UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K/A
(Amendment No. 1)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2015,

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-32601

LIVE NATION ENTERTAINMENT, INC.
(Exact name of registrant as specified in its charter)

Delaware	**20-3247759**
(State of Incorporation)	**(I.R.S. Employer Identification No.)**

9348 Civic Center Drive
Beverly Hills, CA 90210
(Address of principal executive offices, including zip code)
(310) 867-7000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on which Registered
Common Stock, $.01 Par Value per Share; Preferred Stock Purchase Rights	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

On June 30, 2015, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the Common Stock beneficially held by non-affiliates of the registrant was approximately $4.0 billion. (For purposes hereof, directors, executive officers and 10% or greater stockholders have been deemed affiliates).

On February 19, 2016, there were 202,459,646 outstanding shares of the registrant's common stock, $0.01 par value per share, including 753,646 shares of unvested restricted stock awards and excluding 408,024 shares held in treasury.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of our Definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, filed on April 26, 2016, were incorporated by reference into Part III of our Annual Report on Form 10-K for the year ended December 31, 2015, filed on February 25, 2016.

Explanatory Note

On February 25, 2016, Live Nation Entertainment, Inc. ("Live Nation" or the "Company") filed with the Securities and Exchange Commission its Annual Report on Form 10-K for the year ended December 31, 2015.

This Amendment No. 1 to Form 10-K ("Amendment No. 1") of Live Nation is being filed solely to amend Item 15(c) to include the separate financial statements of Venta de Boletos por Computadora, S.A. de C.V. ("VBC") as required under Rule 3-09 of Regulation S-X. The financial statements of VBC for its fiscal year ended December 31, 2015 were not available at the time the Company filed its Annual Report on Form 10-K. The required financial statements are now provided as Exhibits 99.1 and 99.2 to this Amendment No. 1.

Item 15(c) is the only portion of the Company's Annual Report on Form 10-K being supplemented or amended by this Form 10-K/A. This Amendment No. 1 does not change any other information set forth in the original filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2015. This Amendment No. 1 consists solely of the preceding cover page, this explanatory note, the information required by Item 15(c) of Form 10-K as provided in Exhibits 99.1 and 99.2, a signature page, the accountants' consent for VBC and certifications required to be filed as exhibits hereto.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)1. Financial Statements.

The following consolidated financial statements are included in Item 8 of the Company's Annual Report on Form 10-K filed on February 25, 2016:

Consolidated Balance Sheets as of December 31, 2015 and 2014

Consolidated Statements of Operations for the Years Ended December 31, 2015, 2014 and 2013

Consolidated Statements of Comprehensive Loss for the Years Ended December 31, 2015, 2014 and 2013

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2015, 2014 and 2013

Consolidated Statements of Cash Flows for the Years Ended December 31, 2015, 2014 and 2013

Notes to Consolidated Financial Statements

(a)2. Financial Statement Schedule.

The following financial statement schedule for the years ended December 31, 2015, 2014 and 2013 is filed as part of Item 15 of the Company's Annual Report on Form 10-K filed on February 25, 2016 and should be read in conjunction with the consolidated financial statements.

Schedule II Valuation and Qualifying Accounts

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

(a)3. Exhibits.

The information in the Exhibit Index of this Amendment No. 1 is incorporated into this Item 15(a)3 by reference.

(c) Separate financial statements of subsidiaries not consolidated and fifty percent or less owned persons.

The financial statements included in Exhibit 99.1 for the years ended December 31, 2015 and 2014 and the financial statements included in Exhibit 99.2 for the years ended December 31, 2014 and 2013 are filed as part of Item 15 of the Company's Annual Report filed on February 25, 2016 and should be read in conjunction with the Company's consolidated financial statements.

EXHIBIT INDEX

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
3.1	Amended and Restated Certificate of Incorporation of Live Nation Entertainment, Inc., as amended.	10-K	001-32601	3.1	2/25/2010	Live Nation	
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Live Nation Entertainment, Inc.	8-K	001-32601	3.1	6/7/2013	Live Nation	
3.3	Fifth Amended and Restated Bylaws of Live Nation Entertainment, Inc.	8-K	001-32601	3.2	6/7/2013	Live Nation	
4.1	Amended and Restated Rights Agreement, dated December 18, 2015, between Live Nation Entertainment, Inc. and Computershare Inc.	8-K	001-32601	4.1	12/24/2015	Live Nation	
4.2	Form of Certificate of Designations of Series A Junior Participating Preferred Stock.	8-K	001-32601	4.2	12/23/2005	Live Nation	
4.3	Form of Right Certificate.	8-K	001-32601	4.1 (Annex B)	12/23/2005	Live Nation	
10.1	Lockup and Registration Rights Agreement, dated May 26, 2006, among Live Nation, Inc., SAMCO Investments Ltd., Concert Productions International Inc., CPI Entertainment Rights, Inc. and the other parties set forth therein.	8-K	001-32601	4.1	6/2/2006	Live Nation	
10.2	Stockholder Agreement, dated February 10, 2009, among Live Nation, Inc., Liberty Media Corporation, Liberty USA Holdings, LLC and Ticketmaster Entertainment, Inc.	8-K	001-32601	10.2	2/13/2009	Live Nation	
10.3	Note, dated January 24, 2010, among Ticketmaster Entertainment, Inc., Azoff Family Trust of 1997 and Irving Azoff.	10-K	001-32601	10.17	2/25/2010	Live Nation	
10.4	Registration Rights Agreement, dated January 25, 2010, among Live Nation, Inc., Liberty Media Corporation and Liberty Media Holdings USA, LLC.	8-K	001-32601	10.1	1/29/2010	Live Nation	
10.5	Tax Matters Agreement, dated December 21, 2005, among CCE Spinco, Inc., CCE Holdco #2, Inc. and Clear Channel Communications, Inc.	8-K	001-32601	10.2	12/23/2005	Live Nation	
10.6	Tax Sharing Agreement, dated August 20, 2008, among IAC/InterActiveCorp, HSN, Inc., Interval Leisure Group, Inc., Ticketmaster and Tree.com, Inc.	8-K	001-34064	10.2	8/25/2008	Ticketmaster	
10.7	Form of Indemnification Agreement.	10-K	001-32601	10.23	2/25/2010	Live Nation	
10.8 §	Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of March 19, 2015.	8-K	001-32601	10.2	6/11/2015	Live Nation	

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
10.9 §	Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan.	S-8	333-164507	10.1	1/26/2010	Live Nation	
10.10 §	Amendment No. 1 to the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan.	10-Q	001-32601	10.1	11/4/2010	Live Nation	
10.11 §	Live Nation Entertainment, Inc. 2006 Annual Incentive Plan, as amended and restated as of March 19, 2015.	8-K	001-32601	10.1	6/11/2015	Live Nation	
10.12 §	Form Stock Option Agreement for the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of March 19, 2015.	10-K	001-32601	10.12	2/25/2016	Live Nation	
10.13 §	Form Restricted Stock Agreement for the Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of March 19, 2015.	10-K	001-32601	10.13	2/25/2016	Live Nation	
10.14 §	Form Stock Option Agreement for the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan.	10-K	001-32601	10.14	2/25/2016	Live Nation	
10.15 §	Form Restricted Stock Agreement for the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan.	10-K	001-32601	10.15	2/25/2016	Live Nation	
10.16 §	Amended and Restated Live Nation, Inc. Stock Bonus Plan.	8-K	001-32601	10.1	1/25/2010	Live Nation	
10.17 §	Employment Agreement, dated October 21, 2009, among Live Nation, Inc., Live Nation Worldwide, Inc. and Michael Rapino.	8-K	001-32601	10.1	10/22/2009	Live Nation	
10.18 §	First Amendment to Employment Agreement, dated December 27, 2012 by and between Live Nation Entertainment, Inc. and Michael Rapino.	10-K	001-32601	10.29	2/26/2013	Live Nation	
10.19 §	Employment Agreement, effective January 1, 2014, between Live Nation Entertainment, Inc. and Michael Rowles.	10-K	001-32601	10.17	2/24/2014	Live Nation	
10.20 §	Employment Agreement, effective January 1, 2014, between Live Nation Entertainment, Inc. and Kathy Willard.	10-K	001-32601	10.19	2/24/2014	Live Nation	
10.21 §	Employment Agreement, effective December 17, 2007, between Live Nation Worldwide, Inc. and Brian Capo.	10-Q	001-32601	10.4	8/7/2008	Live Nation	
10.22 §	First Amendment to Employment Agreement, effective December 31, 2008, between Live Nation Worldwide, Inc. and Brian Capo.	10-K	001-32601	10.30	3/5/2009	Live Nation	

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
10.23 §	Second Amendment to Employment Agreement, effective December 17, 2007, between Live Nation Worldwide, Inc. and Brian Capo.	10-K	001-32601	10.55	2/25/2010	Live Nation	
10.24 §	Employment Agreement, effective January 1, 2014, between Live Nation Entertainment, Inc. and Joe Berchtold.	10-K	001-32601	10.24	2/24/2014	Live Nation	
10.25	Credit Agreement entered into as of May 6, 2010, among Live Nation Entertainment, Inc., the Foreign Borrowers party thereto, the Guarantors identified therein, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, JPMorgan Chase Bank, N.A., Toronto Branch, as Canadian Agent and J.P. Morgan Europe Limited, as London Agent.	10-Q	001-32601	10.4	8/5/2010	Live Nation	
10.26	Amendment No. 1, to the Credit Agreement, dated as of June 29, 2012, entered into by and among Live Nation Entertainment, Inc., the relevant Credit Parties identified therein, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent for the Lenders.	10-Q	001-32601	10.2	8/7/2012	Live Nation	
10.27	Amendment No. 2 to the Credit Agreement, dated as of August 16, 2013, entered into by and among Live Nation Entertainment, Inc., the Guarantors identified therein, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent for the Lenders, JPMorgan Chase Bank, N.A., Toronto Branch, as Canadian agent and J.P. Morgan Europe Limited, as London agent.	10-Q	001-32601	10.2	5/6/2014	Live Nation	
10.28	Incremental Term Loan Joinder Agreement No. 1, dated August 20, 2012, by and among Live Nation Entertainment, Inc., JPMorganChase Bank, N.A., as administrative agent, each Incremental Term Loan Lender defined therein and the relevant Credit Parties identified therein.	10-Q	001-32601	10.2	11/5/2012	Live Nation	
10.29	Indenture, dated August 20, 2012, by and among Live Nation Entertainment, Inc., the Guarantors defined therein, and the Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.1	11/5/2012	Live Nation	

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
10.30	First Supplemental Indenture, entered into as of October 4, 2012, among Live Nation Entertainment, Inc., the Guarantors listed in Appendix I attached thereto, Live Nation Ushtours (USA), LLC, and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.3	11/5/2012	Live Nation	
10.31	Second Supplemental Indenture, entered into as of August 13, 2013, among Live Nation Entertainment, Inc., the Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	8-K	001-32601	10.1	8/16/2013	Live Nation	
10.32	Third Supplemental Indenture, dated as of February 6, 2014 among Live Nation Entertainment, Inc., BigChampagne, LLC, the Existing Guarantors Party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.1	5/6/2014	Live Nation	
10.33	Fourth Supplemental Indenture, dated as of May 27, 2014, among Live Nation Entertainment, Inc., Reigndeer Entertainment Corp., the Existing Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.3	7/31/2014	Live Nation	
10.34	Fifth Supplemental Indenture, dated as of August 27, 2014, among Live Nation Entertainment, Inc., Ticketstoday, LLC, the Existing Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.2	10/30/2014	Live Nation	
10.35	Sixth Supplemental Indenture, dated as of October 31, 2014, among Live Nation Entertainment, Inc., EXMO Inc., Artist Nation Management, Inc., Guyo Entertainment, Inc., the Existing Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-K	001-32601	10.3	2/26/2014	Live Nation	
10.36	Seventh Supplemental Indenture, dated as of March 27, 2015 among Live Nation Entertainment, Inc., Country Nation, LLC, the existing Guarantors Party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.2	4/30/2015	Live Nation	
10.37	Eight Supplemental Indenture, dated as of August 13, 2015, among Live Nation Entertainment, Inc., the guarantors listed in Appendix I thereto, FG Acquisition Co, LLC, Front Gate Holdings, LLC, and Front Gate Ticketing Solutions, LLC and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.2	10/29/2015	Live Nation	

Exhibit No.	Exhibit Description	Incorporated by Reference: Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
10.38	Indenture, dated as of May 23, 2014, among Live Nation Entertainment, Inc., the Guarantors and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.1	7/31/2014	Live Nation	
10.39	First Supplemental Indenture, dated as of August 27, 2014, among Live Nation Entertainment, Inc., Ticketstoday, LLC, the Existing Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.1	10/30/2014	Live Nation	
10.40	Second Supplemental Indenture, dated as of October 31, 2014, among Live Nation Entertainment, Inc., EXMO, Inc., Artist Nation Management, Inc., Guyo Entertainment, Inc., the Existing Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-K	001-32601	10.33	2/26/2014	Live Nation	
10.41	Third Supplemental Indenture, dated as of March 27, 2015 among Live Nation Entertainment, Inc. Country Nation, LLC, the Existing Guarantors Party thereto and The Bank of New York Mellon Trust Company N.A., as trustee.	10-Q	001-32601	10.1	4/30/2015	Live Nation	
10.42	Fourth Supplemental Indenture, dated as of August 13, 2015, the guarantors listed in Appendix I thereto, FG Acquisition Co, LLC, Front Gate Holdings, LLC and Front Gate Ticketing Solutions, LLC and The Bank of New York Mellon Trust Company, N.A., as trustee.	10-Q	001-32601	10.2	10/29/2015	Live Nation	
10.43	Indenture, dated as of May 23, 2014, between Live Nation Entertainment, Inc., and HSBC Bank USA, National Association, as trustee.	10-Q	001-32601	10.2	7/31/2014	Live Nation	
12.1	Computation of Ratio of Earnings to Fixed Charges.	10-K	001-32601	12.1	2/25/2016	Live Nation	
14.1	Code of Business Conduct and Ethics.	10-K	001-32601	14.1	2/25/2016	Live Nation	
21.1	Subsidiaries of the Company.	10-K	001-32601	21.1	2/25/2016	Live Nation	
23.1	Consent of Ernst & Young LLP.	10-K	001-32601	23.1	2/25/2016	Live Nation	
23.2	Consent of PricewaterhouseCoopers S.C.						X
24.1	Power of Attorney (see signature page 111 of 10-K).	10-K	001-32601	24.1	2/25/2016	Live Nation	
31.1	Certification of Chief Executive Officer.						X
31.2	Certification of Chief Financial Officer.						X
32.1	Section 1350 Certification of Chief Executive Officer.						X

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
32.2	Section 1350 Certification of Chief Financial Officer.						X
99.1	Financial statements of Venta de Boletos por Computadora, S.A. de C.V. as of and for the years ended December 31, 2015 and 2014.						X
99.2	Financial statements of Venta de Boletos por Computadora, S.A. de C.V. as of and for the years ended December 31, 2014 and 2013.						X
101.INS	XBRL Instance Document.	10-K	001-32601	101.INS	2/25/2016	Live Nation	
101.SCH	XBRL Taxonomy Schema Document.	10-K	001-32601	101.SCH	2/25/2016	Live Nation	
101.CAL	XBRL Taxonomy Calculation Linkbase Document.	10-K	001-32601	101.CAL	2/25/2016	Live Nation	
101.DEF	XBRL Taxonomy Definition Linkbase Document.	10-K	001-32601	101.DEF	2/25/2016	Live Nation	
101.LAB	XBRL Taxonomy Label Linkbase Document.	10-K	001-32601	101.LAB	2/25/2016	Live Nation	
101.PRE	XBRL Taxonomy Presentation Linkbase Document.	10-K	001-32601	101.PRE	2/25/2016	Live Nation	

§ Management contract or compensatory plan or arrangement.

The Company has not filed long-term debt instruments of its subsidiaries where the total amount under such instruments is less than ten percent of the total assets of the Company and its subsidiaries on a consolidated basis. However, the Company will furnish a copy of such instruments to the Commission upon request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on June 29, 2016.

LIVE NATION ENTERTAINMENT, INC.

By: /s/ Michael Rapino

Michael Rapino
President and Chief Executive Officer

EXHIBIT 23.2

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No 333-190459), and Form S-8 (Nos. 333-175139, 333-164507, 333-164494, 333-164302, 333-157664, 333-149901, 333-132949, and 333-206294) of Live Nation Entertainment, Inc., of our reports dated June 21, 2016 and June 27, 2014 relating to the financial statements of Venta de Boletos por Computadora, S.A. de C.V., which appears in this Form 10-K.

PricewaterhouseCoopers S.C.

/s/ Arturo Martinez Mojica
Arturo Martinez Mojica
Mexico City, Mexico
June 21, 2016

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

CERTIFICATION

I, Michael Rapino, certify that:

1. I have reviewed this Amendment No. 1 to the Annual Report on Form 10-K of Live Nation Entertainment, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

Date: June 29, 2016

By: /s/ Michael Rapino

Michael Rapino

President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

CERTIFICATION

I, Kathy Willard, certify that:

1. I have reviewed this Amendment No. 1 to the Annual Report on Form 10-K of Live Nation Entertainment, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

Date: June 29, 2016

By: /s/ Kathy Willard

Kathy Willard
Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

In connection with this Annual Report of Live Nation Entertainment, Inc. (the “Company”) on Form 10-K/A (Amendment No. 1) for the year ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael Rapino, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 29, 2016

By: /s/ Michael Rapino

Michael Rapino
President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

SECTION 1350 CERTIFICATION OF CHIEF FINANCIAL OFFICER

In connection with this Annual Report of Live Nation Entertainment, Inc. (the "Company") on Form 10-K/A (Amendment No. 1) for the year ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kathy Willard, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 29, 2016

By: /s/ Kathy Willard

Kathy Willard
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 99.1

Venta de Boletos por Computadora, S. A. de C. V.
and subsidiaries

(a subsidiary of Ocesa Entretenimiento, S. A. de C. V., in turn a subsidiary of Corporación Interamericana de Entretenimiento, S. A. B. de C. V.)

Consolidated Audited Financial Statements

December 31, 2015

Venta de Boletos por Computadora, S. A. de C. V. and subsidiaries
(a subsidiary of Ocesa Entretenimiento, S. A. de C. V., in turn a subsidiary of Corporación Interamericana de Entretenimiento, S. A. B. de C. V.)
Index
December 31, 2015 and 2014

Report of Independent Auditors

To the Board of Directors and Shareholders:

In our opinion, the accompanying consolidated statement of financial position and the related consolidated statements of comprehensive income, changes in stockholders´ equity and cash flow present fairly, in all material respects, the financial position of Venta de Boletos por Computadora, S. A. de C. V. and its subsidiaries at December 31, 2015, and the results of their operations and their cash flow for the year then ended in conformity with Mexican Financial Reporting Standards. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The consolidated financial statements referred to above have been presented in conformity with the Mexican Financial Reporting Standards which vary in certain significant respects from Accounting Principles Generally Accepted in the United States of America (United States). Information relating to the nature and effect of such differences is presented in Note 19 to the consolidated financial statements.

