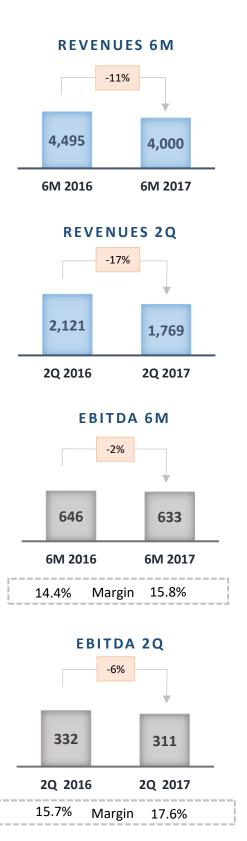


## Financial Results for the Second Quarter of 2017

Mexico City, July 27, 2017 - Corporación Interamericana de Entretenimiento, S.A.B. de C.V. ("CIE," the "Company" or the "Group") (BMV: CIE) announced its financial results for the second quarter of 2017 under International Financial Reporting Standards ("IFRS").

In the income statement for the fourth quarter of 2016, the Company announced the sale of 80% of its subsidiary B-Connect, whose results were included in the CIE Commercial segment until December 2016. Beginning January 2017 and in compliance with IFRS, results from these operations are recorded at the Stake in the Results of Associated Companies account. Due to the foregoing, the numbers from 2017 are not comparable with the period of 2016, as revenues and EBITDA are included in the 2016 results.

- ➤ During the first six months of the year, consolidated sales decreased 11% to Ps.4,000 compared to Ps.4,495 recorded in the same period of the prior year. During the second quarter, sales were Ps.1,769 compared to Ps.2,121 in the same period of the previous year.
- Consolidated EBITDA decreased 2% in the first six months of 2017, reaching Ps.633, compared to Ps.646 observed in the previous year. In the quarter, EBITDA was Ps.311 compared to Ps.332 recorded in the previous period.



The numbers presented throughout this document for the second quarter of 2016 and 2017 are expressed in millions of nominal Mexican pesos. Numbers may vary due to rounding.

Tournamy. EBITDA is Earnings before Other Revenues (Expenses), net, plus Depreciation and Amortization. N.A. means does not apply.



## **Consolidated Relevant Figures**

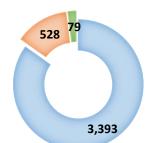
	6M	6M	%	2Q	2Q	%
	2017	2016	Var.	2017	2016	Var.
Revenues	4,000	4,495	-11%	1,769	2,121	-17%
EBITDA	633	646	-2%	311	332	-6%
EBITDA Margin	15.8%	14.4%		17.6%	15.7%	
Net Financial Revenues (Expenses)	(383)	(6)	N.A.	(109)	76	N.A.
Majority Net Income (Loss)	49	352	-86%	124	254	-51%





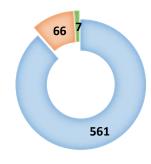
Commercial

Other Businesses



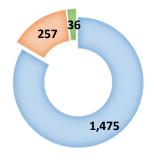
Total: Ps. 4,000

### **EBITDA 6M 2017**



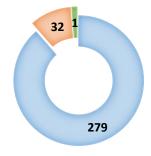
Total: Ps.633

### **REVENUES 2Q 2017**



Total: Ps. 1,769

### **EBITDA 2Q 2017**



Total: Ps.311



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

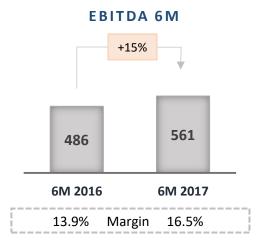
#### **CIE ENTERTAINMENT**

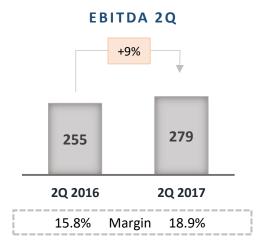


At **CIE Entertainment**, the revenues for the first six months of 2017 decreased 3% to Ps.3,393, compared to Ps.3,484 recorded in the same period of the previous year. For the quarter, the revenues reached Ps.1,475, which is 9% lower than in the 2016 period. This decrease is a consequence of fewer international and latin events presented during the period of 2017, compared to the same quarter of the previous year, where the performances of Cold Play, Guns N' Roses, Chayanne and the Festival Vive Latino stood out.

