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, 2013,

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, 2013, 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 $2,213,000,000. (For purposes hereof, directors, executive officers and 10% or greater stockholders have been deemed affiliates).

On February 19, 2014, there were 200,100,820 outstanding shares of the registrant's common stock, $0.01 par value per share, including 2,324,013 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 2014 Annual Meeting of Stockholders, filed on April 23, 2014, were incorporated by reference into Part III of our Annual Report on Form 10-K for the year ended December 31, 2013, filed on February 24, 2014.

Explanatory Note

On February 24, 2014, 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, 2013.

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 audit of the financial statements of VBC for its fiscal year ended December 31, 2013 was not completed 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, 2013. 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 24, 2014:

Consolidated Balance Sheets as of December 31, 2012 and 2013

Consolidated Statements of Operations for the Years Ended December 31, 2013, 2012 and 2011

Consolidated Statements of Comprehensive Loss for the Years Ended December 31, 2013, 2012 and 2011

Consolidated Statements of Changes in Equity for the Years Ended December 31, 2013, 2012 and 2011

Consolidated Statements of Cash Flows for the Years Ended December 31, 2013, 2012 and 2011

Notes to Consolidated Financial Statements

(a)2. Financial Statement Schedule.

The following financial statement schedule for the years ended December 31, 2013, 2012 and 2011 is filed as part of Item 15 of the Company’s Annual Report on Form 10-K filed on February 24, 2014 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, 2013 and 2012 and the financial statements included in Exhibit 99.2 for the years ended December 31, 2012 and 2011 are filed as part of Item 15 of the Company's Annual Report filed on February 24, 2014 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
2.1	Agreement and Plan of Merger, dated February 10, 2009, between Ticketmaster Entertainment, Inc. and Live Nation, Inc.	8-K	001-32601	2.1	2/13/2009	Live Nation Entertainment, Inc.	
3.1	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 Entertainment, Inc.	
3.2	Fifth Amended and Restated Bylaws of Live Nation Entertainment, Inc.	8-K	001-32601	3.2	6/7/2013	Live Nation Entertainment, Inc.	
4.1	Rights Agreement, dated December 21, 2005, between CCE Spinco, Inc. and The Bank of New York, as Rights Agent.	8-K	001-32601	4.1	12/23/2005	Live Nation Entertainment, Inc.	
4.2	First Amendment to Rights Agreement, dated February 25, 2009, between Live Nation, Inc. and The Bank of New York Mellon, as Rights Agent.	8-K	001-32601	4.1	3/3/2009	Live Nation Entertainment, Inc.	
4.3	Second Amendment to Rights Agreement, effective as of September 23, 2011, entered into by and between Live Nation Entertainment, Inc. and The Bank of New York Mellon, as rights agent.	8-K	001-32601	4.1	9/28/2011	Live Nation Entertainment, Inc.	
4.4	Third Amendment to Rights Agreement, effective as of January 11, 2013, entered into by and between Live Nation Entertainment, Inc. and Computershare Shareowner Services, LLC, as rights agent.	8-K	001-32601	4.1	1/17/2013	Live Nation Entertainment, Inc.	
4.5	Form of Certificate of Designations of Series A Junior Participating Preferred Stock.	8-K	001-32601	4.2	12/23/2005	Live Nation Entertainment, Inc.	
4.6	Form of Right Certificate.	8-K	001-32601	4.3	12/23/2005	Live Nation Entertainment, Inc.	
10.1	Indenture, dated July 16, 2007, between Live Nation, Inc. and Wells Fargo Bank, N.A., as Trustee.	8-K	001-32601	4.1	7/16/2007	Live Nation Entertainment, Inc.	
10.2	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 Entertainment, Inc.	
10.3	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 Entertainment, Inc.	

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
10.4	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 Entertainment, Inc.	
10.5	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 Entertainment, Inc.	
10.6	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 Entertainment, Inc.	
10.7	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 Entertainment LLC	
10.8	Form of Indemnification Agreement.	10-K	001-32601	10.23	2/25/2010	Live Nation Entertainment, Inc.	
10.9 §	Live Nation Entertainment, Inc. 2005 Stock Incentive Plan, as amended and restated as of April 15, 2011.	8-K	001-32601	10.3	6/20/2011	Live Nation Entertainment, Inc.	
10.10 §	Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan.	S-8	333-164507	10.1	1/26/2010	Live Nation Entertainment, Inc.	
10.11 §	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 Entertainment, Inc.	
10.12 §	Live Nation Entertainment, Inc. 2006 Annual Incentive Plan, as amended and restated as of April 15, 2011.	8-K	001-32601	10.2	6/20/2011	Live Nation Entertainment, Inc.	
10.13 §	Amended and Restated Live Nation, Inc. Stock Bonus Plan.	8-K	001-32601	10.1	1/25/2010	Live Nation Entertainment, Inc.	
10.14 §	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 Entertainment, Inc.	
10.15 §	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 Entertainment, Inc.	
10.16 §	Amended and Restated Employment Agreement, effective September 1, 2009, between Live Nation Worldwide, Inc. and Michael G. Rowles.	8-K	001-32601	10.2	10/22/2009	Live Nation Entertainment, Inc.	
10.17 §	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 Entertainment, Inc.	

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
10.18§	Amended and Restated Employment Agreement, effective September 1, 2009, between Live Nation Worldwide, Inc. and Kathy Willard.	8-K	001-32601	10.3	10/22/2009	Live Nation Entertainment, Inc.	
10.19 §	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 Entertainment, Inc.	
10.20 §	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 Entertainment, Inc.	
10.21 §	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 Entertainment, Inc.	
10.22 §	Separation Agreement, entered into as of August 31, 2013, by and between Live Nation Worldwide, Inc. and Nathan Hubbard.	8-K	001-32601	10.2	8/16/2013	Live Nation Entertainment, Inc.	
10.23 §	Employment Agreement, effective March 18, 2011, between Live Nation Entertainment, Inc. and Joe Berchtold.	10-Q	001-32601	10.1	8/7/2012	Live Nation Entertainment, Inc.	
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 Entertainment, Inc.	
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 Entertainment, Inc.	
10.26	Amendment No. 1, 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 Entertainment, Inc.	

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
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	10.1	11/5/2013	Live Nation Entertainment, Inc.	
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 Entertainment, Inc.	
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 Entertainment, Inc.	
10.30	First Supplemental Indenture, entered into as of October 4, 2012, among Live Nation Entertainment, Inc., the Guarantors listed in Appendix I attached hereto, 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 Entertainment, Inc.	
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 Entertainment, Inc.	
10.32	Stock Purchase Agreement, dated as of February 4, 2011, by and among Live Nation Entertainment, Inc., FLMG Holdings Corp., Irving Azoff, the Azoff Family Trust of 1997, dated May 27, 1997, as amended, Madison Square Garden, L.P., LNE Holdings, LLC, and Front Line Management Group, Inc.	8-K	001-32601	10.1	2/7/2011	Live Nation Entertainment, Inc.	
10.33	Subscription Agreement, dated as of February 4, 2011, by and between Liberty Media Corporation and Live Nation Entertainment, Inc.	8-K	001-32601	10.2	2/7/2011	Live Nation Entertainment, Inc.	
12.1	Computation of Ratio of Earnings to Fixed Charges.	10-K	001-32601	12.1	2/24/2014	Live Nation Entertainment, Inc.	

Exhibit No.	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit No.	Filing Date	Filed By	Filed HereWith
14.1	Code of Business Conduct and Ethics.	10-K	001-32601	14.1	2/24/2014	Live Nation Entertainment, Inc.	
21.1	Subsidiaries of the Company.	10-K	001-32601	21.1	2/24/2014	Live Nation Entertainment, Inc.	
23.1	Consent of Ernst & Young LLP.	10-K	001-32601	23.1	2/24/2014	Live Nation Entertainment, Inc.	
23.2	Consent of PricewaterhouseCoopers LLP						X
24.1	Power of Attorney (see signature page 124 of 10-K).	10-K	001-32601	24.1	2/24/2014	Live Nation Entertainment, Inc.	
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
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, 2013 and 2012						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, 2012 and 2011						X
101.INS	XBRL Instance Document	10-K	001-32601	101.INS	2/24/2014	Live Nation Entertainment, Inc.	
101.SCH	XBRL Taxonomy Schema Document	10-K	001-32601	101.SCH	2/24/2014	Live Nation Entertainment, Inc.	
101.CAL	XBRL Taxonomy Calculation Linkbase Document	10-K	001-32601	101.CAL	2/24/2014	Live Nation Entertainment, Inc.	
101.DEF	XBRL Taxonomy Definition Linkbase Document	10-K	001-32601	101.DEF	2/24/2014	Live Nation Entertainment, Inc.	
101.LAB	XBRL Taxonomy Label Linkbase Document	10-K	001-32601	101.LAB	2/24/2014	Live Nation Entertainment, Inc.	
101.PRE	XBRL Taxonomy Presentation Linkbase Document	10-K	001-32601	101.PRE	2/24/2014	Live Nation Entertainment, Inc.	

§ 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 30, 2014.

LIVE NATION ENTERTAINMENT, INC.

By: /s/ Michael Rapino

Michael Rapino
President and Chief Executive Officer

EXHIBIT 23.2

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No 333-190459), S-8 (No 333-175139) of Live Nation Entertainment, Inc., Registration Statement (Form S-8 No. 333-164507) pertaining to the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan; Registration Statement (Form S-8 No. 333-164494) pertaining to the Amended and Restated Live Nation, Inc. Stock Bonus Plan; Registration Statement (Form S-8 No. 333-164302) pertaining to the 2005 Stock Incentive Plan, as Amended and Restated of Live Nation, Inc.; Registration Statement (Form S-8 No. 333-157664) pertaining to the Employee Stock Bonus Plan of Live Nation, Inc.; Registration Statement (Form S-8 No. 333-149901) pertaining to the Employee Stock Bonus Plan of Live Nation, Inc.; and Registration Statement (Form S-8 No. 333-132949) pertaining to the 2005 Stock Incentive Plan of Live Nation, Inc. of our report dated June 27, 2014 relating to the financial statements of Venta de Boletos por Computadora, S.A. de C.V., which is incorporated by reference in this Annual Report on Form 10-K.

PricewaterhouseCoopers S.C.

/s/: Maximino Manuel Sañudo Bolaños
Maximino Manuel Sañudo Bolaños

Mexico City, Mexico
June 27, 2014

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 30, 2014

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 30, 2014

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, 2013 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 30, 2014

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, 2013 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 30, 2014

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 Financial Statements

December 31, 2013 and 2012

Contents	Page

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

Report of Independent Auditors

December 31, 2013

Report of Independent Auditors

To the Board of Directors and Shareholders:

In our opinion, the accompanying consolidated balance sheet 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, 2013, 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 audits. We conducted our audit of these consolidated 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 provide 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 are presented in Note 19 to the consolidated financial statements.

PricewaterhouseCoopers, S. C.

/s/: Maximino Manuel Sañudo Bolaños
Maximino Manuel Sañudo Bolaños
Audit Partner

Mexico City, June 27, 2014

Amounts expressed in Mexican pesos

	December 31, 2013	December 31, 2012 Unaudited
Assets		
CURRENT ASSETS:		
Cash and cash equivalents (Note 6)	Ps 269,272,118	Ps 313,905,060
Accounts receivable for ticket sales (net of allowance for doubtful of Ps1,908,369 and Ps697,680 in 2013 and 2012)	22,526,032	8,357,845
Related parties (Note 8)	161,813,782	321,829,938
Income tax recoverable	36,246,031	19,924,762
Costs of future events	10,768,527	10,790,570
Other accounts receivable	903,711	4,062,429
Total current assets	501,530,201	678,870,604
FURNITURE AND EQUIPMENT - Net (Note 9)	35,396,023	36,176,926
EXPENSES TO AMORTIZE AND OTHER ASSETS –TO AMORTIZE - Net (Note 10) Ps41,047,522 and Ps30,178,809 in 2013 and 2012	50,120,521	51,292,934
DEFERRED INCOME TAX (Note 15)	17,246	—
Total assets	Ps 587,063,991	Ps 766,340,464
Liabilities and Stockholders' Equity		
CURRENT LIABILITIES:		
Suppliers	Ps 36,851,498	Ps 36,411,533
Accounts payable and accrued liabilities	213,972,536	323,293,287
Related parties (Note 8)	15,373,107	5,242,549
Value added tax payable	5,573,071	5,785,064
Revenue from future events	2,999,863	2,999,863
Total current liabilities	274,770,075	373,732,296
DEFERRED INCOME TAX (Note 15)	—	684,813
Total liabilities	274,770,075	374,417,109
STOCKHOLDERS' EQUITY (Note 12):		
Capital stock	21,854,275	21,854,275
Share premium	2,628,300	2,628,300
Retained earnings	283,940,824	364,340,821
Majority stockholders' equity	308,423,399	388,823,396
Non-participation controlling	3,870,517	3,099,959
Total stockholders' equity	312,293,916	391,923,355
COMMITMENTS AND CONTINGENCIES (Notes 16 and 17)		
Total liabilities and stockholders' equity	Ps 587,063,991	Ps 766,340,464