PricewaterhouseCoopers, S. C.

/s/ Arturo Martinez Mojica
Arturo Martinez Mojica
Audit Partner

Mexico City, June 21, 2016

Amounts expressed in Mexican pesos

Assets		December 31, 2015		December 31, 2014 Unaudited
CURRENT ASSETS:				
Cash and cash equivalents (Note 6)	Ps	914,420,510	Ps	279,971,575
Accounts receivable (Note 7)		51,721,678		67,980,595
Related parties (Note 8)		77,657,777		241,905,187
Deferred costs and advance payments		1,350,093		8,119,730
Total current assets		1,045,150,058		597,977,087
FURNITURE AND EQUIPMENT - Net (Note 9)		28,017,535		39,677,188
INTANGIBLE ASSETS AND OTHER ASSETS (Note 10)		24,940,381		43,750,692
DEFERRED INCOME TAX (Note 15)		4,792,789		—
Total assets	Ps	1,102,900,763	Ps	681,404,967
Liabilities and Stockholders' Equity				
CURRENT LIABILITIES:				
Suppliers	Ps	77,747	Ps	5,783,468
Accounts payable		651,504,500		324,168,236
Related parties (Note 8)		574,959		1,632,643
Accrued liabilities (Note 11)		18,651,128		9,515,734
Value added tax payable		5,155,959		7,660,274
Deferred revenues		—		4,653,716
Total current liabilities		675,964,293		353,414,071
DEFERRED INCOME TAX (Note 15)		—		3,349,113
Total liabilities		675,964,293		356,763,184
STOCKHOLDERS' EQUITY (Note 12):				
Capital stock		21,854,275		21,854,275
Share premium		2,628,300		2,628,300
Retained earnings		396,557,426		294,410,774
Controlling shareholders' investment in controlling interest		421,040,001		318,893,349
Non-controlling interest		5,896,469		5,748,434
Total stockholders' equity		426,936,470		324,641,783
COMMITMENTS AND CONTINGENCIES (Notes 16 and 17)		—		—
Total liabilities and stockholders' equity	Ps	1,102,900,763	Ps	681,404,967

The accompanying nineteen notes are an integral part of these financial statements.

Consolidated Statements of Comprehensive Income
For the years ended December 31, 2015 and 2014

Amounts expressed in Mexican pesos

		Year ended December 31, 2015		2014 Unaudited
Revenue for services (Note 13)	Ps	843,080,800	Ps	592,427,661
Cost of services (Note 14)		(301,010,948)		(183,286,331)
Gross profit		542,069,852		409,141,330
Operating expenses (Note 14)		(138,514,930)		(147,040,661)
Operating income		403,554,922		262,100,669
Comprehensive financing results:				
Interest income - Net		28,432,999		16,921,633
Exchange gain - Net		1,545,673		17,692
Comprehensive financing income - Net		29,978,672		16,939,325
Profit before income taxes		433,533,594		279,039,994
Provision for income taxes (Note 15):				
Current income tax		(140,835,809)		(78,248,691)
Deferred income tax		8,141,902		(3,366,359)
		(132,693,907)		(81,615,050)
Net consolidated profit for the year		300,839,687		197,424,944
Other comprehensive income		—		—
Consolidated comprehensive income for the year	Ps	300,839,687	Ps	197,424,944
Distribution of consolidated comprehensive net income for the year:				
Controlling interest	Ps	299,646,652	Ps	195,547,027
Non-controlling interest		1,193,035		1,877,917
	Ps	300,839,687	Ps	197,424,944

The accompanying nineteen notes are an integral part of these financial statements.

Venta de Boletos por Computadora, S. A. de C. V. and subsidiaries
(a subsidiary of Ocesa Entretenimiento, S. A. de C. V., in turn a subsidiary of Corporación Interamericana de Entretenimiento, S. A. B. de C. V.)
Consolidated Statement of Changes in Stockholders' Equity
(Note 12)
For the years ended December 31, 2015 and 2014

Amounts expressed in Mexican pesos

			Retained earnings				
	Capital stock	Share premium	Holding	Subsidiaries	Total	Non-controlling interest	Total
Balances at January 1, 2014 (Unaudited)	Ps 21,854,275	Ps 2,628,300	Ps 165,078,673	Ps 118,862,151	Ps 283,940,824	Ps 3,870,517	Ps 312,293,916
Dividends received	—	—	63,061,895	(63,061,895)	—	—	—
Dividends paid	—	—	(185,077,077)	—	(185,077,077)	—	(185,077,077)
Comprehensive income for the year (Note 3q.)	—	—	144,983,500	50,563,527	195,547,027	1,877,917	197,424,944
Balances at December 31, 2014 (Unaudited)	21,854,275	2,628,300	188,046,991	106,363,783	294,410,774	5,748,434	324,641,783
Dividends received	—	—	80,999,994	(80,999,994)	—	—	—
Dividends paid	—	—	(197,500,000)	—	(197,500,000)	—	(197,500,000)
Dividends paid to non-controlling interest	—	—	—	—	—	(1,045,000)	(1,045,000)
Comprehensive income for the year (Note 3q.)	—	—	192,263,407	107,383,245	299,646,652	1,193,035	300,839,687
Balances at December 31, 2015	Ps 21,854,275	Ps 2,628,300	Ps 263,810,392	Ps 132,747,034	Ps 396,557,426	Ps 5,896,469	Ps 426,936,470

The accompanying nineteen notes are an integral part of these financial statements.

Amounts expressed in Mexican pesos

	Year ended December 31, 2015	Year ended December 31, 2014 Unaudited
Operating activities		
Profit before income taxes	Ps 433,533,594	Ps 279,039,994
Items related to investing activities:		
Depreciation and amortization	39,014,618	25,891,930
Interest receivable	(28,432,999)	(16,921,633)
Subtotal of investing activities related items	444,115,213	288,010,291
Decrease (increase) in accounts receivable	16,258,917	(5,685,615)
Decrease (increase) in related parties	163,189,726	(92,900,475)
Decrease in deferred costs	6,769,637	2,648,797
Increase in suppliers and other accounts payable	326,770,127	88,424,133
(Decrease) increase in deferred revenues	(4,653,716)	1,653,853
Income taxes paid	(139,510,540)	(79,290,423)
Net cash flows from operating activities	812,939,364	202,860,561
Investing activities		
Investment in furniture and equipment	(4,511,481)	(20,439,182)
Interest collected	28,432,999	16,921,633
Investment in other assets	(3,866,947)	(3,566,478)
Net cash flows from investing activities	20,054,571	(7,084,027)
Financing activities		
Dividends paid to non-controlling interest	(1,045,000)	—
Dividends paid	(197,500,000)	(185,077,077)
Net cash flows from financing activities	(198,545,000)	(185,077,077)
Net increase in cash and cash equivalents	634,448,935	10,699,457
Cash and cash equivalents at beginning of year	279,971,575	269,272,118
Cash and cash equivalents at end of year	Ps 914,420,510	Ps 279,971,575

The accompanying nineteen notes are an integral part of these financial statements.

Amounts expressed in Mexican pesos

Note 1 - Company operations:

Venta de Boletos por Computadora, S.A. de C.V. (VBC), is subsidiary of OCESA Entretenimiento, S. A. de C. V., in turn a subsidiary of Corporación Interamericana de Entretenimiento, S. A. B. de C. V., and it was established on June 3, 1991 under Mexican laws, for a term of 99 years. The activities and operations of VBC and its subsidiaries (Company) have mainly the following objectives:

a. Marketing of tickets through automated sales systems for any type of events (including but not limited to shows related to sport, musical, cultural, theater, and massive entertainment), mainly through the electronic system called "Ticketmaster".

b. Using, transmission, marketing or control of goods, services and databases related to the activities above mentioned, and rendering of related services.

The Company has no employees, and all administrative, accounting, legal, finance and operation services are provided by a related party.

Note 2 - Basis of preparation:

Mexican Financial Reporting Standards (MFRS)

The accompanying consolidated financial statements at December 31, 2015 and 2014, fairly meet the provisions of the MFRS to show a fair presentation of the Company's financial position. MFRS state that the International Financial Reporting Standards, the International Accounting Standards (IAS), the International Financial Reporting Interpretations and the Interpretation Committee are a supplementary part of the MFRS when the absence of the MFRS requires it. Accordingly, the Company with the purpose of recognizing, valuing and disclosing its own particular transactions, applies the IAS-18 "Revenue", issued by the International Accounting Standards Board. See Note 3s.

MFRS effective from January 1, 2015

As of January 1, 2015, the Company retrospectively adopted the following improvements to MFRS, issued by Consejo Mexicano de Normas de Información Financiera (CINIF), which became effective as of the aforementioned date. It is considered that no relevant effects over the financial information presented by the Company arise from such improvements to MFRS:

- MFRS B-8 "Consolidated or combined financial statements". Incorporates the definition and method of identifying an investment entity. It also establishes the need of performing an analysis to conclude if such entities control the entities in which they participate, if not, the type of investment should be identified and, for accounting recognition purposes the relevant MFRS must be applied.

- MFRS C-9 "Liabilities, provisions, contingent assets and liabilities and commitments". It establishes that advance payments of foreign currency clients should be recognized and the exchange rate of the transition date; i.e., at historical exchange rate and such amount should not be modified due to subsequent exchange fluctuations.

Financial statement authorization

The accompanying consolidated financial statements and their notes were authorized to be issued on March 4, 2016, by George Gonzalez and Jorge López de Cardenas Ramírez, whom have legal authorization to approve financial statements and their notes except for the Note 19 which was authorized for its issuance on June 21, 2016.

Note 3 - Summary of significant accounting policies:

Most significant accounting policies are summarized as follows, which have been consistently applied in the reporting years, unless otherwise indicated.

The MFRS require the use of some critical accounting estimates in the preparation of the financial statements. Management judgment is also required in the process of determining the Company's accounting policies. The areas including a higher degree of judgment or complexity and those where the assumptions and estimates are significant to the consolidated statements are described in Note 4.

a. Consolidation

Subsidiaries

Subsidiaries are all entities over which the Company has control to direct their relevant activities, has the right (and is exposed) to variable returns from its share and has the ability to affect those returns through its power. In assessing whether the Company controls an entity, the existence and effect of potential voting rights that are currently exercisable or convertible were considered. The existence of control in cases where the Company has no more than 50% of voting rights but it may decide the financial and operating policies is also assessed.

Subsidiaries are consolidated as of the date they are controlled by the Company and are no longer consolidated when the control is lost. Transactions, balances and unrealized gains and losses resulting from transactions between the consolidated companies have been eliminated. The accounting policies applied by subsidiaries have been amended to ensure consistency with the accounting policies adopted by the Company, where necessary.

In preparing the consolidated financial statements, the financial statements of the subsidiaries at December 31, 2015 and 2014 and for the periods ended on those dates were used.

The accompanying consolidated financial statements include the figures of VBC and its subsidiaries, as mentioned below:

Company	Parent percentage share 2015 and 2014	Main activity
Servicios Especializados para la Venta Automatizada de Boletos, S. A. de C. V.	100	Rendering of administrative, technical, technological and marketing services.
ETK Boletos, S. A. de C. V. (ETK)	72.5	Automated sales of tickets.

Transactions with non-controlling shareholders

The Company recognizes transactions with non-controlling shareholders as transactions between shareholders. When a non-controlling interest is acquired, the difference between any consideration paid and the share of the subsidiary acquired measured at their carrying amount is recorded in equity. Gains or losses on disposal of a share in a subsidiary that does not involve the loss of control by the Company are also recognized in equity.

b. Recording, functional and presentation currency

Items included in the financial statements of each of these entities are measured at the currency of the primary economic environment in which the entities operate, i.e., its “functional currency”. The consolidated financial statements are presented in (Mexican pesos), which is the Company's reporting currency.

c. Effects of inflation on the financial information

According to the provisions of MFRS B-10 “Inflation Effects”, as of January 1, 2008, the Mexican economy is not an inflationary environment, since cumulative inflation has been below 26% (limit to define an economy as inflationary) therefore, it has been required to discontinue the recognition of the inflation effects in the financial information. Accordingly, the figures of the accompanying consolidated financial statements at December 31, 2015 and 2014 are stated in historical Mexican pesos modified by the inflation effects on the financial information recognized up to December 31, 2007.

Inflation rates are shown below:

	December 31,	
	2015	2014
Annual inflation rate	2.13	4.08
Cumulative inflation in the last three years	12.08	11.80

d. Cash and cash equivalents

Cash and cash equivalents include cash balances, bank deposits and other highly liquid investments with minor risks by changes in value. (See Note 6).

e. Accounts receivable

Accounts receivable mainly represent amounts due from service centers and outlets related to the sale of tickets in cash and/or credit and debit cards. (See Note 7).

f. Deferred cost

The unrealized cost includes costs related to ticket printing and its inventories. These costs are recognized in the income statement when the contracted services are used.

g. Advance payments

Advance payments represent such expenditures made by the Company where the risks and benefits inherent to the goods to be acquired or services to be received have not been transferred. Advance payments are recorded at their cost and presented in the statement of the financial position as current or non-current assets, depending on the destination item. Once the goods and/or services related to advance payments are received, they should be recognized as an expense in the income statement or an asset in the statement of financial position (balance sheet), according to the respective nature. Advance payments in foreign currencies are recognized at the exchange rate at the date of the transaction, without modification by subsequent fluctuations between the currencies.

h. Furniture and equipment

At December 31, 2015 and 2014, furniture and equipment are expressed as follows: i) acquisitions subsequent to January 1, 2008, at their historical cost and ii) acquisitions until December 31, 2007 at their restated value determined by applying National Consumer Price Index (NCPI) factors to their acquisition values until December 31, 2007.

Depreciation is calculated by the straight line method based on the useful lives of the assets estimated by the Company's management applied to the furniture and equipment values. (See Note 9).

Furniture and equipment are subject to annual impairment testing only when impairment indicators are identified. Accordingly, these are expressed at their modified historical cost, less cumulative depreciation and, in its case, impairment losses. As of December 31 2015 and 2014 there has been no indication of impairment.

i. Intangible assets and other assets

At December 31, 2015 and 2014, intangible assets includes the EDB-Ticket software, which is amortized over 10 years; E-Ticket brand which is considered as indefinite useful life; net investment of the access rights and ease to different properties and non-compete agreement, which are amortized during the term of the agreements.

Intangible assets are recognized when they meet the following conditions: are identifiable, provide future economic benefits and the company has control over such benefits. Intangible assets are classified as follows:

- Finite useful life: are those whose expected future economic benefits are limited by any legal or economic condition and are amortized in straight line in accordance to term of the contract and are subject to annual impairment testing when impairment indicators are identified.

- Indefinite useful life, which are not amortized and subject to annual impairment assessment.

Intangible assets are expressed at historical cost. Subsequently, those assets are stated at their historical cost, reduced from the corresponding cumulative amortization and, when appropriate, from impairment losses. As of December 31 2015 and 2014 there has been no indication of impairment.

j. Suppliers and accounts payable

This item includes obligations with suppliers and other payables for purchases of goods or services acquired in the normal course of Company's operations. When payment is expected in a period of one year or less from the closing date (or in the normal operating cycle of the business if this cycle exceeds this period), they are presented as current liabilities. If the above is not met, they are presented as non-current liabilities.

Accounts payable from ticket sales mainly comprise the balance payable to companies promoting future events.

k. Provisions

Liability provisions represent present obligations for past events, where outflow of economic resources is probable (it is more likely than not). These provisions have been recorded based on management's best estimation.

l. Current and deferred income tax

Current and deferred tax is recognized as an expense in the period income, except when arising from a transaction or event that is recognized outside the period income as other comprehensive income or an item directly recognized in stockholders' equity.

The deferred income tax is recorded based on the comprehensive asset-and-liability method, which consists of recognizing deferred tax on all temporary differences between the accounting and tax values of assets and liabilities to be materialized in the future, at rates enacted in the tax provisions in force at financial statements dates. (See Note 15).

m. Deferred revenue

Unrealized revenue represents future advertising revenues, which are applied to income when the customer uses those advertising spaces, such as the VBC newsletter called "La Guía de Entretenimiento", on the ticket and the envelope, as well as advertising by telephone and internet.

n. Stockholders' equity

The capital stock, the share premium and retained earnings are expressed as follows: i) movements made as of January 1, 2008 at historical cost, and ii) movements made before January 1, 2008 at restated values determined by applying NCPI factors up to December 31, 2007 to their originally determined values (see Note 12). Consequently, the different stockholders' equity concepts are expressed at modified historical cost.

o. Share premium

The share premium represents the difference in surplus between the payment for subscribed shares and their nominal value.

p. Other comprehensive income

The Other Comprehensive Income (OCI) is composed of the result from translation of foreign operations, the change in fair value of cash flow hedges, interest in the OCI of associates as well as income taxes related to the OCI. The OCI represents revenue, costs and expenses already accrued but still pending completion, which is expected in the medium term and whose value may change due to changes in the fair value of assets or liabilities from which they arise, which means that they may not be realized in part or in full. The OCI is recycled when this is realized and is recognized as a separate component in stockholders' equity in order to be recognized in net consolidated income in the period in which the asset or liability that gave rise to them is realized. As of December 31, 2015 and 2014 there are no items in the OCI.

q. Comprehensive income

The comprehensive income comprises the net income, as well as items required under specific MFRS provisions, which are shown in stockholders' equity and do not constitute equity payments, reductions and distributions. Comprehensive income for 2015 and 2014 is expressed at historical pesos.

r. Costs, expenses and additional line items presentation in the statement of income

The Company presents costs and expenses in the consolidated statements of income based on the function of items, which mainly separates the costs of services from other costs and expenses. Additionally, for a better analysis of its financial position, the Company has considered necessary to present the operating profit separately in the statement of income, as such information is a disclosure practice in the sector to which the Company belongs.

s. Revenue recognition

Revenue from commissions on ticket sales are recognized when the tickets are sold and the commission represents a percentage of the ticket value. VBC and ETK deliver the value of tickets sold to the venue at which the event took place, within two business days after the event is finished. The amount of tickets sold in advance is recognized as a liability in favor to the venue where the event will take place.

