

## **SPORTS WORLD REPORTS A 25.6% GROWTH IN NET REVENUE AND 12.4% IN REVENUE FROM SAME CLUBS**

Mexico City, April 26, 2018 – 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 first quarter and full year ended March 31, 2018.

(Figures in million pesos. Variations compared to the same period of 2017)

### **First Quarter 2018**

- Sports World closed the first quarter of 2018 with 57<sup>1</sup> clubs under operation.
- At the end of 1Q18, the number of customers reached 83,495, representing an 15.1% increase compared to the end of 1Q17.
- Average monthly visits<sup>2</sup> were up 22.0%, compared to the same period of the prior year.
- Net Revenue amounted to \$450.0 million pesos, a 25.6% increase compared to 1Q17.
- Administrative Costs represented 5.0% of Net Revenue, 1.5 percentage points less than in 1Q17.
- Adjusted EBITDA amounted to \$65.1 million pesos, a 25.6% increase compared to 1Q17. Adjusted EBITDA margin was 14.5%, in line with 1Q17.
- Same Clubs EBITDA Margin was 17.4%, compared to 16.2% in 1Q17.
- Net Income resisted a loss of \$4.1 million pesos, representing a -0.9% margin over Net Revenue. This result was affected by the extraordinary expenses of the quarter related to the closure of two Upster studios.

<sup>1</sup> The total number of clubs in operation includes the Tijuana, Luna Parc and Arboledas clubs, all of which have a third-party shared operating agreement and do not operate under the brand Sports World.

<sup>2</sup> Average monthly visits.

<sup>3</sup> EBITDA is calculated by adding to the Income (Loss) before Income Tax, the Net Financing Result and Depreciation and Amortization and was adjusted by adding \$ 5.6 million pesos related to the closure of two Upster studios.

## MESSAGE FROM THE CEO

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We closed the first quarter of 2018 with positive results. Compared to the first quarter of 2017, Total Revenues grew 25.6% and revenue from Same Clubs grew 12.4%, well above consumption's behavior in the country. Our Adjusted EBITDA, that is, excluding the extraordinary expenses related to the closing of the Upster studios that were announced in the fourth quarter of 2017 report, grew 25.6% vs. the same period of the previous year, maintaining the margin over Net Revenue.

Despite having started the year with a high dropout in the month of January, we managed to control it and close the quarter below historical levels, through our focus on the quality of our service.

Occupancy levels of our clubs have continued to improve, which is reflected in the expansion of margins that the Company had in clubs with more than twelve months of operation. The EBITDA Same Clubs at the end of 1Q18 increased 20.4% vs. the same period of the previous year, reaching a margin of 17.4% compared to 16.2% in 1Q17.

Continuing with our expansion plan for 2018, at the beginning of April we opened SW Tlalpan, located in the shopping center Patio Tlalpan, in Insurgentes Sur 4177, Santa Úrsula Xitla, a highly trafficked area in the south of Mexico City. This family format club has had a very positive opening process, posting a very good occupancy level at its open. Likewise, our club located in Paseo Interlomas continues its pre-sale process. This club, which was of individual format and closed due to the remodeling of the shopping center in July of 2016, will be reopened as a family format club during the month of May.

On the first anniversary of our new image launch, we made a study of the results that have been achieved in terms of brand positioning, which have been very positive. We are very satisfied with the positioning of our brand and we continue working to strengthen our position as the leading chain of family sports clubs in the premium segment of the country.

During 2018 we will continue with our Wellness strategy, focused on offering our Clients all the services and sports activities necessary for them to have a lifestyle based on well-being. The innovation in our sports offer and the permanent strengthening of our service standards will continue to be a priority in the development of our activity.

Finally, as always, I would like to thank the efforts made by our employees that continue to offer an excellent service, which keeps exceeding the expectations of our customers. I also thank our shareholders for the trust they have placed in us and our Clients that distinguish us with their preference.

