

## Grupo Sports World reports its financial results for 2Q16 with a 17.6% growth in Net Revenue and a 14.2% growth in EBITDA.

Mexico City, July 19, 2016 – Grupo Sports World, S.A.B. de C.V. (“Sports World”, “SW”, “the Company” or “the Group”) (BMV: SPORT) announced today its consolidated financial and operating results for the second quarter period ended June 30, 2016.

### Second Quarter 2016

(Figures in millions of pesos. Variations are measured versus the same period of 2015).

- Sports World, the leading chain of family fitness clubs in Mexico, closed 2Q16 with 46(1) clubs in operation and an additional 2 under construction and membership pre-sale.
- Stemming from our strategies centered on customer service the net churn rate reached a record low, below 2.0%, or more than 1.0 percentage point better as compared to the same period of the prior year.
- At the closing of 2Q16, the number of enrolled Customers reached a record high of 69,230, up 13.2% from the closing of 2Q15. Average monthly visits also showed a considerable 14.0% increase with respect to 2Q15.
- Net Revenue came to \$339.0 million pesos, a 17.6% increase with respect to 2Q15.
- Corporate Costs represented 5.8% of Net Revenue, or a reduction of 0.9 percentage points as compared to 2Q15.
- EBITDA totaled \$52.0 million pesos, a 14.2% increase with respect to 2Q15. EBITDA margin was 15.3%, compared to the 15.8% registered in 2Q15.
- Net Income registered \$3.2 million pesos and Margin stood at 0.9%.

### January - June 2016

(Figures in millions of pesos. Variations are measured versus the same period of 2015).

- Net Revenue came to \$653.9 million pesos, a 17.5% increase as compared to the same period in 2015.
- Corporate Costs represented 6.2% of Net Revenue, for a reduction of 0.7 percentage points with respect to the same period in 2015.
- EBITDA was \$97.2 million pesos, for a 22.2% increase as compared to 2015. EBITDA margin was 14.9%, compared to the 14.3% registered in 2015.
- Net Income totaled \$5.0 million pesos and Net Income Margin came to 0.8%, or 0.7 percentage points above the 0.1% obtained during the same period in 2015.



## Income Statement

(Thousands of Ps)	Second Quarter			January - June		
	2016	2015	% Var	2016	2015	% Var
<b>Net Revenue</b>	<b>338,994</b>	<b>288,351</b>	<b>17.6%</b>	<b>653,932</b>	<b>556,520</b>	<b>17.5%</b>
Clubs' Operating Expenses <sup>1</sup>	267,343	223,460	19.6%	515,915	438,370	17.7%
<b>Gross Contribution</b>	<b>71,651</b>	<b>64,891</b>	<b>10.4%</b>	<b>138,016</b>	<b>118,150</b>	<b>16.8%</b>
<i>Gross Contribution Margin</i>	21.1%	22.5%	-1.4 pt	21.1%	21.2%	-0.1 pt
Corporate Expenses	19,652	19,347	1.6%	40,839	38,600	5.8%
Depreciation & Amortization	40,832	32,577	25.3%	77,549	64,629	20.0%
<b>Operating Income</b>	<b>11,167</b>	<b>12,967</b>	<b>-13.9%</b>	<b>19,629</b>	<b>14,921</b>	<b>31.6%</b>
<i>Operating Income Margin</i>	3.3%	4.5%	-1.2 pt	3.0%	2.7%	0.3 pt
Net Financing Result	(6,749)	(7,493)	9.9%	(12,655)	(14,117)	10.4%
<b>Net Income</b>	<b>3,170</b>	<b>4,090</b>	<b>-22.5%</b>	<b>5,004</b>	<b>601</b>	<b>732.4%</b>
<i>Net Income Margin</i>	0.9%	1.4%	-0.5 pt	0.8%	0.1%	0.7 pt
Number of shares outstanding	82,118,949	82,118,949		82,118,949	82,118,949	
EPS <sup>2</sup>	0.04	0.05	-22.5%	0.06	0.01	732.4%
<b>EBITDA</b>	<b>51,999</b>	<b>45,544</b>	<b>14.2%</b>	<b>97,178</b>	<b>79,550</b>	<b>22.2%</b>
<i>EBITDA Margin</i>	15.3%	15.8%	-0.5 pt	14.9%	14.3%	0.6 pt

- 1) Club Operating Expenses do not include Depreciation and Amortization.  
2) Earnings per Share (EPS) is calculated by dividing Net Income by the number of shares outstanding.