Revenue from the provision of marketing services involving incoming and outgoing calls, tickets sales and commercialization of databases are recognized as they are rendered, and a) the revenue amount incurred is reliably determined, and b) the Company is likely to receive economic benefits associated to the provision for the services.

t. Other income allowances

The allowance for bad debts is recognized based on studies made by Company's Management and is considered sufficient to absorb losses in accordance with the policies established by the Company.

u. Exchange gain

Transactions in foreign currencies are initially recorded at the recording currency applying the exchange rate prevailing on the dates they are entered into and/or settled. Assets and liabilities denominated in such currency are translated at the exchange rate prevailing on the statement of the financial position date. Exchange gain or loss differences arising from fluctuations in the exchange rates between the transaction and settlement dates, or valuation at the period closing, are recognized in income as a component of the Comprehensive Financing Result (CFR), with exception of those exchange differences that, as a part of the cost of eligible assets, are capitalized with other components of CFR.

Note 4 - Accounting estimates:

The Company makes estimates and projections about future events to recognize and measure certain financial statement items. The resulting recognized accounting estimates may differ from actual results or events. The estimates and projections that have a significant risk of material adjustments in the assets and liabilities recognized during the following year are described below.

The Company is subject to pay income tax. Significant judgments are required to recognize the current and deferred income tax. There are many transactions and calculations for which an accurate tax determination is uncertain. The Company recognizes a liability for those matters observed during tax audits that are considered likely to result in the determination of tax additional to that originally incurred. When the result of these processes is different from the estimated liability, the differences are recognized under deferred and/or current income tax.

Note 5 - Foreign currency position:

The figures in this note are stated in US dollars (Dls.), except for exchange rates.

a. As of December 31, 2015 and 2014, the Company had the following monetary assets and liabilities in dollars as shown as follows:

	December 31,	
	2015	2014 Unaudited
Assets	Dls. 637,336	Dls. 252,486
Liabilities	(29,596)	(455,343)
Net long (short) position	Dls. 607,740	Dls. (202,857)

At December 31, 2015 and 2014, the exchange rate was Ps17.24 and Ps14.74 per dollar, respectively. At the date of issuance of the financial statements, the exchange rate was of Ps17.89 per dollar.

b. The most significant foreign currency transactions carried out by the Company are summarized below:

	Year ended December 31, 2015	Year ended December 31, 2014 Unaudited
Sales	Dls. 1,381,059	Dls. 453,338
Costs and operating expenses	(2,631,808)	(2,028,889)
Royalty costs	(250,000)	(250,000)

Note 6 - Cash and cash equivalents:

The cash and cash equivalents balance at December 31, 2015 and 2014, is mainly comprised of cash on hand, bank deposits, foreign currency balances, and available demand investments, all highly liquid and subject to insignificant risks of change in value. The breakdown of this balance is shown as follows:

	December 31, 2015	December 31, 2014 Unaudited
Cash	Ps 99,436	Ps 2,590,599
Bank deposits	11,135,634	18,397,976
Demand investments	903,185,440	258,983,000
Total cash and cash equivalents	Ps 914,420,510	Ps 279,971,575

Investments in securities are subject to several risks, mainly those related to the market they operate, associated terms with the interest rates, exchange rates and the inherent risks of credit and liquidity market.

Note 7 - Accounts receivable:

Accounts receivable at December 31, 2015 and 2014 are as follows:

	December 31, 2015	December 31, 2014 Unaudited
Customers	Ps 1,556,012	Ps 3,040,924
Accounts receivable from sales of tickets	25,081,494	23,019,989
Recoverable income tax	20,036,131	42,126,374
Other accounts receivable	5,171,333	410,634
	51,844,970	68,597,921
Allowance for doubtful accounts	(123,292)	(617,326)
	Ps 51,721,678	Ps 67,980,595

Note 8 - Balances and transactions with related parties:

As mentioned in Note 1, the Company is a direct subsidiary of Ocesa Entretenimiento, S. A. de C. V.

a. The balances with related parties at December 31, 2015 and 2014 are shown as follows:

Accounts receivable:	December 31, 2015	December 31, 2014 Unaudited
Affiliates		
Operadora de Centros de Espectáculos, S. A. de C. V. (OCESA) [1]	Ps 73,166,660	Ps 196,946,742
Make Pro, S. A. de C. V.	2,209,235	54,264
Servicios Corporativos CIE, S. A. de C. V.	500,345	368,251
Fútbol del Distrito Federal, S. A. de C. V.	419,749	64,332
Serinem México, S. A. de C. V.	388,464	99,698
Servicios Compartidos de Alta Dirección, S. A. de C. V.	308,878	230,352
Televisa, S. A. de C. V.	250,951	272,310
Ocesa Promotora, S. A. de C. V.	212,857	43,193,521
Cie Internacional, S. A. de C. V.	119,031	165,573
Creatividad y Espectáculos, S. A. de C. V.	80,081	75,018
Car Sport Racing, S. A. de C. V.	1,526	32,055
Administradora Mexicana de Hipódromo, S. A. de C. V.	—	197,417
Ocesa Presenta, S. A. de C. V.	—	176,568
Inmobiliaria de Centros de Espectáculos, S. A. de C. V.	—	15,486
Ideas Marketing, S. A. de C. V.	—	13,600
	Ps 77,657,777	Ps 241,905,187

Accounts payable:	December 31, 2015		2014 Unaudited	
Affiliates				
Servicios Administrativos del Entretenimiento, S. A. de C. V.	Ps	314,966	Ps	1,145,343
Administradora Mexicana de Hipódromo, S. A. de C. V.		240,273		—
Operadora de Centros de Espectáculos, S. A. de C. V.		19,720		—
TicketMaster LLC CA		—		3,083
Servicios de Protección Privada Lobo, S. A. de C. V.		—		3,689
Needish México, S. A. de C. V.		—		480,528
	Ps	574,959	Ps	1,632,643

[1] Accounts receivable with OCESA have no expiration term, without guarantee, and they accrued monthly interests to the TIIE plus two points.

b. During the years ended on December 31, 2015 and 2014, the Company carried out the following operations with related parties:

Income from:	Year ended December 31, 2015		2014 Unaudited	
Affiliates				
Commissions and charges from ticket sales	Ps	45,962,507	Ps	30,081,063
Sponsorship income		18,962,000		19,571,780
Interest earned		15,333,196		12,684,886
Equipment leasing		291,487		1,190,523
Other income		30,680		957,880
Costs and expenses:				
Affiliates				
Personnel, administrative and security services	Ps	(93,914,664)	Ps	(91,587,884)
Lease of properties		(10,194,494)		(9,794,815)
Corporate fees		(7,995,022)		(7,289,376)
Sponsorship commissions		(1,643,333)		(2,052,460)
Other expenses		(2,940,394)		(4,223,640)
Stockholders:				
Communication services		(7,087,344)		(4,118,653)
Royalties		(4,007,931)		(3,300,256)

Note 9 - Furniture and equipment:

The investment in furniture and equipment at December 31, 2015 and 2014 is as follows:

	December 31, 2015	December 31, 2014 Unaudited	Annual depreciation or amortization rate (%)
Computer and peripheral equipment	Ps 171,223,497	Ps 171,852,958	30
Furniture and equipment	8,503,286	8,502,043	10
Leasehold improvements	6,681,508	6,681,508	5
Transportation equipment	4,327,832	4,101,868	25
	190,736,123	191,138,377	
Accumulated depreciation	(162,718,588)	(151,461,189)	
	Ps 28,017,535	Ps 39,677,188	

Depreciation recorded in the statement of income for 2015 and 2014 amounts to Ps16,342,707 and Ps16,790,198, respectively, and is recognized in the cost of services and operating expenses.

There are fully depreciated assets in the amount of Ps130,413,186 and Ps120,339,721 at December 31, of 2015 and 2014, respectively.

Note 10 - Intangible assets and other assets:

Intangible assets and other assets at December 31, 2015 and 2014 are as follows:

	December 31, 2015	December 31, 2014 Unaudited
Access rights and ease to properties - Net	Ps 26,918,476	Ps 42,212,904
EDB-Ticket Software	6,715,900	6,715,900
Non-compete agreement - ETK	5,600,000	5,600,000
E- Ticket Brand	1,900,100	1,900,100
	41,134,476	56,428,904
Accumulated amortization	(16,296,869)	(25,861,534)
	24,837,607	30,567,370
Other assets	102,774	13,183,322
	Ps 24,940,381	Ps 43,750,692

Amortization recorded in the statement of income for 2015 and 2014 amounts to Ps22,671,911 and Ps9,101,732, respectively, and is recognized in the cost of services and operating expenses.

Note 11 - Liability provisions:

Following is an analysis of the movements in most significant liability provisions at December 31, 2015 and 2014:

	December 31,			
		2015		2014 Unaudited
Beginning balance	Ps	9,515,734	Ps	23,178,580
Increases		18,651,088		9,515,734
Applications		(8,677,927)		(23,178,580)
Cancellations		(837,767)		—
Ending balance	Ps	18,651,128	Ps	9,515,734

Note 12 - Stockholders' equity:

a. Capital stock

As of December 31, 2015 and 2014, the Company's capital stock is comprised of 21,854,275 common, nominative shares, with a par value of one Mexican peso each, classified in two series as follows:

Number of shares	Description		Amount
17,975	Series "A" shares, comprising the minimum fixed capital stock without withdrawal rights	Ps	17,975
32,025	Series "B" shares, comprising the minimum fixed capital stock, without withdrawal rights		32,025
50,000	Subtotal of capital stock without withdrawal rights		50,000
10,529,241	Series "A" shares, comprising the variable portion of capital stock, with an unlimited maximum		10,529,241
4,095,148	Series "A-1" shares, comprising the variable portion of capital stock, with an unlimited maximum		4,095,148
7,179,886	Series "B" shares, comprising the variable portion of capital stock, with an unlimited maximum		7,179,886
21,804,275	Subtotal variable capital stock		21,804,275
21,854,275	Capital stock	Ps	21,854,275

b. Retained earnings

The net income is subject to the legal requirement that at least 5% of the income for each year is intended to increase the legal reserve until it is equal to one fifth of the amount of the capital stock. As of 31 December 2015 and 2014 the Company has a legal reserve of Ps7,223,140 in both years.

In October 2013 Mexican Congress approved the issuance of a new Law on Income Tax (Income Tax Law) which came into force on January 1, 2014. Among other things, this Act sets that for years 2001 to 2013, the next tax profit is determined in under the terms of the Income Tax Law in force in the fiscal year concerned, as well as an additional tax of 10% for the profits generated as of 2014 to dividends paid to foreign residents and Mexican individuals.

Dividends paid are not subject to income tax if paid from the after-tax earnings account (CUFIN for its acronym in Spanish), and they are subject to a tax from 4.62% to 7.69% if paid from the reinvested CUFIN. Any dividends paid in excess of CUFIN or reinvested CUFIN are subject to tax equivalent to 42.86% if paid in 2015. The current tax is payable by the Company and may be credited against its income tax for the same year or the following two years. Dividends paid from previously taxed profits are not subject to tax withholding or additional tax payment.

At the October 8, 2015 meeting, the stockholders agreed to declare and pay dividends in the amount of Ps197,500,000, on which Ps103,632,327 were not from CUFIN and a tax of Ps44,414,743 was accrued.

At the July 18 and December 16, 2014 meetings, the stockholders agreed to declare and pay dividends in the amount of Ps176,630,552 and Ps8,446,525, respectively, and for the remaining balance not covered by the CUFIN, a tax of Ps31,462 and Ps3,898,747 was accrued, respectively.

In the event of a capital reduction, any excess of stockholders' equity over capital contributions account, the latter restated in accordance with the provisions of the Income Tax Law, is accorded the same tax treatment as dividends.

Note 13 - Revenue analysis:

The analysis of the nature of revenue at December 31, 2015 and 2014 is shown as follows:

	Year ended December 31,	
Revenue:	2015	2014 Unaudited
Service charges	Ps 667,534,127	Ps 447,412,366
Credit card recovery	92,095,494	65,527,146
Advertising	21,132,148	23,226,360
Entertainment guide	19,754,246	35,576,708
Implementation of services	3,866,540	5,090,843
Others	38,698,245	15,594,238
Total revenue	Ps 843,080,800	Ps 592,427,661

Note 14 - Costs and expenses analysis:

The analysis of the nature of relevant costs and expenses at December 31, 2015 and 2014, is shown as follows:

	Year ended December 31,			
Costs:		2015		2014 Unaudited
Commissions	Ps	(144,402,798)	Ps	(88,722,066)
Maintenance		(18,252,070)		(1,302,565)
Lease		(15,223,653)		(2,679,646)
Entertainment guide		(15,115,102)		(16,456,397)
Professional services		(14,220,536)		(593,159)
Tickets		(12,372,681)		(9,472,212)
Administrative services		(6,497,619)		(12,906,687)
Computing services		(5,945,932)		(8,419,873)
Non-capitalizable assets		(5,062,068)		(4,853,841)
Royalties		(4,007,931)		(3,300,256)
Advertising		(2,844,384)		(602,938)
Production		(110,500)		(7,335,822)
Others		(32,396,435)		(18,439,137)
		(276,451,709)		(175,084,599)
Depreciation and amortization		(24,559,239)		(8,201,732)
Total costs	Ps	(301,010,948)	Ps	(183,286,331)
Expenses:				
Administrative services	Ps	(69,799,257)	Ps	(83,332,289)
Lease		(11,114,408)		(11,488,159)
Corporate fees		(7,995,023)		(6,641,376)
Computing services		(1,088,686)		(150,857)
Others		(34,062,177)		(27,737,782)
		(124,059,551)		(129,350,463)
Depreciation and amortization		(14,455,379)		(17,690,198)
Total expenses	Ps	(138,514,930)	Ps	(147,040,661)

Note 15 - Income Tax:

i. In 2015 and 2014, the Company determined a tax profit of Ps469,452,697 and Ps260,828,970, respectively. The tax income differs from the accounting income, mainly in such items cumulative by the time and deducted differently for accounting and tax purposes, by the recognition of the inflation effects for tax purposes, as well as such items only affecting either the accounting or tax income.

ii. The Income Tax Law, which came into force on January 1, 2014 establishes that the income tax rate applicable for 2014 and subsequent years is 30% on the taxable fiscal profit.

iii. The reconciliation between the statutory and the effective income tax rates is shown below:

	Year ended December 31, 2015	Year ended December 31, 2014 Unaudited
Profit before income taxes	Ps 433,533,594	Ps 279,039,994
Income tax statutory rate	30%	30%
Income tax at statutory rate	130,060,078	83,711,998
Plus (less) effect of the following permanent items on the income tax:		
Effects of inflation	(1,663,219)	(2,823,380)
Non-deductible expenses	837,610	695,749
Other items	3,459,438	30,683
Income tax at current rate	Ps 132,693,907	Ps 81,615,050
Effective income tax rate	31%	30%

iv. At December 31, 2015 and 2014 the main temporary differences on which deferred income tax was recognized are analyzed as follows:

	December 31, 2015	December 31, 2014 Unaudited
Furniture and equipment	Ps 9,046,903	Ps 2,612,299
Intangible assets and other assets	(10,495,266)	(17,712,902)
Deferred costs	(1,350,093)	(8,119,730)
Provisions and estimations	18,774,420	10,133,060
Deferred revenues	—	1,923,564
	15,975,964	(11,163,709)
Applicable income tax rate	30%	30%
Deferred income tax asset (liability)	Ps 4,792,789	Ps (3,349,113)

Note 16 - Commitments:

a. VBC offices. VBC has entered into an agreement with Operadora de Centros de Espectáculos, S. A. de C. V. (OCESA), an affiliated company, for the use of office spaces and for certain cleaning and security services in these places located inside the facilities of "Palacio de los Deportes" in Mexico City. This agreement grants VBC to use the facilities as its offices and call center in this City. VBC pays to OCESA a monthly fixed fee. In addition, VBC has signed a lease agreement with an individual involving a property located in Guadalajara, Jalisco, used as its offices and call center in this City, where VBC pays a monthly fixed fee that increases annually based on the NCPI.

b. As part of its business activities, VBC and ETK are engaged in the distribution and sale of tickets to certain artistic events to be conducted in the immediately following year, in exchange for which they receive amounts from third parties for the purchase of tickets to said events. The companies hold those amounts in cash, so that if the events in question are not held, the amounts are returned in accordance with the applicable legal provisions. At December 31, 2015 and 2014, cash and cash equivalents included deposits received from third parties for the eventual acquisition of tickets totaling Ps644,840,526 and Ps298,537,722, respectively.

c. Ticketmaster Brand Name and System. VBC has entered into a license agreements with Ticketmaster Corporation for use of the TicketMaster brand and system, expiring on March 31, 2015, and for which it pays an annual royalty fixed fee expressed in dollars, this agreement was renewed for a period of three years, ending on March 31, 2018.

Note 17 - Contingencies:

a. Under the provisions of the Income Tax Law, parties carrying out operations with related parties, either resident in Mexico or abroad, are subject to tax limitations and obligations related to the determination of transfer pricing, which must be similar to those agreed with unrelated parties in comparable transactions.

   In the event of an official review, the tax authorities could consider that the above-mentioned prices are not in line with the provisions of the Law, in which case, aside from restatement and surcharges, the tax authorities could impose fines of up to 100% of any omitted taxes.

b. The Company regularly contract the services of specialists in areas such as security, cleaning, access control, production, assembling and other similar services required to conduct its business activities, and it perform multiple agreements with third parties who agreeing to develop activities to the Company. Under the provisions of the labor legislation and recent amendments thereto on the subject of social security, some of the subcontractors or workers of these service providers may take steps in order for the Company to be considered the beneficiary of those services or liable for possible related contingencies.

   The Company has entered into agreements where set up that there are no work relationship between subcontractors and/or employees of these service providers or third parties and the Company, and in those agreements the service providers, are committed (guaranteeing in most times) to hold the Company harmless or to provide an indemnity for any liability imposed, thereby in accordance with Company's labor advisors, is not necessary to reserve amounts to address these actions which they are the responsibility of third parties.

c. The Company is regularly called by the Federal Attorney's Office of Consumer (PROFECO) when consumers of their services do not consider that the conditions offered are met and complain into this office. Sometimes the PROFECO has imposed fines for alleged violations of administrative procedures or to the related law. At the date of issuance of the financial statements, there are conciliatory proceedings into the PROFECO.

   To date, the Company has not suffered any damages from those complaints and in litigation of those complaints, the resolutions imposed have been settled, therefore, in the opinion of the Company advisors, these matters do not represent a material contingency, and it is very unlikely that any of those amounts will be payable, or where appropriate, that the above criteria under which the Company was never condemned to these causes could be opposite.

d. On July 24, 2012, the Procedures General Department of PROFECO issued a sanction to VBC for an alleged violation of article 10 of the Consumer Protection Law, as it considers that marketing and sale of the service denominated "La Guía" is an unfair practice for consumers, and therefore imposed a Ps1,690,331 fine and instructed the Company to stop marketing "La Guía" as it has so far. A motion for review was filed against said resolution, and on October 25, 2012, the Procedures General Department declared the company's grievances unfounded.