In the second quarter of 2017 the following festivals and concerts stood out:

- Ed Sheeran
  - (Mexico City, Guadalajara and Monterrey)
- Marc Anthony
  - (Mexico City, Guadalajara and Monterrey)
- Festival Pal Norte
  - (Parque Fundidora, Monterrey)
- Justin Bieber
  - (Estadio el Campin, Bogota, Col.)
- Corona Revolution Fest
  - Sting
    - (Mexico City, Guadalaiara and Monterrey)

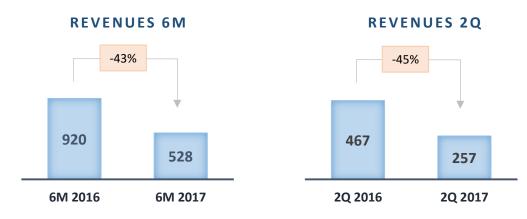






During the first six months of 2017, CIE Entertainment's EBITDA increased 15% to Ps.561, compared to Ps.486 recorded in the same quarter of the prior year. In the quarter, EBITDA was Ps.279 compared to Ps.255 recorded in the previous period. This increase is a consequence of a higher level of service charges for the sale of future event tickets where the presales for U2, Bruno Mars, Depeche Mode and Timbiriche stand out.

#### **CIE COMMERCIAL**



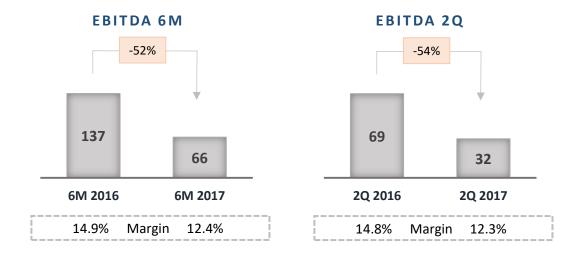
In the report of results for 4Q16, the Company communicated the sale of a majority stake in its subsidiary B-Connect (contact centers). Due to the above, the results of this segment during the year 2017 will not be comparable to those of the previous period.

During the first six months of the year, revenues at **CIE Commercial** decreased 43% to Ps.528, compared to Ps. 920 registered in the same period of the previous year. In the quarter, the revenues reached Ps.257, which is 45% lower than the figure of the same quarter of 2016. The decrease is mainly due to the sale of B-Connect mentioned above.

During the period, the carrying out of the following corporate events stand out:

- OAS Assembly 2017
  - (Cancun, Mexico)
- World Summit on Civil Protection 2017
  - (Cancun, Mexico)
- World Congress of Nephrology
- (Centro Citibanamex, Mexico City
- Publicitas Exhibition
  - (Centro Citibanamex,iviexico City)
- Sabores Polanco
  - (Mexico City)





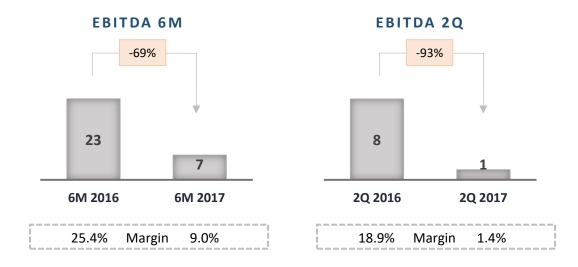
During the first six months of the year, EBITDA at CIE Commercial decreased by 52% to Ps.66, compared to Ps.137 recorded in the same period of 2016. Within the quarter, EBITDA was Ps.32 compared to Ps.69 recorded in the period of 2016. The decrease is mainly a consequence of the previously mentioned sale of B-Connect.

