Relevant Events

DATE: 4/30/2019

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V., REPORTS:

TICKER SYMBOL	CIE
COMPANY NAME	CORPORACION INTERAMERICANA DE ENTRETENIMIENTO, S.A.B. DE C.V.
LOCATION	MEXICO CITY

MATTER

TRANSCRIPTION OF THE INDEPENDENT AUDITOR'S REPORT

RELEVANT EVENT

Mexico City, April 30, 2019 – Corporación Interamericana de Entretenimiento, S.A.B. de C.V. ("CIE," the "Company," or the "Group") (BMV: CIE), has transcribed the Independent Auditor's Report included in the consolidated financial statements issued by the Company for the fiscal year ended December 31, 2018.

(Start of transcription)

Independent Auditor's Report

To the shareholders and board members of

Corporación Interamericana de Entretenimiento, S.A.B. de C.V. and its subsidiaries

Opinion

We have audited the consolidated financial statements of Corporación Interamericana de Entretenimiento, S.A.B. de C.V. and its subsidiaries (the Company), which include the consolidated income statement as at December 31, 2018, the complete consolidated balance sheet, changes in shareholders' equity, and the cash flows for the year ended on that date, as well as the explanatory notes to the consolidated financial statements, which include a summary of significant accounting policies.

In our opinion, the attached consolidated financial statements reasonably present, in all material aspects, the Company's consolidated financial situation as at December 31, 2018, its financial performance, and its cash flow for the year ended on that date, in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IFRS).

Basis of the Opinion

We have performed our audit in accordance with International Auditing Standards (IAS). Our responsibilities, according to those standards are described below in the section "Responsibilities of the Auditors in relation to the Audit of the Consolidated Financial Statements" in this report. We are independent of the Company, in accordance with the Code of Professional Ethics of Instituto Mexicano de Contadores Públicos, A.C., along with the ethical requirements that apply to our audits of consolidated financial statements in Mexico, and we have complied with all other ethical responsibilities in accordance with those requirements and that Code. We believe that the evidence we have obtained from the audit provides a sufficient and adequate basis for sustaining or opinion.

Key Audit Questions

The key audit questions are matters which, in our professional judgment, were of the greatest importance in our audit of the consolidated financial statements for the current year. These questions have been considered within the context of our audit of the consolidated financial statements as a whole, and in forming our opinion on those statements; therefore, we do not state a separate opinion on those matters.

Key Question during the Audit

How our auditor approached the matter.

Recovery of the Deferred Income Tax Asset

As described in Note 17.3 to the consolidated financial statements, the Company reports a deferred income tax asset, mainly in regard to income receivable, provisions and tax losses pending amortization. Company Management evaluates the recoverability of this deferred income tax asset at the close of each fiscal year, prior to recognizing it in its consolidated financial statements.

We have focused on this line in our audit due to the importance of the balance of the deferred income tax asset ($979,030 as at December 31, 2018), and because the estimate of its recovery value involves application of significant judgment by Company Management in determining future expected revenues and future projections, as well as future tax results of the Company.

In particular, we concentrated our auditing efforts on the following assumptions that Company Management considered when estimating financial projections and future taxes, to evaluate recoverability of the deferred income tax asset:

(i) Non-existence of tax-planning transactions that allow use of tax losses in certain entities that record recurring tax losses

(ii) Rates of revenue growth

(iii) Profitability margin by business unit

As part of our audit, we undertook the following procedures:

- We interviewed Management, we participated in meetings of the Board of Directors and the Audit Committee, and we read the minutes of the Board of Directors, Audit Committee and Shareholders' Meetings to evaluate the potential existence of transactions that allow recovery of impaired tax losses.

- We evaluated and considered whether Management applied its previously defined internal process to make projections, which is documented, and in which evidence of supervision and analysis by Management is included, and that the resulting projections are consistent with the assumptions approved by the Company's Board of Directors, with the plans discussed in the meetings of the Audit Committee, and with the historic trends of the results of each entity.