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

Amounts expressed in Mexican pesos

	Year ended December 31, 2013	Year ended December 31, 2012 Unaudited
Service revenue (Note 13)	Ps 674,977,500	Ps 647,657,909
Cost of services (Note 14)	(200,496,744)	(203,185,833)
Gross profit	474,480,756	444,472,076
Operating expenses (Note 14)	(123,254,359)	(97,343,606)
Operating income	351,226,397	347,128,470
Comprehensive financing result:		
Interest income - Net	28,322,731	28,289,378
Exchange gain - Net	281,878	473,785
Comprehensive financing income - Net	28,604,609	28,763,163
Income before the following provision	379,831,006	375,891,633
Provisions for (Note 15):		
Current income tax	(113,162,504)	(102,330,759)
Deferred income tax	702,059	(6,390,917)
	(112,460,445)	(108,721,676)
Net income for the year	Ps 267,370,561	Ps 267,169,957
Distribution net income consolidate for the year:		
Participation controlling	Ps 266,600,003	Ps 266,763,073
Non participation controlling	770,558	406,884
	267,370,561	267,169,957
Other Comprehensive income	—	—
Comprehensive income	Ps 267,370,561	Ps 267,169,957

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

Consolidated Statement of Changes in Stockholders' Equity
(Note 12)
For the years ended December 31, 2013 and 2012

	Capital stock	Share premium	Retained earnings Holding	Retained earnings Subsidiary	Retained earnings Total	Profit of no controller	Total
Balances at December 31, 2011 (Unaudited)	Ps 21,854,275	Ps 2,628,300	Ps 221,872,462	Ps 85,493,528	307,365,990	Ps —	Ps 331,848,565
Dividends received	—	—	49,999,996	(49,999,996)	—	—	—
Change in minority interest	—	—	—	—	—	3,099,959	3,099,959
Comprehensive income for the year (Note 3p)	—	—	198,768,057	67,995,016	266,763,073	—	266,763,073
Dividends paid	—	—	(209,788,242)	—	(209,788,242)	—	(209,788,242)
Balances at December 31, 2012 (Unaudited)	21,854,275	2,628,300	260,852,273	103,488,548	364,340,821	3,099,959	391,923,355
Dividends received	—	—	55,499,996	(55,499,996)	—	—	—
Change in minority interest	—	—	—	—	—	770,558	770,558
Comprehensive income for the year (Note 3p)	—	—	195,726,404	70,873,599	266,600,003	—	266,600,003
Dividends paid	—	—	(347,000,000)	—	(347,000,000)	—	(347,000,000)
Balances at December 31, 2013	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

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

Amounts expressed in Mexican pesos

	Year ended December 31,	
Operating activities	2013	2012 Unaudited
Income before income tax	Ps 379,831,006	Ps 375,891,633
Depreciation and amortization	25,762,961	18,231,118
Interests gained	(28,322,731)	(28,289,378)
	377,271,236	365,833,373
(Increase) decrease in receivables and other	(55,290,144)	35,004,201
Decrease (increase) in related parties	170,146,715	(266,742,248)
(Decrease) increase in suppliers and other payables	(109,092,780)	21,578,749
Decrease in revenue from future events	—	(9,070,704)
Income tax paid	(85,580,347)	(119,224,222)
Operating activities net cash flow	297,454,680	27,379,149
Investing activities		
Investment in furniture and equipment	(14,202,412)	(18,149,114)
Interests collected	28,322,731	28,289,378
Other related	(9,978,499)	(24,428,393)
Investing activities net cash flow	4,141,820	(14,288,129)
Financing activities		
Non participation controlling	770,558	3,099,959
Dividends paid	(347,000,000)	(209,788,242)
Financing activities net cash	(346,229,442)	(206,688,283)
Net cash decrease and temporary investment	(44,632,942)	(193,597,263)
Cash and cash equivalents at beginning of year	313,905,060	507,502,323
Cash and cash equivalents at end of year	Ps 269,272,118	Ps 313,905,060

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

Amounts expressed in Mexican pesos

Note 1 - Company activities:

Venta de Boletos por Computadora, S.A. de C.V. (VBC or the Company) is a subsidiary of OCESA Entretenimiento, S. A. de C. V. in turn a subsidiary of Corporacion Interamericana de Entretenimiento, S. A. B. de C. V., which was incorporated under Mexican Laws with a duration of 99 years, and whose purpose is mainly:

a. Ticket sales through automated sales systems for all types of shows, telemarketing services in and out of phone calls.

b. The marketing database generated by their activities. VBC is also holding company.

The Company and its subsidiaries do not have 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) of which the Company possesses stock holding to the 100% and ETK Boletos, S. A. de C. V., of which the Company possesses stock holding to 72.5% equity. (See Note 7).

Note 2 - Preparation basis:

The accompanying consolidated financial statements at December 31, 2013 and 2012, fairly meet the provisions of the MFRS to show a fair presentation of the Company's financial position. The MFRS state that the International Financial Reporting Standards (IFRS), the 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 the MFRS requires it. Accordingly, the Company, with the purpose of recognizing, valuing, and disclosing its own particular transactions, applies the suppletory IFRS, Interpretations and SIC issued by the International Accounting Standards Board (IASB); in its case IAS-18 “Revenue”.

<u>MFRS of retrospective and/or prospective for accounting changes and MFRS effective as of January 1, 2013 and 2012:</u>

As of January 1, 2013, the Company retrospectively adopted the following MFRS and their Interpretations, issued by Consejo Mexicano para la Información Financiera and Desarrollo de Información Financiera (CINIF) and which became effective as of the aforementioned date.

MFRS B-3 “Comprehensive income statement”. Establishes the rules for the presentation of the comprehensive income as a result of adding other comprehensive income (OCI) plus the net profit or loss of the period. It states that for the presentation of the comprehensive income the first choice is to present all items comprising the net profit or loss as well as the OCI to get to that result in only one statement. The second choice is to present the comprehensive result in two separated statements, the first named "statement of income" only with the items comprising the net profit or loss of the period and the second named "statement of other comprehensive income" beginning with the net profit or loss of the period and following with OCI to get to the comprehensive result.

MFRS B-4 "Statement of changes in stockholders' equity". Establishes the rules for disclosing: i) initial stockholders' equity balances, ii) adjustments due to the retrospective application of accounting changes and misstatement correction, iii) initial adjusted balances, iv) movements of owners, v) changes in reserves, vi) comprehensive income and vii) ending balances of stockholders' equity.

MFRS B-6 "Statement of the financial position". States in only one standard the structure of the financial position statement, as well as the related presentation and disclosure standards.

MFRS B-8 "Consolidated or combined financial statements". The definition of control is modified in order to state that "an entity controls another participating entity when it has power over it to lead its relevant activities; it is exposed or has the right for variable returns from such participation, and has the ability to affect those returns through its power over the investee. The concepts of "protective rights", "principal", "agent", and "structured entity" are introduced and the concept of "special purpose entity" (SPE) is eliminated within the assessment of significant influence and control.

MFRS C-7 "Investment in associates, joint ventures and other permanent investment". The name of the standard is modified to make it consistent with its new objective and scope that now also includes joint ventures. It establishes that investments in joint ventures should be accounted for by the application of the equity method. The concept of SPE is eliminated and instead the concept "structured entity" is presented to identify the existence of control, joint control or significant influence. This new standard requires more disclosure than the former that is repealed.

MFRS C-21 "Joint control agreements". Establishes the definition of an agreement with joint control and states that there are two types: joint operation and joint venture. It points that joint operations can or cannot be structured through a vehicle, while joint ventures always have a vehicle. It establishes that a participant in a joint venture should recognize its interest in it as a permanent investment and value it based on the equity method. This MFRS converges with IFRS 11.

Improvements to MFRS.

MFRS C- 5 "Advanced payments", Bulletin C-9 "Liabilities, provisions, contingent assets and liabilities and commitments" and Bulletin C-12 "Financial instruments with characteristics of liabilities, equity or both". Obligations issuance costs should be presented as a reduction in the corresponding liability and should be applied to income based on the effective equity method. Previously, it was provided that such costs should be recognized as deferred charges and, therefore, an asset was recognized for the costs of issuance in different items of the statement of financial position.

MFRS D-4 "Income tax". It clarifies the recognition of current and deferred taxes related to transactions or events that do not pass through the income of the period should be done. It is now clear that there are transactions or events recognized directly in the item of stockholders 'equity, in which case the related taxes are also recognized directly in such shareholders' equity item, since previously only referred to the related to other comprehensive income.

Bulletin D-5 “Leasing”. It eliminates the diversity that existed in practice for the treatment of initial direct costs (costs directly incurred associated with the negotiation and consummation of the lease) and provides that such costs incurred are recognized based on an accrual basis, as it is considered a benefit is obtained over time from them.

MFRS A-1 “Structure of financial reporting standards” and Bulletin C-9 “Liabilities, provisions, contingent assets and liabilities and commitments”. It specifies the meaning of likely mentioned that is when there is certainty that the future event will occur based on information, evidence or data available.

MFRS B-3 “Comprehensive income statement”. It removes the references to other income and expenses mentioned in the Appendixes.

MFRS B-7 “Business acquisitions”. It removes the concept of non-ordinary items from the comprehensive income statement

Bulletin B-14 “Earnings per share”. It specifies the determination of ordinary shares potentially dilutive in interim periods.

MFRS B-15 “Translation of foreign currencies” It specifies the presentation of cumulative translation effect associated with non-controlling interest.

Bulletin C-15 “Impairment in the long-lived assets value and their disposal”. It modifies the Bulletin C-15 in order to include in the impairment indicators the potential impact of a significant increase in market interest rates.

Financial statements authorization

The accompanying consolidated financial statements and their notes were authorized to be issued on March 6, 2014, by George González and Beata Baczyk Wolinska whom have legal authorization to approve financial statements and their notes except for the Note 19 which were authorized for issuance on June 27, 2014 by Gerardo Ledesma.

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. Also, management judgment is required in the process of defining the Company’s accounting policies. The areas including a higher degree of judgment or complexity, and that the assumptions and estimates are significant to the statements consolidates are described in Note 4.

<u>Inflation effects in financial information</u>

According with the provisions in the MFRS B-10 "Inflation Effects" (MFRS B-10), the Mexican economy is not in an inflationary environment, since there has been a cumulative inflation below 26% (threshold to define that an economy should be considered as inflationary) in the most recent three year period. Therefore, as of January 1, 2008 it has been required to discontinue the recognition of the inflation effects in the financial information (disconnection from inflationary accounting). Consequently, the figures of the accompanying financial statements at December 31, 2013 and 2012 are stated in historical Mexican pesos (Ps Mex) modified by the cumulative inflation effects on the financial information recognized up to December 31, 2007.

The inflation percentages are indicated as follows:

	December 31,	
	2013 (%)	2012 (%)
Yearly by inflation	3.97	3.57
Cumulative inflation for the last three years	12.26	12.26

a. Consolidation

The consolidated financial statements include the figures of VBC and its subsidiary mentioned in Note 1. All significant balances and transactions among the consolidated companies have been eliminated. The consolidation was carried out on the basis of audited financial statements.

b. Cash and cash equivalents

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

c. Ticket sales accounts receivable

The accounts receivable for ticket sales balance represents the VBC recoverable amount related to the sale of tickets through credit cards. The company collects these accounts receivable in a period between 7 and 15 days.

d. Cost of future events

Cost of future events include prepaid travel services and ticket printing as well as the ticket inventory which are charged to the income statement when they are used.

e. Furniture and equipment

At December 31, 2013 and 2012, the 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 of national origin at their restated value determined by applying National Consumer Price Index (NCPI) factors to their acquisition value until December 31, 2007.

Property, plant and equipment are subject to annual impairment tests only when there are impairment indicators. Accordingly, they are expressed at their modified historical cost, less the cumulative depreciation and, if it is the case less, the impairment losses. The annual impairment tests are part of cash generating unit, therefore, as of December 31, 2013 and 2012 company didn’t have impairment problems.

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

f. Unamortized expenses

As of at December 31, 2013 and 2012, 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 costs.

g. Intangible assets

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

ii. Indefinite useful live, which are not amortized but subject to annual impairment assessment.

h. Suppliers

This item includes obligations with suppliers for purchases of goods or services acquired in the normal course of Company’s operations. When collectability 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 complied, they are presented as non-current liabilities.

i. Accounts payable

Accounts payable for ticket sales, represents the balance to be settled at the companies promoting future events.

j. Provisions

The provisions of liabilities represent present obligations for past events in which it is probable an expenditure of economic resources. The provisions have been registered under the better estimate carried out by the Administration.

k. Deferred income tax and deferred flat tax

The deferred income tax and/or flat tax are recorded based on the comprehensive asset-and-liability method, which consists of recognizing a deferred tax on all temporary differences between the book and tax value of assets and liabilities to be materialized in the future. The Company and its subsidiary recognized deferred income tax since the Company's financial and tax projections indicate that they would pay income tax in the future (see Note 15).