## Number of clubs

Clubs in Operation and Construction	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
At the beginning of the period	35	36	37	41	42	42	44	45	46	47
Openings	1	1	4	1 <sup>b</sup>	0	2 <sup>c</sup>	1	1	1	1
<b>Total clubs in operation</b>	<b>36</b>	<b>37</b>	<b>41</b>	<b>42</b>	<b>42</b>	<b>44</b>	<b>45</b>	<b>46</b>	<b>47</b>	<b>48</b>
Construction and pre-sale of memberships	1	4 <sup>b</sup>	2 <sup>b,c</sup>	2 <sup>c</sup>	4 <sup>c</sup>	2	3	2	3	2
<b>Total clubs in operation and pre-sale</b>	<b>37</b>	<b>41</b>	<b>43</b>	<b>44</b>	<b>46</b>	<b>46</b>	<b>48</b>	<b>48</b>	<b>50</b>	<b>50</b>

b) Includes SW Metepec, a club under the third-party operating model.

c) Includes SW Zona Esmeralda, a club under the third-party operating model.

Note: The total number of clubs in operation includes the club in Tijuana and Luna Parc in Mexico City, which have a shared operating agreement with a third-party and do not operate under the Sports World brand.

## Message from the CEO

During the quarter we opened our first club in Guadalajara, SW La Rioja, and we have two more under construction and pre-sale in that city, thus strengthening our leadership as the largest family club chain in Mexico.

The number of Customers by the end of the period reached a record 69,230, representing a 13.2% growth with respect to the same period of the prior year. Net Revenue was up 17.6%, while EBITDA grew 14.2% with respect to 2Q15.

This growth is driven by the strengthening of our strategy centered on offering better service to our Customers by developing a new hospitality culture, involving all of the company's employees. Our goal is to continue offering unique experiences that generate wellbeing which, when complemented with the adequate evolution and upkeep of our facilities, has allowed us to improve our customer satisfaction levels, increasing visit and occupancy rates at our clubs as well as reaching record levels of customer permanence and retention, and decreasing churn rates to record lows.

Based on our innovation strategy in our sports offering, we launched three new programs:

- *IndBike*, a unique Spinning concept that includes dynamic and challenging training routines that are combined with visual content on our screens and an ambiance offering lighting and sounds in keeping with the routine being executed. Our customer service surveys show good results for this new program, which has resulted in an increase in average visits for these sessions.
- *Bujustu*, training based on mixed martial arts that has also been well received by our Customers.
- *Intrinity*, a combination of Tai Chi, Yoga and Pilates.

On the other hand, we are proud to mention that our *Safe Splash* program has been well received and has sparked the interest of both our existing Customers and of new participants, thus considerably increasing participation from our customer base in the family and children segments.

During the quarter we transferred the operation of the Sports World Luna Parc to a third-party, and starting on July 1st we did the same with the Sports World Coacalco and Sports World Arboledas clubs. The three clubs will be operating under another commercial brand and will be operated by a third-party. We will maintain a share of profit. These transferences will allow us to concentrate our efforts on clubs that reflect our commercial strategy better, without losing share in the areas where these clubs operate.

Furthermore, beginning the month of July the Sports World club located in the Paseo Interlomas commercial mall will no longer be operating because the mall is currently undergoing an expansion and remodeling process. Mall administrators asked us to close and relocate the club, with them absorbing construction costs for the new club. We are currently evaluating the viability of the terms proposed by the mall for reopening the club. Customers of that club have been granted special privileges for using other clubs in the chain in order to make it easier for them to decide which club they want to belong to.

On the other hand, we are pleased to share with you that during the quarter we obtained the Super Empresas Expansión 2016 recognition as well as the Empresa Socialmente Responsable (socially responsible company) certification for the ninth and fifth consecutive years, respectively. Furthermore, we reached the highest level of the Organización Responsablemente Saludable (responsible organizations in terms of health) recognition. Congruent to our policy of offering quality and good service, we maintained our ISO 9001:2008 certification.

Based on our commitment with wellbeing and health, we are maintaining our partnership with Save the Children through a campaign aimed at lowering overweight and obesity rates in children. Furthermore, we were recently invited to be part of the Council for the prevention and comprehensive care of obesity and food-related disorders in Mexico City, and we hope to be able to contribute to lowering ailments related to a sedentary life

Finally, I wish to thank our shareholders for the trust they have placed on us, as well as our Customers who honor us with their preference. I also wish to reiterate my recognition to our employees, whose work, dedication and effort are the pillars upon which we are able to offer excellence in service and to exceed our customer's expectations day after day.

