



Mexico City, April 29, 2019

Dear shareholders, employees and friends:

Please allow me to reference Article 44, Section XI of the Stock Markets Law, and Article 172 of the General Law of Corporations, except its section b).

Pursuant to these articles, I am pleased to present to you the report on the activities of the Management Team of Corporación Interamericana de Entretenimiento, S.A.B. de C.V., (hereinafter “CIE”, the “Company” or the “Group”) with respect to the fiscal year ended December 31, 2018. This document should be read and analyzed in conjunction with the Company’s financial statements and their respective Notes. The opinion of the independent auditor for the mentioned fiscal year is also an integral part of this report.

Nearly thirty years after we began our corporate activities in Mexico, we are proud of our contributions to transforming the way people choose to spend their leisure time. Live entertainment has become a highly attractive way for people, artists, athletes and advertisers to interact to create wonderful moments and unique experiences. At a time of surging economic growth, which is favorably impacting the income of families and productive sectors across the board, large brands and advertisers are spending heavily on advertising and promotion at live entertainment events, and thus positioning Mexico as a noteworthy destination for a variety of groups and people.

In 2018, our Company promoted and produced 3,109 live events, including Latin and non-Latin music concerts and festivals, Broadway-type theater productions, as well as family, special and sporting events, which resulted in expansion of 4% over the volume of live events in the previous year. This favorable change reflected a higher level of

demand with a richer mix of people's tastes and preferences, and the marketing interests of our sponsors. Examples of this include the staging of the Broadway musical "Les Misérables" in Mexico City, a portfolio comprised of twenty musical festivals throughout the country, several of which have international renown, and tours of popular Mexican and Latin talent in North America and South America.

We added two covered arenas into our venue operations in 2018, in the cities of Puebla and Mérida, expanding our capacity by 8%, to a total of 234,800 seats at 15 properties. We also added our ticketing operation into the Colombian market. By doing this we improved the way in which a larger number of tickets are sold and distributed.

In 2018, we presented the fourth race in the Formula 1 Mexican Grand Prix. Just as with the first three annual competitions, this fourth race was very successful in terms of attendance, followers, advertisers and authorities. On this fourth running of the race, CIE was recognized as the "Best Promoter" of the series by the Fédération Internationale de l'Automobile, and our prizewinning race was recognized as the "Best Event of the Year" by FIA Américas. We are currently preparing for the fifth race in the Mexican Grand Prix, which will take place next October 27th at the Hermanos Rodríguez Racetrack in Mexico City.

Our commercial operations also showed positive performance during the year. Specifically, our CIE Commercial division was renamed CIE Special Events in the middle of 2018. The Citibanamex Center housed local and foreign expos and congresses, including Expo Publicitas, ABASTUR, México Alimentaria, Expo CIHAC and the Logistic Summit & Expo, which, together with other B2B and B2C events presented at the Center, attracted nearly three million attendees in 2018. The strong commercial and operating position of the Citibanamex Center allowed it to continue as the favorite destination for advertisers, exhibitors and visitors to Mexico and Latin America.

The dynamism of advertising and marketing investment based on experiences by large advertisers allows CIE to produce special and corporate events for companies, organizations and government entities in the country. The demand for creative solutions that fortify this investment leads us to propose tailor-made solutions for the commercial

interests of our clients. Examples of this in 2018 were large events such as the G-20 Summit in Buenos Aires, and the XIII Pacific Alliance Summit, the LatAm Mobility Summit, and the Chevrolet Experience Tour in Mexico.

Our El Salitre Park in Bogotá continued to be a popular entertainment destination in the city. As it has rides and games that fit the tastes, preferences and income of families, the park attracted nearly one million visitors during the year, while it continued to be an attractive commercial vehicle for brands interested in the public that frequents the amusement park.

The Group's consolidated financial performance remained solid during 2018. In this regard, net revenues grew 26% to Ps. 12,578 million, while EBITDA increased 31% to Ps. 2,017 million. The EBITDA margin grew 60 basis points to 16.0% over net revenues at the end of 2018, while net income was Ps. 585 million, in comparison to Ps. 135 million in the previous year.

CIE reported total assets of Ps. 11,370 million at the close of 2018, which was 3% lower than total assets in 2017. In turn, the Company's total liabilities were Ps. 7,156 million during the period, 8% lower than the Ps. 7,821 million obtained in 2017. Specifically, CIE's bank and securitized debt remained virtually the same: Ps. 2,195 million in 2018, compared to Ps. 2,185 million in the previous fiscal year. Finally, shareholder's equity was Ps. 4,214 million at the end of 2018, which number compares favorably to the Ps. 3,841 million recorded by the Group at the end of 2017.

Based on this, in 2018 the Group continued showing levels of financial health that are in line with its growth and disciplined management. Thus, CIE's leverage ratio was 1.1 times, which compares favorably to the ratio of 1.4 times in 2017. On the other hand, the debt service coverage ratio during the year was 7.0 times, in comparison with 6.6 times in the previous fiscal year.

The Company's net operating cash flow was Ps. 749 million in 2018.

The role of CIE in the market and in society is commendable. Our achievements in 2018 and in prior years allow us to continue focusing our attention on proposing new types of different entertainment alternatives. In this way we will be able to serve a young audience, with dynamic, novel and demanding tastes and preferences, as well as a mature market that the Group has developed over the last three decades.

The competitive advantages that CIE has developed will allow it to continue providing the best there is in live entertainment, and to consolidate its position as one of the most notable players in the global industry.

Sincerely,

Luis Alejandro Soberón Kuri

Chief Executive Officer