Fabián Bifaretti,  
CEO

## SUMMARY OF OPERATIONS

	First Quarter		
	2018	2017	% Var
Customers at the end of the period*	83,495	72,558	15.1%
Customers at the end of the period - Same Clubs	72,056	69,738	3.3%
Net Churn Rate	5.1%	5.0%	0.1 pp
Net Churn Rate - Same Clubs	5.4%	5.0%	0.4 pp
Average Monthly Visits**	737,451	604,534	22.0%
Average Monthly Visits - Same Clubs**	621,094	579,013	7.3%
Average Monthly Visits per Customer	9.0	8.4	6.6%
Average Monthly Visits Per Customer - Same Clubs	8.7	8.4	3.3%

\* Excluding Customers in shared operation clubs or Coacalco, from which operations were resumed during the quarter.

\*\* Average monthly visits.

## CUSTOMERS

- At the end of the period, the total number of **Enrolled Customers**, excluding Customers in shared-operation Clubs, amounted to **83,495**, an increase of **15.1%** compared to the previous year. This growth was driven mainly by the opening of eight clubs in the last twelve months. The number of **Enrolled Customers in Same Clubs** (those with more than twelve months of operations) at the end of the period was **72,056**, a 3.3% increase compared to the end of 1Q17.
- Net Churn Rate** during 1Q18 was **5.1%**, 0.1 percentage points above the same period of 2017. **Net Churn Rate in Same Clubs** during the quarter was **5.4%** compared to **5.0%** during 1Q17. The slight increase in churn is related to a greater dropout in January, which recovered in February and March, closing the quarter below historical monthly indicators.

## AVERAGE MONTHLY VISITS

- During 1Q18 the **Average Number of Monthly Visits** (number of average monthly visits) was **737,451**, a **22.0%** increase compared to the same period of 2017. This growth is the result of the initiatives to increase the visits per customer, such as the sports innovation projects, and the opening of eight clubs. **The Average Number of Monthly Visits in Same Clubs** during 1Q18 was **621,094**, **7.3%** larger than the number registered in 1Q17. This growth reflects the effort made by the Company to improve the service, as well as the increase in the number of monthly visits to group classes related to a constant sport innovation, in addition to the increase in occupancy levels of clubs in operation.
- During 1Q18 the number of **Average Monthly Visits per Customer** was **9.0**, an increase of **6.6%** compared to the same period of 2017. Also, the number of **Average Monthly Visits per Customer in Same Clubs** increased **3.3%** to **8.7**, even with the impact of the Holy Week in 1Q18.

## NUMBER OF CLUBS

	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
Openings	1	1	2	0	0	4 <sup>b</sup>	4	0	0
<b>Total Clubs in Operation</b>	<b>47</b>	<b>48</b>	<b>49<sup>a</sup></b>	<b>49</b>	<b>49</b>	<b>53<sup>c</sup></b>	<b>57</b>	<b>57</b>	<b>57</b>
Construction and Pre-sale of Memberships	3	2	0	0	6 <sup>c</sup>	4	0	2	2
<b>Total Clubs in Operation and Pre-sale</b>	<b>50</b>	<b>50</b>	<b>49</b>	<b>49</b>	<b>55</b>	<b>57</b>	<b>57</b>	<b>59</b>	<b>59</b>

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

b) Considers the closing in July of SW Paseo Interlomas because the shopping mall where it is located was being remodeled.

c) Includes SW Cabo Norte, a club under the third-party operating model.

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

## NUMBER OF EMPLOYEES

	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
Clubs' Operations	1,762	1,955	1,928	1,934	2,137	2,285	2,378	2,381	2,518
Clubs' Allocation Personnel	62	66	56	59	62	61	60	61	70
Headquarters	90	81	71	70	75	81	81	74	83
<b>Total</b>	<b>1,914</b>	<b>2,102</b>	<b>2,055</b>	<b>2,063</b>	<b>2,274</b>	<b>2,427</b>	<b>2,519</b>	<b>2,516</b>	<b>2,671</b>

## CONSOLIDATED RESULTS

### REVENUE

(Thousands of pesos)	First Quarter			
	2018	2017	\$ Var	% Var
Revenue from membership sales	19,267	16,506	2,761	16.7%
Revenue from monthly dues	366,298	289,152	77,146	26.7%
<b>Revenue from memberships and monthly dues</b>	<b>385,565</b>	<b>305,658</b>	<b>79,907</b>	<b>26.1%</b>
Sports revenue	22,793	20,541	2,252	11.0%
Other business revenue	30,867	21,164	9,703	45.8%
Sponsorships and other commercial activities revenue	10,797	10,889	(92)	(0.8%)
<b>Net other revenue</b>	<b>64,457</b>	<b>52,594</b>	<b>11,863</b>	<b>22.6%</b>
<b>Net revenue</b>	<b>450,022</b>	<b>358,252</b>	<b>91,770</b>	<b>25.6%</b>

