

SPORTS WORLD SURPASSES ITS 2017 GUIDANCE WITH GROWTHS OF 22.1% IN TOTAL REVENUES AND 28.3% IN EBITDA; AND ANNOUNCES ITS 2018 GUIDANCE

Mexico City, February 23, 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 fourth quarter and full year 2017.

(Variations compared to the same period of 2016)

Fourth Quarter 2017	Full Year 2017
<ul style="list-style-type: none"> Sports World closed the fourth quarter of 2017 with 57¹ clubs under operation. At the end of 4Q17, the number of customers² was 84,823, representing a 16.2% increase compared to the end of 4Q16. Average monthly visits were up 23.5%, compared to the same period of 2016. Total Revenues amounted to \$459.3 million pesos, a 28.5% increase compared to 4Q16. Administrative Costs represented 6.0% of Total Revenues, 0.9 percentage points less than in 4Q16. EBITDA totaled \$92.8 million pesos, a 39.7% growth vs 4Q16. EBITDA margin was 20.2%, compared to 18.6% in 4Q16. Same Clubs EBITDA Margin was 22.2%, compared to 18.6% in 4Q16. Net Income increased 107.3% compared to 4Q16, to reach \$27.9 million pesos, representing a 6.1% margin over Total Revenues, compared to 3.8% in 4Q16. 	<ul style="list-style-type: none"> Total Revenues amounted to \$1.67 billion pesos, a 22.1% increase compared to the same period of 2016. Administrative Costs represented 5.7% of Total Revenues, 0.6 percentage points less than in the same period of 2016. EBITDA totaled \$292.8 million pesos, a 28.3% increase compared to the same period of 2016. EBITDA margin was 17.6%, compared to 16.7% in the previous year. Same Clubs EBITDA Margin was 19.8%, compared to 16.7% in the same period of 2016. Net Income increased 77.5% to \$52.7 million pesos, representing a 3.2% margin over Total Revenues.

¹ As of December 31, 2017, the total number of clubs in operation includes the clubs in Tijuana, Luna Parc, Arboledas, and Coacoalco, all of which have a third-party shared operating agreement and do not operate under the Sports World brand.

² Without considering customers in clubs with a third-party shared operating agreement.

MESSAGE FROM THE CEO

2017 was an important year for Sports World, in which we consolidated our strategy focused on Wellness and achieving a strong expansion, both in number of clubs as well as in number of customers. With the opening of eight family clubs during the year, we reached 57 clubs in operation with 84,823 clients at the end of the year, a record high for the Company, highlighting the positive evolution in occupancy levels of clubs with more than twelve months of operation.

We are also very satisfied with the financial results and the increase in profitability that were achieved during the year, which were above our 2017 guidance. We closed the year with a very good fourth quarter, in which Total Revenues grew 28.5% and EBITDA grew 39.7%, reaching a margin of 20.2%.

In 2017, year on year, we had a strong 22.1% growth in Total Revenues and 28.3% in EBITDA, which represented a 17.6%, EBITDA margin, 0.9 percentage points above the 2016 margin. Net Income grew 77.5%, representing a margin of 3.2% on Total Revenues.

These results show that a greater portfolio of mature clubs will continue to lead us to an improvement in profitability, which is achieved thanks to operational efficiencies, as well as service, hospitality and innovation strategies focused on increasing the number of customers. In 2017, revenues of clubs with more than 12 months in operation increased 11.6% compared to 2016, while the EBITDA margin went from 16.7% in 2016 to 19.8% in 2017, more than two percentage points above EBITDA margin of the Total Company, this shows the maturity of our base business.

For the first time in the history of the Company, two price adjustments were made during the year: the traditional January increase and an additional one in the months of May and June to counteract the effects of inflation, mostly reflected in higher energy prices, which impacts our clubs' expenses. However, thanks to customer retention strategies and an excellent service, we managed to maintain the churn rate at healthy levels similar to those of 2016, closing at 3.6%. The occupancy level of clubs with more than twelve months in operation grew from 77.7% at the end of 2016 to 80.2% at the end of 2017.

During the year, we continued to consolidate Sports World's leadership in the Mexican market by opening eight new family clubs, two of which were made in the city of Querétaro, where the Company had no presence. Most of these eight clubs, had a very successful pre-sale process and first months of operation.

