



Highlights:

- Entertainment, Commercial and Services Division revenues increased 9%, 16% and 3% respectively
- Increases in commercial revenues include 9% growth in movie screens featuring cineminutos, and 3% more billboard ads on overpasses
- Strong international event calendar for the region scheduled for full year 2005
- NASCAR attracts over 100,000 fans in a two day weekend
- Wannado City attendance on a monthly basis has increased from 18,000 to 40,000 on a monthly basis and per capitas have improved from US\$18 to US\$30 since its opening.

CIE REPORTS FIRST QUARTER 2005 RESULTS

Mexico City, April 28, 2005 - Corporación Interamericana de Entretenimiento, S.A. de C.V. ("CIE", "the Company" or "the Group") (BMV: CIE B), the leading out-of-home entertainment company serving the Spanish- and Portuguese-speaking markets in Latin America and the U.S. Latin market, today announced its consolidated financial and operating results for the first quarter of 2005, ended on March 31, 2005.

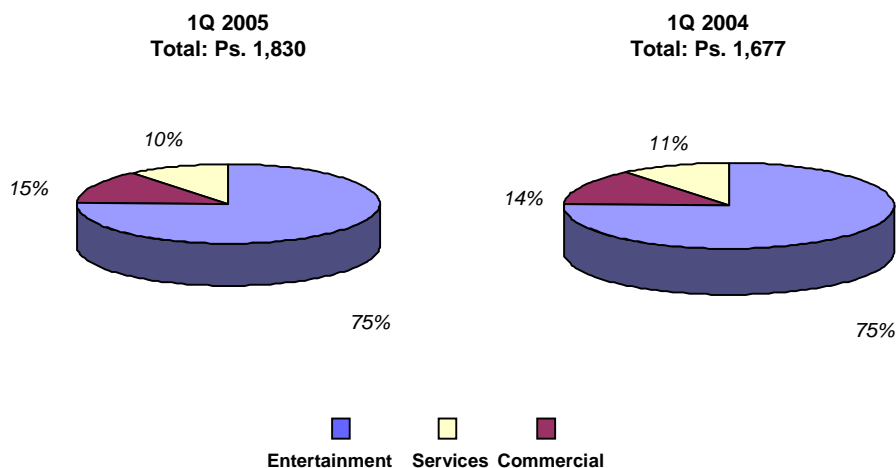
	1Q2005	1Q2004	%CHG
Revenues	1,830	1,677	9.1%
Gross Profit	670	623	7.6%
Gross Margin	36.6%	37.1%	
EBITDA	400	376	6.4%
EBITDA Margin	21.8%	22.4%	
Comp. Cost of Financing	143	108	32.4%
Majority Net Result	48	72	(33.3%)

NOTE: Figures appearing in this table and throughout the document are expressed in millions of Mexican pesos of purchasing power as of March 31, 2005, unless otherwise specified, and have been prepared in accordance with Mexican Generally Accepted Accounting Principles ("Mexican GAAP"). Figures may differ due to rounding.

REVENUES

CIE's consolidated revenues in the first quarter of 2005 increased 9% to Ps. 1,830, compared to Ps. 1,677 in the same quarter of 2004.

Quarterly Revenue by Division



CIE CONTACTS:

Jaime J. Zevada
Director of Finance

Juan Carlos Sotomayor
Investor Relations

Conrado M. Ramírez
Banking Communications

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

EXTERNAL CONTACT:

Jesús Martínez Rojas
IR Communications

E: jesus@irandpr.com
T: +52 (55) 5644-1247

Entertainment Division: Revenue totaled Ps. 1,368 in the quarter, 9% more than the Ps. 1,259 registered in the year ago period. (Operating Highlights contained in this document offer a more detailed understanding of the events affecting quarterly results.)