**Fabian Bifaretti**  
Chief Executive Officer

## Summary of Operations 2Q16

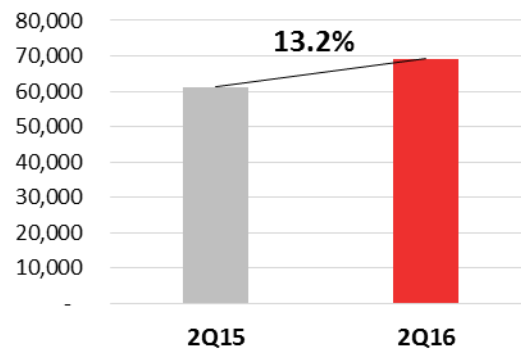
### Customers

At the end of the quarter, the number of enrolled Customers, excluding Customers of the Tijuana or Luna Parc clubs, came to 69,230, up 13.2% with respect to 2Q15.

This growth was basically driven by the successful opening of the SW La Rioja club which, two months into its operation, has reached an occupancy rate of more than 50%, and by the clubs with less than twelve months in operation whose occupancy levels, in spite of having been opened just recently, are above 70%.

Additionally, stemming from our strategies centered on customer service, the net churn rate was at a record low, below 2.0%, or more than one percentage point below the same period of the prior year.

CUSTOMERS

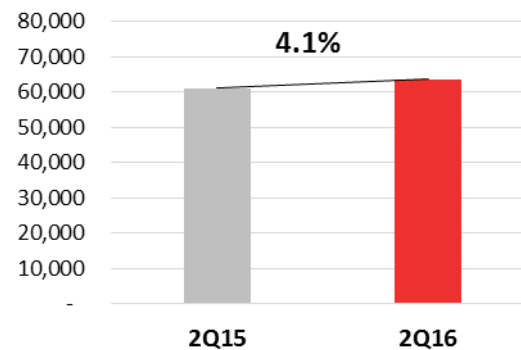


### Customers – Same Clubs

At the closing of 2Q16, the number of enrolled Customers in clubs with more than twelve months in operation increased 4.1%, as compared to the same period in 2015.

The work our Call Center has done to recover Customers, our constant focus on offering excellent service, our new sports offering, and our first-rate facilities, have all contributed to making customer satisfaction levels reach record highs, all of which favors retaining, recovering, and attracting new Customers.

CUSTOMERS SAME CLUBS

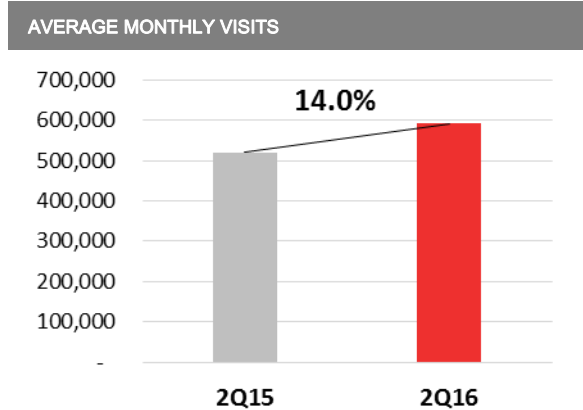


## Average Monthly Visits

During 2Q16, the average number of monthly visits was approximately 592,033, representing an increase of 14.0% with respect to 2Q15.

This increase is the result of a greater number of clubs in the chain, while maintaining the good rates of prior quarters in the number of visits per customer per month, an issue that is closely related to the increase in satisfaction levels and the decrease in churn levels.

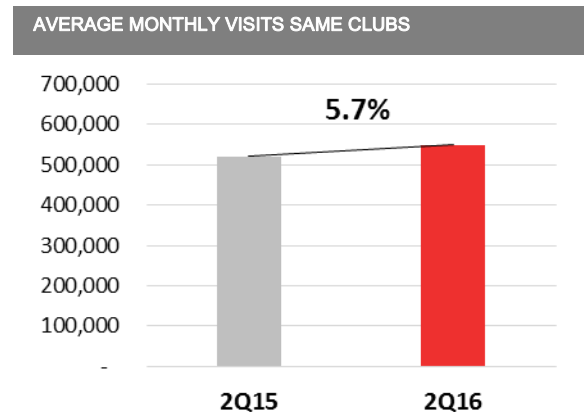
During this year, the monthly average number of visits was approximately 551,235, up 14.8% with respect to the first six months of 2015.



## Average Monthly Visits Same Clubs

The average number of monthly visits in the clubs in the chain with more than 12 months in operation was approximately 548,901, an increase of 5.7% with respect to the same quarter in 2015.

The cumulated average visits of the first 6 months of the year was 495,900, an increase of 5.7% with respect to the same period of the prior year.