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 bulletin "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 are 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 in shares issuance and thereafter and the retained earnings, are expressed as follows: i) movements done since of January 1, 2008 at historical cost, and ii) movements done before January 1, 2008 at indexed values determined through the application to their originally determined values of factors derived from the NCPI up to December 31, 2007. See Note 12. Consequently, the different stockholders equity concepts are expressed at modified historical cost.

o. Other Comprehensive income

The other comprehensive income (OCI) are composed of the result from translation of foreign operations, the change in fair value of cash flow hedges, participation in the OCI of associates as well as income taxes relating to the OCI. The OCI represent revenues, costs and expenses while already accrued, are pending completion which is expected in the medium term and its value may change due to changes in the fair value of assets or liabilities that gave origin, so it may not come to fruition in part or in full. The OCI are recycled when they are no longer made and recognized as a separate component in stockholders' net capital to be recognized in income (loss) the period in which the asset or liability that gave rise to take place.

p. Comprehensive income

The comprehensive income comprises the net income, as well as those departures that for specific disposition of the MFRS are required, which is reflected in the capital stock and do not constitute equity payments, reductions and distributions. The comprehensive income amounts of 2013 and 2012 are expressed at modified historical pesos.

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

The Company presents costs and expenses in the income statement under the classification criterion based on the function of items, which main characteristic is to take away the sales costs from the other costs and expenses based on the items nature since it breaks the costs and expenses items addressing the specific essence of the entity's type of cost or expense.

Additionally, in order to obtain a better analysis of its financial position, the Company has deemed necessary to present separately the amount of the operating profit in the income statement as such information is a common disclosure practice of the sector which the entity belongs to.

q. Revenue recognition

The revenues from services of phone marketing of entering and exiting of phone calls, tickets sales and commercialization of data basis are registered when they are carried out and sales services are rendered.

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 doubtful estimation account is recognized basing an administration analysis and it's considered reasonably enough to absorb losses according to company politics.

r. 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 denominated 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 the income as a component of the financing comprehensive result (FCR) with exception of those exchange differences that, as a part of the eligible assets cost, are capitalized with other components of FCR.

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 on assets and liabilities recognized during the following year are detailed below.

The Company is subject to tax on income (in many jurisdictions). Significant judgments are required to recognize the current and deferred income tax. There are many transactions and calculations for which accurate tax determination is uncertain. The Company recognizes a liability for those matters observed in tax audits which are considered likely resulting in the determination of tax additional to that originally caused. When the outcome of these processes is different to the estimated liability, the differences are recognized in the deferred and/or current 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, 2013 and 2012, the company and its subsidiaries had the following foreign currency monetary assets and liabilities:

	December 31,	
	2013	2012 Unaudited
Assets	Dls. 223,508	Dls. 326,302
Liabilities	(262,317)	(870,227)
Net short position	(Dls. 38,809)	(Dls. 543,925)

b. At December 31, 2013 and 2012, the exchange rate was Ps13.08 and Ps12.97 per dollar, respectively. At the date of issuance of the audited financial statements, the exchange rate was Ps13.25 per US dollar, approximately.

c. The most significant foreign currency transactions carried out by the company were as follows:

	Year ended December 31,	
	2013	2012 Unaudited
Sales	Dls. 553,289	Dls. 337,519
Costs and operating expenses	(2,493,967)	(2,292,285)
Royalties cost	(250,000)	(250,000)
Interest income	(5,075)	(1,028)

Note 6 - Cash and cash equivalents:

The cash, cash equivalents and temporary investments balance at December 31, 2013 and 2012 are mainly comprised by cash at banks including foreign currency amounts and temporary investments, which are available to be used and subject to non-significant value change risks. The analysis of such balance is shown as follows:

	Year ended December 31, 2013	Year ended December 31, 2012 Unaudited
Cash	Ps 166,890	Ps 111,000
Bank deposits	4,644,228	10,168,606
Liquid investments	264,461,000	303,625,454
Total of cash and cash equivalents	Ps 269,272,118	Ps 313,905,060

Liquid investments 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 - Equity investments in subsidiaries:

See below main consolidated subsidiaries in which maintained control and equity method was recognized:

Company	Percentage of holding 2013 and 2012	Main activity
Servicios Especializados para la Venta Automatizada de Boletos, S. A. de C. V. (SEVAB)	100%	Provide Administrative, technical, marketing and technology services during the ticket sales.
ETK Boletos, S. A. de C. V. [1]	72.5%	Automated Ticket sales.

[1] Established on April 9. 2012.

In order to the consolidated financial statements were used the subsidiaries statements at December 31, 2013 and 2012, and for the periods ending on those dates.

Note 8 - Balances and transactions with related parties:

As pointed on Note 1, the Company is direct subsidiary of Ocesa Entretenimiento, S. A. de C. V.; with it the Company just maintains a pure subsidiary/holding relationship.

The balances receivable from and payable to related parties at December 31, 2013 and 2012 were as follows:

Accounts receivable:	December 31,	
Affiliate	2013	2012 Unaudited
Operadora de Centros de Espectáculos, S. A. de C. V.	Ps 123,494,980	Ps 186,256,883
Solo Ele-Mentum, S. A. de C. V.	36,209,674	38,004,393
Administradora Mexicana del Hipódromo, S. A. de C. V.	476,509	479,751
Televisa, S. A. de C. V.	361,965	228,134
Servicios Corporativos CIE, S. A. de C. V.	335,983	203,219
Ocesa Promotora, S. A. de C. V.	321,177	95,706,331
Futbol del Distrito Federal, S. A. de C. V.	274,726	812,185
Servicios Compartidos de Alta Dirección, S. A. de C. V.	108,770	—
Unimarket, S. A. de C. V.	105,014	—
Others	124,984	139,042
	Ps 161,813,782	Ps 321,829,938

Accounts receivable are without an expiration term and no warranty also accrues monthly interest of TIIE plus two points.

Accounts payable:	December 31,	
Affiliate	2013	2012 Unaudited
Make Pro, S. A. de C. V. [1]	Ps —	Ps 2,239,738
Servicios Administrativos del Entretenimiento, S. A. de C. V.	14,168,015	1,947,241
Needish México, S. A. de C. V.	754,456	922,699
TicketMaster LLC CA	445,716	108,084
Servicios Compartidos en Alta Dirección, S. A. de C. V.	—	23,523
CIE Servicios Profesionales, S. A. de C. V.	—	1,264
Others	4,920	—
	Ps 15,373,107	Ps 5,242,549

(1) Represents redeem outstanding tickets

During the years ended December 31, 2013 and 2012, the Company carried out the following operations with related parties:

Income from affiliated companies for:	2013	2012 Unaudited
Commissions and charges from ticket sales	Ps 44,701,324	Ps 38,561,577
Sponsorship income	24,040,630	46,115,108
Equipment leasing	1,045,966	1,192,281
Interest	24,571,823	20,794,221
Other income	449,471	477,697
Costs and expenses with affiliated companies for:		
Personnel, administrative and security services	(Ps 81,481,390)	(Ps 63,550,312)
Corporate fees	(6,995,765)	(7,011,551)
Lease of properties	(9,420,446)	(9,095,728)
Advertising commissions	(4,878,378)	(2,524,699)
Other expenses	(2,807,228)	(2,072,759)
Network services	—	(600,638)
Stockholders cost:		
Royalties	(3,184,687)	(3,318,462)
Other	(3,358,465)	(5,043,526)

Note 9 - Analysis of furniture and equipment:

The investment in furniture and equipment at December 31, 2013 and 2012 was as follows:

	December 31,		Annual depreciation or amortization rate (%)
	2013	2012 Unaudited	
Computer and peripheral equipment	Ps 147,591,720	Ps 138,507,208	30
Telephone equipment	10,970,794	10,970,794	10
Furniture and equipment	12,997,240	10,447,002	10
Radio and communication equipment	742,515	742,515	10
Transportation equipment	3,265,307	3,131,898	25
	175,567,576	163,799,417	
Accumulated depreciation and amortization	(140,171,553)	(127,622,491)	
	Ps 35,396,023	Ps 36,176,926	

The depreciation recorded in the income statement of 2013 and 2012 amounts Ps 16,937,069 and Ps 13,620,259 respectively which are recognized in the operating expenses.

There are fully depreciated assets amounts of Ps 110,989,253 and Ps 103,072,941 at December 31, 2013 and 2012 respectively.

Note 10 - Unamortized expenses and others assets:

Intangible assets at December 31, 2013 and 2012 are as follows:

Intangible assets		2013		2012 Unaudited
Access to property ticket sales (stadium March 3, concerts, bullring and others	Ps	38,646,426	Ps	28,950,126
Software EDB-Ticket		6,715,900		6,715,900
Amortization		(16,994,773)		(7,005,078)
Subtotal		28,367,553		28,660,948
E-Ticket Brand		1,900,100		1,900,100
Non-compete agreement - ETK boletos [1]		5,600,000		5,600,000
		35,867,653		36,161,048
Other assets		14,252,868		15,131,886
Intangible assets	Ps	50,120,521	Ps	51,292,934

(1) The Agreement non-compete agreement with ETK - Tickets will be valid for as long as required to maintain the quality as any shareholders and / or employees of ETK-Tickets for an additional 5 years from the date they have lost both grades for any cause, with the understanding that shall be computed individually for each bound.

Note 11 - Analysis of liability provisions:

Following is an analysis of the movements of the liability provisions at December 31, 2013 and 2012:

		2013		2012 Unaudited
Beginning balance	Ps	19,613,233	Ps	23,952,990
Increases		23,178,581		19,573,340
Applications		(17,207,291)		(23,085,870)
Cancellations		(2,405,942)		(827,227)
Ending balance	Ps	23,178,581	Ps	19,613,233

The balance of provisions are grouped within accrued liabilities.

Note 12 - Stockholders' Equity:

Capital stock

As of December 31, 2013 and 2012, the company's capital stock is comprised of 21,854,275, respectively ordinary nominative shares, with a par value of one Mexican historical peso each, and which are classified in two series, as follows:

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

In the event of a capital reduction, the procedures of the Income Tax Law arrange that any excess of stockholders' equity over capital contributions is accounted with the same tax treatment as dividends, established in accordance with the procedures in the law of income tax.

Retained earnings

On June 28, 2013, without the benefit of a stockholders meeting, the stockholders' agreed to declare and pay dividends in the amount of Ps 347,000,000. Ps 236,899,472 of which come from the net tax profit account, also by the difference of Ps 110,100,528 which generated a tax of Ps 35,208,000 not come from CUFIN.

On June 29, 2012, without the benefit of a stockholders meeting, the stockholders' agreed to declare and pay dividends in the amount of Ps 209,788,242.

The net income of the year is subject to the legal disposition that requires that, at least, a 5% of the income of each exercise is destined to increase the legal reserve until this is equal to import the fifth part of the social paid capital.

In October 2013 the Chamber of Senators and Representatives 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 a tax of 10% by the profits generated as of 2014 to dividends paid to foreign residents and Mexican individuals, it also states that for the years 2001-2013, the net taxable profit is determined in terms of the Income Tax Law in force in the fiscal year concerned.

The company and subsidiaries do not consolidate for tax purposes.

Dividends paid are not subject to income tax, if paid out from the net tax profit account (CUFIN by its Spanish acronym) and will be taxed at a rate that fluctuates between 4.62% and 7.69% if they are paid from the reinvested net tax profit account. Any dividends paid in excess of this account are subject to a tax equivalent to 42.86%, if paid in 2014. 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 in its case against the Flat tax of the period. Dividends paid coming from profits previously taxed by income tax are not subject to withholding tax or additional tax payment.

Note 13 - Revenue analysis:

Operations and integrations of revenue of December 31, 2013 and 2012 are show as follows:

Revenue:		2013		2012 Unaudited
Internal charges	Ps	475,660,149	Ps	420,907,764
Credit card recovery		76,768,584		63,925,550
Entertainment guide		58,098,889		104,421,860
Advertising		31,779,756		48,673,663
Others		25,997,094		9,729,072
Services imports		6,673,028		—
	Ps	674,977,500	Ps	647,657,909

Note 14 - Costs and expenses analysis:

Operations and integration of costs and expenses at December 31, 2013 and 2012 are show as follows:

Costs:	2013	2012 Unaudited
Commissions	(Ps 99,026,297)	(Ps 89,767,670)
Entertainment guide	(24,831,235)	(38,468,155)
Administrative services	(9,824,573)	(11,877,803)
Computing	(8,738,649)	(9,567,919)
Tickets	(11,256,987)	(9,477,623)
Other costs	(13,856,584)	(12,918,288)
Advertising	(1,946,142)	(7,673,666)
Non-capital assets	(6,254,009)	(6,991,675)
Professional services	(2,727,745)	(4,260,955)
Royalties	(3,188,521)	(3,322,462)
Lease	(1,758,555)	(2,224,092)
Maintenance	(846,404)	(1,622,306)
Production	(7,415,151)	(402,360)
	(191,670,852)	(198,574,974)
Amortization	(8,825,892)	(4,610,859)
	(Ps 200,496,744)	(Ps 203,185,833)
Expenses:		
Administrative services	(Ps 76,119,895)	(Ps 55,945,736)
Lease	(10,713,477)	(10,661,315)
Others expenses	(13,102,308)	(9,821,966)
Corporative share	(6,363,209)	(6,561,550)
Computing	(18,401)	(732,780)
	(106,317,290)	(83,723,347)
Depreciation and amortization [1]	(16,937,069)	(13,620,259)
	(Ps 123,254,359)	(Ps 97,343,606)

(1) Included written-off of furniture and equipment

Note 15 - Income tax, and special unique flat tax:

a. New income tax law (new ITL)

During October 2013 the Chamber of Senators and Representatives approved the issuance of a new Law on Income Tax (new ITL) which came into force on January 1, 2014, repealing the Income Tax Law issued on January 1 2002 (previous ITL). The new ITL captures the essence of the previous ITL; however, makes significant changes among which we can highlight the following:

i. Amendment mechanics to accumulate the income from alienation forward and generalizes the method to determine the gain on disposal of shares.

ii. Provides the mechanism to determine the opening balance of the capital account of contributions (CUCA by its Spanish acronym) and CUFIN and establishes a new mechanism for recovery Tax Assets (TA).

iii. Establishes an income tax rate for 2014 and the following years of 30%, in contrast to previous ITL establishing a rate of 30%, 29%, and 28% for 2013, 2014 and 2015, respectively.

