



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

## CIE Reports Fourth Quarter 2014 Results

**Mexico City, D.F., February 27, 2015 - 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 fourth quarter of 2014 (the “quarter” or the “period”), presented according to International Financial Reporting Standards (IFRS).

- ✓ **During the quarter, the Group’s consolidated revenues fell 20% to Ps.1,930, in comparison with Ps.2,421 during the same period in the previous year. During 2014, revenues fell 12% against the prior year.**
- ✓ **The Group’s EBITDA decreased 29% to Ps.194 during the period, in comparison with Ps. 274 reported in the same quarter of the prior year. EBITDA for the year decreased 20% in comparison the figure recorded in 2013.**
- ✓ **During the period, Net Income was Ps.65, compared to income of Ps.85 in the same period of the prior year.**
- ✓ **During the quarter, the Controlling Stake in Net Income was Ps.49, in comparison with income of Ps.41 in the same quarter of the prior year.**

### Consolidated Key Figures

	4Q 2014	4Q 2013	% Var.	Accum. 2014	Accum. 2013	% Var.
<b>Revenues</b>	1,930	2,421	-20%	6,361	7,256	-12%
<b>EBITDA</b>	194	274	-29%	673	845	-20%
<b>EBITDA margin</b>	10.1%	11.3%		10.6%	11.6%	
<b>Net Income (Loss)</b>	65	85	-24%	120	275	-57%
<b>Controlling Stake in Net Income</b>	49	41	+18%	54	156	-66%
<b>Total Interest-Bearing Debt</b>	1,481	1,288	+15%			

*The numbers presented throughout this document 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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**ANALYSIS OF THE FOURTH QUARTER (the “quarter” or the “period”)**

	4Q 2014	4Q 2013	% Var.	Accum. 2014	Accum. 2013	% Var.
<b>CIE Entertainment</b>						
Revenues	1,332	1,889	-30%	4,340	5,327	-19%
EBITDA	82	188	-56%	331	493	-33%
% Margin EBITDA	6.2%	10.0%		7.6%	9.3%	
<b>CIE Commercial</b>						
Revenues	533	470	+13%	1,812	1,714	+6%
EBITDA	87	69	+25%	272	283	-4%
% Margin EBITDA	16.3%	14.7%		15.0%	16.5%	
<b>Other Businesses</b>						
Revenues	66	62	+6%	209	215	-3%
EBITDA	25	17	+45%	71	68	+3%
% Margin EBITDA	37.7%	27.5%		33.8%	31.8%	
<b>CONSOLIDATED</b>						
Revenues	<b>1,930</b>	<b>2,421</b>	<b>-20%</b>	<b>6,361</b>	<b>7,256</b>	<b>-12%</b>
EBITDA	<b>194</b>	<b>274</b>	<b>-29%</b>	<b>673</b>	<b>845</b>	<b>-20%</b>
% Margin EBITDA	<b>10.1%</b>	<b>11.3%</b>		<b>10.6%</b>	<b>11.6%</b>	

**REVENUES AND EBITDA**

At **CIE Entertainment**, revenues during the quarter were Ps.1,332, compared to Ps.1,889 in the same quarter of the prior year. During the quarter, shows by international artists such as Katy Perry, at the Palacio de los Deportes in Mexico City were standouts, as were shows by Latin artists such as Alejandro Fernández, Café Tacvba and Ricardo Arjona at the Auditorio Nacional. These events were smaller in scale than those promoted during the fourth quarter of 2013, which included concerts by international artists such as Justin Bieber, Black Sabbath and Foo Fighters at locations such as Foro Sol in Mexico City, Beyonce and Muse, at Palacio de los Deportes in Mexico City, and other artists such as Avicci, Ringo Starr, and Legend of Zelda, as well as 75 performances of Cirque du Soleil’s show “Varekai” in Mexico City.

