



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

## CIE Reports Third Quarter 2012 Results

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**Mexico City, D.F., October 26, 2012 - 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 third quarter of 2012 under International Financial Reporting Standards (IFRS), complying with the provisions established by the National Banking and Securities Commission, having retroactively adopted, as of January 1, 2012, the accounting framework established in the IFRS in order to prepare its financial statements. For more information regarding adoption of those standards, please refer to the Notes to the Financial Statements included in the report on results published on the electronic sites of the Mexican Stock Market and the National Banking and Securities Commission.

- ✓ **During the quarter, the Group’s consolidated revenues increased 26% over the same period of the prior year. For the first nine months of the year, revenues showed an increase of 5%, compared with the first nine months of 2011.**
- ✓ **EBITDA grew 36% during the third quarter of 2012 over the same period of the prior year. From January to September 2012, EBITDA increased 8% over the same period of the prior year.**
- ✓ **Net income for the quarter was Ps. 58, compared with a loss of Ps. 44 in the same period of the prior year. During the first nine months of the year, net income was Ps. 135, compared with earnings of Ps. 16 in the same period of the prior year.**

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*The numbers presented throughout this document for 2012 and 2011 are expressed in millions of nominal Mexican pesos. Numbers may vary due to rounding.*

*EBITDA is Earnings before Other Net Interest, Financing, Taxes, Depreciation and Amortization.*

*N.A. means does not apply.*



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**Consolidated Key Figures**

	<b>3Q 2012</b>	<b>3Q 2011</b>	<b>% Var.</b>	<b>Accum. 3Q 2012</b>	<b>Accum. 3Q 2011</b>	<b>% Var.</b>
<b>Revenues</b>	1,533	1,220	26%	4,536	4,300	5%
<b>EBITDA</b>	258	190	36%	679	629	8%
<b>EBITDA Margin</b>	16.8%	15.5%		15.0%	14.6%	
<b>Revenues (Expenses) Financial, Net</b>	(46)	(168)	73%	(117)	(379)	69%
<b>Other Revenues (Expenses), Net</b>	(9)	(32)	73%	(9)	(48)	81%
<b>Net Income (Loss)</b>	58	(44)	N.A.	135	16	N.A.
<b>Majority Income (Loss)</b>	30	(66)	N.A.	39	(109)	N.A.

**ANALYSIS OF THE THIRD QUARTER ("the quarter" or "the period")**

	<b>3Q 2012</b>	<b>3Q 2011</b>	<b>% Var.</b>	<b>Accum. 3Q 2012</b>	<b>Accum. 3Q 2011</b>	<b>% Var.</b>
<b>CIE Entertainment</b>						
Revenues	1,023	734	39%	3,005	2,884	4%
EBITDA	121	70	73%	302	299	1%
<i>% Margin EBITDA</i>	11.8%	9.5%		10.1%	10.4%	
<b>CIE Commercial</b>						
Revenues	462	433	7%	1,398	1,296	8%
EBITDA	115	106	9%	341	307	11%
<i>% Margin EBITDA</i>	25.0%	24.4%		24.4%	23.7%	
<b>Other Businesses</b>						
Revenues	48	53	-10%	134	121	11%
EBITDA	22	14	55%	36	23	53%
<i>% Margin EBITDA</i>	46.0%	26.7%		26.7%	19.3%	
<b>CONSOLIDATED</b>						
Revenues	<b>1,533</b>	<b>1,220</b>	<b>26%</b>	<b>4,536</b>	<b>4,300</b>	<b>5%</b>
EBITDA	<b>258</b>	<b>190</b>	<b>36%</b>	<b>679</b>	<b>629</b>	<b>8%</b>
<i>% Margin EBITDA</i>	<b>16.8%</b>	<b>15.5%</b>		<b>15.0%</b>	<b>14.6%</b>	



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## REVENUES AND EBITDA

Consolidated revenues increased 26% to Ps. 1,533 during the third quarter of 2012, compared with Ps. 1,220 recorded in the same period of 2011.

Consolidated EBITDA increased 36% to Ps. 258, compared to the Ps. 190 reported in the same period of the prior year.

At **CIE Entertainment**, revenues were Ps. 1,023, which is 39% higher than revenues during the same quarter of the prior year. The increase in revenues is due to a strong calendar of events concentrated during the third quarter of the year. Among the large scale events were the following: 1) Fourteen presentations of the Michael Jackson - The Immortal World Tour, at Palacio de los Deportes; 2) Eight shows by the US band Metallica, also at Palacio de los Deportes; and 3) A single show by Kiss and Mötley Crüe at Foro Sol. Also during the third quarter were family events such as A Muse and The Illusionists, and shows by Latin artists such as Alejandro Fernández, Enrique Bunbury, Los Tigres del Norte and Ha\*Ash, among many others. Through Ticketmaster, during the third quarter of the year the Company sold a higher number of tickets, both to events promoted by CIE Entertainment, and to events promoted by third parties.

