) for equitation

¹ At the rate of US\$1 = Ps. 8.953 on July 7, 1998.

and entertainment activities. Subsequent investment, expected to be approximately Ps. 950 million (US\$ 100 million), will be used on an as-needed basis.

CIE is inviting domestic and international strategic partners to participate in this project. The identity and the roles of those parties will be announced within the next few weeks. Additionally, there will also be investors who will handle the non-entertainment-related aspects of the project.

The first phase of the Hipodromo's grand opening is projected for the end of 1998, upon the completion of renovation and construction of the new facilities. This new project is expected to offer CIE and all of its subsidiaries future opportunities for the development of joint activities, thus increasing revenues for both AMH and for CIE's existing subsidiaries.

Company Description

CIE is the largest publicly traded, live entertainment holding company in Latin America. With headquarters in Mexico City, CIE has subsidiaries in three main business areas: entertainment, commercial and services. These divisions encompass nearly all aspects of the live entertainment industry, from the operation of entertainment centers such as theatres, auditoriums and stadiums, to the promotion of concerts and sporting events and the organization of fairs and expositions. The Company also sells tickets for entertainment events via its computerized systems, *Venta de Boletos por Computadora*, a *Ticketmaster* affiliate, and markets goods and services through its telemarketing subsidiary, *Grupo Sitel de Mexico*.

Statements included in this report regarding the Company's business outlook and anticipated financial and operating results or regarding the Company's growth potential, constitute forward-looking statements and are based on management expectations regarding the future of the Company. These expectations are highly dependent on changes in the market, general economic performance of the home country, industry and international markets; therefore, they are subject to change.