This increase was driven by:

- a. The operation of Wannado City at Sawgrass Mills in Fort Lauderdale, Florida a business which was not in operation during the first quarter of 2004; jointly with a higher number of visitors to CIE's amusement parks during the quarter as a result of Holy Week and Easter falling in March, rather than in April as in the prior year;
- b. A strong schedule of international live events in Mexico and Argentina, of which 23 performances were presented in comparison to 9 in the prior year, with artists such as Lenny Kravitz, Duran Duran, Marilyn Manson and James Brown (see Operating Highlights);
- c. The operation of 32 Sports Books & Yaks¹ units, compared to 25 in operation during the first quarter of 2004. CIE continues to build out the network in major metropolitan areas, with the most recent addition during the quarter in Morelia, Michoacan.

Revenues were partially offset by the absence of theatrical activity in Spain, compared to the staging of three Broadway-type productions in the year ago period. As part of the normal theatre cycle the Company concluded its staging of Cabaret and Cats in the Spanish theater market as of year-end 2004 with the expiration of its rights to these long-running productions.

Commercial Division: Revenue in the first quarter registered an increase of 16%, reaching Ps. 273, compared with Ps. 235 in the same period of 2004. This increase is primarily due to:

- a. An 9% increase in the number of cinema screens on which "cineminutos" are featured, from 1,344 in the first quarter of 2004 to 1,462 in the current period. As a consequence the overall volume of advertising minutes sold increased. The Company continues to expand its national reach and broaden the base of cineminutos advertisers.
- b. A greater number of billboard advertisements on pedestrian overpasses. In the current quarter, 734 ads were featured, a 3% increase over the 714 in the first quarter of 2004.

Services Division: Revenue totaled Ps. 189 in the quarter, in comparison with the Ps. 184 recorded in the same period of 2004, roughly the same reflecting higher marginal number of tickets sold in the region by CIE and third party events.

GROSS PROFIT

Gross profit for the quarter reached Ps. 670, 7.6% greater than the Ps. 623 recorded in the same period of 2004. The gross margin of 36.6% was 52 basis points lower than 37.1% gross margin registered in the first quarter of 2004, primarily as a result of the ongoing startup phase of operations at Wannado City and the recently added Sports Books & Yak units that have not reached full revenue-generating capacity.

EBITDA

The Group recorded an EBITDA ("earnings before interest, taxes, depreciation and amortization") of Ps. 400, a 6.3% increase over the Ps. 376 of 2004. EBITDA margin for the period was 21.8%, a decline of 57 basis points below the 22.4% margin recorded in 2004.

¹ Sports Books & Yaks is a network of retail sites that feature off-track betting and numbers-based games, respectively, and are developed, owned and operated by CIE.

This decrease in EBITDA margin reflects the combined impact of the start of opening new Sports Book & Yak units in Mexico and the startup of Wannado City, as previously explained.

As of March 31, 2005 the company had opened 32 of the 45 off-track betting and number-based game shops in the country for which it holds licenses. In 2005, the company expects to open between eight to ten additional units, which will continue to have a temporary effect on EBITDA margins.

OPERATING INCOME

Income from operations was Ps. 248 versus Ps. 244 for the same quarter a year ago, an increase of 1.4%. Operating margin for the quarter was 13.5%, 102 basis points lower than the 14.6% operating margin recorded in the first quarter of 2004.

The decrease in operating margin is due principally to a greater level of depreciation and amortization, which increased 15.4% from Ps. 132 in the first quarter of 2004 to Ps. 152 in the current period, reflecting a higher based of fixed assets. To a lesser extent, EBIT margin was also affected by the lower EBITDA contribution.

COMPREHENSIVE COST OF FINANCING

The Company recorded Ps. 143 as CCF for the first quarter of 2005, a 32% increase in comparison with the Ps. 108 CCF obtained with that of the year ago period. This adjustment is the mainly the effect of:

- a. an increase of 38% in net interest expenses which passed from Ps. 110 in the period of 2004 to Ps. 152 in the first quarter of 2005.
 - i. interest expense increased in the quarter to reach Ps. 158 versus Ps. 117 in the same quarter last year, due to an overall increase in the reference interest rates year over year by 332 bp, in addition to a 10% higher level of debt contracted by the Company.