EBITDA at CIE Entertainment increased 73%, rising to Ps. 121 during the period, in comparison with Ps. 70 recorded in the same quarter of the prior year. This increase is the result of the growth in revenues explained above. EBITDA margin in the quarter was 11.8%, compared with 9.5% recorded during the same period in the prior year. This increase is due to higher profitability of the events presented during the third quarter of this year.

During the quarter, the revenues at **CIE Commercial** increased 7% to Ps. 462, in comparison with Ps. 433 recorded in the same period of the prior year. This growth is mainly due to higher occupation of the advertising spaces sold during the period, and to a lesser extent to the organization of a larger number of specialized events during the period, namely: 1) Semana PyME; 2) The launch of the 2013 line of General Motors automobiles, and; 3) The launch of Rockcampeonato Telcel, among many others.

EBITDA for CIE Commercial was Ps. 115 during the third quarter, which is 9% higher than EBITDA during the same quarter of last year. This increase is the result of the growth in



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revenues explained above. EBITDA margin in the quarter was 25.0%, compared with 24.4% recorded during the same period in the prior year.

Revenues at **Other Businesses** reached Ps. 48, which is 10% lower than what was recorded in the same period of the prior year, while the EBITDA was Ps. 22, compared with Ps. 14 recorded in the same quarter of the prior year. These differences are mainly due to the procedure to convert into Mexican pesos, the results from the amusement park in Colombia, through the methodology indicated in International Accounting Standard 21, “Effects on Changes in Foreign Currency.” Without considering that procedure, revenues and EBITDA from Other Businesses show marginal growth, in comparison with results from the prior year.

**NET FINANCIAL REVENUES (EXPENSES)**

During the quarter, net interest paid fell 55% to Ps. 45, in comparison with Ps. 100 recorded during the same quarter of the previous year. This decrease is a consequence of the debt prepayment made in February of this year in the amount of Ps. 2630.

In the third quarter of 2012, asset and liability monetary positions that the Company holds in foreign currency were offset in full by recording an exchange rate loss of close to zero, in comparison with an exchange rate loss of Ps. 71 in the same quarter of last year.

<b>Net Financial Revenues (Expenses)</b>	<b>3Q 2012</b>	<b>3Q 2011</b>	<b>% Var.</b>	<b>Accum. 2012</b>	<b>Accum. 2011</b>	<b>% Var.</b>
Interest earned (paid), net	(45)	(100)	55%	(164)	(305)	46%
Exchange rate gain (loss), net	(0)	(71)	N.A.	42	(77)	N.A.
Other financial revenues (expenses)	(0)	3	N.A.	5	3	38%
<b>Net Financial Revenues</b>	<b>(46)</b>	<b>(168)</b>	<b>73%</b>	<b>(117)</b>	<b>(379)</b>	<b>69%</b>

**TAXES ON EARNINGS**

During the quarter, the taxes on earnings recorded as provisions for income tax, the flat-rate business tax incurred and deferred income tax were Ps. 96, in comparison with Ps.



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44 seen in the third quarter of 2011. This increase is the consequence of a higher level of earnings before taxes recorded during the period, in comparison with the same quarter of the prior year.

### **NET INCOME**

Net income in the period was Ps. 58, compared with a loss of Ps. 44 recorded in the same period of 2011. The increase is a consequence of: 1) A higher level of operating income; 2) A lower level in interest paid by CIE's holding company to prepay the debt in past February; 3) A smaller net exchange rate loss; and offsetting the foregoing, 4) a higher provision for taxes.

### **TOTAL DEBT**

On September 30, 2012, total debt for the Company was Ps. 2,276, compared with Ps. 4,988 recorded at the close of the year 2011. This decrease is mainly a consequence of the debt prepayment made in February of 2012, with net funds from the sale of a majority stake in CIE Las Américas, and to a lesser extent to the debt payments made on the amusement park business in Colombia, and on the debt at CIE Commercial. The following table shows the debt profile for both periods:

<b>Maturity</b>	<b>3Q 2012</b>	<b>%</b>	<b>4Q 2011</b>	<b>%</b>	<b>% Var.</b>
<b>Short Term</b>	480	21%	1,524	31%	-69%
<b>Long Term</b>	1,796	79%	3,464	69%	-48%
<b>TOTAL</b>	<b>2,276</b>	<b>100%</b>	<b>4,988</b>	<b>100%</b>	<b>-54%</b>



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Currency	3Q 2012	%	4Q 2011	%	Var.
<b>Mexican Pesos</b>	1,844	81%	4,120	83%	-55%
<b>American Dollars</b>	418	18%	823	17%	-49%
<b>Colombian Pesos</b>	11	1%	40	1%	-73%
<b>Euros</b>	3	0%	5	0%	-40%
<b>TOTAL</b>	<b>2,276</b>	<b>100%</b>	<b>4,988</b>	<b>100%</b>	<b>-54%</b>

#### **ABOUT CIE**

With its origins in 1990, Corporación Interamericana de Entretenimiento, S.A.B. de C.V. (CIE), was a pioneer in the out-of-home entertainment industry in Latin America. Today, CIE is the main producer of live entertainment in Latin America. It is also one of the largest recipients of advertising investments in Mexico, through a commercial platform of advertising channels and spaces that reach segmented audiences.