- During 1Q18 **Net Revenue** amounted to **\$450.0 million pesos**, an increase of **25.6%** compared to the same period of 2017. Revenues were composed as follows:
  - **Revenue from Memberships and Monthly Dues** grew **26.1%** to reach **\$385.6 million pesos**, due to the opening of eight clubs in the last twelve months and to the the installed capacity of the clubs in operation, which is reflected in the increase in Active Clients.
  - **Sports Revenue** and **Other Business Revenue** increased **28.7%** to reach **\$53.7 million pesos**, mainly due to a higher sale of personalized classes, sports programs, membership reactivations and sales of passes to visit clubs.
  - **Sponsorships and other commercial activities Revenue** amounted to **\$10.8 million pesos**, a **0.8%** decline compared to 1Q17. These revenues refer to sponsorships and commercial alliances.

- The **Net Revenue in Same Clubs** during the 1Q18 amounted to **\$389.1 million pesos**, a **12.4%** increase compared to the same period of 2017. This shows the maturity and strength of the business.

## EXPENSES

(Thousands of pesos)	First Quarter			
	2018	2017	\$ Var	% Var
Operating expenses	343,707	261,715	81,992	31.3%
Selling expenses	24,166	21,366	2,800	13.1%
<b>Clubs' operating expenses<sup>1</sup></b>	<b>367,873</b>	<b>283,081</b>	<b>84,792</b>	<b>30.0%</b>
<b>Gross contribution</b>	<b>82,149</b>	<b>75,171</b>	<b>6,978</b>	<b>9.3%</b>
<i>Clubs' gross contribution margin</i>	<i>18.3%</i>	<i>21.0%</i>		-2.7 pp
Administrative cost	22,720	23,357	(637)	(2.7%)
<i>% Administrative cost / Net revenue</i>	<i>5.0%</i>	<i>6.5%</i>		-1.5 pp
Depreciation & Amortization	50,295	42,393	7,902	18.6%
<i>% D&amp;A / Net revenue</i>	<i>11.2%</i>	<i>11.8%</i>		-0.7 pp
<b>Total operating expenses</b>	<b>440,888</b>	<b>348,831</b>	<b>92,057</b>	<b>26.4%</b>
<i>% Total operating expenses / Net revenue</i>	<i>98.0%</i>	<i>97.4%</i>		0.6 pp

<sup>1)</sup> Club Operating Expenses do not include Depreciation and Amortization.

- During 1Q18 **Operating Expenses**, including Administrative Cost, increased **26.4%** to reach **\$440.9 million pesos**, due to a greater number of clubs in operation.
- Administrative Cost** represented **5.0%** over Net Revenue, a 1.5 percentage point reduction compared to 1Q17, reflecting an efficiency in the Company's corporate structure.
- Depreciation and Amortization** in the quarter reached **\$50.3 million pesos**, an increase of **18.6%** compared to the previous year, mainly due to a greater number of clubs in operation.

## OPERATING INCOME AND EBITDA

(Thousands of pesos)	First Quarter			
	2018	2017	\$ Var	% Var
<b>Operating income</b>	<b>9,134</b>	<b>9,421</b>	<b>(287)</b>	<b>(3.0%)</b>
<i>Operating margin</i>	<i>2.0%</i>	<i>2.6%</i>		-0.6 pp
<b>EBITDA</b>	<b>59,429</b>	<b>51,814</b>	<b>7,615</b>	<b>14.7%</b>
<i>EBITDA margin</i>	<i>13.2%</i>	<i>14.5%</i>		-1.3 pp
<b>Non-recurring expenses</b>	5,627			
<b>ADJUSTED EBITDA</b>	<b>65,056</b>	<b>51,814</b>	<b>13,242</b>	<b>25.6%</b>
<i>Adjusted EBITDA margin</i>	<i>14.5%</i>	<i>14.5%</i>		-0.0 pp

- Operating Income** in the 1Q18 reached **\$9.1 million pesos**, which represents a margin of **2.0%** over Net Revenue, compared to 2.6% in the previous year. The decrease in margin was due to the extraordinary expenses of \$ 5.6 million pesos related to the closing of the Upster studios. The Adjusted Operating Income amounts to \$14.8 million pesos, an increase of 56.7% compared to 1Q17.

