



Corporación Interamericana de Entretenimiento, S.A.B. DE C.V.

CIE Reports Second Quarter 2014 Results

Mexico City, D.F., July 28, 2014 - Corporación Interamericana de Entretenimiento, S.A.B. de C.V. (“CIE,” the “Company” or the “Group”) (BMV: CIE), the leading out-of-home entertainment company in Latin America, today announced its financial results for the second quarter of 2014 under International Financial Reporting Standards (IFRS).

- ✓ **On April 30, 2013, the Company announced the close of the sale of CIE Commercial’s Media Unit. In accordance with International Financial Reporting Standards, the 2013 Financial Statements up to the month of April include the results of those operations, therefore the numbers for the year 2014 are not comparable with numbers from 2013, as the latter include the results of the Media Unit in the CIE Commercial segment.**
- ✓ **In the second quarter of 2014, consolidated sales decreased Ps.172 to Ps.1,533, compared with Ps.1,705 recorded in the same period of the prior year.**
- ✓ **Consolidated EBITDA was Ps.166, which was a 21% drop with respect to EBITDA of Ps.212 in the same period of 2013.**
- ✓ **The Company recently announced that it successfully concluded its negotiations with Formula One Championship Limited (“F1”) and with the Mexican Secretary of Tourism, through the Mexican Board of Tourism (Consejo de Promoción Turística de México – “CPTM”), to host the Formula One “Mexican Grand Prix” at the Hermanos Rodríguez Racetrack in Mexico City, starting in 2015 and continuing for the following five years.**

Consolidated Key Figures

*The numbers presented throughout this document for 2014 and 2013 are expressed in millions of nominal Mexican pesos.
Numbers may vary due to rounding.
EBITDA is Operating Income before Other Net Revenues, plus Depreciation and Amortization.
N.A. means does not apply.*



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	2Q 2014	2Q 2013	% Var.	Accum. 2014	Accum. 2013	% Var
Revenues	1,533	1,705	-10%	3,015	3,356	-10%
EBITDA	166	212	-21%	306	439	-30%
EBITDA margin	10.8%	12.4%		10.1%	13.1%	
Revenues (Expenses) Net Financial Revenues	(35)	(27)	-28%	(52)	(73)	+29%
Net Income (Loss)	0	164	N.A.	29	216	-87%
Majority Income (Loss)	(21)	128	N.A.	(6)	170	N.A.
Total Interest-Bearing Debt	1,289	1,169	+10%			

ANALYSIS OF THE SECOND QUARTER (the "quarter" or the "period")

	2Q 2014	2Q 2013	% Var.	Accum. 2014	Accum. 2013	% Var.
CIE Entertainment						
Revenues	1,060	1,284	-17%	2,087	2,411	-13%
EBITDA	91	150	-39%	163	251	-35%
<i>% EBITDA Margin</i>	8.6%	11.6%		7.8%	10.4%	
CIE Commercial						
Revenues	425	369	+15%	834	843	-1%
EBITDA	61	49	+24%	118	160	-26%
<i>% EBITDA Margin</i>	14.4%	13.4%		14.1%	18.9%	
Other Businesses						
Revenues	48	52	-7%	94	102	-8%
EBITDA	13	13	+7%	25	29	-14%
<i>% EBITDA Margin</i>	28.2%	24.3%		26.4%	28.5%	
CONSOLIDATED						
Revenues	1,533	1,705	-10%	3,015	3,356	-10%
EBITDA	166	212	-21%	306	439	-30%
<i>% Margin EBITDA</i>	10.8%	12.4%		10.1%	13.1%	



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REVENUES AND EBITDA

Revenues at **CIE Entertainment** were Ps.1,060, which is 17% lower than revenues during the same quarter of the prior year. Noteworthy events promoted during the quarter were the following: (1) Nine shows by Alejandro Fernández at the National Auditorium in Mexico City; (2) Two shows by Enrique Iglesias at the National Auditorium and one at the Banamex Auditorium in Monterrey; (3) Eleven shows in several cities throughout Mexico by Marc Anthony; and (4) One presentation in Colombia by One Direction. These shows were smaller in size compared with events held during the same period of the prior year, in which performances by artists such as One Direction were the highlights, which had two shows at Foro Sol, The Killers, which had performances at Foro Sol and Estadio 3 de Marzo in Guadalajara, and The Cure with one show at Foro Sol; as well as 45 presentations of the family event “Varekai” by Cirque du Soleil in Colombia, and 43 shows in Costa Rica.