In light of the foregoing, on January 21, 2013, VBC filed an annulment motion against the resolution that confirmed the sanction and the eighth Regional Metropolitan Chamber of the Federal Tax and Administrative Court received the motion for annulment and declared the validity of the ruling questioned.

VBC then filed a motion for review on January 10, 2014, as a result of which the tenth Collegiate Court for Administrative Matters of the First Circuit granted the appeal to VBC on November 21, 2014 and declared invalidity the contested decision due to inconsistencies by the authorities in the procedure for the determination of the penalty, but without ruling on the merits.

However, in order to obtain a ruling on the merits, a motion for direct protection was filed requesting the Federal Court to consider the legality of the actions of VBC. At the date of the financial statements the Company is waiting an answer over the defense motion. The Company's external advisors consider that there is high probability that the Company will be exempt from any penalty and that legality of its actions will be confirmed.

<u>On intellectual property and copyright</u>

a. VBC filed a request for an administrative declaration of the violations on trade matter committed by Wal-Mart de México, S. A. B. de C. V. (Wal-Mart) related to improper use of "La Guía del Entretenimiento" copyrights, into the newspaper publications and guide section, where its counterclaim Wal-Mart requested that VBC's copyrights be declared invalid.

The National Institute of Copyright (INDAUTOR) determined as a legal the VBC action and denied the counterclaim of Wal-Mart, a decision that was challenged by Wal-Mart before the Federal Court of Fiscal and Administrative Justice, who dated September 13 2012, ruled in favor of VBC, recognizing the validity of the resolution issued by the INDAUTOR, that confirmed that the reservation of rights to the exclusive use of the title "La Guía del Entretenimiento" was properly executed. Not satisfied with that resolution Wal-Mart filed a request for direct legal protection against that judgment, and on May 7, 2013, VBC answered as third party injured in the defense protection motion. On March 3, 2014, VBC offered additional evidence. On October 6, 2014 the authority issued a statement denying support and protection to Wal-Mart. On 20 October 2014 the judgment became final, without prejudice to the decision that denies the nullity of the reservation of law on "La Guía del Entretenimiento".

On May 28, 2015, the Mexican Industrial Property Institute (IMPI) declares the violation on trade matter under section VIII of Article 231 of the Federal Law of Copyright, for Wal-Mart, and imposed a fine of 5,000 salary days in effect at March 2009. On 24 August 2015, Wal-Mart promoted a nullification lawsuit against this resolution. VBC has lodged statements as a third party in that proceeding for annulment. In the opinion of the advisors, the Tax Court will confirm the violation on trade matter.

b. On April 14, 2015 VBC delivered to PROFECO the complaint made by Candy Ivette Santa Rita Luna for the fraudulent sale of five tickets made by Luis Fernando Gonzalez Paredes, who figured as Ticketmaster employee, for the musical show called "La Gira del Adiós" of Vicente Fernández on December 28, 2014 at the Convention Center and Charrería Palenque Texcoco. In order to clarify the responsibility of the company and to provide defense evidence against PROFECO, the facts were reported to the authority in Iztacalco, Mexico City.

c. The Central Prosecutor for Financial Crimes, requested information to VBC, regarding tickets sale for several events promoted by Promoshow Peninsular, S. A. de C. V. in connection with the complaint presented by the fraud offense against this company. At the date of the financial statements, it has provided the requested information to the authority in order to clarify the responsibility of the VBC in the alleged facts.

Note 18 - New accounting pronouncements:

The following describes a series of MFRS issued by CINIF during December 2013, 2014 and 2015, which will take effect in those years which are indicated. Those MFRS are not considered to have a significant affect in the financial information to be presented by the Company.

<u>2016</u>

MFRS D-3 “Employees' benefits”. It states the valuation, presentation and disclosure standards for the initial and subsequent recognition of short-term and long term liabilities for termination and post-employment benefits. The concept of re-measurements of assets and liabilities for defined benefits is established and the possibility of deferring the recognition of actual gains and losses directly to income, as they accrue, is eliminated. Due to the above, such actuarial gains and losses should be immediately recognized in OCI, requiring their subsequent recycling to net profit or loss. Its early application is allowed as of January 1, 2015.

IFRIC 21 “Recognition of payments for release employees”. IFRIC 21 was issued with the purpose of clarifying the accounting treatment to be applied to separation payments established in MFRS D-3 “Employee benefits”.

<u>2018</u>

MFRS C-2 “Investment in financial instruments”. Establishes the valuation presentation and disclosure standards of the investment in financial instruments. It discards the concept of intention of acquisition and use of an investment in a debt or equity financial instrument to determine its classification and removes the categories of instruments held to maturity and available for sale. It adopts the concept of management's business model of investments in financial instruments.

MFRS C-3 “Accounts receivable”. Establishes the valuation, presentation and disclosure standards for the initial and subsequent recognition of trade and other receivable accounts in the financial statements of an economic entity. Specifies that the accounts receivable based on a contract represent a financial instrument.

MFRS C-9 “Provisions, contingencies and commitments”. Establishes the valuation, presentation and disclosure standards for liabilities, provisions and commitments, reducing its scope to relocate the matter related to financial liabilities in MFRS C-19. The definition of liability was modified, removing the concept of "virtually unavoidable" and including the term “likely”.

MFRS C-16 “Impairment of receivable financial instruments”. Establishes the valuation, accounting recognition, presentation and disclosure standards of impairment losses of receivable financial instruments.

MFRS C-19 “Financial instruments payable”. Establishes the valuation, presentation and disclosure standards for the initial and subsequent recognition of payables, borrowings and other financial liabilities in the financial statements of an economic entity. The concepts of amortized cost to value financial liabilities and the effective interest method, based on the effective interest rate, to make such valuation are introduced. Both discounts and costs of issuance of a financial liability are deducted from the liability.

MFRS C-20 “Receivables financing instruments”. Establishes the valuation, presentation and disclosure for the initial and subsequent recognition of receivable financing instruments in the financial statements of an economic entity that carries out financing activities. It discards the concept of intention of acquisition and holding of financial instruments in the asset to determine their classification. It adopts the concept of management business model.

The early application of the following MFRS is allowed as from January 1, 2016, provided they are applied together with MFRS C-2 "Investment in financial instruments", MFRS C-3 "Accounts Receivable", MFRS C-9 "Provisions, contingencies and commitments", MFRS C-16 "Impairment of receivable financial instruments", MFRS C-19 "Payable financial instruments" and MFRS C-20 "Receivable financing instruments".

MFRS D-1 "Revenue for client contracts". Establishes the valuation, presentation and disclosure standards of revenue incurred in to obtain or comply with client contracts. Establishes the most significant aspects for the recognition of revenue through the transfer of control, identification of obligations to be conveyed in a contract, allocation of the transaction amount and recognition of collection rights. This MFRS removes the supplementary application of the International Accounting Standard (IAS) 18 "Revenue" and their interpretation as established in MFRS A-8 "Supplementary application".

MFRS D-2 "Costs for client contracts". Establishes the valuation, presentation and disclosure standards of costs arising from client contracts. Establishes the regulation related to the recognition of costs of client contracts, it also includes the accounting treatment of costs related to contracts for construction and manufacturing of capital goods, including costs related to client contracts. This MFRS, together with MFRS D-1, "Revenue for client contracts", revokes Bulletin D-7, "Contracts for Construction and Manufacturing of Some Capital Goods" and IFRIC 14 "Contracts for construction, sale and delivery of services related to real estate".

The early application of the following MFRS D-1 "Revenue for client contracts" and MFRS D-2 "Costs for client contracts" is allowed provided it is done jointly.

<u>Improvements to MFRS 2016</u>

MFRS B-7 "Business acquisitions". The existing contradiction between sections b) and d) of paragraph 5 of this MFRS is removed, where it is specified that entities under common control are not part of the scope of this MFRS, regardless of how the transaction amount has been determined.

MFRS C-1 "Cash and cash equivalents". Establishes that both the initial and subsequent recognition of cash must be valued at fair value; states that cash equivalents are held to comply short-term obligations and changes the term "available-for-sale investments" for "high liquidity financial instruments", which should not exceed three months and for their valuation the relevant financial instruments MFRS should be applied.

Bulletin C-2 "Financial instruments, adjustments document". Removes the concept of available-for-sale financial assets and adds the concept of available-for-sale financial instrument. Includes the characteristics that a financial instrument must comply to be classified as held to maturity. The concept and definition of "transaction costs" are included. States that fair value adjustments related to financial instruments must be recognized affecting the net profit or loss of the period or, where appropriate, recognizing an item in OCI.

Bulletin C-9 "Liabilities, provisions, contingent assets and liabilities and commitments". The concept of "transaction costs" is included, establishing that are those incurred in to produce a financial asset or through which a financial liability is assumed, that would have not been incurred in had such financial asset or liability had been recognized.

MFRS B-10 "Inflation Effects". Clarifies that the valuation effects of some financials is recognized in OCI instead of being recognized in the outcome for monetary position.

MFRS C-7 "Investment in associates, joint ventures and other permanent investments". Specifies that contributions in kind made by a holding or joint venture must be recognized at fair value unless they are consequence of a debt capitalization.

Bulletin C-10 "Derivative financial instruments and hedging transactions". States the periods of valuation of a hedging transaction effectiveness. Establishes exceptions from primary positions in fair value hedging. Establishes the method for determining the fair value of an embedded derivative when there is no reliable source and provides guidelines on valuation of embedded derivatives when they are separated from the host contract.

Improvements to MFRS 2015

MFRS C-3 "Accounts Receivable" and MFRS C-20 "Receivable financing instruments". The date of entry into force of these MFRS was changed from January 1, 2016 (early adoption is permitted as of January 1, 2015, provided both MFRS are jointly adopted), to January 1, 2018 (early adoption is permitted as of January 1, 2016, provided both MFRS are jointly adopted).

Note 19 - Summary of significant differences between MFRS and U.S. Generally Accounting Accepted Principles (GAAP):

The Company's consolidated financial statements have been prepared in accordance with MFRS, which differs in certain significant respects from U.S. Generally Accepted Accounting Principles. (U.S. GAAP). Such differences involve methods of measuring certain amounts shown in the consolidated financial statements, as well as additional disclosures required by U.S. GAAP and regulations of the Securities and Exchange Commission (SEC). Pursuant to Item 15 of Form 10K, this reconciliation does not include the disclosure of all information that would be required by U.S. GAAP and regulations of the SEC.

I. Differences in measurement methods

a. The figures of non-monetary line items at December 31, 2015 and 2014 are stated in historical Mexican pesos modified by the inflation effects up to December 31, 2007. Starting January 1, 2008, according to the provisions of MFRS B-10 "Inflation Effects", the Company discontinued the recognition of inflation accounting as the Mexican economy is not an inflationary environment, since cumulative inflation has been below 26% (limit to define an economy as inflationary under MFRS). Under U.S. GAAP effects of inflation recognized under MFRS up to 2007 might not be recognized. The reconciliation does not include the reversal of the adjustments to the consolidated financial statements for the effects of inflation, because, as permitted by the SEC, it represents a comprehensive measure of the effects of price-level changes in the Mexican economy, and as such, is considered a more meaningful presentation than historical cost-based financial reporting for U.S. GAAP.

b. The Company provides financing to related parties, for which interest is determined by using the nominal interest rate. In accordance with ASC 470 "Debt" the borrower's periodic interest cost shall be determined by using the effective interest method considering in the determination of interest, the debt issuance costs, discounts and premium throughout the outstanding term of the loan using a constant interest rate.

The Company quantified the effects of the differences in the measurement methods explained above, and determined that the impact to the consolidated financial statements under U.S. GAAP derived from those differences was not significant neither to the statement of financial position (balance sheet), net income nor the stockholders' equity; therefore a reconciliation of the balance sheet, net income and stockholders' equity from MFRS to U.S. GAAP is not presented for the years ended December 31, 2015 and 2014.

II. Additional accounting policies under U.S. GAAP and reclassifications

a. Consolidation

Subsidiaries

The Company uses the acquisition method to recognize the business acquisitions. The consideration of the acquisition of a subsidiary is determined based on the fair value of the net transferred assets, the assumed liabilities and the share capital issued by the Company. The acquisition consideration also includes the fair value of such contingent amounts receivable or payable as part of the agreement.

The acquisition-related costs are recognized as expenses when incurred. Identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values at the acquisition date. The non-controlling interest in the acquiree is recognized at fair value at the acquisition date.

The excess of the consideration paid and the non-controlling interest in the acquiree equity over the fair value of the Company's share in the net identifiable assets of the acquired entity is recognized as goodwill. If such comparison results in a negative amount, as in the case of a bargain purchase, the difference is recognized reducing the acquired non-current assets.

Transactions, balances and unrealized gains and losses resulting from transactions between the consolidated companies have been eliminated. The accounting policies for subsidiaries have been changed to ensure consistency with the accounting policies adopted by the Company, in cases where it was necessary.

The consolidation was carried out by using the financial statements of its subsidiaries.

Recording, functional and reporting currency

The recording, functional and reporting currencies of the Company, its subsidiaries and associates is the Mexican peso, therefore, no translation process was necessary.

Reclassifications

Certain reclassifications have been made to the 2014 consolidated financial statements to conform to the 2015 presentation. There is no impact to the consolidated financial statements.

b. Impairment of accounts receivables for ticket sales

The Company evaluates the collectability of its accounts receivable based on a combination of factors. Generally, it records specific allowances to reduce the amounts of the receivables recorded when a customer’s account matures beyond typical collection patterns, or the Company becomes aware of a customer’s inability to meet its financial obligations.

The Company believes that the credit risk with respect to trade receivables is limited due to the massive diversification of its customers.

c. Furniture and equipment - Impairment

The Company performs tests for possible impairment of furniture and equipment whenever events or circumstances change, such as a current period operating cash flow loss combined with a history of, or projected, operating cash flow losses or a significant adverse change in the manner in which the asset is intended to be used, which may indicate that the carrying amount of the asset may not be recoverable. If indicators exist, the estimated undiscounted future cash flows related to the assets is compared with the carrying amount of those assets. If the carrying value is greater than the estimated undiscounted future cash flows, the cost basis of the asset is reduced to reflect its current fair value.

The Company uses various assumptions in determining the current fair market value of these assets, including future expected cash flows and discount rates and other fair value measures. Impairment loss calculations requires management to apply judgment in estimating future cash flows, including forecasting useful lives of the assets and selecting the discount rate that reflects the risk inherent in future cash flows.

If actual results are not consistent with the assumptions and judgments used in estimating future cash flows and asset fair values, the Company may be exposed to future impairment losses that could be material to our results of operations.

Furniture and equipment are stated at cost at date of acquisition. Depreciation is computed using the straight-line method over their estimated useful lives, which are as follows:

Computer and peripheral equipment - 3 years
Furniture and equipment - 10 years
Transportation equipment - 4 years

Leasehold improvements are depreciated over the shorter of the economic life or associated lease term assuming the Company exercises renewal periods, if appropriate. Expenditures for maintenance and repairs are charged to operations as incurred, whereas expenditures for asset renewal and improvements are capitalized.

d. Intangibles

Definite-lived: are those which expected future economic benefits is limited by any legal or economic condition and are amortized on a straight line basis, based on the best estimate of their useful life and are subject to annual impairment testing when impairment indicators are identified.

Indefinite-lived assets. Depending on facts and circumstances, qualitative factors may first be assessed to determine whether the existence of events and circumstances indicate that it is more likely than not that an indefinite-lived intangible asset is impaired. If it is concluded that it is more likely than not impaired, then the Company performs a quantitative impairment test by comparing the fair value with the carrying amount.

The Company tests for possible impairment of definite-lived intangible assets whenever events or circumstances change, such as a current period operating cash flow loss combined with a history of, or projected, operating cash flow losses or a significant adverse change in the manner in which the asset is intended to be used, which may indicate that the carrying amount of the asset may not be recoverable. When specific assets are determined to be unrecoverable, the cost basis of the asset is reduced to reflect the current fair value.

The Company test for possible impairment of indefinite-lived intangible assets on at least an annual basis. Based on facts and circumstances, the Company performs either a qualitative or a quantitative assessment for impairment. If a qualitative assessment is performed, and the existence of events and circumstances indicate that it is more likely than not that an indefinite-lived intangible asset is impaired, then the Company performs the quantitative impairment test by comparing the fair value with the carrying amount. When specific assets are determined to be impaired, the cost basis of the asset is reduced to reflect the current fair value.
The Company uses various assumptions in determining the current fair market value of these definite-lived and indefinite-lived intangible assets, including future expected cash flows and discount rates, as well as other fair value measures. Our impairment loss calculations require us to apply judgment in estimating future cash flows, including forecasting useful lives of the assets and selecting the discount rate that reflects the risk inherent in future cash flows.

If actual results are not consistent with our assumptions and judgments used in estimating future cash flows and asset fair values, the Company may be exposed to future impairment losses that could be material to our results of operations.

e. Ticketing contract advances

Ticketing contract advances, represent amounts paid in advance to the Company's clients pursuant to ticketing agreements, which are reflected as intangible assets with definite-life if the amount is expected to be recouped or recognized over a period of more than 12 months. Recoupable ticketing contract advances are generally recoupable against future royalties earned by the clients, based on the contract terms, over the life of the contract. Ticketing contract advances, are fixed additional incentives paid by the Company to secure exclusive rights with certain clients and are normally amortized over the life of the contract on a straight-line basis. Amortization of these ticketing contract advances is included in the statements of income.

f. Revenue

a. Revenue from future events

Revenue from future events represents future advertising space sales, which are recognized in income when the customer uses those advertising spaces, such as: the VBC bulletin "La Guía de Entretenimiento", on the tickets and envelopes, as well as advertising by telephone and internet.

b. Revenue from commissions on ticket sales

Revenue from ticketing operations primarily consists of convenience and order processing fees charged at the time a ticket for an event is sold and is recorded on a net basis (net of the face value of the ticket). The Company delivers the face value of the tickets sold to the venue at which the event took place within two working days after the event occurs.

c. Revenue recognition for services

The revenues from marketing services, commercialization of databases and other services are recognized in the accounting period in which the services are rendered.

III. Additional disclosure requirements

a. Fair value measurements disclosures

ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Effective January 2010, the Company adopted new accounting guidance under ASC 820 that requires additional disclosures including, among other things, (i) the amounts and reasons for certain significant transfers among the three hierarchy levels of inputs, (ii) the gross, rather than net, basis for certain level 3 roll forward information, (iii) use of a "class" rather than a "major category" basis for assets and liabilities, and (iv) valuation techniques and inputs used to estimate level 2 and level 3 fair value measurements.
In addition, ASC 820-10 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following instruments were recognized at fair value using the aforementioned hierarchy (mainly level 1):

Cash and cash equivalents: consist of cash in hand and money market funds. Fair values for cash equivalents are based on quoted prices in an active market.