### **CIE OTHER BUSINESSES (Parque El Salitre at Bogota, Colombia):**



Revenues at Parque El Salitre decreased 12% during the first six months of 2017, reaching Ps.79, compared to Ps.90 registered in the same period of 2016. In the quarter, revenues reached Ps.36, which is 11% lower than the figure observed in the same period of the previous year. This decrease is mainly a consequence of the adjustment made in Colombia to the Value-Added Tax (VAT) rate that went from 16% to 19% beginning January 2017, which affected disposable income of families in the country. That has implied lower attendance levels and a reduction of per capita consumption at the park.





During the first six months of the year, EBITDA at the Other Business segment decreased 69% to Ps. 7, compared to Ps. 23 recorded in the same period of the previous year. For the quarter, EBITDA stood at Ps. 1, compared to Ps. 8 recorded in the same period of 2016. This decrease is a consequence of: 1) lower revenues as discussed above; and, 2) extraordinary expenses incurred as a result of the installation and adaptation works carried out for "Splash", a new attraction in the park to be operational beginning the third quarter of the year.

#### **NET FINANCIAL REVENUES (EXPENSES)**

	6M 2017	6M 2016	% Var.	2Q 2017	2Q 2016	% Var.
Net interest earned (paid)	(59)	(79)	+24%	(23)	(39)	+42%
Exchange rate gain (loss), net	(322)	72	N.A.	(86)	115	N.A.
Net Financial Revenues (Expenses)	(383)	(6)	N.A.	(109)	76	N.A.

During the first six months of the year, net financial expenses reached Ps.383, compared to Ps.6 recorded in the same period of 2016. In the quarter, Net Financial Expenses were Ps.109, compared to a Net Financial Income of Ps.76 recorded in the same period of the previous year. The decrease observed during the period is a consequence of the active monetary positions in foreign currency held by the Company during the quarter, which were greater than the passive positions. That generated a foreign exchange loss of Ps.86, considering that the foreign exchange rate between the Mexican peso against the US dollar changed from Ps.18.79 at the end of the first quarter of 2017 to Ps.18.06 at the close of the second quarter of the year. Offsetting the previous effect, the Company registered a lower amount of net interest paid which was produced by greater interests earned.



#### **INCOME TAX**

	6M	6M	%	2Q	2Q	%
	2017	2016	Var.	2017	2016	Var.
Tax Incurred	233	161	+44%	98	51	+93%
Deferred Tax	(88)	24	N.A.	(32)	47	N.A.
Income Tax	145	185	-22%	66	97	-32%

During the first six months of the year, the Company recorded Ps.145 in provisions for incurred and deferred taxes, as compared to Ps.185 registered in the same period of 2016. For the quarter, provisions for income tax were Ps.66, compared to Ps.97 recorded in the same quarter of the previous year. This decrease is a consequence of the lower level of Operating Profit observed at CIE Commercial and Other Businesses segments, and the increase in Net Financial Expenses as previously explained.

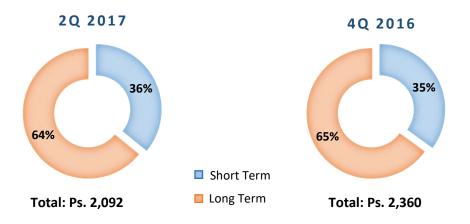
#### **NET INCOME**

Net income was Ps.49 during the first six months of the year, compared to a net income of Ps.352 recorded in the same period of 2016. During the quarter, net income was Ps.124, compared to Ps.254 recorded in the same period of the previous year. This decrease is mainly a consequence of the lower level of Operating Profit registered in CIE Commercial and Other Businesses segments, as well as the increase in Net Financial Expenses observed during the quarter, as a result of the foreign exchange loss recorded in 2017.

#### **TOTAL INTEREST-BEARING DEBT**

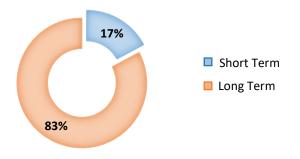
As of June 30, 2017, the Company's bank and stock market debt stood at Ps.2,092, compared to Ps.2,360 recorded at the close of 2016. This decrease is a consequence of the third amortization of Ps.83 to the credit obtained for the remodeling of the Autodromo "Hermanos Rodríguez" racetrack for the Formula 1 Mexican Grand Prix, as well as the payment of some credit lines for working capital needs. In both periods, total debt was Mexican Pesos-denominated. Debt profile for both periods is as follows:





#### **RECENT EVENTS**

On July 26, 2017, the Company signed a 5-year, Mexican peso-denominated loan with banks HSBC and Santander for Ps.1,195 million. Terms and conditions of the credit consider that the principal amount will be paid in six semi-annual amortizations beginning January 2020. Net proceeds were applied on the date of this report to the early payment of loans previously contracted to these creditors, including other short-term lines of credit used for the financing of working capital needs. By means of this new financing, the Company managed to reduce the average cost and extend the maturity of its total debt. New debt profile, after the full disposal of funds and the previously-mentioned prepayments of credits, is as follows:



Total: Ps. 2,092



#### **ABOUT CIE**

Established in 1990, CIE is one of the most important companies in the out-of-home entertainment market in Latin America and worldwide.

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 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, El Salitre, in Bogota, Colombia.

The Company operates Centro Citibanamex 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. CIE also promotes and markets the F1 Mexican Grand Prix.

Corporación Interamericana de Entretenimiento is a publicly traded 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 matters 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 US dollar.

The use of registered 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.

#### CONTACT

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### **CONSOLIDATED INCOME STATEMENT**

	6M 2017	6M 2016	%	2Q 2017	2Q 2016	%
			Var.			Var.
Sales	4,000	4,495	-11%	1,769	2,121	-17%
Cost of Sales	2,916	3,456	-16%	1,259	1,585	-21%
<b>Gross Profit</b>	1,084	1,039	+4%	510	536	-5%
Operating Expenses	577	543	+6%	253	280	-10%
Operating Income	507	496	+2%	257	256	+0%
Net Financial Income (Expenses)						
Interest earned (paid), Net	(59)	(79)	+24%	(23)	(39)	+42%
Exchanges rate gain (loss)	(322)	72	N.A.	(86)	115	N.A.
Net Financial Revenues (Expenses)	(383)	(6)	N.A.	(109)	76	N.A.
Stake in the results of associated	70	48	+46%	42	19	N.A.
companies						
Earnings before taxes	195	537	-64%	190	352	-46%
Income Tax	145	185	-22%	66	97	-32%
Net Profit (Loss)	49	352	-86%	124	254	-51%
Minority Net Income	189	136	+40%	173	75	N.A.
Majority Net Income	(140)	217	N.A.	(49)	180	N.A.
Depreciation and Amortization	126	150	-16%	54	76	-29%
EBITDA	633	646	-2%	311	332	-6%



### **BALANCE SHEET**

	Jun. 30	Dec. 31	%
	2017	2016	Var.
Current Assets	8,680	7,891	+10%
Cash	4,546	3,176	+43%
Clients receivable, net	1,666	2,847	-41%
Other account receivable, Net	352	318	+11%
Inventory	19	19	-1%
Other Current Assets	2,098	1,531	+37%
Non-Current Assets	3,717	3,656	+2%
Accounts receivable, Net	-	-	N.A.
Investments in Associated and Joint Ventures	1,064	1,055	+1%
Property, Plant and Equipment, Net	1,447	1,494	-3%
Intangible Assets	150	83	+81%
Deferred tax assets	1,011	926	+9%
Other Non-Current Assets	46	99	-53%
Total Assets	12,397	11,548	+7%
Current Liabilities	6,743	5,704	+18%
Suppliers	1,040	1,250	-17%
Short-term interest-bearing debt	750	826	-9%
Other Current Liabilities	4,953	3,628	+37%
Non-Current Liabilities	1,597	1,866	-14%
Long-term interest-bearing debt	1,342	1,534	-13%
Deferred Tax Liabilities	1,342	21	-14%
Other non-current liabilities	237	311	-24%
Total Liabilities	8,340	7,570	+10%
Shareholders' Equity	4,058	3,977	+2%
Minority Stake	1,008	518	+95%
Majority Stake	3,049	3,460	-12%
Paid-in Capital	3,399	3,399	+0%
Capital gains (losses)	(349)	61	N.A.
Total Liabilities + Shareholders' Equity	12,397	11,548	+7%