EBITDA at CIE Entertainment decreased 39% to Ps.91 during the period, in comparison with Ps.150 recorded in the same quarter of the prior year. Due to the Ps.224 decrease in revenues and its impact on the structure of costs and fixed expenses as a proportion of total costs and expenses, EBITDA fell Ps.58.

During the quarter, revenues at **CIE Commercial** were Ps.425, a 15% increase in comparison with the Ps.369 recorded in the same period of the prior year. This increase is a consequence of the following: (1) At the end of the second quarter of 2013, operation of the Banamex Center began; therefore, in 2014 the results of three complete months of operation were presented, compared with just one month during the same period of 2013; (2) An increase in participation and holding corporate and government events, notably the Third Mexico-CARICOM Summit (Caribbean Community) in Mérida, Yucatán, the Beer Festival, and the Digital Village in Mexico City, as well as the Corona Music Fest tour in several cities throughout Mexico, among many others.

During the period EBITDA for CIE Commercial was Ps.61, which is 24% higher than EBITDA during the same quarter of last year. This increase is due to the higher revenues explained previously.

Revenues from **Other Businesses** decreased Ps.4 to Ps.48, compared with the same period in the prior year.

EBITDA in Other Businesses was Ps.13.5, in comparison with Ps.12.5 recorded in the same quarter of the prior year.



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NET FINANCIAL REVENUES (EXPENSES)

During the quarter, net financial revenues (expenses) were (Ps.35), compared with (Ps.27) in the same period of the prior year.

Net interest paid totaled Ps.26, in comparison with Ps.50 recorded during the same quarter of the previous year. According to application of the Effective Interest Rate Method established in IAS 39, which must be used to show the financial liabilities at amortized cost, during the second quarter of 2013, issuance expenses for the bank and bond debt that was paid down early using funds from the sale of the Media Unit, were recognized in full on the income statement as interest paid.

During the period, the Company held a larger number of liability positions in foreign currency in comparison with its asset position, causing it to record an exchange rate loss of Ps.8, in comparison with exchange rate gains of Ps.23 in the same period of the prior year, due to the variation in the exchange rate, which went from Ps.13.06 in March 2014, to Ps.12.97 pesos per dollar in June 2014.

Net Financial Revenues (Expenses)	2Q 2014	2Q 2013	% Var.	Accum. 2014	Accum. 2013	% Var.
Net interest earned (paid)	(26)	(50)	+47%	(42)	(95)	+55%
Exchange rate gain (loss), net	(8)	23	N.A.	(10)	15	N.A.
Other net financial revenues (expenses)	0	0	N.A.	0	7	N.A.
Net Financial Revenues (Expenses)	(35)	(27)	-28%	(52)	(73)	+29%

INCOME TAX

During the quarter, provisions for income taxes incurred and deferred were Ps.39, in comparison with Ps.98 in the second quarter of 2013. This decrease is mainly a consequence of a deferred income tax asset in the amount of Ps.23 recorded in 2014, in comparison with a deferred tax liability of Ps.33 recorded during the same period of 2013.



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NET INCOME

Net income in the period was Ps. 0.2, compared with income of Ps.164 recorded in the same period of 2013. This decrease is mainly due to a lower level of Operating Income during the period, which was partially offset by the lower tax provision, compared with the amount recorded in the same quarter of the prior year.

MAJORITY NET INCOME

During the quarter, a majority net loss of Ps.21 was recorded, in comparison with a loss of Ps.128 in the same quarter of 2013, which decrease was explained above in Net Income.

TOTAL INTEREST-BEARING DEBT

On June 30, 2014, bank and bond credits listed on the Statement of Financial Position were Ps.1,289, in comparison with Ps.1,288 recorded at the end of 2013. All of those credits are denominated in Mexican pesos, with the following maturity profile.

Maturity	2Q 2014	%	4Q 2013	%	% Var.
Short Term	133	10%	100	8%	+33%
Long Term	1,156	90%	1,188	92%	-3%
TOTAL	1,289	100%	1,288	100%	0%

RECENT EVENTS

On July 23, 2014, the Company announced that it successfully concluded its negotiations with Formula One Championship Limited (F1) and with the Mexican Secretary of Tourism, through the Mexican Board of Tourism (Consejo de Promoción Turística de México – CPTM), to host the Formula One Mexican Grand Prix at the Hermanos Rodríguez Racetrack in Mexico City, starting in 2015 and continuing for the following five years.