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

In 2013 and 2012, VBC and subsidiaries determined a tax profit of $377,208,348 and $341,112,580, which in case of VBC exceeds the determined for Flat tax purposes. The tax result differs from the accounting result, 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 result.

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

	Year ended December 31,			
		2013		2012 Unaudited
Income before income tax provisions	Ps	379,831,006	Ps	375,891,634
Statutory income tax rate		30%		30%
Income tax at statutory rate		113,949,301		112,767,490
Plus (less) effect of the income tax on:				
Inflation		(2,737,567)		(3,392,111)
Nondeductible expenses or (taxable income)		1,080,281		1,572,046
Other items		168,430		(2,225,749)
Maximum charge to income for income tax	Ps	112,460,445	Ps	108,721,676
Effective income tax rate		30%		29%

At December 31, 2013 and 2012, the principal temporary differences on which deferred income tax was recorded are shown below:

	December 31,	
	2013	2012 Unaudited
Costs of future events	(Ps 10,768,527)	(Ps 10,790,570)
Expenses to amortize	(19,520,034)	(17,052,821)
Furniture and equipment	2,259,235	2,249,904
Revenue of future events - Net	2,999,863	2,999,863
Liability provisions and estimations	23,178,581	19,613,233
Allowance for doubtful accounts	1,908,369	697,680
	57,487	(2,282,711)
Income tax rate	30%	30%
Deferred income tax asset (liability)	Ps 17,246	(Ps 684,813)

b. Flat tax

i. Flat Tax of the 2013 and 2012 is calculated at the 17.5% rate on the profit determined with base on the cash flows, such net income represents the difference between the total income collected by taxable activities, less the authorized tax deductions. In addition, it is also allowed to reduce this amount with the Flat tax credits, based on the procedures established in the effective law and the rate change effect of temporary differences has been recognized in previous periods.

The Company and its subsidiaries had not recognized any deferred tax as it was not causing flat tax so that repeal had no effect on the financial statements of the Company.

ii. According with the effective tax law, the Company must pay annually the higher tax between Income tax and Flat tax.

During October 2013 the Chamber of Senators and Representatives approved the repeal of the Act of Flat Tax (flat tax) published on October 1, 2007, so that, after the entry into force of the Decree approved in October 2013, will void the resolutions and general administrative provisions and resolutions to questions, interpretations, authorizations or permits issued to individual capacity on the tax for the Flat Tax Law that are repealed.

In 2013 and 2012 VBC and SEVAB determined a tax profit of Ps260,938,530 and Ps68,397,225, respectively, and ETK determined a tax loss of Ps1,557,347 in 2012, VBC and SEVAB determined a tax profit of Ps299,537,378 and Ps347,429,864, respectively and ETK determined a tax loss of Ps9,129,468. The result differs from the accounting result mainly because, for accounting purposes, the transactions are recognized on the basis of the accrued while for tax purposes, these are recognized on the basis of the cash flow and for such items only affecting the accounting or tax result of the year.

Note 16 - Commitments:

a. Offices: BVC signed an agreement with OCESA, an affiliated company for the use of office space, and for providing 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 this city. The company pays to OCESA a monthly fixed fee. In addition, VBC has signed a lease agreement with an individual, involving a building located in the city of Guadalajara, Jalisco, to house its offices in that city. VBC pays a fixed fee for this building lease which annually increases 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 the provision of certain cleaning and security services in these areas located inside the Palacio de los Deportes, Mexico City. This agreement gives SEVAB use of facilities used to their offices. OCESA SEVAB paid monthly to a fixed amount”.

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 this regard, certain amounts are received from third parties for the purchase of tickets to said events. The Company holds these amounts in cash, so that if the events in question are not held, the amounts should be returned in accordance with the applicable legal provisions. At December 31, 2013 and 2012, cash and cash equivalents included deposits totaling, received from said third parties for the eventual acquisition of tickets Ps 203,213,308 and 313,692,752 respectively.

d. Ticketmaster Brand Name and System. BVC entered into license agreements (expiring on March 31, 2015) with Ticketmaster Corporation for use of the TicketMaster brand names and system, paying a fixed royalty fee denominated 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 are renewable under similar terms to those currently in effect, when they expire.

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 as the determination of transfer prices concerns, 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 May 14, 2012, VBC filed a request at the Zapopan Municipal Treasury for confirmation that it is not subject to payment of the Tax on Public Entertainment regulated by the Municipal Treasury Law for the State of Jalisco, and therefore, that articles 13 (section I) and 50 of the Zapopan Jalisco Revenue Law do not apply to it with respect to fiscal year 2012, as well as article 131 Bis-A of the Municipal Treasury Law for the State of Jalisco, due to the fact that it is engaged in issuing tickets by electronic means, but not in exploitation of public entertainment events. Official communication dated July 5, 2012, issued by the Director of Revenue of the Zapopan Municipal Treasury, resolved that because they receive payment corresponding to the cost of tickets, companies handling electronic ticket sales (such as Venta de Boletos por Computadora, S. A. de C.V.) become jointly liable in terms of payment of the tax on public entertainment. The above official communication represented the first act, for Venta de Boletos por Computadora, S. A. de C. V., in terms of applying the provisions that regulate the Tax on Public Entertainment, due to which, on August 3, 2012, an appeal was filed for injunction against this law. On August 31, 2012, a motion was filed for stay of execution. Through an agreement dated September 5, 2012, the company was granted a temporary stay of execution. Through the September 26, 2012 resolution, the company was granted a definitive stay of execution to have the corresponding authorities abstain from collecting the Tax on Public Entertainment from the claimant, in accordance with articles 13 and 50 of the Revenue Law of the Municipality of Zapopan Jalisco. In addition, the precautionary measure is to take effect prior to depositing with the Municipal Treasury Department of the Municipality of Zapopan, Jalisco of the cash amount ultimately incurred by the company corresponding to the Tax on Public Entertainment, in accordance with articles 13 and 50 of the Revenue Law of the Municipality of Zapopan Jalisco, for fiscal year 2012, thus securing the tax debt. Through the sentence handed down on December 12, 2012, the District Judge determined to dismiss the injunction, considering that the company's juridical interest is not affected, until it is directly required to pay the tax. In light of the above, on December 28, 2012, an appeal was filed by the tax authorities against said court decision, and the matter was turned over to the Third Collegiate Court with file no 36/2013, which was in turn sent to the Ninth Collegiate Circuit Court of the Auxiliary Center of the First Region, located in Cuernavaca, Morelos, for resolution. The Ninth Collegiate Circuit Court of the Auxiliary Center for the First Region, located in Cuernavaca Morelos, handed down a sentence on May 3, 2013, confirming the judgment under appeal and therefore, dismissing the injunction, with which the matter is thus definitely concluded, with said resolution causing no damage to the company.

c. On July 24, 2012, the Procedures Department of the Mexican Better Business Bureau (PROFECO) issued a resolution, 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 Guia" consists of a an unfair practice for the consumer, imposing a Ps1,690,331 fine, in addition to obligating the company to stop marketing "La Guía" as it has so far. A motion for review was filed against said resolution, with a second resolution issued on October 25, 2012 by said Procedures Department, declaring the company's grievances unfounded.

d. In light of the above, on January 21, 2013, an action 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 action for annulment, which is currently under analysis by the proper authorities. The Company's attorneys believe there is a high probability that the sanction imposed on the Company as a result of this procedure will be lifted.

e. On 22 June 2012 the Directorate of Advertising and Standards PROFECO to OCESA information required for his alleged role in the violation of various rules generated by the sale of tickets for public performances through the internet portal www.ticketbis.com.mx OCESA mx relief such request the July 6, 2012, stating that the probable cause of the offending behavior was the company Evandti, S. A. de C. V. for that reason is intended to be left to consider OCESA as likely responsible for the unlawful conduct and start a new legal process against the company Evandti, SA de C.V. In September 21, 2012 the company notified the request for information. Meanwhile OCESA and VBC facts filed complaints against PROFECO Evandti Company, S. A. de C. V. for violations of the Federal Consumer Protection, which are processed with the file number PFC.B.B.13/000065/2012, which could be accumulated with the file number PFC.B.B.13/000054/2011. In this procedure is intended to integrate more violations of the Federal Protection Consumer Law different from the violation of advertising rules. By official memorandum number SPS/DGP/0660/2013, dated on June 13, 2013, “PROFECO” determined the exclusion of OCESA respect to the procedure followed by the resale of tickets, noting that the procedure will continue only against Evandti, SA de C.V.

f. VBC and its subsidiaries are regularly called by the Federal Consumer when consumers of their services do not consider the conditions in which they are offered and complain to this office. Sometimes the administrative authority has brought some fines for alleged violations of administrative procedures to the law of matter, of which there are currently four process complaints in conciliation stage, twenty one cases are on the Federal Court of Fiscal and Administrative Justice and four lawsuits on other Federal courts, regarding several fines or penalties between Ps2,000 to Ps102,933 that they all together add up to approximately Ps400,000. At the date, the Company has not suffered any prejudice by these complaints and all similar processes has been release of the of the resolutions that have been imposed, so the opinion of advisors of VBC, is not a material contingency, and it is very unlikely that any of these amounts are payable, or where appropriate, that the above criteria that has never condemned VBC to pay amounts due to these causes are reversed.

g. 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”), for 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 VBC’s requested as 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 in the Federal Courte of Fiscal and Administrative Justice. On September 11, 2013, the Judges of the Federal Tax Court issued a favorable judgment to VBC recognizing the validity of the resolution issued by the Mexican Industrial Property Institute (MIPI), namely, the administrative declaration of infringement is confirmed regarding the “LA GUIA DE ENTRETENIMIENTO” brand, by the part of Walmart, is confirmed a fine of 2,500 days minimum salary, and it is confirmed that the “LA GUIA DE ENTRETENIMIENTO” brand is owned by VBC.

h. VBC requested that the 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 INDA, confirming that the reservation of rights to exclusive use of the the title LA GUÍA DE ENTRETENIMIENTO was duly granted. Dissatisfied with said resolution, Wal-Mart filed a request for injunction against said sentence, to which, on May 7, 2013, VBC responded as injured third party in the injunction proceedings.. In the opinion of OCESA's advisors, the authorities may confirm the validity of the resolution, and once the sentence has been executed, the IMPI could dictate a resolution, declaring WAL-MART'S infraction for commercial purposes, and consequently, imposing a fine; the UNDAUTOR could dictate a resolution invalidating and/or dictating the expiration of the reservation of rights to WALMART AHORRAS DINERO. VIVES MEJOR. GUÍA DE ENTRETENIMIENTO obtained by Wal-Mart.

i. On November 22, 2010, VBC contested the April 19, 2010 resolution, whereby INDAUTOR dismissed the action for renewal of the reservation of rights for exclusive use of the "La Guía de Entretenimiento" Title, in the magazine genre, against which VBC filed an appeal at the Federal Tax Courts. This proceeding is currently in the pleadings phase. In the opinion of VBC's advisors, the authorities may possibly demand that INDAUTOR renew said registration. However, as a preventive measure, VBC has obtained a new registration for said publications, which is currently in effect.

j. On October 1, 2012, an action 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 to issue Title of the brand. 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 is mistaken for its TL trademark. VBC answered the amparo and presented arguments in the corresponding 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 hallmark.

k. ETK Boletos, S.A. de C.V. contested the rejection statements of the following brands in process: 1298297, 01 800 E TICKET, in class 9, No. 1272799, E-TICKET, in class 42 and No. 1276202, E TICKET TU ACCESODIRECTO Y DISEÑO, in class 9, as well as commercial notice No. 75946, E TICKET TU ACCESO DIRECTO, in class 9 at the Regional Chamber for Intellectual Property Matters, which are still to be admitted.

l. VBC filed an appeal against rejection of the TRAVEL TICKET brand, in process No.1303262, in class 39 at the Regional Chamber for Intellectual Property Matters. The appeal has yet to be admitted.

m. The Legal Representative of Trébol Beat filed a lawsuit against the promoter of the September 22, 2011 LADYTRON show at Six Flags. Although the tickets to said event were sold through the Ticket, aster system, the Public Prosecutor's Office had VBC provide the sales report for the event, which was duly submitted. VBC's external advisors consider there is a high probability that it will be held harmless from any responsibility related to this incident.

n. VBC and its subsidiaries regularly contracts 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 held multiple contracts with third parties undertake 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 contractors or workers of these service providers may take steps for VBC and its subsidiaries to be considered the beneficiary of those services or responsible for possible related contingencies.

o. According to the agreements of the shareholders of the Corporacion Interamericana de Entretenimiento, S. A. B. de C. V. (“CIE”), is responsible for dealing with, any contingency that is filed against the Company and its subsidiaries which has arisen from acts prior to October 18, 2012, forcing CIE to defend, indemnity and if take out harmless the Company(including the obligation to pay any amount that has to be done is payable by a penalty), so the Company has no record of such procedures, substance directly to CIE by the agreement.