## Financial Results

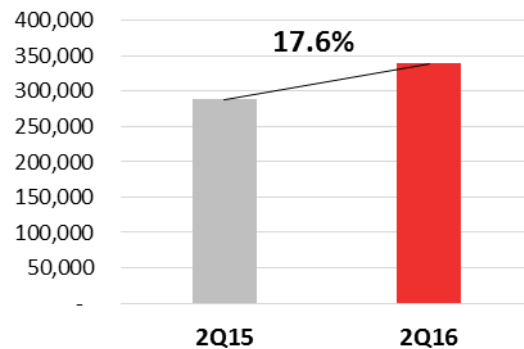
### Net Revenue

In 2Q16, Net Revenue came to \$339.0 million pesos, a 17.6%, an increase of 17.6% as compared to the same period of the prior year. This result reflected greater revenue from monthly dues driven from the continuous growth in the number of Customers in the clubs with less than 24 months in operation, and by good performance in retention and permanence in the totality of the clubs.

Furthermore, revenue from other services, sponsorships and other activities grew 14.4% with respect to 2Q15 and represented 14.2% of Net Revenue, driven by the increase in sports programs sales.

Cumulatively, Net Revenue came to \$653.9 million pesos, up 17.5% as compared to the same period in 2015.

NET REVENUE (Ps. thousands)

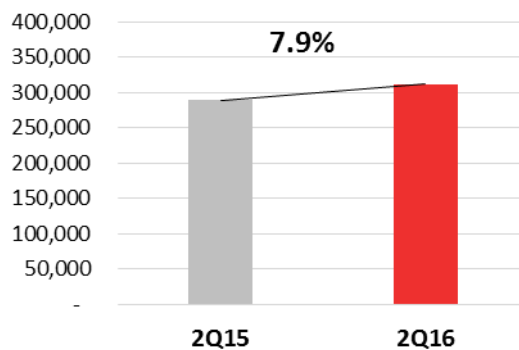


### Net Revenue – Same Clubs

Net Revenue from same clubs, meaning those clubs with more than 12 months in operation, showed an increase of 7.9% with respect to the same period in 2015 driven by the growth in the number of Customers and the increase in revenue from other services, sponsorships, and sports programs.

During the first 6 months of the year, same clubs Net Revenue grew 6.5% with respect to the same period in 2015.

NET REVENUE – SAME CLUBS (Ps. thousands)

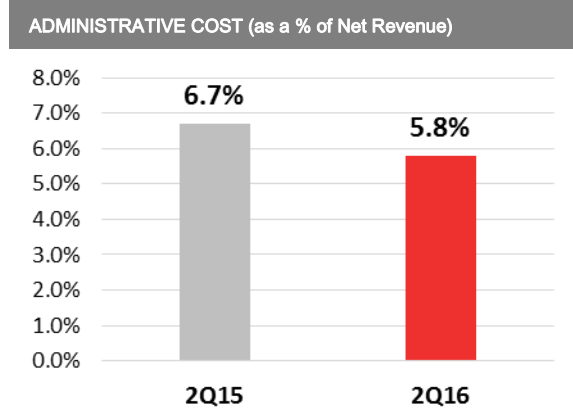


## Administrative Cost

Administrative Costs registered \$19.7 million pesos, a 1.6% increase with respect to 2Q15, a percentage that has evolved below the average salary increases as a result of optimizations made to our structure. Administrative Costs as a percentage of Net Revenue came to 5.8%, representing a decrease of 0.9 percentage points as compared to the number reported in 2Q15.

Cumulatively, Administrative Costs represented 6.2% of Net Revenue, or 0.7 percentage points below the number registered in 2015.

This reflects the continuity in the process of generating efficiencies in administration and supporting the operation.



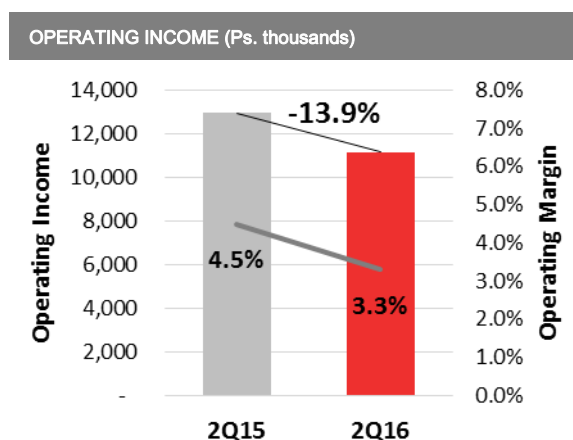
## Operating Income

Operating Income for 2Q16 came to \$11.2 million pesos, a 13.9% reduction with respect to 2Q15. Operating Margin was 3.3%, a decrease of 1.2 percentage points as compared to the margin reported for the same quarter of the prior year.

Operating Expenses for clubs were up 19.6% with respect to 2Q15, in line with our expectations based on the operating changes made in order to strengthen our commitment to offering an excellent service to our Customers, aside from including expenses related to the 4 new clubs that were not operating in 2Q15.

Depreciation and Amortization for the quarter totaled \$40,832, an increase of 25.3% as compared to the same period of the prior year.