CIE is a public company whose shares have been listed on the Mexican Stock Exchange since 1995 under the symbol "CIE." The Company also has debt instruments on the Mexican Stock Exchange, and trading on the Luxembourg Stock Exchange.

#### **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 compared with the United States dollar.

The use of registered trademarks or commercial trademarks in this document are exclusively for illustrative purposes and are 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**

	3Q 2012	3Q 2011	% Var.	Accum. 3Q 2012	Accum. 3Q 2011	Var.
Sales	1,533	1,220	26%	4,536	4,300	5%
Cost of sales	1,201	901	33%	3,538	3,277	8%
<b>Gross income</b>	<b>332</b>	<b>319</b>	<b>4%</b>	<b>999</b>	<b>1,023</b>	<b>-2%</b>
Operating expenses	141	202	-30%	518	608	-15%
<b>Operating Income</b>	<b>190</b>	<b>117</b>	<b>63%</b>	<b>480</b>	<b>415</b>	<b>16%</b>
Other revenues (expenses), net	(9)	(32)	73%	(9)	(48)	81%
<b>Net Financial Revenues (Expenses)</b>						
Net interest earned (paid)	(45)	(100)	55%	(164)	(305)	46%
Exchange rate gain (loss)	(0)	(71)	N.A.	42	(77)	N.A.
Other financial revenues (expenses)	(0)	3	N.A.	5	3	38%
<b>Net Financial Revenues (Expenses)</b>	<b>(46)</b>	<b>(168)</b>	<b>73%</b>	<b>(117)</b>	<b>(379)</b>	<b>69%</b>
Stake in the results of associated	18	44	-59%	23	44	-47%
<b>Earnings before Taxes</b>	<b>154</b>	<b>(39)</b>	<b>N.A.</b>	<b>377</b>	<b>32</b>	<b>N.A.</b>
Taxes on earnings	96	44	117%	281	142	98%
<b>Earnings after Taxes</b>	<b>58</b>	<b>(82)</b>	<b>N.A.</b>	<b>96</b>	<b>(110)</b>	<b>N.A.</b>
Discontinued operations	0	38	N.A.	39	126	-69%
<b>Net Income (Loss)</b>	<b>58</b>	<b>(44)</b>	<b>N.A.</b>	<b>135</b>	<b>16</b>	<b>N.A.</b>
Minority Net Income	28	22	31%	96	125	-23%
<b>Majority Net Income</b>	<b>30</b>	<b>(66)</b>	<b>N.A.</b>	<b>39</b>	<b>(109)</b>	<b>N.A.</b>
Depreciation and amortization	68	73	-7%	198	214	-7%
<b>EBITDA</b>	<b>258</b>	<b>190</b>	<b>36%</b>	<b>679</b>	<b>629</b>	<b>8%</b>



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**STATEMENT OF FINANCIAL POSITION**

	September 30, 2012	Dec. 31 2011	% Var.
<b>Current Assets</b>	<b>5,563</b>	<b>6,503</b>	<b>-14%</b>
Cash	555	1,310	-58%
Accounts receivable, net	2,397	1,283	87%
Other accounts receivable, net	448	145	209%
Inventory	7	5	27%
Other current assets	2,156	3,238	-33%
Discontinued operations	0	522	N.A.
<b>Non-Current Assets</b>	<b>2,828</b>	<b>7,463</b>	<b>-62%</b>
Accounts receivable, net	55	117	-53%
Investments in associated companies and joint ventures	680	127	437%
Property, plant and equipment, net	1,118	1,164	-4%
Intangible assets	334	114	193%
Assets from deferred taxes	479	536	-11%
Other non-current assets	162	159	2%
Discontinued operations	0	5,246	N.A.
<b>Total Assets</b>	<b>8,391</b>	<b>13,966</b>	<b>-40%</b>
<b>Current Liabilities</b>	<b>3,265</b>	<b>4,383</b>	<b>-25%</b>
Suppliers	1,060	725	46%
Short-term debt	480	1,524	-69%
Taxes payable	0	44	N.A.
Other current liabilities	1,726	1,136	52%
Discontinued operations	0	954	N.A.
<b>Non-Current Liabilities</b>	<b>1,981</b>	<b>4,652</b>	<b>-57%</b>
Long-term debt	1,796	3,464	-48%
Other non-current liabilities	184	191	-4%
Discontinued operations	0	998	N.A.
<b>Total Liabilities</b>	<b>5,246</b>	<b>9,035</b>	<b>-42%</b>
<b>Shareholders' Equity</b>	<b>3,145</b>	<b>4,931</b>	<b>-36%</b>
Minority stake	488	2,320	-79%
<b>Minority Stake</b>	<b>2,657</b>	<b>2,611</b>	<b>2%</b>
Paid-in capital	3,488	3,488	0%
Capital earned (lost)	(832)	(878)	-5%
<b>Total Liabilities plus Shareholders' Equity</b>	<b>8,391</b>	<b>13,966</b>	<b>-40%</b>