Note 18 - New accounting pronouncements

During December 2013 and 2012, the Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera (CINIF) issued a series of Mexican Financial Reporting Standards (MFRS) and interpretations to those standards, which will become effective as of January 1, 2014, with exception of MFRS C-3 "Accounts Receivable" and MFRS C-20 "Receivable financial instruments" which will become effective as of January 1, 2016, which early application is allowed. Those MFRS and their interpretation are not considered to have a significant affectation in the financial information to be presented by the Company.

2014

MFRS B-12 "Offsetting financial assets and financial liabilities". Establishes standards concerning the rights of compensation to be considered in order to present a financial asset and a financial liability in their offsetting amount within the statement of the financial position, as well as which are the characteristics required contemplating compensation, based on the principle that a financial asset and a financial liability should always be recorded in their offsetting amount and provided the future cash flow of collection or settlement is net.

MFRS C-11 "Stockholders' equity". Establishes the valuation, presentation and disclosure standards for those items comprising stockholders' equity in the statement of the financial position of profit entities. The main changes in relation to the above standard are: it requires the pricing per share to be issued by advances for future capital increases and that it is established that it cannot be repaid before capitalized, in order to qualify as equity, and includes the standard related to financial instruments that at initial recognition are identified as equity.

MFRS C-12 "Financial instruments with features of liability and equity". Establishes the standards for the initial recognition of financial instruments with features of liability and equity in the profit entities' financial statements. 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 the financial asset, as 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 as a liability.

Improvements to MFRS:

MFRS C-5 "Advance payments". Establishes the accounting treatment of advanced payments by the purchase of items for which payment is denominated in foreign currency. It also states that impairment losses in the value of advanced payments (and reversals thereof) must be submitted 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 income statement of the period under other income and expenses.

Bulletin C-15 "Impairment in the long-lived assets value 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 income statement of the period in item showing the depreciation and amortization of assets of the cash-generating unit to which such intangible assets are associated. It is not allowed to present impairment losses as part of the costs that have been capitalized in the value of any asset.

The requirement to submit certain operations in the item of other income and expenses is removed from MFRS B-3 "Comprehensive income statement", MFRS B-16 "Financial statements of non-profit entities", MFRS C-6 ""Property, Plant and Equipment", Bulletin C-9 "Liabilities, provisions, contingent assets and liabilities and commitments", MFRS D-3 "Employee benefits", and, instead, the use of those items is left to the discretion of the Company.

Interpretation to MFRS:

Interpretation to MFRS 20 "Accounting effects of the Tax Reform 2014". The Interpretation to MFRS 20 was issued in response to how the accounting effects of the Tax Reform 2014 should be recognized in the financial statements of entities.

2016

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. Specifies that the accounts receivable based on a contract represent a financial instrument.

MFRS C-20 "Receivables Financing Instruments" Establishes the valuation, presentation and disclosure for the initial and subsequent recognition of receivables financing instruments in the financial statements of an economic entity operating funding. Discard the concept of intent for the acquisition and holding of these to determine ranking. It adopts the concept of management business model.

The accompanying nineteen notes are an integral part of these financial statements, which were authorized for issuance on March 6, 2014 by the directors that sign the financial statements and their related notes except for the Note 19 which were authorized for issuance on June 27, 2014 by Gerardo Ledesma.

Note - 19 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 the 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 17 of Form 20-F, this reconciliation does not include disclosure of all information that would be required by U.S. GAAP and regulations of the SEC.

I. Differences in measurement methods

a. Inflation as from December 31, 2007, inflation accounting was discontinued. The following 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 both MFRS and U.S. GAAP.

b. The company provides financing to related parties and interest is determined by using the nominal interest rate as required by MFRS. In accordance with ASC 470 "Debt" the borrower's periodic interest cost shall be determined by using the effective interest method based on the estimated outstanding term of the debt. The effective interest rate used for calculating amortization under the effective interest method generally discounts contractual cash flows through the contractual life of the instrument and amortized over the contractual or expected life.

The Company quantified the effects of the differences in the measurement methods and determined that the impact to the consolidated financial statements were not significant to neither the net income nor the Stockholder´s equity therefore a reconciliation of net income and stockholders' equity from MFRS to U.S. GAAP is not presented.

II. Additional accounting policies

a. Consolidation

<u>Subsidiaries</u>

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

Due to the recording currency as the functional and reporting currencies of the Company and its subsidiaries and associates is Mexican peso, 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 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, we compare the estimated undiscounted future cash flows related to the assets to 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 the current fair value. We use various assumptions in determining the current fair market value of these assets, including future expected cash flows and discount rates, as well as future salvage values and 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, we 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 other equipment - 10 years
Transportation equipment - 20 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, we perform 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 we 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, we 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 and are reflected in 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.

A financial instrument’s categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

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

The book value of the account receivables is similar to their fair value and corresponds to current account receivables.

b. Certain relationships and related-party transactions

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

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.

Relationship with Solo Elementum, S. A. de C. V.

Solo Elementum 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.

Servicios Administrativos del Entretenimiento this entity provides all the administrative services to VBC.

Transactions Involving Executives

VBC does not have transactions that involve executives since the company does not have employees, as mentioned before these services are provided by Servicios Administrativos del Entretenimiento

c. Intangible and other assets:

Intangible assets at December 31, 2013 and 2012 are as follows:

Definite-lived Intangible assets		2013		2012 Unaudited
Ticketing contracts - Gross	Ps	38,646,426	Ps	28,950,126
Accumulated amortization		(15,765,370)		(7,005,078)
Software EDB-Ticket - Gross		6,715,900		6,715,900
Accumulated amortization		(1,229,403)		
Subtotal		28,367,553		28,660,948
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		35,867,653		36,161,048
Lease hold improvements - Gross		38,305,617		38,327,483
Accumulated amortization		(24,052,749)		(23,195,597)
Total	Ps	50,120,521	Ps	51,292,934

Amortization of definite-lived intangible assets for the years ended December 31, 2013 and 2012 was Ps. 10,868,713 million, and Ps 5,468,011 million, respectively.

The 2013 and 2012 additions to definite-lived intangible assets from acquisitions have weighted-average lives as follows:

	weighted-average lives (years) 2013	2012 Unaudited
Revenue generating contracts	3	7

The following table presents the Company´s estimate of amortization expense for each of the five succeeding fiscal years for definite-lived intangible assets that exist at December 31, 2013

		Amortization
2014	Ps.	6,205,459
2015		5,427,525
2016		3,461,406
2017		2,950,000
2018		2,053,333

Indefinite-lived Intangibles

The Company has indefinite-lived intangible assets which consist primarily of the intangible value related to trade names and Non-compete agreement. These indefinite-lived intangible assets had a carrying value of $7,500,100 million and $7,500,100 million as of December 31, 2013 and 2012, 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 on 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, 2013 and 2012.

d. Revenue analysis

Gross versus Net Revenue Recognition

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.

The following table presents the breakdown of the Company's revenue analysis:

	December 31,	
	2013	2012 Unaudited
Gross Revenue under MFRS		
Gross Revenue as reported	Ps 674,977,500	Ps 647,657,909
Reclassification to Net revenue	(76,758,584)	(63,925,550)
Gross Revenue U.S. GAAP	598,218,916	583,732,359
Net Revenue U.S. GAAP	14,247,851	575,081
Total Revenue	Ps 612,466,767	Ps 584,307,440

e. Income tax

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

		2013		2012 Unaudited
Deferred taxes included within:				
Assets:				
Furniture and equipment	Ps	677,771	Ps	674,971
Deferred revenue		899,959		899,959
Accruals		6,953,574		5,883,970
Allowance for doubtful accounts		572,511		209,304
Total deferred tax assets		9,103,815		7,668,204
Liabilities:				
Cost of future events		(3,230,559)		(3,237,171)
Intangible and other assets		(5,856,010		(5,115,846)
Total deferred liabilities		(9,086,569)		(8,353,017)
Net deferred income taxes	Ps	17,246	(Ps	684,813)

f. Commitments and contingent liabilities

As of December 31, 2013, 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
2014	Ps	9,794,815
2015		10,140,572
2016		10,493,463
2017		10,869,129
2018		11,258,244
Total	Ps	52,556,223

g. New authoritative pronouncements

Accounting standards and amendments issued but not yet applied

In April 2013, the FASB issued ASU 2013-07, "Presentation of Financial Statements (Topic 205) - Liquidation Basis of Accounting". There is minimal guidance in current U.S. GAAP that addresses when it is appropriate to apply, or how to apply, the liquidation basis of accounting. Consequently, there is

diversity in practice. The amendments in this Update are being issued to clarify when an entity should apply the liquidation basis of accounting. In addition, the guidance provides principles for the recognition and measurement of assets and liabilities and requirements for financial statements prepared using the liquidation basis of accounting. The amendments are effective for entities that determine liquidation is
imminent during annual reporting periods beginning after December 15, 2013, and interim reporting periods therein. Entities should apply the requirements prospectively from the day that liquidation becomes imminent. Early adoption is permitted. The Company is in the process of evaluating the impact of adopting this ASU and does not expect any significant effect in the U.S. GAAP disclosures and financial information.

In July 2013, the FASB issued ASU No. 2013-11, “Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists (a consensus of the FASB Emerging Issues Task Force)”. This new standard requires the netting of unrecognized tax benefits (UTBs) against a deferred tax asset for a loss or other carryforward that would apply in settlement of the uncertain tax positions. Under the new standard, UTBs will be netted against all available same-jurisdiction loss or other tax carryforwards that would be utilized, rather than only against carryforwards that are created by the UTBs. The amendments will be effective for public companies for annual and interim periods in fiscal years beginning after December 15, 2013. The ASU can be adopted early and may be adopted either on a prospective or retroactive basis. The Company is in the process of evaluating the impact of adopting this ASU and does not expect any significant effect in the U.S. GAAP disclosures and financial information.

j. Reclassifications

Certain reclassifications have been made to the 2012 consolidated financial statements to conform to the 2013 presentation. There is no impact to the consolidated financial statements.

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, 2012 and 2011

<u>Contents</u> <u>Page</u>

Amounts expressed in Mexican pesos

	December 31,	
Assets	2012 (*)	2011 (*)
CURRENT ASSETS:		
Cash and cash equivalents (Note 5)	Ps 313,905,060	Ps 507,502,323
Accounts receivable for ticket sales (net of allowance for doubtful of Ps 697,680 and Ps 453,267 in 2012 and 2011)	8,357,845	17,600,167
Related parties (Note 6)	321,829,938	56,780,236
Income tax recoverable	19,924,762	25,938,487
Costs of future events	10,790,570	13,198,418
Other accounts receivable	4,062,429	4,916,156
Total current assets	678,870,604	625,935,787
FURNITURE AND EQUIPMENT - Net (Note 7)	36,176,926	30,747,186
EXPENSES TO AMORTIZE AND OTHER ASSETS TO AMORTIZE - Net (Note 8)	51,292,934	32,376,285
DEFERRED INCOME TAX (Note 14)	—	5,706,104
Total assets	Ps 766,340,464	Ps 694,765,362
Liabilities and Stockholders' Equity		
CURRENT LIABILITIES:		
Suppliers	Ps 16,798,300	Ps 15,457,468
Accounts payable and accrued liabilities	342,906,520	317,604,328
Related parties (Note 6)	5,242,549	6,935,095
Value added tax payable	5,785,064	10,849,339
Revenue from future events	2,999,863	12,070,567
Total current liabilities	373,732,296	362,916,797
DEFERRED INCOME TAX (Note 14)	684,813	—
Total liabilities	374,417,109	362,916,797
STOCKHOLDERS' EQUITY (Note 10):		
Capital stock	21,854,275	21,854,275
Share premium	2,628,300	2,628,300
Retained earnings	364,340,821	307,365,990
Majority stockholders' equity	388,823,396	331,848,565
Minority interest	3,099,959	—
Total stockholders' equity	391,923,355	331,848,565
COMMITMENTS AND CONTINGENCIES (Notes 15 and 16)		
Total liabilities and stockholders' equity	Ps 766,340,464	Ps 694,765,362