Account receivables and account payables: The book value of the account receivables and accounts payables is similar to their fair value and corresponds to current account receivables and current accounts payable.

b. Related-party transactions

Relationship with Operadora de Centros de Espectaculos, S. A. de C. V. (OCESA)

OCESA is an entity that has contracts with show centers and other venues, and maintain business relationships with VBC to give exclusive access for the ticketing operation.

Relationship with OCESA Presenta, S. A. de C. V. (OPRES)

OPRES is an entity that has contracts with show centers and other venues, and maintains business relationships with VBC to give exclusive access for the ticketing operation.

Relationship with Servicios Administrativos de Entretenimiento, S. A. de C. V. (SEVAB)

SEVAB provides administrative services to VBC.

Key Management compensations

The Company does not have employees, as mentioned before; these services are provided by a related party and are considered in Note 8 to the financial statements.

c. Intangible and other assets:

Intangible assets at December 31, 2015 and 2014 are as follows:

		December 31, 2015		2014 Unaudited
Definite-lived Intangible assets				
Ticketing contracts - Gross	Ps	26,918,476	Ps	42,212,904
Accumulated amortization		(13,737,406)		(23,967,102)
Software EDB-Ticket - Gross		6,715,900		6,715,900
Accumulated amortization		(2,559,463)		(1,894,432)
Subtotal		17,337,507		23,067,270
Indefinite-lived Intangible assets				
E-Ticket Brand		1,900,100		1,900,100
Non-compete agreement - ETK		5,600,000		5,600,000
Total Intangible assets		24,837,607		30,567,370
Lease hold improvements - Gross		—		38,093,223
Accumulated amortization		—		(24,909,901)
Other		102,774		—
Total	Ps	24,940,381	Ps	43,750,692

Amortization of definite-lived intangible assets and lease hold improvements for the years ended December 31, 2015 and 2014 was Ps22,671,911, and Ps9,101,732, respectively.

There were no additions in 2015 and 2014 to definite-lived intangible assets from acquisitions.

The following table presents the Company's estimate of amortization expense for each of the five succeeding fiscal years for definite-lived intangible assets outstanding as of December 31, 2015:

		Amortization
2016	Ps	3,638,072
2017		3,001,666
2018		2,060,833
2019		1,400,000
2020		1,272,419

Indefinite-lived intangibles

The Company has indefinite-lived intangible assets which consist primarily to trade names and non-compete agreements. These indefinite-lived intangible assets had a carrying value of Ps7,500,100 and Ps7,500,100 as of December 31, 2015 and 2014, respectively.

Management signed a non-compete agreement with the owners of the non-controlling interest; the contract will be effective only if the non-controlling interest determines to sell their ownership of the Company. Since Management do not have the elements to determine when the contract will be effective, the non-compete agreement is considered as an indefinite-lived intangible asset.

The Company tests for possible impairment of indefinite-lived intangible assets on at least an annual basis. There was no impairment charge on these assets recorded for the years ended December 31, 2015 and 2014.

d. Revenue analysis

Gross versus net presentation of revenue

The Company reports revenue on a gross or net basis based on management's assessment of whether the Company acts as a principal or agent in the transaction. To the extent the Company acts as the principal, revenue is reported on a gross basis. The determination of whether the Company acts as a principal or an agent in a transaction is based on an evaluation of whether the Company has the substantial risks and rewards of ownership under the terms of an arrangement. The Company's revenue, which primarily consists of convenience charges and order processing fees from its ticketing operations, is recorded net of the face value of the ticket as the Company generally acts as an agent in these transactions. These reclassifications do not affect the operating income. Revenue associated with fees charged to clients to cover bank commissions for the use of credit cards are presented on a gross basis.

A reclassification is considered in the analysis below to present costs of bank commissions net of the relating revenue:

	Year ended December 31,	
	2015	2014 Unaudited
Revenue as reported under MFRS	Ps 843,080,800	Ps 592,427,661
Reclassification from Cost of Services (1)	(113,300,464)	(56,784,450)
Revenue under US GAAP	Ps 729,780,336	Ps 535,643,211

(1) Bank commissions paid for the sale of tickets with credit cards are recovered as part of the price of the services. Amounts paid are recognized within the Cost of Services and amounts charged to clients for this concept are recognized as revenue on a gross basis. The reclassification is to present the amount paid for bank commissions net of the amounts recognized for credit card recovery.

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	December 31,			
Deferred taxes included within:		2015		2014 Unaudited
Assets:				
Furniture and equipment	Ps	2,714,070	Ps	783,690
Deferred revenue		—		577,069
Accruals		5,595,338		2,854,720
Allowance for doubtful accounts		36,988		185,198
Total deferred tax assets		8,346,396		4,400,677
Liabilities:				
Cost of future events		(405,028)		(2,435,919)
Intangible and other assets		(3,148,579)		(5,313,871)
Total deferred liabilities		(3,553,607)		(7,749,790)
Net deferred income taxes	Ps	4,792,789	Ps	(3,349,113)

e. Commitments and contingent liabilities

As of December 31, 2015, the Company's future minimum rental commitments under non-cancelable operating lease agreements with terms in excess of one year consist of the following:

		Non-cancelable Operating Leases
2016	Ps	11,496,939
2017		11,850,920
2018		12,219,483
2019		12,626,392
2020		13,025,386
Total	Ps	61,219,120

The accompanying nineteen notes are an integral part of these financial statements, which were authorized for issuance on March 4, 2016, by George Gonzalez and Jorge López de Cardenas Ramírez except for the Note 19 which was authorized for its issuance on June 21, 2016.

EXHIBIT 99.2

Venta de Boletos por Computadora, S. A. de C. V. and subsidiaries

(a subsidiary of Ocesa Entretenimiento, S. A. de C. V., in turn a
subsidiary of Corporación Interamericana de Entretenimiento,
S. A. B. de C. V.)

Consolidated Financial Statements

December 31, 2014 and 2013

Index
December 31, 2014 and 2013

Consolidated Statements of Financial Position
December 31, 2014 and 2013

Amounts expressed in Mexican pesos

	December 31, 2014 Unaudited		December 31, 2013	
Assets				
CURRENT ASSETS:				
Cash and cash equivalents (Note 6)	Ps	279,971,575	Ps	269,272,118
Accounts receivable (Note 7)		67,980,595		59,675,774
Related parties (Note 9)		241,905,187		161,813,782
Costs of future events		8,119,730		10,768,527
Total current assets		597,977,087		501,530,201
FURNITURE AND EQUIPMENT - Net (Note 10)		39,677,188		35,396,023
UNAMORTIZED EXPENSES AND OTHER ASSETS - Net (Note 11)		43,750,692		50,120,521
DEFERRED INCOME TAX (Note 16)		—		17,246
Total assets	Ps	681,404,967	Ps	587,063,991
Liabilities and Stockholders' Equity				
CURRENT LIABILITIES:				
Suppliers	Ps	15,299,202	Ps	36,851,498
Accounts payable		324,168,236		213,972,536
Related parties (Note 9)		1,632,643		15,373,107
Value added tax payable		7,660,274		5,573,071
Revenue from future events		4,653,716		2,999,863
Total current liabilities		353,414,071		274,770,075
DEFERRED INCOME TAX (Note 16)		3,349,113		—
Total liabilities		356,763,184		274,770,075
STOCKHOLDERS' EQUITY (Note 13):				
Capital stock		21,854,275		21,854,275
Share premium		2,628,300		2,628,300
Retained earnings		294,410,774		283,940,824
Controlling interest		318,893,349		308,423,399
Non-controlling interest		5,748,434		3,870,517
Total stockholders' equity		324,641,783		312,293,916
COMMITMENTS AND CONTINGENCIES (Notes 17 and 18)				
Total liabilities and stockholders' equity	Ps	681,404,967	Ps	587,063,991

The accompanying twenty notes are an integral part of these financial statements.

Consolidated Statements of Comprehensive Income
(Note 9)
For the years ended on December 31, 2014 and 2013

Amounts expressed in Mexican pesos

	Year ended December 31, 2014 Unaudited	Year ended December 31, 2013
Service revenue (Note 14)	Ps 592,427,661	Ps 674,977,500
Cost of services (Note 15)	(183,286,331)	(200,496,744)
Gross profit	409,141,330	474,480,756
Operating expenses (Note 15)	(147,040,661)	(123,254,359)
Operating income	262,100,669	351,226,397
Comprehensive financing result:		
Interest income - Net	16,921,633	28,322,731
Exchange gain - Net	17,692	281,878
Comprehensive financing income - Net	16,939,325	28,604,609
Income before income taxes	279,039,994	379,831,006
Provisions for income taxes (Note 16):		
Income tax payable	(78,248,691)	(113,162,504)
Deferred income tax	(3,366,359)	702,059
	(81,615,050)	(112,460,445)
Net income for the year	197,424,944	267,370,561
Other Comprehensive income	—	—
Comprehensive income	Ps 197,424,944	Ps 267,370,561
Distribution of consolidated net income for the year:		
Controlling interest	Ps 195,547,027	Ps 266,600,003
Non-controlling interest	1,877,917	770,558
	Ps 197,424,944	Ps 267,370,561

The accompanying twenty notes are an integral part of these financial statements.

Consolidated Statement of Changes in Stockholders' Equity
For the years ended December 31, 2014 and 2013

Amounts expressed in Mexican pesos

	Capital stock	Share premium	Retained earnings Holding	Retained earnings Subsidiary	Retained earnings Total	Non-controlling interest	Total
Balances at December 31, 2012 (Unaudited)	Ps 21,854,275	Ps 2,628,300	Ps 260,852,273	Ps 103,488,548	Ps 364,340,821	Ps 3,099,959	Ps 391,923,355
Dividends received	—	—	55,499,996	(55,499,996)	—	—	—
Dividends paid	—	—	(347,000,000)	—	(347,000,000)	—	(347,000,000)
Change in non-controlling interest	—	—	—	—	—	770,558	770,558
Comprehensive income for the year (Note 3p)	—	—	195,726,404	70,873,599	266,600,003	—	266,600,003
Balances at December 31, 2013	21,854,275	2,628,300	165,078,673	118,862,151	283,940,824	3,870,517	312,293,916
Dividends received	—	—	63,061,895	(63,061,895)	—	—	—
Dividends paid	—	—	(185,077,077)	—	(185,077,077)	—	(185,077,077)
Change in non-controlling interest	—	—	—	—	—	1,877,917	1,877,917
Comprehensive income for the year (Note 3p)	—	—	144,983,500	50,563,527	195,547,027	—	195,547,027
Balances at December 31, 2014 (Unaudited)	Ps 21,854,275	Ps 2,628,300	Ps 188,046,991	Ps 106,363,783	Ps 294,410,774	Ps 5,748,434	Ps 324,641,783

The accompanying twenty notes are an integral part of these financial statements.

Amounts expressed in Mexican pesos

	Year ended December 31,	
Operating activities	2014 Unaudited	2013
Income before income tax	Ps 279,039,994	Ps 379,831,006
Depreciation and amortization	25,891,930	25,762,961
Interests receivable	(16,921,633)	(28,322,731)
	288,010,291	377,271,236
Increase in receivables and other	(5,685,615)	(55,290,144)
(Increase) decrease in related parties	(92,900,475)	170,146,715
Increase (decrease) in suppliers and other accounts payables	91,072,930	(109,092,780)
Increase in revenue from future events	1,653,853	—
Income taxes paid	(79,290,423)	(85,580,347)
Net cash flows from operating activities	202,860,561	297,454,680
Investing activities		
Investment in furniture and equipment	(20,439,182)	(14,202,412)
Interest collected	16,921,633	28,322,731
Investment in other assets	(3,566,478)	(9,978,499)
Net cash flows from investing activities	(7,084,027)	4,141,820
Financing activities		
Non-controlling interest	—	770,558
Dividends paid	(185,077,077)	(347,000,000)
Net cash flows from financing activities	(185,077,077)	(346,229,442)
Net increase (decrease) in cash and cash equivalents	10,699,457	(44,632,942)
Cash and cash equivalents at beginning of year	269,272,118	313,905,060
Cash and cash equivalents at end of year	Ps 279,971,575	Ps 269,272,118

The accompanying twenty notes are an integral part of these financial statements.

Amounts expressed in Mexican pesos

Note 1 - Company operations:

Venta de Boletos por Computadora, S.A. de C.V. (VBC or the Company), a subsidiary of OCESA Entretenimiento, S. A. de C. V., in turn a subsidiary of Corporación Interamericana de Entretenimiento, S. A. B. de C. V., was incorporated under Mexican Laws for a period of 99 years and is mainly engaged in the following:

a. Ticket sales through automated sales systems for all types of shows and telemarketing services (incoming and outgoing phone calls).

b. Marketing of databases generated as a result of their activities. VBC is also holder of shares.

The company and its subsidiaries have no employees, which means that all administrative and operating services are rendered by affiliated companies.

The accompanying consolidated financial statements include VBC and its subsidiaries Servicios Especializados para la Venta Automatizada de Boletos, S. A. de C. V. (SEVAB), which the Company holds by 100% and ETK Boletos, S. A. de C. V., which the Company holds by 72.5%. (See Note 8).

Note 2 - Preparation basis:

Mexican Financial Reporting Standards (MFRS)

The accompanying consolidated financial statements at December 31, 2014 and 2013 meet the provisions of the MFRS to show a fair presentation of the Company's financial position. The MFRS establish that the International Financial Reporting Standard (IFRS), International Accounting Standards (IAC), International Financial Reporting Interpretations (IFRIC) and the Interpretation Committee (SIC) are a suppletory part of the MFRS when the absence of an MFRS requires it. Accordingly, in recognizing, valuing and disclosing its own specific transactions, the Company applies the suppletory IAS-18 “Revenue”.

MFRS effective from January 1, 2014

As of January 1, 2014, the Company retrospectively adopted the following MFRS and their Interpretations, issued by Mexican Financial Reporting Standards Board (CINIF for its acronym in Spanish), which became effective as of the aforementioned date. No relevant effects were considered to arise from such MCRS and Interpretations over the financial information presented by Company.

2014

- MFRS B-12 “Offsetting financial assets and financial liabilities”. Establishes standards concerning the offsetting rights to be considered in order to present a financial asset and a financial liability at their offsetting amount in the statement of the financial position, and the characteristics that must be met to offset an amount, based on the principle that a financial asset and a financial liability should always be recorded in their offsetting amount, provided that the future cash flow from collection or settlement is net.

- MFRS C-11 “Stockholders’ equity”. Establishes the valuation, presentation and disclosure standards for items comprising stockholders' equity in the statement of the financial position of profit entities. The main changes in relation to the previous standard are: it requires setting the price per share to be issued for advances for future equity increases and it establishes that shares cannot be repaid before they are capitalized to qualify as equity, and it includes rules for financial instruments to be identified as equity at initial recognition.

- MFRS C-12 “Financial instruments with features of liability and equity”. Establishes the standards for initial recognition of financial instruments with features of liability and equity in the financial statements of profit entities. The concept of subordination is incorporated.

- MFRS C-14 “Transfer and derecognition of financial assets”. Establishes the principle of transfer of risks and rewards of ownership of a financial asset as an underlying condition to derecognition. When entities deduct accounts or notes receivable with resources, they must not show the discount amount as a credit to accounts and notes receivable, but rather as a liability.

MFRS Revisions

- MFRS C-5 “Prepayments”. Establishes the accounting treatment of prepayments for the purchase of items for which payment is expressed in foreign currency. It also specifies that impairment losses in the value of prepayments (and reversals thereof) must be shown as part of the net profit or loss for the period in the line item that the Company deems appropriate according to its professional judgment, rather than in the statement of income for the period under other income and expenses.

- Statement C-15 “Impairment in the value of long-lived assets and their disposal”. Establishes that an impairment loss, and its reversal, in the value of intangible assets with indefinite lives (including goodwill) should be presented in the statement of income for the period under depreciation costs and amortization of assets of the cash-generating unit to which such intangible assets are associated. Impairment losses must not be presented as part of the costs that have been capitalized in the value of an asset.

- The requirement to present certain operations under other income and expenses is removed from MFRS B-3 “Statement of comprehensive income“, MFRS B-16 “Financial statements of non-profit entities”, MFRS C-6 ““Property, Plant and Equipment”, Statement C-9 “Liabilities, provisions, contingent assets and liabilities and commitments”, and MFRS D-3 “Employee benefits”, and instead the use of that item is left to the discretion of the Company.

Interpretation of MFRS

IMFRS -20 "Accounting effects of the 2014 Tax Reform". Interpretation 20 was issued to address the manner in which the effects of the 2014 Tax Reform must be recognized in the financial statements of entities.

Financial statement authorization

The accompanying consolidated financial statements and their notes were authorized for issue on March 6, 2015 by George González and Beata Baczyk Wolinska, who are legally empowered to the approve financial statements the notes thereto.

Note 3 - Summary of significant accounting policies:

The most significant accounting policies are summarized as follows, which have been consistently applied in the reporting years, unless otherwise indicated.

The MFRS require the use of some critical accounting estimates in the preparation of the financial statements. Management judgment is also required in the process of determining the Company's accounting policies. The areas including a higher degree of judgment or complexity and those where the assumptions and estimates are significant to the consolidated statements are described in Note 4.

Effects of inflation on the financial information

According to the provisions of MFRS B-10 "Inflation Effects", as of January 1,2008, the Mexican economy is not an inflationary environment, since cumulative inflation has been below 26% (limit to define an economy as inflationary). Therefore, recognition of the inflation effects on the financial information has been discontinued. Accordingly, the figures of the accompanying financial statements at December 31, 2014 and 2013 are stated in historical Mexican pesos modified by the inflation effects on the financial information recognized up to December 31, 2007.

The inflation rates are shown below:

	December 31,	
	2014 (%)	2013 (%)
Annual inflation rate	4.08	3.97
Cumulative inflation in the last three years	11.80	12.26

a. Consolidation

Subsidiaries

Subsidiaries are all entities over which the Company has control to direct its relevant activities, has the right (and is exposed) to variable returns from its interest and has the ability to affect those returns through its power. In assessing whether the Company controls an entity, the existence and effect of potential voting rights that are currently exercisable or convertible were considered. The existence of control in cases where the Company has no more than 50% of voting rights but it may decide on the financial and operating policies is also assessed.

Subsidiaries are consolidated from the date on which they are controlled by the Company and are no longer consolidated when that control is lost.