- **Adjusted EBITDA** amounted to **\$65.1 million pesos** in 1Q18, an increase of **25.6%** compared to the previous year. **Adjusted EBITDA Margin** was **14.5%**, in line with 1Q17. **EBITDA** was adjusted adding extraordinary expenses of \$ 5.6 million pesos related to the closure of the two Upster studios.

## NET FINANCING INCOME AND NET INCOME

(Thousands of pesos)	First Quarter			
	2018	2017	\$ Var	% Var
Interest expense	17,390	9,920	7,470	75.3%
Interest income	(3,313)	(1,609)	(1,704)	105.9%
Exchange (gain) loss - Net	(40)	(176)	136	NA
Other financial expenses <sup>1</sup>	236	57	179	314.0%
<b>Net financing cost</b>	<b>14,273</b>	<b>8,192</b>	<b>6,081</b>	<b>74.2%</b>
<b>(Loss) Profit before taxes</b>	<b>(5,139)</b>	<b>1,229</b>	<b>(6,368)</b>	<b>NA</b>
Income tax	(1,028)	319	(1,347)	NA
<b>Net (loss) profit for the year</b>	<b>(4,111)</b>	<b>910</b>	<b>(5,021)</b>	<b>NA</b>
<i>Net Profit Margin</i>	<i>-0.9%</i>	<i>0.3%</i>		<i>-1.2 pp</i>
Number of shares outstanding	79,741,157	79,785,087	(43,930)	(0.1%)
EPS <sup>2</sup>	0.60	0.36		66.7%

<sup>1</sup>) Includes the result of the valuation of the interest rate hedging.

<sup>2</sup>) Earnings per Share (EPS) is calculated by dividing consolidated Net Income of the last 12 months by the weighted average number of shares outstanding in the period; this number excludes shares in the Share Buyback Program and in the Employees' Trust.

- **Net Financing Result** for the first quarter of 2018 represented a cost of **\$14.3 million pesos**, an increase of **74.2%** compared to 1Q17, mainly due to an increase in the Financial Debt, as well as an increase in the value of the TIIE rate.
- **Net Income** reached a loss of **\$4.1 million pesos** compared to the same period of 2017. The margin over Net Revenue was **-0.9%**. If the effect of the extraordinary expenses of \$5.6 million pesos related to the closing of the Upster studios is excluded, the Adjusted Net Profit for the period would be positive, reaching approximately \$300 thousand pesos.

## BALANCE SHEET

### MAIN BALANCE ACCOUNTS

(Thousands of pesos)	March				December		
	2018	2017	\$ Var	% Var	2017	\$ Var	% Var
Cash and cash equivalents	67,051	138,654	(71,603)	(51.6%)	68,792	(1,741)	(2.5%)
Leasehold improvements, construction in progress, machinery, furniture and equipment - Net <sup>1</sup>	1,389,571	1,263,684	125,887	10.0%	1,394,054	(4,483)	(0.3%)
Accounts payable to suppliers and other payables	204,744	198,215	6,529	3.3%	189,240	15,504	8.2%

<sup>1</sup>) Includes payments in advance to suppliers.

### CASH AND CASH EQUIVALENTS

- **Cash and Cash Equivalents** at the end of the period amounted to **\$67.1 million pesos**, **\$71.6 million pesos** or **5.6%** increase compared to 1Q17, mainly due to investments made for the opening of new clubs, in line with our 2018 expansion plan.

## IMPROVEMETS TO LEASED PROPERTIES

- Improvements to leased properties amounted to **\$1.39 billion pesos**, a **10.0%** increase compared to the previous year, mainly related to the investments made for adapting and equipping new clubs and remodeling clubs with more than 12 months in operation.

## SUPPLIERS, CREDITORS AND OTHERS

- The Company registered a balance of **\$204.7 million pesos** in this line, **\$6.5 million pesos** or **3.3%** increase compared to the previous year.