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

(*) Unaudited

Amounts expressed in Mexican pesos

	Year ended December 31,	
	2012 (*)	2011 (*)
Revenue from commission on tickets sales and advertising (Note 11)	Ps 647,556,112	Ps 587,082,528
Cost of sales (Note 12)	(198,186,692)	(181,076,151)
Operating expenses (Note 12)	(97,343,606)	(84,736,741)
	(295,530,298)	(265,812,892)
Operating income	352,025,814	321,269,636
Other expenses - Net (Note 13)	(4,897,344)	(7,337,487)
Comprehensive financing result:		
Interest income - Net	28,289,378	23,647,675
Exchange gain - Net	473,785	663,556
Comprehensive financing income - Net	28,763,163	24,311,231
Non participation controlling	(406,884)	—
Income before the following provision	375,484,749	338,243,380
Provisions for (Note 14):		
Current income tax	(102,330,759)	(104,956,779)
Deferred income tax	(6,390,917)	5,321,871
	(108,721,676)	(99,634,908)
Net income for the year	Ps 266,763,073	Ps 238,608,472

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

(*) Unaudited

__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
For the years ended December 31, 2012 and 2011
(Note 10)

Amounts expressed in Mexican pesos

	Capital stock	Share premium	Retained earnings Holding	Retained earnings Subsidiary	Retained earnings Total	Profit of no controller	Total	
Balances at December 31, 2010	Ps 21,854,275	Ps 2,628,300	Ps 256,729,231	Ps 29,585,460	Ps 286,314,691	Ps —	Ps 310,797,266	(*)
Dividends paid			(217,557,173)		(217,557,173)	—	(217,557,173)	
Comprehensive income for the year			182,700,404	55,908,068	238,608,472	—	238,608,472	
Balances at December 31, 2011	21,854,275	2,628,300	221,872,462	85,493,528	307,365,990	—	331,848,565	(*)
Dividends paid			(209,788,242)		(209,788,242)	—	(209,788,242)	
Change in minority interest	—	—	—	—	—	3,099,959	3,099,959	
Comprehensive income for the year			198,768,057	67,995,016	266,763,073	—	266,763,073	
Balances at December 31, 2012	Ps 21,854,275	Ps 2,628,300	Ps 210,852,277	Ps 153,488,544	Ps 364,340,821	Ps 3,099,959	Ps 391,923,355	(*)

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

(*) Unaudited

Amounts expressed in Mexican pesos

	Year ended December 31,	
Operating activities	2012 (*)	2011 (*)
Income before income tax	Ps 375,484,749	Ps 338,243,380
Depreciation and amortization	13,620,259	13,333,909
Interests gained	(28,289,378)	(23,647,675)
	360,815,630	327,929,614
Decrease in receivables and other	35,411,085	16,183,390
(Increase) decrease in related parties	(266,742,248)	146,444,313
Increase (decrease) in suppliers and other payables	21,578,749	(185,424,686)
Decrease in revenue from future events	(9,070,704)	(2,891,631)
Income tax paid	(119,224,222)	(103,940,039)
Operating activities net cash flow	22,768,290	198,300,961
Investing activities		
Investment in property, plant and equipment	(18,149,114)	(20,105,013)
Interest collected	28,289,378	23,647,675
Other related	(19,817,534)	(7,289,094)
Investing activities net cash flow	(9,677,270)	(3,746,432)
Financing activities		
Minority interest	3,099,959	—
Dividends paid	(209,788,242)	(217,557,173)
Financing activities net cash	(206,688,283)	(217,557,173)
Net cash decrease and temporary investment	(193,597,263)	(23,002,644)
Cash and cash equivalents at beginning of year	507,502,323	530,504,967
Cash and cash equivalents at end of year	Ps 313,905,060	Ps 507,502,323

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

(*) Unaudited

Amounts expressed in Mexican pesos

Note 1 - Company activities:

Venta de Boletos por Computadora (VBC or the Company) is a subsidiary of OCESA Entretenimiento, S. A. de C. V. in turn a subsidiary of Corporacion Interamericana de Entretenimiento, S. A. B. de C. V., which was incorporated under Mexican Laws with a duration of 99 years, and whose purpose is mainly:

a. Ticket sales through automated sales systems for all types of shows, telemarketing services in and out of phone calls.

b. The marketing database generated by their activities. VBC is also holding company.

The accompanying consolidated financial statements include VBC and its subsidiaries Servicios Especializados para la Venta Automatizada de Boletos, S. A. de C. V. (SEVAB) of which the Company possesses stock holding to the 100% and ETK Boletos, S. A. de C. V., of which the Company possesses stock holding to 72.5% equity.

The company and its subsidiary do not have employees, which means that all administrative and operating services are rendered by affiliated companies.

See below VBC subsidiaries in which maintained control during 2012:

Company	Percentage of holding 2012 and 2011	Main activity
Servicios Especializados para la Venta Automatizada de Boletos, S. A. de C. V. (SEVAB)	100%	Provide Administrative, technical, marketing and technology services during the ticket sales.
ETK Boletos, S. A. de C. V.[1]	72.5%	Automated Ticket sales.

[1] Established on April 9. 2012.

Note 2 - Preparation basis:

The accompanying consolidated financial statements at December 31, 2012 and 2011, fairly meet the provisions of the MFRS to show a fair presentation of the Company's financial position. The MFRS state that the International Financial Reporting Standard (IFRS), the International Accounting Standards (IAC), International Financial Reporting Interpretations (IFRIC) and the Interpretation Committee (IC) are a suppletory 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 suppletory IFRS and IC issued by the International Accounting Standard Board (IASB).

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

The Company presents costs and expenses in the income statement under the classification criterion based on the function of items, which main characteristic is to take away the sales costs from the other costs and expenses based on the items nature since it breaks the costs and expenses items addressing the specific essence of the entity's type of cost or expense. Additionally, in order to obtain a better analysis of its financial position, the Company has deemed necessary to present separately the amount of the operating profit in the income statement as such information is a common disclosure practice of the sector which the entity belongs to.

Inflation effects in financial information

According with the provisions in the MFRS B-10 “Inflation Effects“ (MFRS B-10), the Mexican economy is not in an inflationary environment, since there has been a cumulative inflation below 26% (threshold to define that an economy should be considered as inflationary) in the most recent three year period. Therefore, as of January 1, 2008 it has been required to discontinue the recognition of the inflation effects in the financial information (disconnection from inflationary accounting). Consequently, the figures of the accompanying financial statements at December 31, 2012 and 2011 are stated in historical Mexican pesos (Ps Mex) modified by the cumulative inflation effects on the financial information recognized up to December 31, 2007.

The inflation percentages are indicated as follows:

	December 31,	
	2012 (%)	2011 (%)
Yearly by inflation	3.57	3.82
Cumulative inflation for the last three years	12.26	15.19

As of January 1, 2012, the Company retrospectively adopted the following MFRS and their Interpretations, issued by Consejo Mexicano para la Información Financiera y Desarrollo de Información Financiera (CINIF) and which became effective as of the aforementioned date.

MFRS C-6 “Property, plant and equipment”. Establishes the obligation to identify and segregate the components of each item of property, plant and equipment which have different useful lives, with the purpose of depreciating them separately according to their remaining useful life as of January 1, 2012. This accounting change has been applied prospectively as if it were a change in estimates, as described in the transition standards of the same MFRS.

"Improvements to MFRS"

- MFRS A-7 "Presentation and disclosure". It specifies that the key assumptions used at accounting closing should be disclosed in the determination of the accounting estimations involving uncertainties with the risk of significant adjustments in the value of assets or liabilities within the next accounting period.

- Bulletin B-14 "Earnings per share". It is modified so that those entities disclosing earnings per diluted share should still do it, irrespectively of having generated profit or loss from continuing operations.

- MFRS C-1 "Cash and cash equivalents". It establishes that the short-term asset should include cash and cash equivalents, unless it usage is restricted to the following twelve months or after its normal business cycle at the date of the financial position statement.

- Bulletin C-11 "Capital "Stockholders' equity" and Interpretation to MFRS 3 "Initial application of MFRS". It specifies that contributions should be recognized in the income statement as income and not as part of the contributed equity in order to homologate the changes previously made in other MFRS.

- Bulletin C-15 "Impairment in the long-lived assets value and their disposal". It specifies some of the concepts of long-lived assets intended to be sold, and also highlights that impairment losses in goodwill should not be reversed and establishes the guidelines for the presentation of impairment losses or reversal in the income statement.

<u>Financial statements authorization</u>

The accompanying consolidated financial statements and their notes were authorized to be issued on February 28, 2013, by George González and Beata Baczyk Wolinska whom have legal authorization to approve financial statements and their notes except for the Note 18 which were authorized for issuance on June 27, 2014 by Gerardo Ledesma.

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 defining the Company's accounting policies.

a. Consolidation

The consolidated financial statements include the figures of VBC and its subsidiary mentioned in Note 1. All significant balances and transactions among the consolidated companies have been eliminated. The consolidation was carried out on the basis of audited financial statements.

b. Cash and cash equivalents

Cash and cash equivalents, including cash balances, bank deposits and other highly liquid investments with minor risks by changes in value. (See Note 5).

c. Ticket sales accounts receivable

The accounts receivable for ticket sales balance represents the VBC recoverable amount related to the sale of tickets through credit cards. The company collects these accounts receivable in a period between 7 and 15 days.

d. Cost of future events

Cost of future events include prepaid travel services and ticket printing as well as the ticket inventory which are charged to the income statement when they are used.

e. Furniture and equipment:

At December 31, 2012 and 2011, the 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 of national origin at their restated value determined by applying National Consumer Price Index (NCPI) factors to their acquisition value until December 31, 2007.

Property, plant and equipment are subject to annual impairment tests only when there are impairment indicators. Accordingly, they are expressed at their modified historical cost, less the cumulative depreciation and, if it is the case less, the impairment losses. The annual impairment tests are part of cash generating unit, therefore, as of December 31, 2012 and 2011 company didn't have impairment problems.

Depreciation is calculated by the straight line method based on the estimated useful lives of the assets estimated by the company's management applied to the furniture and equipment values, (see Note 7).

f. Unamortized expenses

As of at December 31, 2012 and 2011, 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 costs.

g. Provisions

The provisions of liabilities represent present obligations for past events in which it is probable an expenditure of economic resources. The provisions have been registered under the better estimate carried out by the Administration.

h. Deferred income tax and deferred flat tax

The deferred income tax and/or flat tax are recorded based on the comprehensive asset-and-liability method, which consists of recognizing a deferred tax on all temporary differences between the book and tax value of assets and liabilities to be materialized in the future. The company and its subsidiary recognized deferred income tax since the company's financial and tax projections indicate that they would pay income tax in the future (see Note 14).

i. 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 bulletin "La Guía de Entretenimiento", the tickets and envelopes, as well as advertising by telephone and internet.

j. Revenue from commissions on ticket sales and advertising

Revenue from commissions on ticket sales are 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.

k. Stockholders' equity

The Capital Stock, the net premium in shares issuance and thereafter and the retained earnings, are expressed as follows: i) movements done since of January 1, 2008 at historical cost, and ii) movements done before January 1, 2008 at indexed values determined through the application to their originally determined values of factors derived from the NCPI up to December 31, 2007. See Note 10. Consequently, the different stockholders equity concepts are expressed at modified historical cost.

l. Comprehensive income

The comprehensive income comprises the net income, as well as those departures that for specific disposition of the MFRS are required, which is reflected in the capital stock and do not constitute equity payments, reductions and distributions. The comprehensive income amounts of 2012 and 2011 are expressed at modified historical pesos.

m. Revenue recognition

The revenues from services of phone marketing of entering and exiting of phone calls, tickets sales and commercialization of data basis are registered when they are carried out and sales services are rendered.

The allowance for doubtful accounts is recognized based on analytic studies by the Directors of the Company and is sufficient to absorb losses under policies.

The doubtful estimation account is recognized basing an administration analysis and it's considered reasonably enough to absorb losses according to company politics.

n. 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 denominated 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 the income as a component of the financing comprehensive result (FCR) with exception of those exchange differences that, as a part of the eligible assets cost, are capitalized with other components of FCR.

Note 4 - Foreign currency position:

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

As of December 31, 2012 and 2011, the company and its subsidiaries had the following foreign currency monetary assets and liabilities:

	December 31,	
	2012 (*)	2011 (*)
Assets	Dls. 326,302	Dls. 134,481
Liabilities	(870,227)	(483,656)
Net short position	(Dls. 543,925)	(Dls. 349,175)

(*) Unaudited

b. At December 31, 2012 and 2011, the exchange rate was Ps12.97 and Ps13.95 per dollar, respectively. At the date of issuance of the audited financial statements, the exchange rate was Ps12.78 per US dollar, approximately.

c. The most significant foreign currency transactions carried out by the company were as follows:

	Year ended December 31,	
	2012 (*)	2011 (*)
Sales	Dls. 337,519	Dls. 41,757
Costs and operating expenses	(2,292,285)	(1,941,724)
Royalties cost	(250,000)	(250,000)
Interest income	3,325	6,465

(*) Unaudited

Note 5 - Cash and cash equivalents:

The cash, cash equivalents and temporary investments balance at December 31, 2012 and 2011 are mainly comprised by cash at banks including foreign currency amounts and temporary investments, which are available to be used and subject to non significant value change risks. The analysis of such balance is shown as follows:

	Year ended December 31, 2012(*)	2011(*)
Cash	Ps 111,000	Ps 112,000
Bank deposits	10,023,842	6,640,318
Liquid investments	303,770,218	500,750,005
Total of cash and cash equivalents	Ps 313,905,060	Ps 507,502,323

Liquid investments 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.