The Company uses the acquisition method to recognize the business acquisitions. The consideration for the acquisition of a subsidiary is determined based on the fair value of the net transferred assets, the assumed liabilities and the share capital issued by the Company. The consideration of an acquisition also includes the fair value of such contingent amounts receivable or payable as part of the agreement. Acquisition-related costs are recognized as expenses when incurred. Identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values at the acquisition date. The non-controlling interests in the acquired entity are recognized at fair value at the acquisition date.

The surplus of the consideration paid, the non-controlling interest in the acquired equity over the fair value of the Company's equity in the net identifiable assets of the acquired entity, is recognized as goodwill. If such comparison results in a deficit, as in the case of a bargain purchase, the difference is recognized reducing the acquired non-current assets.

Transactions, balances and unrealized gains and losses resulting from transactions between the consolidated companies have been eliminated. The accounting policies for subsidiaries have been changed to ensure consistency with the accounting policies adopted by the Company, in cases where it was necessary.

Transactions with non-controlling shareholders

The Company recognizes transactions with non-controlling shareholders as transactions between shareholders. When a non-controlling interest is acquired, the difference between any consideration paid and the share of the subsidiary acquired measured at their carrying value is recorded in equity. Gains or losses on disposal of an interest in a subsidiary that does not involve the loss of control by the Company are also recognized in equity.

The consolidated financial statements include the accounts of VBC and its subsidiaries mentioned in Note 1. All significant balances and transactions between consolidated companies have been eliminated in consolidation. The consolidation was carried out based on the financial statements of all its subsidiaries.

b. Cash and cash equivalents

Cash and cash equivalents include cash balances, bank deposits and other highly liquid investments with minor risks for changes in value. (See Note 6).

c. Ticket sales accounts receivable

The accounts receivable for ticket sales balances comprise the recoverable amount from the sale of tickets through credit cards. The company collects these accounts receivable in a period between 7 and 15 days. (See Note 7).

d. Costs of future events

Costs of future events include ticket printing and ticket inventory which are charged to the statement of income when they are used.

e. Prepayments

Prepayments represent such expenditures made by the Company where the risks and benefits inherent to the goods to be acquired or services to be received have not been transferred. Prepayments are recorded at their cost and presented in the statement of financial position as current or non-current assets, depending on the item under which they are to be recorded. Prepayments in foreign currencies are recognized at the exchange rate at transaction date, without changes for subsequent fluctuations between the currencies.

f. Furniture and equipment

At December 31, 2014 and 2013, furniture and equipment are expressed as follows: i) acquisitions subsequent to January 1, 2008, at their historical cost and ii) domestic acquisitions until December 31, 2007 at their restated value determined by applying National Consumer Price Index (NCPI) factors to their acquisition values until December 31, 2007.

Furniture and equipment are subject to annual impairment tests only when there are impairment indicators. Accordingly, they are expressed at their modified historical cost, less cumulative depreciation and, when applicable, impairment losses. Annual impairment tests are part of a sole Cash Generating Unit (CGU), and therefore, as of December 31, 2014 and 2013, there has been no indication of impairment.

Depreciation is calculated by the straight line method based on the useful lives of the assets estimated by the Company's management applied to the furniture and equipment values, (see Note 10).

g. Unamortized expenses

As of at December 31, 2014 and 2013, unamortized expenses and other assets are expressed as follows: i) items acquired since January 1, 2008, at historical cost and ii) items acquired until December 31, 2007, at restated values determined by applying NCPI factors until December 31, 2007 to their acquisition values.

Amortization is calculated using the straight-line method over a period of 20 years or the term of the contract, whichever is less, from the month following disbursement or acquisition. The value of these assets is subject to annual impairment testing.

At December 31, 2014 and 2013, net investments included the rights of access and facilities in different properties, with which the Company conducts surveys and market research to develop new products.

h. Intangible assets

Intangible assets are recognized when they meet the following features: they are identifiable, they provide future economic benefits and there is control over those benefits. Intangible assets are classified as follows:

i) Definite life: are assets whose potential to generate expected future economic benefits is limited by legal or economic conditions and which are amortized on a straight line, based on their estimated useful lives and are subject to annual impairment testing when impairment indicators are identified.

ii) Indefinite life: are assets that are not amortized but subject to annual impairment assessment.

Intangible assets either acquired or developed, are expressed as follows: i) as of January 1, 2008, at historical cost, and ii) up to December 31, 2007 at restated values determined through the application of NCPI factors to their acquisition or development costs at that date. Consequently, those assets are stated at their modified historical cost, less the respective cumulative amortization and, when applicable, impairment losses.

i. Suppliers and accounts payable

This item includes obligations with suppliers for purchases of goods or services acquired in the regular course of Company operations. When collectability is expected in a period of one year or less from the closing date (or in the regular operating cycle of the business if this cycle exceeds that period), they are presented as current liabilities. If the above is not met, they are presented as non-current liabilities.

Accounts payable from ticket sales comprise the balance payable the companies promoting future events.

j. Provisions

Liability provisions represent present obligations for past events, which will probably require the use of economic resources to settle said obligations The provisions have been recorded under Management’s best estimate.

k. Income tax payable and deferred income tax

Tax payable and deferred is recognized as an expense in period income, except when arising from a transaction or event that is recognized outside the statement of income as other comprehensive income or an item directly recognized in stockholders’ equity.

The deferred income tax is recorded based on the comprehensive asset-and-liability method, which consists of recognizing deferred tax on all temporary differences between the accounting and tax values of assets and liabilities to be materialized in the future, at the rates enacted in the tax provisions in force at financial statement dates (see Note 16).

l. Revenue from future events

Revenue from future events represents future advertising space sales, which are applied to income when the customer uses those advertising spaces, such as the VBC newsletter "La Guía de Entretenimiento", the tickets and envelopes, as well as advertising by telephone and internet.

m. Revenue from commissions on ticket sales and advertising

Revenue from commissions on ticket sales is recorded as income when the tickets are sold and the commission represents a percentage of the ticket value. The Company delivers the value of the tickets sold to the venue at which the event took place within two working days after the event is finished. Tickets sold in advance are recorded as a liability payable to the venue where the event will take place.

n. Stockholders' equity

The capital stock, the net premium on share subscription and retained earnings are expressed as follows: i) movements made as of January 1, 2008 at historical cost, and ii) movements made before January 1, 2008 at indexed values determined by applying NCPI factors up to December 31, 2007 to their originally determined values (See Note 13). Consequently, the different stockholders' equity items are expressed at modified historical cost.

o. Other Comprehensive income

The other comprehensive income (OCI) is composed of the result from translation of foreign operations, the change in fair value of cash flow hedges, interest in the OCI of associates and the income taxes relating to the OCI. The OCI represents revenue, costs and expenses already accrued but still pending completion, which is expected in the medium term and whose value may change due to changes in the fair value of assets or liabilities from which they arise, which means that they may not be realized in part or in full. The OCI is recycled when it is realized and is recognized as a separate component in stockholders' equity to be recognized in income (loss) the period in which the assets or liabilities from which they rise are realized. At December 31, 2014 and 2013 no items have been recorded under OCI.

p. Comprehensive income

The comprehensive income comprises the net income, as well as items required under specific MFRS provisions, which are shown in stockholders' equity and do not constitute equity payments, reductions and distributions. Comprehensive income for 2014 and 2013 is expressed in modified historical pesos.

q. Costs, expenses and additional line items presentation in the statement of income

The Company presents costs and expenses in the statement of income based on the function of items, which mainly separates sales costs from the other costs and expenses. Additionally, in order to insure a better analysis of its financial position, the Company has deemed it necessary to present the operating profit separately in the statement of income, as such information is a common disclosure practice of the sector to which the entity belongs.

r. Revenue recognition

Revenue from phone marketing services involving incoming and outgoing calls, tickets sales and commercialization of data bases is recorded when they are carried out and services are rendered.

The Company and its subsidiaries make estimates and projections about future events to be recognized and measure certain financial statement items. The resulting recognized accounting estimates may differ from actual results or events.

The doubtful account estimation is recognized based on Management's analysis and is considered sufficient to absorb losses according to company policies.

s. Other income allowances

The allowance for bad debts is recognized based on studies made by Company Management and is considered sufficient to absorb losses accordance with the policies established by the Company.

t. Exchange gain (loss)

Transactions in foreign currencies are initially recorded at the recording currency applying the exchange rates prevailing on the dates they are entered into and/or settled. Assets and liabilities expressed in such currencies are translated at the exchange rate prevailing on the balance sheet date. Exchange gain or loss differences arising from fluctuations in the exchange rates between the transaction and settlement dates, or valuation at the period closing, are recognized in income as a component of the comprehensive financing result (CFR), with exception of those exchange differences that, as a part of the cost of eligible assets, are capitalized with other components of CFR.

Note 4 - Accounting estimates:

The Company and its subsidiaries make estimates and projections about future events to recognize and measure certain financial statement items. The resulting recognized accounting estimates may differ from actual results or events. The estimates and projections that have a significant risk of material adjustments to assets and liabilities recognized during the following year are described below:

The Company is subject to taxes on income (in many jurisdictions). Significant judgments are required to recognize the payable and deferred income tax. There are many transactions and calculations for which an accurate tax determination is uncertain. The Company recognizes a liability for those matters observed during tax audits that are considered likely to result in the determination of tax additional to that originally incurred. When the result of these processes is different from the estimated liability, the differences are recognized under deferred and/or payable income tax.

Note 5 - Foreign currency position:

a. The figures in this note are stated in U.S. dollars (Dls.), except for exchange rates.

As of December 31, 2014 and 2013, the company and its subsidiaries had the following foreign currency monetary assets and liabilities:

	December 31,			
	2014 Unaudited		2013	
Assets	Dls.	252,485	Dls.	223,508
Liabilities		(455,343)		(262,317)
Net short position	(Dls.	202,858)	(Dls.	38,809)

At December 31, 2014 and 2013, the exchange rate was Ps14.74 and Ps13.08 per dollar, respectively. At the date of issuance of the financial statements, the exchange rate was approximately Ps15.07 per US dollar.

b. The most significant foreign currency transactions carried out by the Company and its subsidiaries were as follows:

	Year Ended December 31,			
	2014 Unaudited		2013	
Sales	Dls.	456,141	Dls.	553,289
Costs and operating expenses		(2,039,452)		(2,499,042)
Royalty costs		(250,000)		(250,000)

Note 6 - Cash and cash equivalents:

The cash and cash equivalents balance at December 31, 2014 and 2013 is mainly comprised of cash on hand, bank deposits, foreign currency balances and demand investments, all highly liquid and subject to immaterial risk for change in value. The breakdown of this balance is as follows:

	Year ended December 31, 2014 Unaudited	2013
Cash	Ps 2,590,599	Ps 166,890
Bank deposits	18,397,976	4,644,228
Demand investments	258,983,000	264,461,000
Total cash and cash equivalents	Ps 279,971,575	Ps 269,272,118

Investments in securities are subject to several kinds of risk, the principal ones are those related to operating market, term associated interest rates, exchange rates and credit and liquidity market risks.

Note 7 - Accounts receivable:

Accounts receivable at December 31, 2014 and 2013 are as follows:

	December 31, 2014 Unadited	2013
Accounts receivable from sales of tickets	Ps 28,476,792	Ps 24,434,401
Recoverable income tax	39,965,575	36,246,031
Other accounts receivable	155,554	903,711
	68,597,921	61,584,143
Allowance for doubtful accounts	(617,326)	(1,908,369)
	Ps 67,980,595	Ps 59,675,774

Note 8 - Equity investments in subsidiaries:

Following are the main consolidated subsidiaries for which the equity method was recognized:

Company	Shareholding Percentage 2014 and 2013	Main operations
Servicios Especializados para la Venta Automatizada de Boletos, S. A. de C. V. (SEVAB)	100%	Providing Administrative, marketing, technical, and technological services.
ETK Boletos, S. A. de C. V. [1]	72.5%	Automated ticket sales.

[1] Acquired on April 9, 2012.

Preparation of the consolidated financial statements included the financial statement of the subsidiaries at December 31, 2014 and 2013 and for the periods ending on those dates.

Note 9 - Balances and transactions with related parties:

As pointed in Note 1, the Company is a direct subsidiary of Ocesa Entretenimiento, S. A. de C. V., with which the Company just has a purly subsidiary/holding relationship.

a. The balances receivable from and payable to related parties at December 31, 2014 and 2013 were as follows:

Accounts receivable:	December 31,	
	2014 Unaudited	2013
Affiliates		
Operadora de Centros de Espectáculos, S. A. de C. V.	Ps 196,946,741	Ps 123,494,980
Ocesa Promotora, S. A. de C. V.	43,193,521	321,177
Servicios Corporativos CIE, S. A. de C. V.	368,251	335,983
Televisa, S. A. de C. V.	272,310	361,965
Servicios Compartidos de Alta Dirección, S. A. de C. V.	230,352	108,770
Administradora Mexicana del Hipódromo, S. A. de C. V.	197,417	476,509
OCESA Presenta, S. A. de C. V. (1)	176,568	36,209,674
Cie Internacional, S. A. de C. V.	165,573	—
Serinem, S. A. de C. V.	99,698	—
Creatividad y Espectáculos, S. A. de C. V.	75,018	—
Fútbol del Distrito Federal, S. A. de C. V.	64,332	274,726
Make Pro, S. A. de C. V.	54,265	—
Car Sport Racing, S. A. de C. V.	32,055	—
Inmobiliaria de Centros de Espectáculos, S. A. de C. V.	15,486	—
Ideas Marketing, S. A. de C. V.	13,600	—
Other	—	124,984
Unimarket, S. A. de C. V.	—	105,014
	Ps 241,905,187	Ps 161,813,782

(1) Formerly Solo Elementum, S. A. de C. V.

Accounts receivable have no expiration terms and no guarantees, and they accrue monthly interest of Mexican Interest Rate Interbank Equilibrium plus two points.

Accounts payable:	December 31,			
		2014 Unaudited		2013
Affiliates				
Servicios Administrativos del Entretenimiento, S. A. de C. V.	Ps	1,145,343	Ps	14,168,015
Needish México, S. A. de C. V.		480,528		754,456
TicketMaster LLC CA		3,083		445,716
Servicios de Protección Privada Lobo, S. A. de C. V.		3,689		—
Other		—		4,920
	Ps	1,632,643	Ps	15,373,107

b. During the years ended on December 31, 2014 and 2013, the Company carried out the following operations with related parties:

Income from:		2014 Unaudited		2013
Affiliates				
Commissions and charges from ticket sales	Ps	30,081,063	Ps	45,911,289
Sponsorship income		19,571,780		24,040,630
Equipment leasing		1,190,523		1,045,966
Interest earned		12,684,886		24,582,566
Other income		957,880		140,008
Costs and expenses:				
Affiliates				
Personnel, administrative and security services	Ps	(91,587,884)	Ps	(81,481,390)
Corporate fees		(7,289,376)		(6,995,765)
Lease of properties		(9,794,815)		(9,420,446)
Advertising commissions		(2,052,460)		(4,878,378)
Other expenses		(4,223,640)		(3,720,898)
Stockholders:				
Other		(4,118,653)		(3,358,465)
Royalties		(3,300,256)		(3,184,687)

Note 10 - Furniture and equipment:

The investment in furniture and equipment at December 31, 2014 and 2013 was as follows:

	December 31, 2014 Unaudited		December 31, 2013		Annual depreciation or amortization rate (%)
Computer and peripheral equipment	Ps	171,852,958	Ps	159,305,029	30
Furniture and equipment		15,165,621		12,997,240	10
Transportation equipment		4,119,798		3,265,307	25
		191,138,377		175,567,576	
Accumulated depreciation		(151,461,189)		(140,171,553)	
	Ps	39,677,188	Ps	35,396,023	

Depreciation recorded in the statement of income for 2014 and 2013 totals Ps17,690,198 and Ps16,937,069, respectively, and is recognized in operating expenses.

There are fully depreciated assets in the amount of Ps120,339,721 and Ps110,989,253 at December 31, 2014 and 2013, respectively.

Note 11 - Unamortized expenses and others assets:

Intangible assets at December 31, 2014 and 2013 are as follows:

Intangible assets		2014 Unaudited		2013
Access to properties to carry out ticket sales (“3 de Marzo” stadium, “Conciertos y Más conciertos” “Bull fighting ring” and others)	Ps	42,212,904	Ps	38,646,426
EDB-Ticket Software		6,715,900		6,715,900
Amortization		(25,861,534)		(16,994,773)
Subtotal		23,067,270		28,367,553
E- Ticket Brand		1,900,100		1,900,100
Non-compete agreement - ETK Boletos [1]		5,600,000		5,600,000
		30,567,370		35,867,653
Other assets		38,093,223		38,305,617
Amortization		(24,909,901)		(24,052,749)
Intangible assets	Ps	43,750,692	Ps	50,120,521

(1) The non-compete Agreement entered into with ETK - Tickets is valid for the period in which the parties maintain their status as shareholders and / or employees of ETK-Boletos, and for an additional 5 years from the date they lose either status for any cause, in the understanding that it is computed individually for each bound party.

Note 12 - Liability provisions:

Following is an analysis of the movements in liability provisions at December 31, 2014 and 2013:

	2014 Unaudited	2013
Beginning balance	Ps 23,178,580	Ps 19,613,233
Increases	9,515,734	23,178,581
Applications	(23,179,580)	(17,207,291)
Cancellations	1,000	(2,405,942)
Ending balance	Ps 9,515,734	Ps 23,178,581

The balance of provisions are grouped under accrued liabilities.

Note 13 - Stockholders' Equity:

Capital stock

As of December 31, 2014 and 2013, the Company's capital stock is comprised of 21,854,275 common, nominative shares, with a par value of one Mexican historical peso each, classified in two series as follows:

Number of Shares	Description	Amount
17,975	Series "A" shares, comprising the minimum fixed capital stock without withdrawal rights	Ps 17,975
32,025	Series "B" shares, comprising the minimum fixed capital stock, without withdrawal rights	32,025
50,000	Subtotal	50,000
10,529,241	Series "A" shares, comprising the variable portion of capital stock, with an unlimited maximum	10,529,241
4,095,148	Series "A-1" shares, comprising the variable portion of capital stock, with an unlimited maximum	4,095,148
7,179,886	Series "B" shares, comprising the variable portion of capital stock, with an unlimited maximum	7,179,886
21,854,275	Capital stock	Ps 21,854,275

Retained earnings

At the July 18 and December 16, 2014 meetings, the stockholders agreed to declare and pay dividends in the amount of Ps176,630,552 and Ps8,446,525, respectively, from the left-over balance of the CUFIN, on which tax of Ps31,462 and Ps3,898,747 was accrued, respectively.

At the June 28, 2013 meeting, the stockholders agreed to declare and pay dividends of Ps347,000,000, of which Ps236,899,472 was paid out of the after-tax earnings account. The Ps110,100,528 difference not paid from the CUFIN accrued tax of Ps35,208,000.