Operating Income cumulated to June 2015 came to \$19.6 million pesos, an increase of 31.6% with respect to 2Q15. Operating Margin was 3.0% as compared to the 2.7% we had during the same period in 2015.



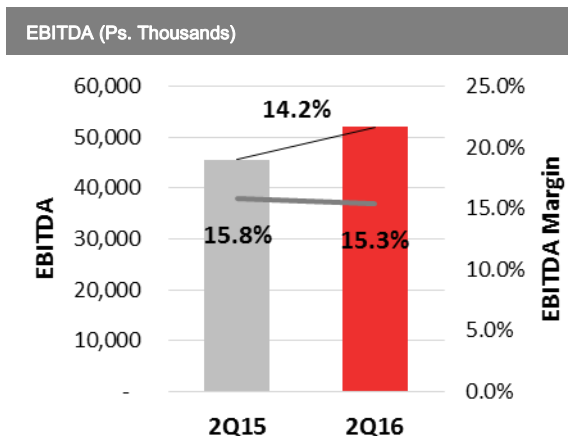


## Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)

EBITDA for 2Q16 came to \$52.0 million pesos, a 14.2% increase as compared to the same period in 2015. EBITDA Margin stood at 15.3%, a reduction of 0.5 percentage points as compared to the amount registered in 2Q15.

Cumulatively, EBITDA totaled \$97.2 million pesos, representing an increase of 22.2% with respect to the first half of 2015. EBITDA margin was 14.9%, compared to the 14.3% we reported in 2015.

The constant focus on service, greater attention to the optimal upkeep of the facilities, and a comprehensive and dynamic sports offering have driven customer satisfaction levels, resulting in the control of the churn rate that reached record lows during this quarter.



(Thousands of Ps)	Second Quarter			January - June		
	2016	2015	% Var	2016	2015	% Var
<b>Net Income</b>	<b>3,170</b>	<b>4,090</b>	<b>-22.5%</b>	<b>5,004</b>	<b>601</b>	<b>732.4%</b>
Income Tax	1,248	1,384	-9.8%	1,970	203	868.2%
Financing Expense	(6,749)	(7,493)	-9.9%	(12,655)	(14,117)	(10.4%)
Depreciation & Amortization	40,832	32,577	25.3%	77,549	64,629	20.0%
<b>EBITDA <sup>1</sup></b>	<b>51,999</b>	<b>45,544</b>	<b>14.2%</b>	<b>97,178</b>	<b>79,550</b>	<b>22.2%</b>
EBITDA Margin	15.3%	15.8%	-0.5 pt	14.9%	14.3%	0.6 pt

1) EBITDA is calculated by adding Profit (loss) before Taxes, the Net Financing Expense and Depreciation & Amortization.

## Net Income

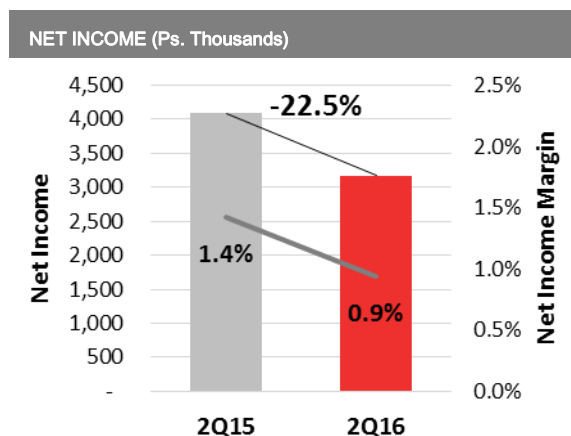
Net Income came to \$3.2 million pesos, a 22.5% reduction as compared to the numbers we reported during the same period in 2015. This is the result of the reduction in Operating Income.

Comprehensive Financing Cost registered a cost of \$6.7 million pesos, a 9.9% decrease due mainly to the lower net amount in interest payments.

Effective Tax Rate during the quarter came to 28.2%, compared to the 25.3% registered in 2Q15, maintaining the same levels reported during the first quarter of the year.

Net Income Margin for the quarter was 0.9%, representing a reduction of 0.5 percentage points with respect to the margin registered in 2Q15.

Cumulatively, Net Income registered \$5.0 million pesos, a 732.4% increase as compared to the same period in 2015. The Net Income Margin cumulated as of June 2016 stood at 0.8%, compared to the 0.1% registered the prior year.