(*) Unaudited

Note 6 - Balances and transactions with related parties:

As pointed on Note 1, the Company is direct subsidiary of Ocesa Entretenimiento, S. A. de C. V.; with it the Company just maintains a pure subsidiary/holding relationship.

The balances receivable from and payable to related parties at December 31, 2012 and 2011 were as follows:

Accounts receivable: Affiliate	December 31, 2012 (*)	2011 (*)
Operadora de Centros de Espectáculos, S. A. de C. V.	Ps 186,256,883	Ps 53,693,505
Ocesa Promotora, S. A. de C. V.	95,706,331	2,615,206
Solo Ele-Mentum, S. A. de C. V.	38,004,393	—
Futbol del Distrito Federal, S. A. de C. V.	812,185	—
Administradora Mexicana del Hipódromo, S. A. de C. V.	479,751	—
Televisa, S. A. de C. V.	228,134	—
Servicios Corporativos CIE, S. A. de C. V.	203,219	—
Others	139,042	471,525
	Ps 321,829,938	Ps 56,780,236

(*) Unaudited

Accounts payable:	December 31,	
	2012 (*)	2011 (*)
Affiliate		
Make Pro, S. A. de C. V. [1]	Ps 2,239,738	Ps 4,640,000
Servicios Administrativos del Entretenimiento, S. A. de C. V.	1,947,241	858,347
Needish México, S. A. de C. V.	922,699	—
TicketMaster LLC CA	108,084	108,648
Servicios Compartidos en Alta Dirección, S. A. de C. V.	23,523	79,277
CIE Servicios Profesionales, S. A. de C. V.	1,264	—
Administradora Mexicana del Hipódromo, S. A. de C. V.	—	1,105,480
Others	—	143,343
	Ps 5,242,549	Ps 6,935,095

[1] Corresponds to the bank to redeem outstanding tickets.

(*) Unaudited

During the years ended December 31, 2012 and 2011, the Company carried out the following operations with related parties:

Income from affiliated companies for:	2012 (*)	2011 (*)
Commissions and charges from ticket sales	Ps 38,561,577	Ps 48,411,733
Sponsorship income	46,115,108	23,354,476
Equipment leasing	1,192,281	2,405,386
Interest	20,794,221	7,545,508
Other income	477,697	84,992
Costs and expenses with affiliated companies for:		
Personnel, administrative and security services	(Ps 33,562,128)	(Ps 49,397,065)
Corporate fees	(7,011,551)	(6,266,171)
Lease of properties	(5,457,437)	(8,761,057)
Advertising commissions	(2,524,699)	(3,325,698)
Other expenses	(1,477,035)	(2,338,810)
Network services	(600,638)	(555,192)
Stockholders cost:		
Royalties paid	(3,318,462)	(3,115,308)
Other	(5,043,526)	(3,449,447)

(*) Unaudited

Note 7 - Analysis of furniture and equipment:

The investment in furniture and equipment at December 31, 2012 and 2011 was as follows:

	December 31,		Annual depreciation or amortization
	2012 (*)	2011 (*)	rate (%)
Computer and peripheral equipment	Ps 138,507,208	Ps 123,815,213	30
Telephone equipment	10,970,794	10,970,794	10
Furniture and equipment	10,447,002	10,215,458	10
Radio and communication equipment	742,515	742,515	10
Transportation equipment	3,131,898	2,729,508	25
	163,799,417	148,473,488	
Accumulated depreciation and amortization	(127,622,491)	(117,726,302)	
	Ps 36,176,926	Ps 30,747,186	

(*) Unaudited

Note 8 - Others assets:

Intangible assets at December 31, 2012 and 2011 are as follows:

Intangible assets	2012 (*)	2011 (*)
Access to property ticket sales (stadium March 3, concerts, bullring and others)	Ps 22,010,648	Ps 16,621,507
E-Ticket Brand	1,900,100	—
Software EDB-Ticket	6,650,300	—
Non-compete agreement - ETK boletos	5,600,000	—
	36,161,048	16,621,507
Other assets	15,131,886	15,754,778
Intangible assets	Ps 51,292,934	Ps 32,376,285

(*) Unaudited

Note 9 - Analysis of liability provisions:

Following is an analysis of the movements of the liability provisions at December 31, 2012 and 2011:

	2012 (*)	2011 (*)
Beginning balance	Ps 23,952,990	Ps 2,825,905
Increases	18,176,769	23,952,990
Applications	(23,125,763)	(2,825,905)
Cancellations	(827,227)	—
Ending balance	Ps 18,176,769	Ps 23,952,990

The balance of provisions are grouped within accrued liabilities.

(*) Unaudited

Note 10 - Stockholders' Equity:

Capital stock

As of December 31, 2012 and 2011, the company's capital stock is comprised of 21,854,275 and 12,049,233, respectively ordinary nominative shares, with a par value of one Mexican historical peso each, and which are classified in two series, as follows:

Number of shares	Description	Amount
17,975	"A" shares, serial representing the minimum fixed capital stock, without the right to withdrawal	Ps 17,975
32,025	"B" shares, serial representing the minimum fixed capital stock, without the right to withdrawal	32,025
50,000	Subtotal	50,000
10,529,241	"A" shares, serial representing the variable portion of capital stock, with an unlimited maximum	10,529,241
4,095,148	Serial "A-1" share, serial representing the variable portion of capital stock, with an unlimited maximum	4,095,148
7,179,886	"B" shares, serial representing the variable portion of capital stock, with an unlimited maximum	7,179,886
21,854,275	Capital stock	Ps 21,854,275 (*)

(*) Unaudited

As agreed outside of the November 30, 2011 Stockholders' Meeting, the stockholders decided to capitalize the restatement of the variable capital stock at November 30, 2011 and to issue 9,805,042 ordinary, nominative class II shares, all with a par value of Ps1 each.

In the event of a capital reduction, the procedures of the Income Tax Law arrange that any excess of stockholders' equity over capital contributions is accounted with the same tax treatment as dividends.

Retained earnings

On May 27, 2011, without the benefit of a stockholders meeting, the stockholders' agreed to declare and pay dividends in the amount of Ps217,557,173.

On June 29, 2012, without the benefit of a stockholders meeting, the stockholders' agreed to declare and pay dividends in the amount of Ps209,788,242.

The net income of the year is subject to the legal disposition that requires that, at least, a 5% of the income of each exercise is destined to increase the legal reserve until this is equal to import the fifth part of the social paid capital.

The company and subsidiaries do not consolidate for tax purposes.

Dividends paid are not subject to income tax, if paid out from the net tax profit account and will be taxed at a rate that fluctuates between 4.62% and 7.69% if they are paid from the reinvested net tax profit account. Any dividends paid in excess of this account are subject to a tax equivalent to 38.89%. 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 in its case against the Flat tax of the period. Dividends paid coming from profits previously taxed by income tax are not subject to withholding tax or additional tax payment.

Note 11 - Revenue analysis:

Operations and integrations of revenue of December 31, 2012 and 2011 are show as follows:

Revenue:	2012 (*)	2011 (*)
Internal charges	Ps 420,907,764	Ps 413,788,038
Entertainment guide	104,421,860	58,694,077
Credit card recovery	63,925,551	67,470,483
Advertising	48,673,663	32,984,310
Others	9,627,274	14,145,620
	Ps 647,556,112	Ps 587,082,528

(*) Unaudited

Note 12 - Costs and expenses analysis:

Operations and integration of costs and expenses at December 31, 2012 and 2011 are show as follows:

Costs:	2012 (*)	2011 (*)
Commissions	(Ps 89,767,670)	(Ps 72,299,143)
Entertainment guide	(38,468,155)	(48,076,756)
Administrative services	(11,877,803)	(8,165,959)
Computing	(9,567,919)	(2,675,239)
Tickets	(9,477,623)	(12,366,465)
Other costs	(7,919,147)	(16,229,294)
Advertising	(7,673,666)	(16,030,010)
Non-capital assets	(6,991,675)	(1,304,854)
Amortization	(4,610,859)	—
Professional services	(4,260,955)	(242,164)
Royalties	(3,322,462)	(3,115,308)
Lease	(2,224,092)	(6,400)
Maintenance	(1,622,306)	(155,004)
Production	(402,360)	(409,555)
	(Ps 198,186,692)	(Ps 181,076,151)
Expenses:		
Administrative services	(Ps 54,848,645)	(Ps 40,765,291)
Lease	(10,447,152)	(10,081,222)
Others expenses	(10,293,674)	(11,783,606)
Corporative share	(6,561,550)	(6,266,171)
Professional services	(861,589)	(1,955,935)
Computing	(710,737)	(550,607)
Amortization	—	(2,328,620)
	(Ps 83,723,347)	(Ps 73,731,452)
Depreciation	(Ps 13,620,259)	(Ps 11,005,289)
	(Ps 97,343,606)	(Ps 84,736,741)

(*) Unaudited

Nota 13 - Other expenses analysis:

	Year ended December 31,	
	2012 (*)	2011 (*)
Discounts application Aeromexico/Interjet	(Ps 672,246)	(Ps 2,384,980)
Accounts clean up	(3,889,032)	(5,045,409)
Tax return application	(366,806)	—
Others	30,740	92,902
	(Ps 4,897,344)	(Ps 7,337,487)

(*) Unaudited

Note 14 - Income tax, and special unique flat tax:

a. Income Tax:

i. In 2012, VBC, SEVAB and ETK determined a taxable income of Ps262,937,132, Ps76,893,926 and Ps1,271,472, respectively and in 2011 taxable income of Ps276,862,025 (VBC) and Ps78,223,576 (SEVAB), which exceeds in the case of VBC the determined for Flat Tax purposes, (ETK is an entity created in 2012). The tax result differs from the accounting result, mainly in such items that during time are accumulated and deducted differently for accounting and tax purposes, by the recognition of the inflation effects for tax purposes, as well as in such items only affecting either the accounting or tax result.

ii. Based on its financial and tax projections, the Company's management determined that the tax to be paid in the future will be the Income tax, therefore it has recognized deferred Income Tax.

iii. On December 17, 2012 in the Revenue Act for 2013 it was published that the income tax rate for 2013, according to Article 21, Section I, paragraph 6, establish that the income tax rate applicable to the year 2013 will be 30%, for 2014 will be 29% and as of 2015 it will be 28%. Also, as provided by section II, paragraph 2, eliminate the possibility of using credits for the excess of deductions on taxable income for Flat tax purposes (credit of tax loss of flat tax) in order to reduce the Income tax to be paid while could be credited against the Flat tax base.

iv. In 2011 the subsidiary (SEVAB) amortized tax loss carry forwards of Ps5,229,695.

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

	Year ended December 31,	
	2012 (*)	2011 (*)
Income before income tax provisions	Ps 375,891,633	Ps 338,243,380
Statutory income tax rate	30%	30%
Income tax at statutory rate	112,767,490	101,473,014
Plus (less) effect of the income tax on:		
Inflation	(3,392,111)	(2,471,988)
Nondeductible expenses or (taxable income)	1,572,046	2,364,082
Other items	(2,225,749)	(1,730,200)
Maximum charge to income for income tax	Ps 108,721,676	Ps 99,634,908
Effective income tax rate	29%	29%

(*) Unaudited

At December 31, 2012 and 2011, the principal temporary differences on which deferred income tax was recorded are shown below:

	December 31,	
	2012 (*)	2011 (*)
Costs of future events	(Ps 10,790,570)	(Ps 13,198,417)
Expenses to amortize	(17,052,821)	(3,119,400)
Furniture and equipment	2,249,904	278,038
Revenue of future events - Net	2,999,863	12,070,566
Liability provisions and estimations	19,613,233	22,989,560
Allowance for doubtful accounts	697,680	—
	(2,282,711)	19,020,347
Income tax rate	30%	30%
Deferred income tax (liability) asset	(Ps 684,813)	Ps 5,706,104

(*) Unaudited

b. Flat Tax:

i. In 2012 and 2011, VBC and SEVAB determined a tax profit of Ps299,537,378 and Ps347,429,864, respectively and ETK determined a tax loss of Ps9,129,468. The result differs from the accounting result mainly because, for accounting purposes, the transactions are recognized on the basis of the accrued while for tax purposes, these are recognized on the basis of the cash flow and for such items only affecting the accounting or tax result of the year.

ii. Flat Tax of the 2012 and 2011 is calculated at the 17.5% rate on the profit determined with base on the cash flows, such net income represents the difference between the total income collected by taxable activities, less the authorized tax deductions. In addition, it is also allowed to reduce this amount with the Flat tax credits, based on the procedures established in the effective law and the rate change effect of temporary differences has been recognized in previous periods.

iii. According with the effective tax law, the Company must pay annually the higher tax between Income tax and Flat tax.