EBITDA at CIE Entertainment decreased 56% to Ps.82 during the period, in comparison with Ps.188 recorded in the same quarter of the prior year. This decrease is the result of: 1) Lower revenues reported during the period, as explained above; and 2) the mix of events promoted



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during the quarter, which resulted in a lower profit margin in comparison with the events promoted during the prior period.

Revenues at **CIE Commercial** grew 13% to Ps.533 over the same quarter in the prior year. This growth is due mainly to an increase in the special and corporate events held during the period, among them included the Cerveceria Nacional Dominicana’s “Festival Presidente” event in the Dominican Republic and the “Sabores Polanco” which took place at Campo Marte in Mexico City.

During the period, EBITDA at CIE Commercial was Ps.87, which is 25% higher than EBITDA during the same quarter of last year. This increase is due to the higher revenues explained previously.

Revenues at **Other Businesses** were Ps.66, which is 6% higher than the number reported in the same period in the previous year. This increase is mainly a consequence of higher attendance at the amusement park in Colombia. EBITDA at Other Businesses increased Ps.8 in comparison with the number reported in the same quarter of the previous year, which was a result of the increase in revenues mentioned above.

**NET FINANCIAL REVENUES (EXPENSES)**

During the quarter, net financial expenses were Ps.10, compared to Ps.52 in the same period of the prior year. This decrease is the consequence of the recording of exchange rate earnings of Ps.28, in comparison with a loss of Ps.9 during the same quarter of the prior year, which is a result of the Company’s currency asset positions, which were higher than its liability positions at the close of the period; jointly with a 12% decrease in net interest paid in comparison with the figure observed in the prior year.

<b>Net Financial Revenues (Expenses)</b>	<b>4Q 2014</b>	<b>4Q 2013</b>	<b>% Var.</b>	<b>Accum. 2014</b>	<b>Accum. 2013</b>	<b>% Var.</b>
Net interest earned (paid)	(38)	(43)	+12%	(104)	(163)	+36%
Exchange rate gain (loss), net	28	(9)	N.A.	24	12	+91%
Other net financial revenues (expenses)	0	0	N.A.	0	7	N.A.
<b>Net Financial Revenues (Expenses)</b>	<b>(10)</b>	<b>(52)</b>	<b>+80%</b>	<b>(81)</b>	<b>(143)</b>	<b>+44%</b>



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### **INCOME TAX**

During the quarter, income tax and deferred income tax provisions amounted to Ps.48, in comparison with Ps.68 in the fourth quarter of 2013. This decrease is due to the lower level of operating income during the quarter in comparison with the same period in the prior year.

### **NET INCOME**

During the period there was net income of Ps.65 compared with net income of Ps.85 reported in the same period of 2013.

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

At December 31, 2014, the Company's total interest-bearing debt was Ps.1,481 compared with Ps.1,288 recorded at the close of the year 2013. This increase is due to the Ps.300 spent on the remodeling and adaptation of the "Hermanos Rodriguez" Racetrack to hold the Formula 1 Mexico Grand Prix, to be held in November 2015.

<b>Maturity</b>	<b>4Q 2014</b>	<b>%</b>	<b>4Q 2013</b>	<b>%</b>	<b>% Var.</b>
<b>Short Term</b>	67	5%	100	8%	-33%
<b>Long Term</b>	1,414	95%	1,188	92%	+19%
<b>TOTAL</b>	<b>1,481</b>	<b>100%</b>	<b>1,288</b>	<b>100%</b>	<b>+15%</b>

### **ABOUT CIE**

With its origins 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,



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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." Similarly, CIE long-term notes operates in the Mexican market under the ticker symbol "CIE13."