- We compared real results for the current year with the numbers budgeted for this year in the previous year, to decide whether any assumption included in the projections might be considered to be overly optimistic.

- We also considered the assumptions used by Management in projections, related to the following:

a. Rates of growth in income, comparing them to the historic behavior of each entity, and the expected growth of the industry.

b. Profitability margins by business unit, comparing them with the historic behavior of profitability margins obtained in the last four years.

- We discussed sensitivity calculations with Management, and the degree to which the assumptions would need to be modified, so that additional impairment of the deferred income tax asset is required, and the Company's disclosures on those assumptions.

Disclosures with regard to adopting the new IFRS 16 "Leases."

As described in Note 3.1 to the consolidated financial statements, as of January 1, 2019, the Company will adopt the new standard to recognize leases, IFRS 16. The transition methodology to be used by the Company will be the modified retrospective method. The impact of adopting IFRS 16 was determined based on the leasing agreements that the Company has entered into as a tenant and that it has classified as functioning, in accordance with the previous standard, thus an asset for right-of-use and a liability for leasing must be recognized in the consolidated financial statements.

We have focused on the disclosures required with respect to the impacts caused by adopting IFRS 16 in our audit, due to the significance of the amounts to be recognized as a right-of-use asset ($1,944,136,000), and a liability for leases as at January 1, 2019, and because the estimate of these leases involves application of significant judgment by Management; specifically, determining the present value of future rents payable by the Company.

We specifically concentrated our auditing efforts on: a) the number of lease agreements considered, b) the discount rate that Company Management used when determining the present value of payments for future rents, and c) rents and expiration dates of the agreements.

We have evaluated the process and plan considered by Management for adoption, and to determine the impact of use of IFRS 16. Specifically:

- We have helped experts in their assessments, to recalculate the discount rate used by Management, considering the Company's level of indebtedness, which we have compared with the respective contracts and the growth rate of the business, which we have compared with industry trends.

- We held interviews with the Company's Legal Department regarding contracts that have been entered into and that are currently in force.

- Based on selective samples, we checked to make sure that the contracts for which a leasing charge was recognized in fiscal year 2018 were included in the group of contracts for which the impact was calculated.

- We compared the rents and the expiration dates with the respective contracts, based on selective samples.

- Considering the information indicated above, we evaluated the Company's disclosure on the impact of implementing IFRS 16.

Additional Information

Company Management is responsible for the additional information presented. This additional information includes the Annual Report presented to the National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores – CNBV), and the Annual Report presented to shareholders (which does not include the consolidated financial statements or this independent auditor's report), which will be issued after the date this report is issued.

This additional information is not covered by this opinion on the consolidated financial statements, and we will not provide an audit opinion thereto.

However, in relation to our audit of the Company's consolidated financial statements, our responsibility is to read this additional information when it is available, and to evaluate whether such information is materially inconsistent with the consolidated financial statements or with our knowledge acquired through our audit, or if it appears to contain any material errors due to other circumstances.

When we read the additional information that we had not previously received, we must issue a statement on the Annual Report, as required by the CNBV, and if we detect that it contains a material error, we must communicate this to those responsible for administering the Company, and in that report, if applicable.

Responsibilities of Management and those Responsible for Administering the Company in regard to the Consolidated Financial Statements

Management of the Company and of its subsidiaries is responsible for the preparation and reasonable presentation of the consolidated financial statements, in accordance with IFRS, and for the internal control that was considered necessary to prepare the consolidated financial statements free of material errors, whether due to fraud or mistakes.

In preparing the consolidated financial statements, Management is responsible for evaluating the Company's ability to continue doing business as a going concern, disclosing, where applicable, matters regarding the going concern, and using the accounting basis of the going concern, unless Management has the intention of liquidating the Company or ceasing operations, or if there is no more realistic alternative than to do so.