The foreign exchange gain registered in the first quarter of this year resulted from variations in the exchange rate for the Mexican Peso versus the U.S. dollar as related to the Company's position in foreign denominated currency, which positively affected the Company's domestic U.S. dollar net liability position. The exchange at March 31, 2005 was Ps. 11.1783/U.S. dollar, compared to Ps. 11.1495/U.S. dollar at December 31, 2004.

	2005	2004	% CHG
Interest Expense	158	117	35%
Interest Income	6.0	7.0	(17%)
Foreign Exchange (Gain) Loss – Net	(4.1)	2.6	N.A.
Monetary Position (Gain) Loss	(4.3)	(4.1)	N.A.
Total	143	108	32.3%

DEBT

As of March 31, 2005, the Company's total debt outstanding was Ps. 5,227. The following table outlines the debt structure:

	March 31, 2005	%
Maturity		
Short Term (ntm*)	1,375	26%
Long Term (2006 – 2011')	3,851	74%
Denomination		
Mexican Pesos	4,146	79%
UDIs	707	14%
Other Currencies	374	7%
Total	5,227	100%

*ntm= next twelve months

PROVISIONS FOR TAXES

CIE recorded Ps. 60 in tax provisions during the current period, compared to Ps. 63 in the first quarter of 2004.

MAJORITY NET RESULT

The Company registered a majority net result of Ps. 48 in the first quarter of the year, in comparison to a majority net result of Ps. 72 recorded in the same period of 2004.

LIQUIDITY AND CAPITAL RESOURCES

Operating activities provided resources of Ps. 124 which resulted mainly from a consolidated net result, depreciation and amortization and resources generated through working capital.

Liquidity and Capital Resources <i>(in millions of pesos)</i>	March 31, 2005
Resources Provided by Operating Activities and Working Capital	124
CAPEX	(112)
Investments in Deferred Assets	(51)
Free Cash Flow	(40)
Financing Activities	75
Cash and Cash Equivalents at Start of Quarter	623
Cash and Cash Equivalents at End of Quarter	659

CIE utilized Ps. 112 in capital expenditures, including:

- a. The continued development of Sports Books & Yaks throughout the country, the Company opened one unit during the quarter and the build-out of 8 additional units to be opened within the next few months.

- b. the build-out of overpasses in Puebla.
- c. Revamping and maintenance of amusement parks.
- d. Maintenance capex for several of CIE's venues.

Investments in deferred assets of Ps. 51 included:

- a. The incorporation of AS Deporte one of the leading sporting event companies specializing in marathons and races across Mexico, which becomes part of OCESA Entretenimiento;
- b. Key moneys and pre-operating expenses for the opening of Sports Books & Yaks.

OPERATING HIGHLIGHTS FROM THE QUARTER

Music Events: The company produced and promoted a number of international and Latin music events in the region, including several regional tours. Concerts and artists presented in the first quarter of the year included:

- Simple Plan, Duran Duran, James Brown, Lenny Kravitz, Hanson, Apocalyptica, Gigantes de la Danza, Marilyn Manson, Papa Roach, Pink Floyd Laser Show, Moderatto, Festival de Jazz, Belinda, Chayanne, Vicente Fernández, José Feliciano, Nicho Hinojosa, Diego Torres, El Buki, Dennis De Young, Intocable, Camel 1 Live III, Felipe Dylon, Israel Vibration e Tribo, Ira, Chiclete con Banana, Anthrax, Charlie Brown Jr., Capital Inicial, Trofeo Talento, Edson & Hudson, Araketu, Angra, João Bosco, Festa das Campeãs, Sodom e Nuclear, Festa Gerção 80, Nando Reis, Engenheiros do Hawaii, Maria Bethania, Oswaldo Montenegro, Fábio Junior, Detonautas e Dibob, Jota Quest, Gustavo Lins, Revelação, Emmerson Nogueira, Hanson and Zeze di Camargo .