	Second Quarter				January - June			
	2016	2015	Var \$	% Var	2015	2014	Var \$	% Var
Interest Paid	(7,884)	(8,004)	121	-1.5%	(15,700)	(15,463)	(238)	1.5%
Interest Gained	765	324	441	136.0%	2,427	1,136	1,291	113.6%
FX Gains	(424)	(36)	(388)	1090.0%	(830)	(13)	(817)	6172.1%
Other Financial Expenses <sup>1</sup>	794	223	794		1,448	223	1,448	
<b>Net Financing Result</b>	<b>(6,749)</b>	<b>(7,493)</b>	<b>744</b>	<b>-9.9%</b>	<b>(12,655)</b>	<b>(14,117)</b>	<b>1,462</b>	<b>-10.4%</b>

1) Includes the result of the valuation of the interest rate hedging.

## Balance Sheet

### Cash and Cash Equivalents

Cash and Equivalents at the closing of 2Q16, registered \$24.4 million pesos, down \$20.2 million or 45.3% with respect to the prior year, due mainly to payments made to suppliers related to the investments made in building new clubs, as well as interest payments and the amortization of existing loans.

### Improvements to Leased Properties

This concept registered \$1,191.8 million pesos, an increase of 73.2 million pesos or 6.5% with respect to the same date in 2015 as a result of investments made to provide furnishings and equipment to new clubs.

### Suppliers, Creditors and Others

The Company has a balance of \$134.3 million pesos in this account, representing a decrease of \$8.1 million pesos or 5.7% with respect to the amount reported on the same date in 2015. This balance is made up of the amounts pending that need to be paid to suppliers, including those in charge of construction and equipment for the clubs.

### Net Debt

As of June 2016, Net Debt of the Cash and Equivalent account came to \$379.5 million pesos due mainly to long-term loans. These resources have been used in remodeling and renovating existing clubs, and to provide furnishings and equipment for the new clubs.




The Net Debt/EBITDA ratio continues to be at conservative levels; in 2Q15 it was 1.7x, compared to the 1.6x reported at the end of June 2016.

After the end of the quarter, during the month of July the Company obtained two new lines of credit for working capital, each for \$25 million pesos. The first one will be paid off in December of this year and the second one in June of next year, at the latest.

## Share Buyback Program

Sports World actively operates a share buyback fund and as of June 30th, 2016 has 1,796,762 repurchased shares.

## Recent Events

-  Partnership with Save the Children in the fight against having children who are overweight or obese.
-  Beginning of operations of club number 48: SW La Rioja, in Guadalajara City.
-  Transfer of Luna Parc, Coacalco and Arboledas Clubs which will operate under the shared operation model.

## About Grupo Sports World

Grupo Sports World, S.A.B. de C.V. is the leading operator of family fitness clubs in Mexico. The Company offers several concepts that are specifically designed to enable all family members to practice sports and participate in other health-related activities under the same roof. Sports World has a wide range of fitness and other programs that focus on the specific needs of its members. The Company also offers training, health and nutrition services, which reflect the latest global fitness industry trends. Sports World is listed on the Mexican Stock Exchange (BMV) under the ticker symbol "SPORT" (Bloomberg: SPORTS:MM).

### Note on Forward-Looking Statements

*This report may contain certain forward-looking statements and information relating to Grupo Sports World S.A.B. de C.V. and its subsidiaries that reflect the current views and/or expectations of Sports World and its management with respect to its performance, business and future events. Forward looking statements include, without limitation, any statement that may intend to predict, forecast, indicate or imply future results, performance or achievements, and may contain words like "believe," "anticipate," "expect," "envisage," "will likely result," or any other words or phrases of similar meaning. Such statements are subject to a number of risks, uncertainties and assumptions. We advise you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this presentation and in oral statements made by authorized officers of Grupo Sports World. Readers are cautioned not to place undue reliance on these or any forward-looking statements, which relate to the company's current situation only as of their dates of publication. Sports World undertakes no obligation.*

## Income Statement

**GRUPO SPORTS WORLD, S.A.B. DE C.V. & SUBSIDIARIES**

Consolidated Income Statement  
For the Second Quarter 2015 & 2014  
(Thousands of Ps)