Note 15 - Commitments:

a. The company signed an agreement with an affiliated company for the use of office space, and for providing 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 this city. The company pays to OCESA a monthly fixed fee. In addition, VBC has signed a lease agreement with an individual, (which will expire on August 19, 2013) involving a building located in the city of Guadalajara, Jalisco, to house its offices in that city. VBC pays a fixed fee for this building lease which annually increases 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 the provision of certain cleaning and security services in these areas located inside the Palacio de los Deportes, Mexico City. This agreement gives SEVAB use of facilities used to their offices. OCESA SEVAB paid monthly to a fixed amount”.

c. As part of its daily business activities, VBC is engaged in the distribution and sale of tickets to certain artistic events to be conducted in the immediately following year. In this regard, certain amounts are received from third parties for the purchase of tickets to said events. The Company holds these amounts in cash, so that if the events in question are not held, the amounts should be returned in accordance with the applicable legal provisions. At December 31, 2012 and 2011, cash and cash equivalents included deposits totaling Ps313,692,752 and Ps292,406,727, respectively, received from said third parties for the eventual acquisition of tickets.

d. Ticketmaster Brand Name and System. The company entered into license agreements (expiring on March 31, 2015) with Ticketmaster Corporation for use of the TicketMaster brand names and system, paying a fixed royalty fee denominated 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 are renewable under similar terms to those currently in effect, when they expire.

Note 16 - 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 as the determination of transfer prices concerns, 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. VBC regularly contracts 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. Under the provisions of the labor legislation and recent amendments thereto on the subject of social security, some of the contractors or workers of these service providers may take steps for VBC to be considered the beneficiary of those services or responsible for possible related contingencies.

c. 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"), for 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 VBC's requested as 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. Said authorization was challenged by Wal-Mart at the Federal Tax Courts. The authorities have not yet issued the corresponding closing instruction or started the analysis of the matter at hand. In the opinion of VCB's advisors, the authorities may confirm the resolution contested by Wal-Mart, and the latter could be fined for improper use of the brand.

d. VBC requested that the infractions be declared against Wal-Mart, for improper use of the reservation of rights to the "La Guía de Entretenimiento", 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, proceedings of which VBC is a party, as aggrieved third party, and whose instruction period is soon to be concluded. In the opinion of VCB's advisors, the authorities may confirm the resolution contested by Wal-Mart, and the latter could be fined for improper use of VBC's reservation of rights.

e. On November 22, 2010, VBC contested the April 19, 2010 resolution, whereby INDAUTOR dismissed the action for renewal of the reservation of rights for exclusive use of the "La Guía de Entretenimiento" Title, in the magazine genre, against which VBC filed an appeal at the Federal Tax Courts. This proceeding is currently in the pleadings phase. In the opinion of VBC's advisors, the authorities may possibly demand that INDAUTOR renew said registration. However, as a preventive measure, VBC has obtained a new registration for said publications, which is currently in effect.

f. On 22 June 2012 the Directorate of Advertising and Standards PROFECO to OCESA information required for his alleged role in the violation of various rules generated by the sale of tickets for public performances through the internet portal www.ticketbis.com OCESA mx relief such request the July 6, 2012, stating that the probable cause of the offending behavior was the company Evandti, S. A. de C. V., internet portal operator ticketBis, who was notified and called in September 2012, so that in the opinion of outside counsel OCESA, this shall be released from any liability for the actions of third parties.

   Meanwhile OCESA and VBC facts filed complaints against PROFECO Evandti Company, S. A. de C. V. for violations of the Federal Consumer Protection, which will likely accrue to the file mentioned in the previous paragraph. In the opinion of counsel and VBC OCESA a high potential that these processes terminate in sanctions against the company Evandti, S. A. de C. V.

g. On May 14, 2012 Computer Ticketing, S. A. de C. V. ("VBC") query submitted to the Municipal Treasurer of the Municipality of Zapopan seeking reassurance that it should not pay tax on Public Entertainment government by Municipal Finance Act of the State of Jalisco therefore are not applicable to the Articles 13 (fraction I) and 50 of the Revenue Act of Zapopan, Jalisco for fiscal 2012 as well as the diverse 131 Bis-A of the Municipal Finance Act of the State of Jalisco, arising from the fact that dedicated to the issue of electronic ticketing but not the exploitation of public entertainment.

   By letter dated July 5, 2012, issued by the Director of Revenue Zapopan Municipal treasury, ruled that the companies in charge for electronic ticketing (such as Ticketing Computer, Inc.) to the perceived payment for the cost of the ticket, become jointly liable for the payment of the tax on public shows. With the previous CIO configured the first act of applying the provisions governing the Public Entertainment Tax. In the opinion of outside counsel for the company there are high chances that VBC is relieved to pay the tax on public shows in the municipality of Zapopan, Jalisco.

h. On August 15, 2012, Computer-Ticket, S. A. de C. V. ("VBC") promoted judicial review to the General Procedures of the Federal Consumer Protection "PROFECO" against the decision dated July 24, 2012 through which sanctioned for alleged VBC violation of Article 10 of the Federal Consumer Protection to consider that some practices in the marketing and sale of services termed as "The Guide consists of an unfair practice for the consumer, the resolution was unfavorable PROFECO VBC, so the same is challenged and is pending that have a favorable outcome to it.

i. VBC and its subsidiaries regularly hire service providers specializing in safety, cleanliness, access control, production, assembly and the like to develop their events and activities held multiple contracts with third parties undertake to developed activities for the Company and its subsidiaries. Under labor law and recent changes in legislation in social security, the possibility exists that some subcontractors or employees of these providers or third parties seeking to exert further actions to which the Company and its subsidiaries they be considered beneficiaries of their services or are responsible for possible contingencies in such matters.

j. To date, the VBC and its subsidiaries, are part of seven working procedures, which were alleged to be potential beneficiaries of the services of the actors in such proceedings instituted against various service providers or individuals and/or entities with whom the Company does business, they have concluded with this and/or subsidiaries treatment in which it is shown that there is no employment relationship between subcontractors and/or employees of these providers have committed (and in most cases guaranteed) to get to the Company in peace and balance and compensate for any liability that is, therefore, in accordance with labor consultants of the Company, is not adequate to address book amounts to these actions which are the responsibility of the third.

k. VBC and its subsidiaries are regularly called by the Federal Consumer when consumers of their services do not consider the conditions in which they are offered and complain to this office. Currently there are 11 processing complaints conciliation stage, so that makes the procedures followed in the Federal Court of Fiscal and Administrative Justice has eleven pending sentencing procedures, six in expanding demand, claim stage three, eight on defense and five on admission of the complaint. To date, the Company has not suffered any detriment by these complaints and regularly acquitted of consumer claims, and otherwise not subject to arbitration before this authority, which is optional, whereupon the consumers would have to present its case before a civil court, which has not happened at any time in the past.

l. According to the agreements of the shareholders of the Company0s American Entertainment Corporation, S. A. B. de C. V. ("CIE"), is responsible for dealing with, any contingency that is filed against the Company and its subsidiaries which has arisen from acts prior to October 18, 2012, forcing CIE to defend, indemnity and if take out harmless the Company(including the obligation to pay any amount that has to be done is payable by a penalty), so the Company has no record of such procedures, substance directly to CIE by the agreement.

Note 17 - New financial reporting standards:

During December 2012 and 2011, the Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera (CINIF) issued a series of Mexican Financial Reporting Standards (MFRS), which will become effective as of January 1, 2013 and 2014, it is considered that such MFRS will not substantially affect the financial information presented by the Company, as explained below:

2013

MFRS B-3 “Comprehensive income statement” establishes the entity's choice of presenting the comprehensive income in one or two statements. It also states that the other comprehensive income (OCI) is part of the comprehensive income of the period and must be presented after the net profit or loss; it eliminates the concept of non-ordinary items and sets that the ESPS and the results of the sale of fixed assets should be presented as operating expenses and no longer in other income and expenses, which is now considered optional.

MFRS B-4 “Statement of changes in stockholders' equity” establishes the standards for the above as well as the required disclosures in the event some activity in the stockholders' equity takes place.

MFRS B-6 “Statement of the financial position”. This new standard does not trigger any significant change in connection with the existing regulation.

MFRS B-8 “Consolidated or combined financial statements”. The standard is modified in order to incorporate amendments to the definition of control, the concept of protective rights is introduced, the figures of principal and agent are incorporated, the term of special purpose entity (SPE) is eliminated and the term structured entity is also introduced.

MFRS C-7 “Investment in associates, joint ventures and other permanent investment”. The standard is modified because more disclosure is required, therefore, it states that investment in joint ventures should be recognized through the application of the equity method, the term of special purpose entity (SPE) is replaced by structured entity, it establishes that all effects in the net holding earning or loss derived from its permanent investment in associates, joint ventures and other permanent investments should be recognized in equity in other entities results.

MFRS C-21 “Joint control agreements” It establishes the accounting recognition for the proper classification of joint control agreements. It establishes that a participant in a joint venture should recognize its interest in it as a permanent investment and value it based on the equity method, setting the accounting recognition to be followed in order to change from proportional consolidation to equity method.

Improvements to MFRS 2013:

- MFRS C- 5 “Advanced payments”, Bulletin C-9 “Liabilities, provisions, contingent assets and liabilities and commitments” and Bulletin C-12 “Financial instruments with characteristics of liabilities, equity or both”. It establishes that obligations issuance costs should be presented as a reduction in the corresponding liability and should be applied to profit and loss based on the effective equity method considering the period where the obligations are outstanding.

- MFRS D-4 “Income tax”. It specifies how the recognition of current and deferred taxes related to transactions or events that do not pass through the income statement should be done.

- Bulletin D-5 “Leasing”. It establishes the direct initial costs should be deferred during the leasing period and applied to income in proportion to the recognition of relative expenditures.

- MFRS A-1 “Structure of financial reporting standards” and Bulletin C-9 “Liabilities, provisions, contingent assets and liabilities and commitments”. It specifies the meaning of likely mentioned that is when there is certainty that the future event will occur based on information, evidence or data available.

- MFRS B-3 “Comprehensive income statement”. It removes the references to other income and expenses mentioned in the Appendixes.

- MFRS B-7 “Business acquisitions”. It removes the concept of non-ordinary items from the comprehensive income statement

- Bulletin B-14 “Earnings per share”. It specifies the determination of ordinary shares potentially dilutive in interim periods.

- MFRS B-15 “Translation of foreign currencies”. It specifies the presentation of cumulative translation adjustment associated with non-participation.

- Bulletin C-15 “Impairment in the long-lived assets value and their disposal”. It modifies the Bulletin C-15 in order to include in the impairment indicators the potential impact of a significant increase in market interest rates.

2014

MFRS B-12 “Offsetting financial assets and financial liabilities”. It establishes the principle of compensation of assets and liabilities, indicating that the items to be offset should be financial items.

MFRS C-14 “Transfer and derecognition of financial assets”. It establishes the principle of transfer of risks and rewards of ownership of the financial asset, as underlying condition to derecognition.

The accompanying eighteen notes are an integral part of these financial statements, which were authorized for issuance on February 28, 2012 by the directors that sing the financial statements and their related notes except for the Note 18 which were authorized for issuance on June 27, 2014 by Gerardo Ledesma.

Note - 18 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 the 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 17 of Form 20-F, this reconciliation does not include disclosure of all information that would be required by U.S. GAAP and regulations of the SEC.

I. Differences in measurement methods

a. Inflation as from December 31, 2007, inflation accounting was discontinued. The following 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 both MFRS and U.S. GAAP.

b. The company provides financing to related parties and interest is determined by using the nominal interest rate as required by MFRS. In accordance with ASC 470 "Debt" the borrower's periodic interest cost shall be determined by using the effective interest method based on the estimated outstanding term of the debt. The effective interest rate used for calculating amortization under the effective interest method generally discounts contractual cash flows through the contractual life of the instrument and amortized over the contractual or expected life.

The Company quantified the effects of the difference in the measurement methods and determined that the impact to the consolidated financial statements were not significant to neither the net income nor the stockholder´s equity therefore a reconciliation of net income and stockholders' equity from MFRS to U.S. GAAP is not presented.

Certain reclassifications have been made to the 2012 consolidated financial statements to conform to the 2013 presentation. There is no impact to the consolidated financial statements.

II. Additional accounting policies

a. Consolidation

<u>Subsidiaries</u>

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

Due to the recording currency as the functional and reporting currencies of the Company and its subsidiaries and associates is Mexican peso, 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 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, we compare the estimated undiscounted future cash flows related to the assets to 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 the current fair value. We use various assumptions in determining the current fair market value of these assets, including future expected cash flows and discount rates, as well as future salvage values and 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, we 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 other equipment - 10 years
Transportation equipment - 20 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, we perform 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 we 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, we 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 and are reflected in 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.