## FINANCIAL DEBT

(Thousands of pesos)	March				December		
	2018	2017	\$ Var	% Var	2017	\$ Var	% Var
Short-Term financial debt	102,669	132,833	- 30,164	-22.7%	107,300	(4,631)	(4.3%)
Long-Term financial debt	425,296	327,475	97,821	29.9%	447,978	(22,682)	(5.1%)
Gross financial debt	527,965	460,308	67,657	14.7%	555,278	(27,313)	(4.9%)
Net financial debt	460,914	321,654	139,260	43.3%	486,486	(25,572)	(5.3%)
Net financial debt / EBITDA <sup>1</sup>	1.5 x	1.4 x			1.7 x		

<sup>1</sup>) Last twelve months.

- At the end of March 2018 **Net Financial Debt** amounted to **\$460.9 million pesos**, an increase of **43.3%** compared to 1Q17, due to new lines of credit hired for the accelerated growth that the Company has had in the last 12 months.
- Net Debt / EBITDA** at the end of 1Q18 was **1.5x**.

## OTHER CORPORATE EVENTS

- During 1Q18 we ended the operation of the two "Upster" studios, in line with our guidance 2018. As we mentioned, the sales of both studios represented less than 0.3% of the Company's Total Revenues. The extraordinary expenses related to this activity, which totaled \$5.6 million pesos, were reflected in this quarter's results.
- Continuing with our expansion plan, the opening of SW Tlalpan was held in April. The Club is located in Patio Tlalpan, a shopping center in Insurgentes Sur 4177, Santa Úrsula Xitla, one of the busiest areas in the south of Mexico City. With this opening, the Company maintains its position as the leader in the market.

## SHARE BUYBACK PROGRAM

Sports World actively operates a share buyback fund; as of March 31, 2018, it has 2,377,792 repurchased shares.

## ANALYST COVERAGE

- Actinver** Carlos Herмосillo
- Banorte Ixe** Valentín III Mendoza
- Signum Research** Cristina Morales

## 1Q18 CONFERENCE CALL

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The conference call to discuss 1Q18 results will be held on Thursday, April 26, 2018 at 13:30 Mexico City time (14:30 Eastern Time). The conference will include a presentation that can be accessed through our website [www.sportsworld.com.mx/seccion/inversionistas](http://www.sportsworld.com.mx/seccion/inversionistas).

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

From the US: **1-800-599-1786**

From Mexico: **+ 1-323-994-2080**

Conference ID: **7883566**

## 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.

## CONTACT

### Investor Relations

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## CONSOLIDATED INCOME STATEMENT