	Second Quarter			January - June		
	2016	2015	% Var	2016	2015	% Var
Revenue from membership sales & monthly dues	290,777	246,186	18.1%	571,782	477,219	19.8%
Revenue from other services, sponsorships & other activities	48,217	42,165	14.4%	82,150	79,301	3.6%
<b>Net Revenue</b>	<b>338,994</b>	<b>288,351</b>	<b>17.6%</b>	<b>653,932</b>	<b>556,520</b>	<b>17.5%</b>
Operating Expenses	250,678	207,480	20.8%	484,321	405,070	19.6%
Selling Expenses	16,665	15,980	4.3%	31,594	33,300	(5.1%)
<b>Clubs' Operating Expenses</b>	<b>267,343</b>	<b>223,460</b>	<b>19.6%</b>	<b>515,915</b>	<b>438,370</b>	<b>17.7%</b>
<b>Gross Contribution<sup>1</sup></b>	<b>71,651</b>	<b>64,891</b>	<b>10.4%</b>	<b>138,016</b>	<b>118,150</b>	<b>16.8%</b>
<i>Clubs' Gross Contribution Margin</i>	<i>21.1%</i>	<i>22.5%</i>	<i>-1.4 pt</i>	<i>21.1%</i>	<i>21.2%</i>	<i>-0.1 pt</i>
Corporate Expenses	19,652	19,347	1.6%	40,839	38,600	5.8%
<i>% Corporate Expenses / Net Revenue</i>	<i>5.8%</i>	<i>6.7%</i>	<i>-0.9 pt</i>	<i>6.2%</i>	<i>6.9%</i>	<i>-0.7 pt</i>
Depreciation & Amortization	40,832	32,577	25.3%	77,549	64,629	20.0%
<i>% D&amp;A / Net Revenue</i>	<i>12.0%</i>	<i>11.3%</i>	<i>0.7 pt</i>	<i>11.9%</i>	<i>11.6%</i>	<i>0.2 pt</i>
<b>Total Operating Expenses</b>	<b>327,827</b>	<b>275,384</b>	<b>19.0%</b>	<b>634,303</b>	<b>541,599</b>	<b>17.1%</b>
<i>% Total Operating Expenses / Net Revenue</i>	<i>96.7%</i>	<i>95.5%</i>	<i>1.2 pt</i>	<i>97.0%</i>	<i>97.3%</i>	<i>-0.3 pt</i>
<b>Operating Income</b>	<b>11,167</b>	<b>12,967</b>	<b>-13.9%</b>	<b>19,629</b>	<b>14,921</b>	<b>31.6%</b>
<i>Operating Margin</i>	<i>3.3%</i>	<i>4.5%</i>	<i>-1.2 pt</i>	<i>3.0%</i>	<i>2.7%</i>	<i>0.3 pt</i>
Net Financing Result	(6,749)	(7,493)	-9.9%	(12,655)	(14,117)	-10.4%
<b>Earnings Before Taxes</b>	<b>4,418</b>	<b>5,474</b>	<b>-19.3%</b>	<b>6,974</b>	<b>804</b>	<b>767.8%</b>
Income Tax	1,248	1,384	-9.8%	1,970	203	868.2%
<b>Net Income</b>	<b>3,170</b>	<b>4,090</b>	<b>-22.5%</b>	<b>5,004</b>	<b>601</b>	<b>732.4%</b>
<i>Net Income Margin</i>	<i>0.9%</i>	<i>1.4%</i>	<i>-0.5 pt</i>	<i>0.8%</i>	<i>0.1%</i>	<i>0.7 pt</i>
<b>EBITDA</b>	<b>51,999</b>	<b>45,544</b>	<b>14.2%</b>	<b>97,178</b>	<b>79,550</b>	<b>22.2%</b>
<i>EBITDA Margin</i>	<i>15.3%</i>	<i>15.8%</i>	<i>-0.5 pt</i>	<i>14.9%</i>	<i>14.3%</i>	<i>0.6 pt</i>

1) Gross Contribution does not include Depreciation & Amortization or Corporate Expenses.

## Balance Sheet

### GRUPO SPORTS WORLD, S.A.B. DE C.V. & SUBSIDIARIES

Consolidated Balance Sheet

As of June 30, 2016 & 2015

(Thousands of Ps)

	2016	2015	Var \$	Var %
Cash and Equivalents	24,412	44,593	(20,181)	-45.3%
Accounts Receivable (net)	51,096	42,029	9,068	21.6%
Inventory	14,400	9,300	5,100	54.8%
Prepayments <sup>1</sup>	29,282	36,832	(7,551)	-20.5%
<b>Total Current Assets</b>	<b>119,190</b>	<b>132,754</b>	<b>(13,564)</b>	<b>-10.2%</b>
Payments in Advance	12,852	11,568	1,284	11.1%
Improvements to leased properties, constructions in progress, furnishings and equipment (net)	1,191,773	1,118,573	73,200	6.5%
Intangible Assets (net)	65,246	62,593	2,653	4.2%
Other Assets (net)	161,717	143,105	18,612	13.0%
<b>Total Non-Current Assets</b>	<b>1,431,588</b>	<b>1,335,840</b>	<b>95,748</b>	<b>7.2%</b>
<b>Total Assets</b>	<b>1,550,778</b>	<b>1,468,594</b>	<b>82,184</b>	<b>5.6%</b>
	<b>2016</b>	<b>2015</b>	<b>Var \$</b>	<b>Var %</b>
Loans from financial institutions (current portion)	124,710	73,989	50,721	68.6%
Long-term lease payments (current portion)	3,450	3,081	369	12.0%
Suppliers, creditors & others	134,326	142,390	(8,063)	-5.7%
Deferred income from monthly dues	135,743	108,729	27,014	24.8%
<b>Total Current Liabilities</b>	<b>398,229</b>	<b>328,189</b>	<b>70,040</b>	<b>21.3%</b>
Long Term Loans from financial institutions	251,427	253,212	(1,785)	-0.7%
Long-term lease contracts	24,304	27,657	(3,352)	-12.1%
Other long-term liabilities	13,533	12,030	1,503	12.5%
<b>Total Non-Current Liabilities</b>	<b>289,264</b>	<b>292,899</b>	<b>(3,635)</b>	<b>-1.2%</b>
<b>Total Liabilities</b>	<b>687,493</b>	<b>621,088</b>	<b>66,405</b>	<b>10.7%</b>
Paid-in capital	575,604	575,604	-	0.0%
Retained Earnings	282,677	271,301	11,377	4.2%
Net Income	5,004	601	4,402	732.4%
<b>Total Shareholders' Equity</b>	<b>863,285</b>	<b>847,506</b>	<b>15,779</b>	<b>1.9%</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>1,550,778</b>	<b>1,468,594</b>	<b>82,184</b>	<b>5.6%</b>