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ABOUT CIE

Formed in 1990, CIE considers itself to be the leading company in the out-of-home entertainment market in Mexico, and one of the most notable participants in Latin America and worldwide in the entertainment industry.

It offers a wide gamut of entertainment options to a variety of audiences and budgets in large- and medium-sized cities with high economic potential and population growth in the Mexican market, as well as in Central America and Colombia. That gamut of options includes concerts, theatrical productions, sporting events, family events and cultural events, among others. The Company also operates an amusement park and a water park, which together comprise the El Salitre development in Bogotá, Colombia.

The Company operates Centro Banamex in Mexico City, which is one of the largest and most important international exposition and convention centers. It is also the most noteworthy producer and organizer of special and corporate events in the Mexican market, and it operates one of the most professional and well-known call centers in Mexico.

Corporación Interamericana de Entretenimiento is a publicly owned company whose shares have been listed on the Mexican Stock Exchange since 1995 under the ticker symbol "CIE."

LEGAL DISCLAIMER

As a precautionary note to the investing public, except for the historical information provided herein, certain subjects discussed in this document constitute forward-looking statements. These statements assume that there are risks and uncertainties, including the economic conditions in Mexico and other countries where CIE operates, as well as fluctuations in the value of the Mexican peso against the United States dollar.

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

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CONSOLIDATED INCOME STATEMENT

	2Q 2014	2Q 2013	% Var.	Accum. 2Q13	Accum. 2Q12	% Var.
Sales	1,533	1,705	-10%	3,015	3,356	-10%
Cost of sales	1,290	1,364	-5%	2,560	2,699	-5%
Gross Income	242	340	-29%	455	657	-31%
Operating expenses	165	198	-17%	317	364	-13%
Operating Income	77	142	-45%	138	294	-53%
Other revenues (expenses) net	-	172	N.A.	-	170	N.A.
Net Financial Revenues (Expenses)						
Interest earned (paid), net	(26)	(50)	+47%	(42)	(95)	+55%
Exchange rate gain (loss)	(8)	23	N.A.	(10)	15	N.A.
Other financial revenues (expenses)	-	-	N.A.	-	7	N.A.
Net Financial Revenues (Expenses)	(35)	(27)	-28%	(52)	(73)	+29%
Stake in the results of associated	(3)	(25)	+87%	3	(14)	N.A.
Income before Taxes	40	262	-85%	89	377	-76%
Income Tax	39	98	-60%	60	161	-63%
Income after Taxes	0	164	N.A.	29	216	-87%
Discontinued operations	-	-	N.A.	-	-	N.A.
Net Income (Loss)	0	164	N.A.	29	216	-87%
Majority Net Income	21	36	-42%	34	46	-26%
Majority Net Income	(21)	128	N.A.	(6)	170	N.A.
Depreciation and amortization	89	70	+27%	168	146	+15%
EBITDA	166	212	-21%	306	439	-30%



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STATEMENT OF FINANCIAL POSITION

	June 30, 2014	Dec. 31 2013	% Var.
Current Assets	4,851	4,158	+17%
Cash	1,203	784	+54%
Clients receivable, net	2,252	2,001	+13%
Other accounts receivable, net	309	313	-1%
Inventory	16	15	+10%
Other current assets	1,070	1,046	+2%
Non-Current Assets	2,773	2,825	-2%
Accounts receivable, net	14	14	+2%
Investments in associated companies and joint ventures	910	920	-1%
Property, plant and equipment, net	960	1,032	-7%
Intangible assets	115	79	+47%
Assets from deferred taxes	647	604	+7%
Other non-current assets	127	176	-28%
Total Assets	7,624	6,983	+9%
Current Liabilities	2,788	2,119	+32%
Providers	938	872	+8%
Short-term interest-bearing debt	133	100	+33%
Other current liabilities	1,718	1,146	+50%
Non-Current Liabilities	1,563	1,609	-3%
Long-term interest-bearing debt	1,156	1,188	-3%
Liabilities from deferred taxes	218	237	-8%
Other non-current liabilities	189	185	+3%
Total Liabilities	4,352	3,728	+17%
Shareholders' Equity	3,273	3,255	+1%
Minority stake	473	454	+4%
Majority Stake	2,799	2,801	-0%
Paid-in capital	3,399	3,399	+0%
Capital gained (lost)	(599)	(597)	+0%
Total Liabilities + Shareholders' Equity	7,624	6,983	+9%