Special and Corporate Events: CIE produced 113 special and corporate events in the Mexican market on behalf of numerous companies and brands, including Telmex, Xerox, Unilever, Banamex, Sony and many others.

Motor Sports: In March of 2005 the Company presented the NASCAR Busch Series Race in Mexico City. CIE organized, promoted and managed the event, and held exclusive rights to market advertising sponsorships, sell tickets, food, beverages and souvenirs, and all other related business activities, including exclusive broadcast rights for the race. The NASCAR event was extremely successful and drew over 100,000 fans over the two days of racing. NASCAR officials have expressed their interest in continuing their relationship with the Company for future events.

Theatrical Productions: In Mexico the Company continued with the production of *Fiddler on the Roof* currently staged at Centro Cultural Telmex I. In addition to the smaller productions of *The Vagina Monologues*, *The Complete Abbreviated Works of William Shakespeare*, *Las Viejas Vienen Marchando*, *Proof* and *Todos Tenemos Problemas Sexuales* which continued their performances in Mexico City.

Amusement Parks: Wannado City™ continued its fine-tuning phase through the first quarter. Some of the initiatives taken include an increase in the price for school groups from US\$9 to US\$19 per child and increase in the price of general admission from US\$25 to US\$30 per child, these changes in admission prices have not impacted park attendance. The company continues to closely monitor and analyze attendance and the overall park experience.

The Company will determine the rollout plan and timetable for the Wannado project with a full year of operations at the Sawgrass Mills location.

Las Americas Horse Racetrack - During the quarter, 247 horse races took place at Mexico City's Las Americas horse race track in 25 racing days. The 2005 season is shorter than the prior year as it began on February 4, and will conclude on December 18.

Centro Banamex – During the quarter Centro Banamex successfully hosted 9 exhibitions in addition to the various congresses and social events. These included: The Mexican Gift Show, Expo Comm, Promotional Product Show, Magna Exposición Mueblera and Foro Internacional Médico, among others, in Centro Banamex’s 34,000 square meters of exhibition space. Centro Banamex currently has 35 large scale exhibitions planned for the remainder of the year.

Pedestrian Overpasses - As of March 31, 2005, CIE had over 734 advertising announcements on 197 overpasses, compared with 714 advertisements placed on 192 overpasses in the first quarter of last year.

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ABOUT CIE


With its origins in 1990, Corporación Interamericana de Entretenimiento, S.A. de C.V. (“CIE”) is today the leading out-of-home entertainment company serving the Spanish- and Portuguese-speaking markets in Latin America and the United States of America. Through a unique vertical integration structure, the Company participates in numerous businesses that provide recreational and entertainment services and products.

These services and products primarily include: the operation of entertainment venues and amusement parks, the promotion and organization of diverse live events, trade fairs and exhibitions, the marketing of advertising sponsorships, and the sale of entrance tickets, food, beverages and souvenirs at public events and venues. The Company also participates in the film industry through the production and distribution of films and operates leading radio broadcasting stations in Buenos Aires, Argentina.

Since 1995, CIE’s shares have trades on the Mexican Stock Exchange (BMV) under the ticker symbol “CIE B”.

NOTE: Except for the historic information here provided, statements included in this document 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 and business conditions in Mexico and the countries where CIE operates as well as the fluctuation of the Mexican peso compared to the U.S. dollar and/or other currencies.

The use of registered trademarks and commercial trademarks within this document are exclusively for illustrative purposes and are not meant to violate the rights of the creators and/or intellectual property laws applicable in the countries in which CIE, its subsidiaries, and those companies with which CIE maintains commercial or business relationships, operate.