GRUPO SPORTS WORLD, S.A.B. DE C.V. & SUBSIDIARIES  
First Quarter 2018 y 2017

(Thousands of pesos)	First Quarter			
	2018	2017	\$ Var	% Var
Revenue from membership sales	19,267	16,506	2,761	16.7%
Revenue from monthly dues	366,298	289,152	77,146	26.7%
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Sports revenue	22,793	20,541	2,252	11.0%
Other revenue	30,867	21,164	9,703	45.8%
Other non-core revenue	10,797	10,889	(92)	(0.8%)
<b>Other revenue</b>	<b>64,457</b>	<b>52,594</b>	<b>11,863</b>	<b>22.6%</b>
<b>Net revenue</b>	<b>450,022</b>	<b>358,252</b>	<b>91,770</b>	<b>25.6%</b>
Operating expenses	343,707	261,715	81,992	31.3%
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<b>Clubs' operating expenses<sup>1</sup></b>	<b>367,873</b>	<b>283,081</b>	<b>84,792</b>	<b>30.0%</b>
<b>Gross contribution</b>	<b>82,149</b>	<b>75,171</b>	<b>6,978</b>	<b>9.3%</b>
<i>Clubs' gross contribution margin</i>	<i>18.3%</i>	<i>21.0%</i>		<i>-2.7 pp</i>
Administrative cost	22,720	23,357	(637)	(2.7%)
<i>% Administrative cost / Net revenue</i>	<i>5.0%</i>	<i>6.5%</i>		<i>-1.5 pp</i>
Depreciation & Amortization	50,295	42,393	7,902	18.6%
<i>% D&amp;A / Net revenue</i>	<i>11.2%</i>	<i>11.8%</i>		<i>-0.7 pp</i>
<b>Total operating expenses</b>	<b>440,888</b>	<b>348,831</b>	<b>92,057</b>	<b>26.4%</b>
<i>% Total operating expenses / Net revenue</i>	<i>98.0%</i>	<i>97.4%</i>		<i>0.6 pp</i>
<b>Operating income</b>	<b>9,134</b>	<b>9,421</b>	<b>(287)</b>	<b>(3.0%)</b>
<i>Operating margin</i>	<i>2.0%</i>	<i>2.6%</i>		<i>-0.6 pp</i>
<b>EBITDA</b>	<b>59,429</b>	<b>51,814</b>	<b>7,615</b>	<b>14.7%</b>
<i>EBITDA margin</i>	<i>13.2%</i>	<i>14.5%</i>		<i>-1.3 pp</i>
<b>Non-recurring expenses</b>	<b>5,627</b>			
<b>ADJUSTED EBITDA</b>	<b>65,056</b>	<b>51,814</b>	<b>13,242</b>	<b>25.6%</b>
<i>Adjusted EBITDA margin</i>	<i>14.5%</i>	<i>14.5%</i>		<i>-0.0 pp</i>
Interest expense	17,390	9,920	7,470	75.3%
Interest income	(3,313)	(1,609)	(1,704)	105.9%
Exchange (gain) loss - Net	(40)	(176)	136	NA
Other financial expenses <sup>2</sup>	236	57	179	314.0%
<b>Net financing cost</b>	<b>14,273</b>	<b>8,192</b>	<b>6,081</b>	<b>74.2%</b>
<b>(Loss) Profit before taxes</b>	<b>(5,139)</b>	<b>1,229</b>	<b>(6,368)</b>	<b>NA</b>
Income tax	(1,028)	319	(1,347)	NA
<b>Net (loss) profit for the year</b>	<b>(4,111)</b>	<b>910</b>	<b>(5,021)</b>	<b>NA</b>
<i>Net Profit Margin</i>	<i>-0.9%</i>	<i>0.3%</i>		<i>-1.2 pp</i>
Number of shares outstanding	79,741,157	79,785,087	(43,930)	(0.1%)
EPS <sup>3</sup>	0.60	0.36		66.7%

- 1) Club Operating Expenses do not include Depreciation and Amortization.
- 2) Includes the result of the valuation of the interest rate hedging.
- 3) Earnings per Share (EPS) is calculated by dividing consolidated Net Income of the last 12 months by the weighted average number of shares outstanding in the period; this number excludes shares in the Share Buyback Program and in the Employees' Trust.

## CONSOLIDATED BALANCE SHEET

GRUPO SPORTS WORLD, S.A.B. DE C.V. & SUBSIDIARIES  
As of March 31, 2018, & 2017, & December 31, 2017

