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**CIE ENTERS THE ENTERTAINMENT BRAZILIAN MARKET  
VIA STRATEGIC ALLIANCES WITH RENOWNED LOCAL COMPANIES**

Mexico City, April 22, 1999 - Corporacion Interamericana de Entretenimiento, S.A. de C.V. ("CIE" or "the Company"), Latin America's leading live entertainment company, today announced that after several months of negotiations, it has concluded a series of agreements and strategic alliances in Brazil. The majority of these operations will be consolidated by its wholly-owned subsidiary Grupo CIE Brasil, S.A. ("CIE Brasil"). These agreements and alliances include:

**HIGHLIGHTS**

- **The integration of a consortium created for the operation of entertainment venues in Brazil, formed by leading firms in the Brazilian entertainment industry**
- **This consortium will initially operate two renowned entertainment venues in Sao Paulo: *the Palace*, which has been in successful operation for 16 years, and *Credicard Hall*, to be one of the largest and more versatile entertainment venues in Latin America, scheduled to open this year**
- **An exclusivity agreement for the promotion of international events and musicals in *Via Funchal*, a modern theatre in Sao Paulo**
- **The acquisition of 50% of the rights for static and rotational advertising on the side line barriers of *Liga Paulista de Futbol Brasileño* soccer league games, through Grupo VR of Brazil**
- **An exclusivity agreement until 2001 for the presentation of *Disney on Ice* shows in various cities of Brazil, Argentina, Chile and Uruguay**
- **Potential revenues from these operations are estimated at US\$ 11 million for 1999, and US\$ 40 million for 2000**

Alejandro Soberon Kuri, CIE's Chairman of the Board and CEO, stated, "We proudly announce that after many years of analyzing the Brazilian market, we have finally grouped a series of strategic alliances with a variety of key, influential companies in Brazil's entertainment industry, with the potential to control most of them through Grupo CIE Brasil. In addition, we have taken the first solid steps towards the consolidation of our presence in the largest Latin market by creating the critical-mass needed to replicate our successful business formula, which will also result in important barriers

to entry for competitors.”

### ***The Integration of a Consortium: A Strategic Alliance with Stage Empreendimientos***

Stage Empreendimientos ("Stage"), a consortium created for the operation of entertainment venues in the Brazilian market, is currently composed by various shareholders. Grupo CIE Brasil has a 30% participation. Musiarte Participaciones, controlled by Mr. Fernando Alterio, has a 25% participation, and is the founding company of the Palace and one of the leading operators and promoters in the Brazilian entertainment industry. Mr. Nizan Guanaes, has a 18.5% participation and is president of DM9DDB, the largest advertising agency in the Brazil, in terms of number of advertisers, and winner of the 1998 Cannes Award for Best Advertising Agency. Icatu Holding, has an 18.5% participation and is the third-largest Brazilian investment bank and subsidiary of Grupo Icatu, a highly-diversified group with interests in the financial, real estate, insurance, communications and entertainment sectors. Finally, Koema Empreendimientos y Participaciones, a specialized Brazilian real estate company, has a 8% participation.

Via Stage, CIE Brasil will participate in the operation of two of the largest entertainment venues in Brazil, Credicard Hall and the Palace. In addition, through CIE's Argentine promoter, CIE R&P, the Company will enjoy a 5-year exclusivity contract for the promotion of international events and musicals that take place in Credicard Hall.

Credicard Hall, which is scheduled to open during the last four months of 1999, will move on to become the largest entertainment venue in Brazil and one of the largest on Latin America, with capacity for up to 7,500 people. Credicard will be designed with the flexibility to adapt for any type of show or event, relying on state-of-the-art technology and comfort, which has not previously existed in Brazil. The Palace, in its own right, has served for 16 years as the stage for over 3,300 local and international performances, as well as conventions, fashion shows and various conferences. Currently, the Palace has capacity for 1,700 people.

For the integration of this consortium, CIE Brasil signed an association agreement with Stage in which CIE acquired 30% of Stage, through a capital increase subscription. The operation represented an amount of US \$7.75 million.

Upon initiating operations in Credicard Hall, annual revenues for Stage are expected to reach approximately US\$18 million. CIE will report Stage's financial results in its financial statements under "equity in earnings of affiliates". However, and as part of the association agreement, CIE has an option to purchase an additional 40% of Stage, for a six-month period after the inauguration of Credicard Hall, thus raising the Company's stake to 70%. At this time, Stage's results would be fully consolidated in CIE's financial statements. Potential revenues for CIE R&P resulting from the exclusivity agreement for the promotion of international events and musicals in Credicard Hall, are estimated by the Company at approximately US\$ 1.2 million for 1999, and US\$ 3.6 million for the year 2000.