 Corporación Interamericana de Entretenimiento, S.A. de C.V.
Consolidated Statement of Income As of 1Q2005 and 1Q2004
Results for the Individual Quarter
(Figures expressed in thousands of pesos as of March 2005)

	1Q2005(Ind.)	%	1Q2004(Ind.)	%	Var.	%
Net Sales	1,830,075	100.00%	1,677,078	100.00%	152,997	9.12%
Cost Of Sales	1,160,125	63.39%	1,054,315	62.87%	105,810	10.04%
Gross Profit	669,950	36.61%	622,763	37.13%	47,187	7.58%
Operating Expenses	422,159	23.07%	378,516	22.57%	43,643	11.53%
Operating Income	247,791	13.54%	244,247	14.56%	3,544	1.45%
Comprehensive Financing Cost	143,323	7.83%	108,213	6.45%	35,110	32.45%
Interest Expense	157,540	8.61%	116,685	6.96%	40,855	35.01%
Foreign Exchange Expense	6,027	0.33%	10,738	0.64%	-4,711	-43.87%
Interest Income	5,743	0.31%	6,993	0.42%	-1,250	-17.88%
Foreign Exchange Gains	10,129	0.55%	8,111	0.48%	2,018	24.88%
Monetary (Gains) Expense	-4,372	-0.24%	-4,106	-0.24%	-266	6.48%
Income After Comprehensive Financing Cost	104,468	5.71%	136,034	8.11%	-31,566	-23.20%
Other Financial Operations	0	0.00%	0	0.00%	0	0.00%
Other Expenses (Income) Net	0	0.00%	0	0.00%	0	0.00%
Loss (Gain) On Shares Sale	0	0.00%	0	0.00%	0	0.00%
Loss (Gain) On Assets Disposal	0	0.00%	0	0.00%	0	0.00%
Income Before Income Tax, Tax On Assets And Employee Profit	104,468	5.71%	136,034	8.11%	-31,566	-23.20%
Provisions For Taxes	60,390	3.30%	63,206	3.77%	-2,816	-4.46%
Income Tax (I.S.R.)	60,390	3.30%	63,206	3.77%	-2,816	-4.46%
Deferred Income Tax (I.S.R.)	0	0.00%	0	0.00%	0	0.00%
Employees Profit Sharing (P.T.U.)	0	0.00%	0	0.00%	0	0.00%
Deferred Employees Profit Sharing (P.T.U.)	0	0.00%	0	0.00%	0	0.00%
Income After Income Tax, Tax On Assets And Employee Profit	44,078	2.41%	72,828	4.34%	-28,750	-39.48%
Share Of Non Consolidated Subsidiaries	-11,330	-0.62%	2,564	0.15%	-13,894	-541.89%
Income (Loss) On Continuing Operations	32,748	1.79%	75,392	4.50%	-42,644	-56.56%
Income (Loss) On Discontinuing Operations	0	0.00%	0	0.00%	0	0.00%
Income (Loss) Before Extraordinary Items	32,748	1.79%	75,392	4.50%	-42,644	-56.56%
Loss (Gain) On Net Extraordinary Items	5	0.00%	0	0.00%	5	0.00%
Cumulative Effect Of Change In Accounting Principle	0	0.00%	0	0.00%	0	0.00%
Consolidated Net Income	32,743	1.79%	75,392	4.50%	-42,649	-56.57%
Minority Interest	-15,134	-0.83%	3,474	0.21%	-18,608	-535.64%
Net Income Of Majority Shareholders	47,877	2.62%	71,918	4.29%	-24,041	-33.43%
EBITDA	399,505	21.83%	375,696	22.40%	23,809	6.34%
D&A	151,714	8.29%	131,449	7.84%	20,265	15.42%

 **Corporación Interamericana de Entretenimiento, S.A. de C.V.**
Consolidated Statement of Financial Position As of 1Q2005 and 1Q2004
(Figures expressed in thousands of pesos as of March 2005)