The net income for the year is subject to the legal provision requiring that at least 5% of income for each period be set aside to increase the legal reserve until it equals one fifth of paid-in capital. At the date of issuance of the financial statements, the Company has not met this obligation.

In October 2013, Congress approved the issuance of a new Income Tax Law that came into effect on January 1, 2014. Among other aspects, this law establishes 10% tax on earnings generated as from 2014, and on dividends paid to residents in Mexico and abroad, and establishes that for the periods from 2001 to 2013, the net tax profit must be determined in the terms of the current Income Tax Law for the tax period in question.

Dividends are not subject to income tax if paid from the After-Tax Earnings Account (CUFIN for its acronym in Spanish), and they are subject to a tax from 4.62% to 7.69% if paid from the reinvested CUFIN. Any dividends paid in excess of this account are subject to tax equivalent to 42.86% if paid in 2015. The current tax is payable by the company and may be credited against its income tax for the same year or the following two years, or otherwise against the Flat tax for the period. Dividends paid from previously taxed profits are not subject to tax withholding or additional tax payment.

In the event of a capital reduction, any excess of stockholders' equity over capital contributions, the latter restated in accordance with the provisions of the Income Tax Law, is accorded the same tax treatment as dividends.

Note 14 - Revenue:

Revenue at December 31, 2014 and 2013 is as follows:

Revenue:	2014 Unaudited	2013
Internal charges	Ps 447,412,366	Ps 475,660,149
Credit card recovery	65,527,146	76,768,584
Entertainment guide	35,576,708	58,098,889
Advertising	23,226,360	31,779,756
Others	15,594,238	25,997,094
Import Services	5,090,843	6,673,028
	Ps 592,427,661	Ps 674,977,500

Note 15 - Costs and expenses:

The analysis of relevant costs and expenses as of December 31, 2014 and 2013 is shown below:

Costs:		2014 Unaudited		2013
Commissions	Ps	(88,722,066)	Ps	(99,026,297)
Other costs		(18,439,137)		(13,856,584)
Entertainment guide		(16,456,397)		(24,831,235)
Administrative services		(12,906,687)		(9,824,573)
Tickets		(9,472,212)		(11,256,987)
Computing		(8,419,873)		(8,738,649)
Production		(7,335,822)		(7,415,151)
Non-capitalizable assets		(4,853,841)		(6,254,009)
Royalties		(3,300,256)		(3,188,521)
Lease		(2,679,646)		(1,758,555)
Maintenance		(1,302,565)		(846,404)
Advertising		(602,938)		(1,946,142)
Professional services		(593,159)		(2,727,745)
		(175,084,599)		(191,670,852)
Amortization		(8,201,732)		(8,825,892)
	Ps	(183,286,331)	Ps	(200,496,744)

Expenses:				
Administrative services	Ps	(83,332,289)	Ps	(76,119,895)
Other expenses		(27,737,782)		(13,102,308)
Lease		(11,488,159)		(10,713,477)
Corporate fees		(6,641,376)		(6,363,209)
Computing		(150,857)		(18,401)
		(129,350,463)		(106,317,290)
Depreciation and amortization [1]		(17,690,198)		(16,937,069)
	Ps	(147,040,661)	Ps	(123,254,359)

(1) Includes fixed asset disposals.

Note 16 - Income tax and flat tax (IETU):

a. New income tax law (new ITL)

During October 2013 Congress approved the issuance of a new Income Tax Law, which came into force on January 1, 2014, thus repealing the Income Tax Law issued on January 1 2002 (previous ITL). Although the new Income Tax Law retains the essence of the previous Income Tax Law, a number of important amendments have been made, of which the following are the most significant:

i. It modifies the mechanics for taxing income arising from installment sales and generalizes the procedure for determining the profit on the sale of shares.

ii. Establishes an income tax rate for 2014 and the following years of 30%, as compared to the previous Income Tax Law, under which the rates were 30%, 29%, and 28% for 2013, 2014 and 2015, respectively.

iii. It establishes the procedure to determine the opening capital contributions account (CUCA for its acronym in Spanish) and CUFIN balances.

The Company has reviewed and adjusted the deferred tax balance at December 31, 2013, considering these new provisions in determining the temporary differences, whose impacts are described in the reconciliation of the effective tax rate presented below. However, the effects of limiting deductions and other previously listed effects apply from 2014 and mainly affect the tax paid as from that year.

i. In 2014 and 2013, the Company determined a tax profit of Ps260,828,970 and Ps377,208,348, respectively. The tax result differs from the accounting result mainly due to items that accrue over time and that are deducted differently for accounting and tax purposes, to recognition of inflation effects for tax purposes, and to items only affecting either the accounting or tax result.

ii. The reconciliation between the statutory and the effective income tax rates is shown below:

	Year ended December 31,	
	2014 Unaudited	2013
Income before income tax provisions	Ps 279,039,994	Ps 379,831,006
Income tax statutory rate	30%	30%
Income tax at statutory rate	83,711,998	113,949,302
Plus (less) effect of income tax on the following permanent items:		
Inflation	(2,823,380)	(2,737,567)
Nondeductible expenses	695,749	1,080,281
Other items	30,683	168,429
Income tax at actual rate	Ps 81,615,050	Ps 112,460,445
Effective income tax rate	30%	30%

iii. At December 31, 2014 and 2013, the principal temporary differences on which deferred income tax was recorded are as follows:

	December 31,	
	2014 Unaudited	2013
Costs of future events	Ps (8,119,731)	Ps (10,768,527)
Unamortized expenses	(17,712,902)	(19,520,034)
Furniture and equipment	2,612,300	2,259,235
Revenue from future events	1,923,564	2,999,863
Provisions and estimations	9,515,734	23,178,581
Allowance for doubtful accounts	617,326	1,908,369
	(11,163,709)	57,487
Applicable income tax rate	30%	30%
Deferred income tax (liability) asset	Ps (3,349,113)	Ps 17,246

b. Flat tax

In October 2013 the Congress approved the repeal of the Flat Tax Law, as a result of which, starting on January 1, 2014, the Company is not subject to flat tax.

Note 17 - Commitments:

a. Offices: VBC signed an agreement with OCESA, an affiliated company, for the use of office space and for certain cleaning and security services at said spaces located within the premises of the "Palacio de los Deportes" in Mexico City. This agreement grants the company use of the facilities it uses as office space and its call center in that city in exchange for which the company pays OCESA a monthly fixed fee. In addition, VBC has signed a lease agreement with an individual involving a building located in Guadalajara, Jalisco, to house its offices in that city. VBC pays a fixed fee for this building lease that increases annually based on the NCPI.

b. Offices: Servicios Especializados para la Venta Automática de Boletos, S. A. de C. V. (SEVAB) has signed agreements with OCESA, an affiliated company, for the use of space and to render certain cleaning and security services in the areas located inside the Palacio de los Deportes, Mexico City. This agreement awards SEVAB use of the facilities to house their offices in exchange for which SEVAB pays OCESA a monthly fixed fee.

c. As part of its daily business activities, VBC and ETK Boletos are engaged in the distribution and sale of tickets to certain artistic events to be conducted in the immediately following year, in exchange for which it receives amounts from third parties for the purchase of tickets to said events. The Company holds those amounts in cash, so that if the events in question are not held, the amounts are returned in accordance with the applicable legal provisions. At December 31, 2014 and 2013, cash and cash equivalents included deposits received from third parties for the acquisition of tickets totaling Ps298,537,722 and Ps203,213,308 respectively.

d. Ticketmaster Brand Name and System. VBC entered into license agreements (expiring on March 31, 2015) with Ticketmaster Corporation for use of the TicketMaster brand names and system for which it pays a fixed royalty fee expressed in dollars.

   There is no guarantee that those permits or contracts will be extended or renewed, or that the new conditions agreed to will be the same. Nevertheless, on the basis of experience, the Company’s management considers that the permits and contracts may be renewed under similar terms to those currently in effect when they expire.

Note 18 - Contingencies:

a. Under the provisions of the Income Tax Law, parties carrying out operations with related parties, either resident in Mexico or abroad, are subject to tax limitations and obligations related to the determination of transfer, which must be similar to those agreed with unrelated parties in comparable transactions.

   In the event of an official review, the tax authorities could consider that the above-mentioned prices are not in line with the provisions of the Law, in which case, aside from restatement and surcharges, the tax authorities could impose fines of up to 100% of any omitted taxes.

b. On July 24, 2012, the Procedures Department of the Mexican Better Business Bureau (PROFECO) issued a ruling sanctioning VBC for an alleged violation of article 10 of the Consumer Protection Act, as it considers that marketing and sale of the service denominated “La Guía” is an unfair practice for consumers, and therefore imposed a Ps.1,690,331 fine and instructed the Company to stop marketing “La Guía” as it has so far. A motion for review was filed against said ruling, with a second ruling issued on October 25, 2012 by the Procedures Department declaring the company's grievances unfounded.

   In light of the foregoing, on January 21, 2013, a motion for annulment was filed against the resolution that confirmed the sanction. The Eighth Regional Metropolitan Chamber of the Federal Tax and Administrative Court received the motion for annulment and declared the validity of the ruling in question.

   VBC then filed a motion for review on January 10, 2014, as a result of which the Tenth Collegiate Court for Administrative Matters of the First Circuit granted the appeal to VBC on November 21, 2014 and declared invalidity of the contested decision due to inconsistencies by the authorities in the procedure for the determination of the penalty, but without ruling on the merits.

However, in order to obtain a ruling on the merits, a motion for direct protection was filed requesting the Federal Court to consider the legality of the actions of VBC. The Company's external consultants consider that there is high probability that the Company will be exempt from any penalty and that legality of its actions will be confirmed.

c. On 22 June 2012, the Advertising and Standards Office of PROFECO required information from OCESA for its alleged role in the violation of various rules in relation to the sale of tickets to public performances through the internet portal www.ticketbis.com.mx. OCESA addressed said request on July 6, 2012, stating that the probable offender in that issue was Evandti, S. A. de C. V. The Company therefore expects to no longer be considered liable for the unlawful conduct and for a new legal process to start against the Evandti, SA de C.V. In September 21, 2012 the latter company was notified of the request for information.

   Parallel to this process, OCESA and VBC filed a complaint with PROFECO against Evandti, S.A. de C.V. for the same violations to the Federal Consumer Protection Act, which will likely be accumulated in file described in the previous paragraph. The purpose of the complaint is to report different violations to the Federal Consumer Protection Act by that entity.

   Through a ruling dated June 13, 2013, the PROFECO excluded OCESA from the process regarding the resale of tickets, and stated that the procedure will be followed only with Evandti, S.A. de C.V.

d. VBC and its subsidiaries are regularly called by the PROFECO when consumers of their services do not consider that the conditions offered are met and complain to this office. Sometimes the PROFECO has imposed fines for alleged violations of administrative procedures or to the law, of which there are currently four complaints under reconciliation, twenty one cases are at the Federal Court of Fiscal and Administrative Justice and three appeals at other Federal courts regarding several fines or penalties between Ps.2,000 to Ps.20,000 that as a whole add up to approximately Ps.400,000. To date, the Company has not suffered any damages from those complaints and all fines have been removed. Therefore, in the opinion of the VCB advisors, these matters do not pose a material contingency, and it is very unlikely that any of those amounts will be payable, or where appropriate, that the above criteria under which VCB has never condemned to pay amounts due to these causes be reversed.

e. VBC filed a request with the Mexican Industrial Property Institute (MIPI) for a declaration of the infractions committed by Wal-Mart de México, S. A. B. de C. V. ("Wal-Mart") related to improper use of the "La Guía de Entretenimiento" brand owned by VBC. In its counterclaim, Wal-Mart requested that VBC's brand be declared invalid. The authorities declared that the claims filed by VCB were well-grounded and determined that Wal-Mart had committed the infractions in question, and imposed a fine of 2,500 days minimum salary in effect in Federal District, and dismissed Wal-Mart's request for VCB's brand to be declared invalid. That decision was challenged by Walmart at the Federal Court of Fiscal and Administrative Justice. On September 11, 2013, the Judges of the Federal Tax Court handed down a favorable sentence to VBC acknowledging the validity of the ruling issued by the Mexican Industrial Property Institute (MIPI), and confirmed that the "LA GUIA DE ENTRETENIMIENTO" brand is the property of VCB. Wal-Mart filed an appeal against that ruling, and a new ruling was issued on October 31, 2014 dismissing the appeal and confirming the validity of the favorable sentence handed down VBC.

f. VBC requested that infractions be declared against Wal-Mart for improper use of the reservation of rights to the "La Guía de Entretenimiento" publication, in the following genres: Periodic publications, qualifying as a guide, to which Wal-Mart responded by filing a request for statement of administrative action for nullity of VBC's reservation of rights. The National Copyrights Institute ("INDAUTOR") ruled in favor of VBC and dismissed Wal-Mart's counterclaim. This resolution was contested by Wal-Mart at the Federal Tax Courts, which ruled in favor of VBC on September 13, 2012, recognizing the validity of the resolution issued by the INDAUTOR, confirming that the reservation of rights to exclusive use of the title LA GUÍA DE ENTRETENIMIENTO was duly granted. Dissatisfied with said resolution, Wal-Mart filed a motion for review of said sentence, to which, on May 7, 2013, VBC responded as injured third party in the review proceedings. The Collegiate Court confirmed the validity of the ruling, which means that the IMPI is empowered to declare WAL-MART'S infraction for commercial purposes, and consequently, impose a fine; additionally, the INDAUTOR could dictate a resolution invalidating and/or dictating the expiration of the reservation of rights to obtained by Wal-Mart.

g. On October 1, 2012, a motion for annulment was brought to the Chamber specialized in intellectual property matters of the Federal Tax and Administrative Court against the resolution issued by coordinating office C for trademark examination regarding rejection of hallmark Laguíatm.tv, requested by VBC. On April 30, 2013, the Tax Courts handed down a sentence ordering the IMPI issue the title of the brand that was issued on July 9, 2014. Dissatisfied with said resolution, Teléfonos de México, S. A. B. DE C. V. filed for constitutional protection of civil rights known as an "amparo" against granting of the Laguíatm.tv trademark, arguing that it can be mistaken for its TL trademark. VBC answered the amparo and presented arguments in the respective trial. No sentence has yet been issued in this regard. In the opinion of our advisors, it is possible the authorities will confirm the sentence and grant VBC the Laguíatm.tv trademark.

h. On February 20, 2014, ETK Boletos, SA de CV (ETK) filed a suit at the Civil Court in the state of Querétaro against AJL Fútbol Gulf, SA de CV, AMRH International Soccer, SA de CV, and Fútb0l Club Querétaro, in response to the request to suspend sales through the ETK channels at the "Estadio Corregidora" in the city of Queretaro, which ETK was performing under a Service agreement. In the Complaint, ETK requested, in addition to Forced Compliance with the Service agreement, payment of the agreed contractual penalty and a severance payment for moral damage repair to ETK. In light of the intervention by the federal authorities, ETK preferred to recover the investment for which purpose on February 20, 2014 it signed a transaction agreement with the defendants whereby it resolved the dispute with the payment made to ETK in the amount of Ps. 968,580 (which is almost the entirety of the agreed contractual penalty), and the return to ETK of all purchased equipment that was installed at the Stadium.

i. ETK Boletos , SA de CV filed an appeal at the Regional chamber for Intellectual Property against the ruling dismissing pending trademarks E TICKET, E-TICKET, E TICKET TU ACCESO… DIRECTO Y DISEÑO and the commercial notice of E TICKET TU ACCESO DIRECTO. The Company is awaiting approval of those brands together with the respective ruling.

j. VBC filed an appeal at the Regional Court for Intellectual Property Matters against the ruling dismissing pending brand TRAVEL TICKET. The Company is awaiting approval of that brand together with the respective ruling.

k. The Mexican Authors and Composers Society filed a complaint against Mr. Edgardo Sanchez Polo for violation of the Copyright Act in relation to the performance of the artist known as "Paquita la del Barrio", as a result of which ETK Boletos, SA de CV "ETK" was summoned to submit different information. ETK submitted the information in question and was released from all responsibilities.

l. VBC and its subsidiaries regularly contract the services of specialists in areas such as security, cleaning, access control, production, mounting, assembling and other similar services required to conduct its business activities, and they sign multiple contracts with third parties who agree to develop activities for VBC and its subsidiaries. Under the provisions of the labor legislation and recent amendments thereto on the subject of social security, some of the subcontractors or workers of these service providers may take steps in order for VBC and its subsidiaries to be considered the beneficiary of those services or liable for possible related contingencies.

m. According to the agreements reached by the shareholders and subsidiaries of VCB, Corporacion Interamericana de Entretenimiento, S. A. B. de C. V. ("CIE") is responsible for dealing with any contingency filed against the Company and its subsidiaries arising from acts prior to October 18, 2012, thus binding CIE to defend, indemnify and if necessary release the Company from all obligations (including the obligation to pay amounts related to penalties). Therefore, the Company has no records of such procedures, which are directly handled by CIE further to the agreement in question.

Note 19 - New accounting pronouncements:

Following are the MFRS issued by the CINIF in December 2013 and 2014, which become effective in the year specified. It is considered that those MFRS will not have a significant effect on the financial information presented by the Company.

<u>2018:</u>

MFRS C-3 "Accounts receivable". Establishes the valuation, presentation and disclosure standards for the initial and subsequent recognition of trade receivables and other receivables in the financial statements of an economic entity. It specifies that the accounts receivable based on a contract represent a financial instrument. Earlier adoption is permitted as of January 1, 2016, only if applied jointly with MFRS C-20 "Financing Instruments Receivables".

MFRS C-9 "Provisions, contingencies and commitments". Establishes standards for the accounting recognition of provisions in the financial statements of entities, and the rules for disclosure of contingent assets, contingent liabilities and commitments in the financial statements. It reduces the scope to relocate the accounting treatment of financial liabilities to MFRS C-19 "Financial instruments payable". Additionally, the terminology used throughout the regulatory approach is updated. Earlier adoption is permitted as of January 1, 2016, only if applied jointly with the MFRS C-19 "Financial instruments payable".

MFRS C-19 “Financial instruments payable”. Establishes the valuation, presentation and disclosure standards for the initial and subsequent recognition of accounts payable, borrowings and other financial liabilities in the financial statements of an economic entity. It introduces the concepts of amortized cost to value financial liabilities and the effective interest method, based on the effective interest rate, to prepare such valuations. Both discounts and costs of issuance of a financial liability are deducted from the liability. Earlier adoption is permitted as of January 1, 2016, only if applied jointly with MFRS C-3 “Accounts receivable”, MFRS C-9 “Provisions, contingencies and commitments”, and MFRS C-20 “ Financing Instruments Receivable “.