### ***21-Month Exclusivity Agreement for the Promotion of International Events and Musical in Via Funchal Theatre***

CIE-R&P established a 21-month exclusivity agreement with Via Funchal Empreendimientos Ltda. ("Via Funchal"), for the promotion and production of all international performances that take place in the Via Funchal theatre. For the first seven months, the various events under the terms of this agreement include the following: all types of concerts, artistic and cultural performances, family and children's events, after which the Company has the option to produce Broadway musicals for a 14-month period, in particular Disney musicals such as *The Beauty and the Beast*, which has already

been successfully produced by CIE in Mexico City, and currently in Buenos Aires. Via Funchal is a highly modern theatre in Sao Paulo, with seating capacity for up to 6,000 people.

For 1999, CIE estimates approximately US\$ 3.2 million in revenues during the first seven months, from the promotion of international events and souvenir sales. The Broadway musical could potentially generate approximately \$10 million, just for the last nine months of 2000.

"Through the joint promotions and productions in the Credicard, the Palace and the Via Funchal theatres, CIE will generate a substantial influence in Sao Paulo, thus permanently including this location to our Latin American circuit," stated Alejandro Soberon Kuri.

### ***Acquisition of 50% of the Rights for Static and Rotational Advertising of Liga Paulista de Futbol Brasileiro Soccer League Games***

CIE Brasil purchased 50% of the rights for rotational and static advertising on the side line barriers for *Liga Paulista de Futbol Brasileiro* soccer league games for the 1999 season. This league is the most important and representative of the seven Brazilian soccer leagues. Through an association with Grupo VR of Brazil ("Grupo VR"), both companies will jointly market the rights of this type of advertising the League, which includes 16 teams, for six months. The operation of the business will be managed by CIE, and expenses will be shared on a 50-50% basis. Revenues for CIE's 50% of the rights are expected to reach approximately US\$2.5 million for 1999, an amount which could importantly increase during the following years.

Pablo Cañedo White, general manager of Ocesa Deportes, CIE's sports event promotion and operation subsidiary, stated, "Entering into the Brazilian soccer market, the major recreational activity in the country, jointly with Grupo VR, one of the most influential commercial groups in the various areas of entertainment, including sports, represents the successful entrance of the Company into this market. In addition, it signifies our first step in the consolidation of the rotational advertising business in the largest market in South America. We believe that this market is highly underdeveloped considering that there are currently seven professional leagues in Brazil and three championships coupled with three regional Cups annually."

Grupo VR, with revenues of US \$1,200 million during 1998, is currently composed by five major divisions, four of which are focused on commercial and financial services, including one in the entertainment sector, which focuses on soccer, music and the Sao Paulo Carnival. The fifth division manages the Group's minority participation in other companies and sectors.

"Via this agreement, CIE and VR will jointly market the rights to all static and rotational advertising for the most important and symbolic tournament in Brazil, including games broadcast by TV Globo and Bandeirantes, as well as cable network transmissions such as ESPN Brasil and SporTV (Globosat)."

### ***Exclusivity Agreement for the Presentation of Disney on Ice Shows in Various Cities of Brazil, Argentina, Chile and Uruguay***

CIE-R&P signed a letter of intent with Ringling Bros. and Barnum & Bailey, Inc. ("Ringling Bros.") for the exclusive presentation until the year 2001 of *Disney on Ice* shows in the Southern Cone cities of Sao Paulo and Rio de Janeiro in Brazil, Buenos Aires and Cordoba in Argentina, Santiago in Chile and Montevideo in Uruguay. Ringling Bros. is the exclusive representative for Disney's World on Ice shows. Revenues from the production of the various shows in the previously mentioned 6 cities are expected to reach approximately US\$ 4 million during 1999, and US\$ 7 million for the year 2000.

## **Company Description**

**CIE** is the leading live entertainment holding company in Latin America. With headquarters in Mexico City, CIE's activities encompass nearly all aspects of the live entertainment industry, from the promotion of various events and the operation of diverse entertainment venues and amusement parks, to the operation and management of fairs and expositions. The Company also markets tickets for shows through a computerized ticketing system.

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Explanatory note: Except for the historic information here provided, statements included in this report regarding the Company's business outlook and anticipated financial/ operating results or regarding the Company's growth potential, constitute forward-looking statements and are based on management expectations regarding the economic conditions in Mexico and the countries where CIE operates, the fluctuation of the Mexican Peso and all the risks stated in any of the offering circulars for any of the Company's debt and/or equity issues.