#### **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**

	4T14	4T13	% Var.	2014	2013	% Var.
Sales	1,930	2,421	-20%	6,361	7,256	-12%
Cost of sales	1,642	2,005	-18%	5,366	6,031	-11%
<b>Gross Income</b>	<b>288</b>	<b>416</b>	<b>-31%</b>	<b>994</b>	<b>1,226</b>	<b>-19%</b>
Operating expenses	179	226	-21%	673	708	-5%
<b>Operating Income</b>	<b>110</b>	<b>190</b>	<b>-42%</b>	<b>322</b>	<b>518</b>	<b>-38%</b>
Other revenues (expenses) net	6	6	+5%	-	179	N.A.
<b>Net Financial Revenues (Expenses)</b>						
Interest earned (paid), net	(38)	(43)	+12%	(104)	(163)	+36%
Exchange rate gain (loss)	28	(9)	N.A.	24	12	+91%
Other financial revenues (expenses)	-	-	N.A.	-	7	N.A.
<b>Net Financial Revenues (Expenses)</b>	<b>(10)</b>	<b>(52)</b>	<b>+80%</b>	<b>(81)</b>	<b>(143)</b>	<b>+44%</b>
Stake in the results of associated	7	8	-18%	12	(4)	N.A.
<b>Earnings before taxes</b>	<b>113</b>	<b>153</b>	<b>-26%</b>	<b>253</b>	<b>550</b>	<b>-54%</b>
Taxes on earnings	48	68	-30%	133	275	-51%
<b>Earnings after Taxes</b>	<b>65</b>	<b>85</b>	<b>-24%</b>	<b>120</b>	<b>275</b>	<b>-57%</b>
Discontinued operations	-	-	N.A.	-	-	N.A.
<b>Net Income (Loss)</b>	<b>65</b>	<b>85</b>	<b>-24%</b>	<b>120</b>	<b>275</b>	<b>-57%</b>
Non-controlling stake in net income	16	44	-63%	66	119	-44%
<b>Controlling Stake in Net Income</b>	<b>49</b>	<b>41</b>	<b>+18%</b>	<b>54</b>	<b>156</b>	<b>-66%</b>
Depreciation and amortization	84	84	+0%	352	327	+8%
<b>EBITDA</b>	<b>194</b>	<b>274</b>	<b>-29%</b>	<b>673</b>	<b>845</b>	<b>-20%</b>



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**BALANCE SHEET**

	Dec. 31 2014	Dec. 31 2013	% Var.
<b>Current Assets</b>	<b>4,966</b>	<b>4,158</b>	<b>+19%</b>
Cash	1,108	784	+41%
Clients receivable, net	2,454	2,001	+23%
Other accounts receivable, net	269	313	-14%
Inventory	15	15	+5%
Other current assets	1,120	1,046	+7%
<b>Non-Current Assets</b>	<b>2,981</b>	<b>2,825</b>	<b>+6%</b>
Accounts receivable, net	12	14	-15%
Investments in associated companies and joint ventures	912	920	-1%
Property, plant and equipment, net	1,144	1,032	+11%
Intangible assets	123	79	+57%
Assets from deferred taxes	677	604	+12%
Other non-current assets	111	176	-37%
<b>Total Assets</b>	<b>7,947</b>	<b>6,983</b>	<b>+14%</b>
<b>Current Liabilities</b>	<b>2,873</b>	<b>2,119</b>	<b>+36%</b>
Providers	1,015	872	+16%
Short-term interest-bearing debt	67	100	-33%
Other current liabilities	1,790	1,146	+56%
<b>Non-Current Liabilities</b>	<b>1,856</b>	<b>1,609</b>	<b>+15%</b>
Long-term interest-bearing debt	1,414	1,188	+19%
Liabilities from deferred taxes	220	237	-7%
Other non-current liabilities	222	185	+21%
<b>Total Liabilities</b>	<b>4,729</b>	<b>3,728</b>	<b>+27%</b>
<b>Shareholders' Equity</b>	<b>3,218</b>	<b>3,255</b>	<b>-1%</b>
Minority stake	423	454	-7%
<b>Majority Stake</b>	<b>2,795</b>	<b>2,801</b>	<b>-0%</b>
Paid-in capital	3,399	3,399	+0%
Capital gains (losses)	(604)	(597)	+1%
<b>Total Liabilities + Shareholders' Equity</b>	<b>7,947</b>	<b>6,983</b>	<b>+14%</b>