MFRS C-20 “ Financing Instruments Receivable “. Establishes the valuation, presentation and disclosure standards for the initial and subsequent recognition of financing instruments receivable in the financial statements of an economic entity operating funding. It discards the concept of intent of acquisition and holding of those instruments to determine their classification. It adopts the concept of management business model. Earlier adoption is permitted as of January 1, 2016, only if applied jointly with the MFRS C-3 “Accounts receivable”.

<u>2016</u>

MFRS D-3 “Employee benefits”. Establishes the valuation, presentation and disclosure standards for the initial and subsequent recognition of short and long term liabilities for termination and post-employment benefits. The concept of remeasurement of assets or liabilities for defined benefits is established and it eliminates the possibility to defer recognition of actuarial gains and losses directly in income for the period as accrued. Therefore, such gains and losses should be recognized immediately in other comprehensive income (OCI), requiring subsequent recycling to net profit or loss. Earlier adoption is permitted as of January 1, 2015.

<u>MFRS 2015 Revisions</u>

MFRS B-8 “Consolidated or Combined Financial Statements”. Guidance is included to identify investment entities and help them to understand their primary activity and main characteristics, in order to support whether or not there is control in each specific situation that could result in the need for such investment entities to be consolidated in the financial statements.

NIF B-16 “Financial statements of non-profit entities”. The treatment of OCI is included without the need to present it separately from other lines in the statement of operations.

Statement C-9 “Liabilities, Provisions, contingent assets and liabilities and commitments”. It establishes the accounting treatment of advances from customers for the sale of goods or services payable in a foreign currency, requiring that the customer advances balance not be changed in the event of exchange fluctuations between the functional currency and the payment currency. This provides consistency with the accounting prepayments in a foreign currency.

MFRS C-3 “Accounts receivable” and MFRS C-20 “Financing instruments receivable”. The effective dates were modified for those MFRS from January 1, 2016 (early adoption permitted as of January 1, 2015, only if both NIF are jointly adopted) to January 1, 2018 (early adoption is permitted as of January 1, 2016, only if both NIF are jointly adopted).

The accompanying twenty notes are an integral part of these financial statements.

Note - 20 Summary of Significant Differences between Mexican Financial Reporting Standards and U.S. GAAP

The Company’s consolidated financial statements have been prepared in accordance with Mexican Financial Reporting Standards (MFRS), which differs in certain significant respects from U.S. Generally Accepted Accounting Principles. (U.S. GAAP). Such differences involve methods of measuring certain amounts shown in the consolidated financial statements, as well as additional disclosures required by U.S. GAAP and regulations of the Securities and Exchange Commission (SEC). Pursuant to Item 15 of Form 10K, this reconciliation does not include the disclosure of all information that would be required by U.S. GAAP and regulations of the SEC.

I. Differences in measurement methods

a. The figures of non-monetary line items at December 31, 2014 and 2013 are stated in historical Mexican pesos modified by the inflation effects up to December 31, 2007. Starting January 1, 2008, according to the provisions of MFRS B-10 “Inflation Effects”, the Company discontinued the recognition of inflation accounting as the Mexican economy is not an inflationary environment, since cumulative inflation has been below 26% (limit to define an economy as inflationary under MFRS). Under U.S. GAAP effects of inflation recognized under MFRS up to 2007 might not be recognized. The reconciliation does not include the reversal of the adjustments to the consolidated financial statements for the effects of inflation, because, as permitted by the SEC, it represents a comprehensive measure of the effects of price-level changes in the Mexican economy, and as such, is considered a more meaningful presentation than historical cost-based financial reporting for U.S. GAAP.

b. The company provides financing to related parties, for which interest is determined by using the nominal interest rate. In accordance with ASC 470 “Debt” the borrower's periodic interest cost shall be determined by using the effective interest method considering in the determination of interest, the debt issuance costs, discounts and premium throughout the outstanding term of the loan using a constant interest rate.

The Company quantified the effects of the differences in the measurement methods explained above, and determined that the impact to the consolidated financial statements under U.S. GAAP derived from those differences was not significant neither to the net income nor the stockholders’ equity; therefore a reconciliation of net income and stockholders' equity from MFRS to U.S. GAAP is not presented for the years ended December 31, 2014 and 2013.

II. Additional accounting policies under U.S. GAAP and reclassifications

a. Consolidation

Subsidiaries

Subsidiaries are all entities over which the Company has control to direct its relevant activities, has the right and is exposed to variable returns from its interest and have the ability to affect those returns through its power. In assessing whether the Company controls an entity, the existence and effect of potential voting rights that are currently exercisable or convertible were considered. The existence of control in cases where the Company has no more than 50% of voting rights but it may decide the financial and operating policies is also assessed.

Subsidiaries are consolidated as of the date they are controlled by the Company and are no longer consolidated when the control is lost.

The Company uses the acquisition method to recognize the business acquisitions. The consideration of the acquisition of a subsidiary is determined based on the fair value of the net transferred assets, the assumed liabilities and the share capital issued by the Company. The acquisition consideration also includes the fair value of such contingent amounts receivable or payable as part of the agreement.

The acquisition-related costs are recognized as expenses when incurred. Identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values at the acquisition date. The non-controlling interest in the acquiree is recognized at fair value at the acquisition date.

The excess of the consideration paid and the non-controlling interest in the acquiree equity over the fair value of the Company's share in the net identifiable assets of the acquired entity is recognized as goodwill. If such comparison results in a negative amount, as in the case of a bargain purchase, the difference is recognized reducing the acquired non-current assets.

Transactions, balances and unrealized gains and losses resulting from transactions between the consolidated companies have been eliminated. The accounting policies for subsidiaries have been changed to ensure consistency with the accounting policies adopted by the Company, in cases where it was necessary.

The consolidation was carried out by using the financial statements of its subsidiaries.

Transactions with non-controlling shareholders

The Company recognizes transactions with non-controlling shareholders as transactions between shareholders. When a non-controlling interest is acquired, the difference between any consideration paid and the share of the subsidiary acquired measured at their carrying value is recorded in equity. Gains or losses on disposal of an interest in a subsidiary that does not involve the loss of control by the Company are also recognized in equity.

Recording, functional and reporting currency

The recording, functional and reporting currencies of the Company, its subsidiaries and associates is the Mexican peso, therefore, no translation process was necessary.

b. Accounts receivables for ticket sales

The Company evaluates the collectability of its accounts receivable based on a combination of factors. Generally, it records specific allowances to reduce the amounts of the receivables recorded when a customer’s account matures beyond typical collection patterns, or the Company becomes aware of a customer’s inability to meet its financial obligations.

The Company believes that the credit risk with respect to trade receivables is limited due to the massive diversification of its customers.

c. Furniture and Equipment - Impairment

The Company performs tests for possible impairment of furniture and equipment whenever events or circumstances change, such as a current period operating cash flow loss combined with a history of, or projected, operating cash flow losses or a significant adverse change in the manner in which the asset is intended to be used, which may indicate that the carrying amount of the asset may not be recoverable. If indicators exist, the estimated undiscounted future cash flows related to the assets is compared with the carrying amount of those assets. If the carrying value is greater than the estimated undiscounted future cash flows, the cost basis of the asset is reduced to reflect its current fair value. The Company uses various assumptions in determining the current fair market value of these assets, including future expected cash flows and discount rates and other fair value measures. Impairment loss calculations requires to apply judgment in estimating future cash flows, including forecasting useful lives of the assets and selecting the discount rate that reflects the risk inherent in future cash flows.

If actual results are not consistent with the assumptions and judgments used in estimating future cash flows and asset fair values, the Company may be exposed to future impairment losses that could be material to our results of operations.

Furniture and equipment are stated at cost at date of acquisition. Depreciation is computed using the straight-line method over their estimated useful lives, which are as follows:

Computer and peripheral equipment - 3 years
Furniture and equipment - 10 years
Transportation equipment - 4 years

Leasehold improvements are depreciated over the shorter of the economic life or associated lease term assuming the Company exercises renewal periods, if appropriate. Expenditures for maintenance and repairs are charged to operations as incurred, whereas expenditures for asset renewal and improvements are capitalized.

d. Intangibles

The intangible assets are recognized when they meet the following conditions: are identifiable, provide future economic benefits and the Company has control over such benefits. The intangible assets are classified as follows:

i. Definite-lived: are those which expected future economic benefits is limited by any legal or economic condition and are amortized on a straight line basis, based on the best estimate of their useful life and are subject to annual impairment testing when impairment indicators are identified.

ii. Indefinite-lived assets are not amortized but are subject to annual impairment assessment. Depending on facts and circumstances, qualitative factors may first be assessed to determine whether the existence of events and circumstances indicate that it is more likely than not that an indefinite-lived intangible asset is impaired. If it is concluded that it is more likely than not impaired, then the Company performs a quantitative impairment test by comparing the fair value with the carrying amount.

The Company tests for possible impairment of definite-lived intangible assets whenever events or circumstances change, such as a current period operating cash flow loss combined with a history of, or projected, operating cash flow losses or a significant adverse change in the manner in which the asset is intended to be used, which may indicate that the carrying amount of the asset may not be recoverable. When specific assets are determined to be unrecoverable, the cost basis of the asset is reduced to reflect the current fair value.

The Company test for possible impairment of indefinite-lived intangible assets on at least an annual basis. Based on facts and circumstances, the Company performs either a qualitative or a quantitative assessment for impairment. If a qualitative assessment is performed, and the existence of events and circumstances indicate that it is more likely than not that an indefinite-lived intangible asset is impaired, then perform the quantitative impairment test by comparing the fair value with the carrying amount. When specific assets are determined to be impaired, the cost basis of the asset is reduced to reflect the current fair value.

The Company uses various assumptions in determining the current fair market value of these definite-lived and indefinite-lived intangible assets, including future expected cash flows and discount rates, as well as other fair value measures. Our impairment loss calculations require us to apply judgment in estimating future cash flows, including forecasting useful lives of the assets and selecting the discount rate that reflects the risk inherent in future cash flows.

If actual results are not consistent with our assumptions and judgments used in estimating future cash flows and asset fair values, the Company may be exposed to future impairment losses that could be material to our results of operations.

e. Ticketing Contract Advances

Ticketing contract advances, represent amounts paid in advance to the Company's clients pursuant to ticketing agreements, which are reflected as intangible assets with definite-life if the amount is expected to be recouped or recognized over a period of more than 12 months. Recoupable ticketing contract advances are generally recoupable against future royalties earned by the clients, based on the contract terms, over the life of the contract. Ticketing contract advances, are fixed additional incentives paid by the Company to secure exclusive rights with certain clients and are normally amortized over the life of the contract on a straight-line basis. Amortization of these ticketing contract advances is included in depreciation and amortization in the statements of income.

f. Revenue

a. Revenue from future events

Revenue from future events represents future advertising space sales, which are recognized in income when the customer uses those advertising spaces, such as: the VBC bulletin "La Guía de Entretenimiento", the tickets and envelopes, as well as advertising by telephone and internet.

b. Revenue from commissions on ticket sales

Revenue from ticketing operations primarily consists of convenience and order processing fees charged at the time a ticket for an event is sold and is recorded on a net basis (net of the face value of the ticket). Revenue for these ticket service charges collected in advance of the event is recorded as deferred revenue until the event occurs. The Company delivers the face value of the tickets sold to the venue at which the event took place within two working days after the event occurs.

c. Revenue recognition for services

The revenues from marketing services, commercialization of databases and other services are recognized in the accounting period in which the services are rendered.

III. Additional disclosure requirements

a. Fair Value Measurements
Disclosures

ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Effective January 2010, the Company adopted new accounting guidance under ASC 820 that requires additional disclosures including, among other things, (i) the amounts and reasons for certain significant transfers among the three hierarchy levels of inputs, (ii) the gross, rather than net, basis for certain level 3 roll forward information, (iii) use of a “class” rather than a “major category” basis for assets and liabilities, and (iv) valuation techniques and inputs used to estimate level 2 and level 3 fair value measurements.

In addition, ASC 820-10 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows.

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following instruments were recognized at fair value using the aforementioned hierarchy (mainly level 1):

Cash and cash equivalents: consist of cash in hand and money market funds. Fair values for cash equivalents are based on quoted prices in an active market.

Account receivables and account payables: The book value of the account receivables and accounts payables is similar to their fair value and corresponds to current account receivables and current accounts payable.

b. Related-party
transactions

<u>Relationship with Operadora de Centros de Espectaculos, S. A. de C. V.</u>

Operadora de Centros de Espectaculos is an entity that has contracts with show centers and other venues, and maintain business relationships with VBC to give exclusive access for the ticketing operation.

<u>Relationship with OCESA Presenta, S.A. de C.V. (Formerly Solo Elementum, S. A. de C. V.)</u>

OCESA Presenta, S.A. de C.V. (Formerly Solo Elementum, S. A. de C. V.) is an entity that has contracts with show centers and other venues, and maintains business relationships with VBC to give exclusive access for the ticketing operation.

<u>Relationship with Servicios Administrativos de Entretenimiento, S. A. de C. V.</u>

Servicios Administrativos del Entretenimiento provides all administrative services to VBC.

Key Management compensations

The company does not have employees, as mentioned before; these services are provided by a related party and are considered in note 9 to the financial statements.

c. Intangible and other assets:

Intangible assets at December 31, 2014 and 2013 are as follows:

Definite-lived Intangible assets		2014 Unaudited		2013
Ticketing contracts - Gross	Ps	42,212,904	Ps	38,646,426
Accumulated amortization		(23,967,102)		(15,765,370)
Software EDB-Ticket - Gross		6,715,900		6,715,900
Accumulated amortization		(1,894,432)		(1,229,403)
Subtotal		23,067,270		28,367,553
Indefinite-lived Intangible assets				
E-Ticket Brand		1,900,100		1,900,100
Non-compete agreement - ETK boletos [1]		5,600,000		5,600,000
Total Intangible assets		30,567,370		35,867,653
Lease hold improvements - Gross		38,093,223		38,305,617
Accumulated amortization		(24,909,901)		(24,052,749)
Total	Ps	43,750,692	Ps	50,120,521

Amortization of definite-lived intangible assets and lease hold improvements for the years ended December 31, 2014 and 2013 was Ps. 9,723,913 million, and Ps 10,868,713 million, respectively.

There were no additions in 2014, the 2013 additions to definite-lived intangible assets from acquisitions have weighted-average lives as follows:

	weighted-average lives (years) 2014 Unaudited	2013
Revenue generating contracts	—	3

The following table presents the Company's estimate of amortization expense for each of the five succeeding fiscal years for definite-lived intangible assets outstanding as of December 31, 2014:

		Amortization
2015	Ps	6,882,724
2016		3,638,072
2017		3,001,666
2018		2,060,833
2019		1,400,000

Indefinite-lived Intangibles

The Company has indefinite-lived intangible assets which consist primarily to trade names and non-compete agreements. These indefinite-lived intangible assets had a carrying value of Ps7,500,100 and Ps7,500,100 as of December 31, 2014 and 2013, respectively.

Management signed a non-compete agreement with the owners of the non-controlling interest; the contract will be effective only if the non-controlling interest determines to sell their ownership of the Company. Since Management do not have the elements to determine when the contract will be effective, the non-compete agreement is considered as an in-definitive lived intangible asset.

The Company tests for possible impairment of indefinite-lived intangible assets on at least an annual basis. There was no impairment charge on these assets recorded for the years ended December 31, 2014 and 2013.

d. Revenue analysis

Gross versus Net presentation of Revenue

The Company reports revenue on a gross or net basis based on management's assessment of whether the Company acts as a principal or agent in the transaction. To the extent the Company acts as the principal, revenue is reported on a gross basis. The determination of whether the Company acts as a principal or an agent in a transaction is based on an evaluation of whether the Company has the substantial risks and rewards of ownership under the terms of an arrangement. The Company's revenue, which primarily consists of convenience charges and order processing fees from its ticketing operations, is recorded net of the face value of the ticket as the Company generally acts as an agent in these transactions. These reclassifications do not affect the operating income. Revenue associated with fees charged to Clients to cover bank commissions for the use of credit cards are presented on a gross basis.

A reclassification is considered in the analysis below to present costs of bank commissions net of the relating revenue:

	December 31, 2014 Unaudited		December 31, 2013	
Revenue as reported under MFRS	Ps	592,427,661	Ps	674,977,500
Reclassification from Cost of Services (1)		(56,784,450)		(62,510,733)
Revenue under US GAAP	Ps	535,643,211	Ps	612,466,767

(1) Bank commissions paid for the sale of tickets with credit cards are recovered as part of the price of the services. Amounts paid are recognized within the Cost of Services and amounts charged to clients for this concept are recognized as revenue on a gross basis. The reclassification is to present the amount paid for bank commissions net of the amounts recognized for credit card recovery.

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2014 Unaudited		2013	
Deferred taxes included within:				
Assets:				
Furniture and equipment	Ps	783,690	Ps	677,771
Deferred revenue		577,069		899,959
Accruals		2,854,720		6,953,574
Allowance for doubtful accounts		185,198		572,511
Total deferred tax assets		4,400,677		9,103,815
Liabilities:				
Cost of future events		(2,435,919)		(3,230,559)
Intangible and other assets		(5,313,871)		(5,856,010)
Total deferred liabilities		(7,749,790)		(9,086,569)
Net deferred income taxes	Ps	(3,349,113)	Ps	17,246

e. Commitments and contingent liabilities

As of December 31, 2014, the Company's future minimum rental commitments under non-cancelable operating lease agreements with terms in excess of one year consist of the following:

		Non-cancelable Operating Leases
2015	Ps	10,159,182
2016		10,535,071
2017		10,912,227
2018		11,302,885
2019		11,721,091
Total	Ps	54,630,456

f. New authoritative pronouncements

Accounting standards and amendments issued but not yet applied

In May 2014, the FASB issued a comprehensive new revenue recognition standard that will supersede nearly all existing revenue recognition guidance under U.S. GAAP. The new standard provides a five-step analysis of transactions to determine when and how revenue is recognized. The core principle of the guidance is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard is effective for annual and interim periods beginning after December 15, 2016, and early adoption of the standard is not permitted. The guidance should be applied retrospectively, either to each prior period presented in the financial statements, or only to the most current reporting period presented in the financial statements with a cumulative-effect adjustment as of the date of adoption. The Company is currently assessing the impact its adoption will have on U.S. GAAP disclosures and financial information.

In February 2015, the FASB issued new guidance for evaluating whether a reporting organization should consolidate certain legal entities. This guidance is effective for annual and interim periods beginning after December 15, 2015, and early adoption is permitted. The guidance should be applied either using a modified retrospective approach or retrospectively. The Company is currently assessing the impact its adoption will have on U.S. GAAP disclosures and financial information.