	1Q2005	%	1Q2004	%	Var.	%
Assets	15,267,303	100.00%	14,645,011	100.00%	622,292	4.25%
Current Assets	4,920,420	32.23%	4,646,666	31.73%	273,754	5.89%
Cash And Cash Equivalents	659,224	4.32%	722,630	4.93%	-63,406	-8.77%
Accounts And Notes Receivable	1,379,266	9.03%	1,461,369	9.98%	-82,103	-5.62%
Other Accounts Receivable	290,194	1.90%	323,726	2.21%	-33,532	-10.36%
Inventories	39,964	0.26%	32,522	0.22%	7,442	22.88%
Other Current Assets	2,551,772	16.71%	2,106,419	14.38%	445,353	21.14%
Long-Term Assets	237,742	1.56%	212,006	1.45%	25,736	12.14%
Accounts Receivable	120,554	0.79%	0	0.00%	120,554	0.00%
Investments In Non Consolidated Subsidiaries And Other Holdings	117,188	0.77%	212,006	1.45%	-94,818	-44.72%
Other Investments	0	0.00%	0	0.00%	0	0.00%
Property, Plant And Equipment	6,336,763	41.51%	6,005,693	41.01%	331,070	5.51%
Building	5,877,081	38.49%	5,039,931	34.41%	837,150	16.61%
Industrial Machinery And Equipment	1,039,664	6.81%	1,053,050	7.19%	-13,386	-1.27%
Other Equipments	1,544,573	10.12%	1,270,917	8.68%	273,656	21.53%
Accumulated Depreciation	2,328,323	15.25%	1,866,537	12.75%	461,786	24.74%
Construction In Process	203,768	1.33%	508,332	3.47%	-304,564	-59.91%
Deferred Assets (Net)	3,243,377	21.24%	3,273,308	22.35%	-29,931	-0.91%
Other Assets	529,001	3.46%	507,338	3.46%	21,663	4.27%
Liabilities	7,888,882	51.67%	7,429,263	50.73%	459,619	6.19%
Short-Term Liabilities	3,486,123	22.83%	2,846,053	19.43%	640,070	22.49%
Suppliers	859,716	5.63%	827,243	5.65%	32,473	3.93%
Bank Loans	875,287	5.73%	324,817	2.22%	550,470	169.47%
Securitized Loans	500,000	3.27%	521,500	3.56%	-21,500	-4.12%
Taxes Payable	79,311	0.52%	24,598	0.17%	54,713	222.43%
Other Short-Term Liabilities	1,171,809	7.68%	1,147,895	7.84%	23,914	2.08%
Long-Term Liabilities	4,135,256	27.09%	4,285,905	29.27%	-150,649	-3.51%
Bank Loans	1,655,335	10.84%	1,868,531	12.76%	-213,196	-11.41%
Securitized Loans	2,195,894	14.38%	2,258,845	15.42%	-62,951	-2.79%
Other Credits	284,027	1.86%	158,529	1.08%	125,498	79.16%
Deferred Credits	267,503	1.75%	297,305	2.03%	-29,802	-10.02%
Other Liabilities	0	0.00%	0	0.00%	0	0.00%
Stockholders' Equity	7,378,421	48.33%	7,215,748	49.27%	162,673	2.25%
Minority Interest	2,745,040	17.98%	2,558,816	17.47%	186,224	7.28%
Majority Shareholders	4,633,381	30.35%	4,656,932	30.50%	-23,551	-0.51%
Paid-In Capital	5,752,566	37.68%	5,736,535	39.17%	16,031	0.28%
Paid-In Capital (Nominal)	309,204	2.03%	309,204	2.11%	0	0.00%
Restatement Of Paid-In Capital	89,246	0.58%	89,091	0.61%	155	0.17%
Premium On Shares	5,354,116	35.07%	5,338,240	36.45%	15,876	0.30%
Contributions For Future Capital Increase	0	0.00%	0	0.00%	0	0.00%
Gain (Loss) Capital	-1,119,185	-7.33%	-1,079,603	-7.37%	-39,582	3.67%
Retained Earnings And Capital Reserves	-293,851	-1.92%	-347,531	-2.37%	53,680	-15.45%
Reserve For Repurchasing Shares	0	0.00%	0	0.00%	0	0.00%
Surplus (Deficit) In The Restatement Of Capital	-873,211	-5.72%	-803,990	-5.49%	-69,221	8.61%
Net Income (Loss) For The Year	47,877	0.31%	71,918	0.49%	-24,041	-33.43%