(Thousands of pesos)	2018	2017	\$ Var	% Var	2017	\$ Var	% Var
Cash and cash equivalents	67,051	138,654	(71,603)	(51.6%)	68,792	(1,741)	(2.5%)
Accounts receivable - Net and recoverable taxes	86,399	50,317	36,082	71.7%	79,808	6,591	8.3%
Inventories	4,520	8,420	(3,900)	(46.3%)	5,153	(633)	(12.3%)
Prepayments	59,348	49,776	9,572	19.2%	34,192	25,156	73.6%
<b>Total current assets</b>	<b>217,318</b>	<b>247,167</b>	<b>(29,849)</b>	<b>(12.1%)</b>	<b>187,945</b>	<b>29,373</b>	<b>15.6%</b>
Leasehold improvements, construction in progress, maquinery, furniture and equipment - Net <sup>1</sup>	1,389,571	1,263,684	125,887	10.0%	1,394,054	(4,483)	(0.3%)
Intangible assets - Net	84,098	77,824	6,274	8.1%	83,602	496	0.6%
Other assets	45,486	44,142	1,344	3.0%	45,682	(196)	(0.4%)
Derivate financial instruments	978	2,024	(1,046)	(51.7%)	1,214	(236)	(19.4%)
Deferred tax assets	187,707	144,351	43,356	30.0%	173,357	14,350	8.3%
<b>Total non-current assets</b>	<b>1,707,840</b>	<b>1,532,025</b>	<b>175,815</b>	<b>11.5%</b>	<b>1,697,909</b>	<b>9,931</b>	<b>0.6%</b>
<b>Total assets</b>	<b>1,925,158</b>	<b>1,779,192</b>	<b>145,966</b>	<b>8.2%</b>	<b>1,885,854</b>	<b>39,304</b>	<b>2.1%</b>
	<b>2018</b>	<b>2017</b>	<b>\$ Var</b>	<b>% Var</b>	<b>2017</b>	<b>\$ Var</b>	<b>% Var</b>
Borrowings	100,000	129,193	(29,193)	(22.6%)	104,246	(4,246)	(4.1%)
Leases	2,669	3,640	(971)	(26.7%)	3,054	(385)	(12.6%)
Accounts payable to suppliers and other payables	204,744	198,215	6,529	3.3%	189,240	15,504	8.2%
Deferred revenue	247,111	219,882	27,229	12.4%	194,060	53,051	27.3%
<b>Total current liabilities</b>	<b>554,524</b>	<b>550,930</b>	<b>3,594</b>	<b>0.7%</b>	<b>490,600</b>	<b>63,924</b>	<b>13.0%</b>
Borrowings	406,460	305,729	100,731	32.9%	428,542	(22,082)	(5.2%)
Leases	18,836	21,746	(2,910)	(13.4%)	19,436	(600)	(3.1%)
Other liabilities	15,795	13,201	2,594	19.7%	14,940	855	5.7%
Derivate financial instruments	-	-	-	0.0%	-	-	0.0%
<b>Total non-current liabilities</b>	<b>441,091</b>	<b>340,676</b>	<b>100,415</b>	<b>29.5%</b>	<b>462,918</b>	<b>(21,827)</b>	<b>(4.7%)</b>
<b>Total liabilities</b>	<b>995,615</b>	<b>891,606</b>	<b>104,009</b>	<b>11.7%</b>	<b>953,518</b>	<b>42,097</b>	<b>4.4%</b>
Capital stock and additional paid-in capital	575,603	575,603	-	0.0%	575,603	-	0.0%
Retained earnings	358,051	311,073	46,978	15.1%	303,984	54,067	17.8%
Profit (loss) for the year	(4,111)	910	(5,021)	(551.8%)	52,749	(56,860)	(107.8%)
<b>Total stockholders' equity</b>	<b>929,543</b>	<b>887,586</b>	<b>41,957</b>	<b>4.7%</b>	<b>932,336</b>	<b>(2,793)</b>	<b>(0.3%)</b>
<b>Total stockholders' equity and liabilities</b>	<b>1,925,158</b>	<b>1,779,192</b>	<b>145,966</b>	<b>8.2%</b>	<b>1,885,854</b>	<b>39,304</b>	<b>2.1%</b>

1) Includes payments in advance to suppliers.

**CONSOLIDATES CASH FLOW STATEMENT**

GRUPO SPORTS WORLD, S.A.B. DE C. V. & SUBSIDIARIES  
For the period ended on March 31, 2018

	<b>2018</b>
<b>Operating activities:</b>	
(Loss) Profit before taxes	(5,139)
Depreciation & amortization	50,296
Disposal of leasehold improvements, maquinery, furniture and equipment	5,795
Other	15,226
<b>Net cash generated by operating activities before changes on working capital</b>	<b>66,178</b>
Changes on working capital	19,095
<b>Net cash generated by operating activities</b>	<b>85,273</b>
<b>Investment activities:</b>	
Acquisitions of leased location improvements, furnishings, equipment and constructions	(44,796)
Acquisitions of intangible assets and other assets	(2,146)
Interest received	3,313
<b>Net cash (used in) generated by investing activities</b>	<b>(43,629)</b>
<b>Cash before financing activities</b>	<b>41,644</b>
<b>Financing Activities:</b>	
Repurchase of shares	1,318
Proceeds and payments of borrowings and leases	(27,313)
Interest paid	(17,390)
<b>Net cash used in financing activities</b>	<b>(43,385)</b>
Net (decrease) increase in cash and cash equivalents	(1,741)
Cash and cash equivalents at the beginning of the year	68,792
<b>Cash and cash equivalents at the end of the year</b>	<b>67,051</b>