1) Insurance for clubs, employees' medical expenses insurance, sports programs licenses, etc.

## Statement of Cash Flow

### GRUPO SPORTS WORLD, S.A.B. DE C. V. & SUBSIDIARIES

Consolidated Statement of Cash Flows

For the period ended on June 30, 2016

(Thousands of Ps)

	2016
<b>Operating Activities:</b>	
Earnings Before Taxes	6,974
Depreciation & Amortization	77,549
<b>Subtotal</b>	<b>84,523</b>
Cash flow generated by Operating Activities	(55,639)
<b>Net Cash Flow from Operations</b>	<b>28,884</b>
<b>Investment Activities:</b>	
Acquisitions of leased location improvements, furnishings, equipment and constructions	(99,286)
Decrease in Intangible Assets and Other Assets	(10,414)
<b>Net Cash Flow from Investment Activities</b>	<b>(109,700)</b>
<b>Cash before Financing Activities</b>	<b>(80,816)</b>
<b>Financing Activities:</b>	
Equity Increase	-
Additional Paid-in Capital	-
Repurchase of Own Stock	(176)
Payments of Loans and Capital Leases	(52,750)
<b>Net Cash Flow from Financing Activities</b>	<b>(52,926)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(133,742)</b>
<b>Cash &amp; Equivalents:</b>	
At the beginning of the period	158,154
<b>At the end of the period</b>	<b>24,412</b>

## Additional Indicators

Operations	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
Net Monthly Churn LTM* (same clubs)	-4.6%	-4.4%	-4.3%	-5.0%	-4.8%	-4.6%	-4.3%	-3.9%	-3.8%
Net Quarterly Churn	-3.6%	-3.9%	-4.8%	-7.5%	-3.0%	-2.9%	-3.8%	-5.5%	-2.0%
Average Monthly Visits	388,612	419,000	412,451	440,951	519,508	501,055	467,304	510,436	592,033
Operating Clubs	37	41	42	42	44	45	46	47	48
Clubs under Construction	4	2	2	4	2	3	2	3	2





Personnel	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
Clubs' Operations	1,652	1,700	1,671	1,728	1,679	1,703	1,688	1,762	1,955
Clubs' Allocation Personnel	31	31	34	41	38	43	47	62	66
Corporate Office	86	85	85	85	88	89	86	90	81
<b>Total</b>	<b>1,769</b>	<b>1,816</b>	<b>1,790</b>	<b>1,854</b>	<b>1,805</b>	<b>1,835</b>	<b>1,774</b>	<b>1,852</b>	<b>2,036</b>

\* LTM: Last Twelve Months

Notes:

- 1) The total number of clubs in operation includes the club in Tijuana, which has a shared operation agreement with a third-party and does not operate under the Sports World brand.
- 2) As of 3Q14, personnel at the club in Tijuana is not included.
- 3) As of 2Q16, personnel at the club Luna Parc is not included.

## Independent Analysts

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-  **Banorte-IXE** Valentin III Mendoza
-  **BX+** José María Flores
-  **Santander** Ulises Argote
-  **Signum Research** Cristina Morales

## 2Q16 Conference Call

The conference call to discuss 2Q16 results will be held in Spanish on Wednesday, July 20, 2016 at 02:00 pm Mexico City time (03:00 pm Eastern Time). The conference will include a presentation that can be accessed on our website [www.sportsworld.com.mx/inversionistas](http://www.sportsworld.com.mx/inversionistas).

To have access to the audio in Spanish and ask questions, please dial:

From the US: (844) 261-8256

From Mexico: (929) 387-3979

Conference ID: 95238886

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