Those responsible for administering the Company are responsible for overseeing the Company's financial reporting process.

Responsibilities of the Auditors in regard to the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance that the consolidated financial statements as a whole are free of material errors, whether due to fraud or mistakes, and to issue an audit report that contains our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit performed in accordance with IAS will always detect a material error, if there is one. Errors may be due to fraud or mistakes, and they are considered to be material if, individually or in aggregate, it may be reasonably foreseen that they will influence the financial decisions that users make based on the consolidated financial statements.

During performance of an audit pursuant to IAS, we use our professional judgment and we maintain an attitude of professional skepticism. In addition:

We identify and evaluate the risk of material errors in the consolidated financial statements, whether due to fraud or mistakes, we design and use auditing procedures to respond to those risks, and we obtain sufficient and adequate evidence during the audit to back our opinion. The risk of not detecting a material error due to fraud is higher than a risk resulting from an unintentional mistake, as fraud may imply collusion, falsification, deliberate omissions, intentionally erroneous statements, or evasion of internal controls.

We obtain an understanding of relevant internal controls for the audit in order to design audit procedures that are adequate as a function of the circumstances, and not in order to provide an opinion on the effectiveness of the Company's internal controls.

We evaluate whether the accounting policies used, the reasonability of accounting estimates, and relative disclosures presented by Management used are adequate.

We evaluate whether it is sufficient for Management to use the accounting basis of the business as a going concern to prepare the consolidated financial statements and if, based on evidence obtained from the audit, there is material uncertainty based on facts or conditions that might create significant doubts regarding the Company's capacity to continue as a going concern. If we conclude that there is a material uncertainty, we are required to call attention to this in our audit report on the corresponding information disclosed in the consolidated financial statements, or if such disclosures are inadequate, that we provide a modified opinion. Our conclusions are based on the evidence obtained from an audit as of the date of our audit report. However, future facts or conditions may be cause for the Company to cease to be a going concern.

We evaluate the presentation, structure and content of the consolidated financial statements as a whole, including any relative disclosures included in the notes, and whether the consolidated financial statements reasonably present the transactions and underlying facts.

We obtain sufficient and adequate evidence from the audit regarding the financial information of the entities or the business activities that comprise the economic group, so that we can provide an opinion on the consolidated financial statements. We are responsible for managing, supervising and performing the audit on the consolidated financial statements. We are the only parties responsible for our audit opinion.

We communicate to those responsible for administering the Company, among other matters, the scope and time at which the audit was performed, and the significant findings from the audit, as well as any material deficiency in internal controls that we identified during the course of our audit.

We also provide those responsible for administering the Company with a declaration stating that we have fulfilled the applicable ethical requirements regarding independence, and we mention all relationships and other matters that might reasonably influence our independence, and where applicable, the corresponding safeguards applied.

Among the matters communicated to those responsible for administering the Company, we determine those that were of most importance in the audit of the consolidated financial statements for the current year, which are, consequently, the key matters of the audit. We describe these matters in our audit report, except when legal or regulatory provisions prohibit their public disclosure, or in extremely rare circumstances, if we determine that a matter should not be communicated in our report because it can be reasonably expected that the adverse consequences of doing so would exceed the benefits of the public interest.

The name of the partner heading the audit is provided below.

PricewaterhouseCoopers, S.C.

[Signature]
Guillermo Robles Haro, CPA
Audit Partner

Mexico City, April 29, 2019

(End of transcription)

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ABOUT CIE

Established in 1990, CIE is one of the most important companies in the out-of-home entertainment industry 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 and cultural events, among others. The Company also operates an amusement park, El Salitre, in Bogotá, Colombia.

The Company operates the Citibanamex Center in Mexico City, which is one of the largest and most important international exposition and convention centers. It is also the best-known producer and organizer of special and corporate events in the Mexican market. CIE also promotes and markets the Formula One 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 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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