Also, as part of our social responsibility programs, in December we carried out the "Buzón de la Sonrisas" initiative partnering with the TUK foundation. This initiative consisted of sponsoring 50 vulnerable children by giving them toys and clothes, and making a small party to celebrate the holidays with them. Likewise, we continue with our focus and our activities oriented to keep our certifications as a Socially Responsible Company and Best Place to Work.

We are proud of the results of the year and very optimistic about the year that is starting, in which we will continue strengthening our operations and our strategy focused on Wellness, as well as expanding our presence in the country. We also have new important and innovative projects to reach more people every day.

Finally, I would like to thank our clients for allowing us to be part of their lives and to help them become the best version of themselves; to our collaborators, for their continuous effort, which allows us to offer an excellent service, as well as to our shareholders for the trust they have placed in us.

Fabián Bifaretti,
CEO

SUMMARY OF OPERATIONS

	Fourth Quarter			Full Year		
	2017	2016	% Var	2017	2016	% Var
Customers at the end of the period	84,823	72,987	16.2%	84,823	72,987	16.2%
Customers at the end of the period - Same Clubs	75,276	72,987	3.1%	75,276	72,987	3.1%
Net Churn Rate	3.2%	3.5%	-0.3 pp	3.6%	3.5%	0.1 pp
Net Churn Rate - Same Clubs	3.3%	3.5%	-0.2 pp	3.6%	3.5%	0.1 pp
Average Monthly Visits	672,347	544,589	23.5%	653,570	555,399	17.7%
Average Monthly Visits - Same Clubs	572,613	544,586	5.1%	591,333	555,553	6.4%
Average Monthly Visits per Customer	7.9	7.4	6.5%	8.3	8.1	3.2%
Average Monthly Visits Per Customer - Same Clubs	7.5	7.4	1.7%	8.2	8.1	1.1%

CUSTOMERS

- At the end of 4Q17, the total number of **Enrolled Customers**, excluding customers in shared-operation Clubs, amounted to **84,823**, an increase of **16.2%** compared to the previous year. This growth was driven mainly by the opening of eight new clubs in the last twelve months, as well as by the increase in occupancy levels of clubs in operation. The number of **Enrolled Customers in Same Clubs** (those with more than twelve months of operations) amounted to **75,726**, an increase of **3.1%** compared to 2016. This increase in customers is reflected in higher **Occupancy Levels in Same Clubs**, which was **80.2%** at the end of 4Q17, an increase of 2.5 percentage points compared to 77.7% in 4Q16.
- Net Churn Rate** during 4Q17 was **3.2%**, a **0.3** percentage point decrease compared to the same period of 2016. **Net Churn Rate in Same Clubs** during the quarter was **3.3%**, **0.2** percentage points below the same period of 2016.
- Total Year, **Net Churn Rate** was **3.6%**, **0.1** percentage points above 2016. **Net Churn Rate in Same Clubs** was also **3.6%**, an increase of **0.1** percentage points compared to the same period of 2016. This increase was the result of the price increase made in the middle of the year, in addition to the usual increase; as well as of the effect of the September earthquake. However, thanks to improvements in service and in sports offer, the Company was able to maintain same net churn rate levels of the previous year.

AVERAGE MONTHLY VISITS

- During 4Q17 the **Average Number of Monthly Visits** was **672,347**, a **23.5%** increase compared to the same period of 2016. **The Average Number of Monthly Visits in Same Clubs** during 4Q17 was **572,613**, **5.1%** larger than in 4Q16. Total Year, the **Average Number of Monthly Visits** was **653,570**, a **17.7%** increase compared to the same period of 2016. **The Average Number of Monthly Visits in Same Clubs** during the year was **591,333**, a **6.4%** increase compared to the previous year. This growth was due to the continuous initiatives to improve service and increase the sports offer, with the objective of having higher occupancy level in the clubs.
- During 4Q17 the number of **Average Monthly Visits per Customer** was **7.9**, **6.5%** higher than the same period of 2016. The number of **Average Monthly Visits per Customer in Same Clubs** was **7.5**, an increase of **1.7%** compared to 4Q16. Total Year, the number of **Average Monthly Visits per Customer** was **8.3**, a **3.2%** increase compared to the same period of 2016, while the number of **Average Monthly Visits per Customer in Same Clubs** was **8.2**, **1.1%** above 2016.

NUMBER OF CLUBS

	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17
Openings	1	1	1	2	0	0	4 ^b	4	0
Total Clubs in Operation	46	47	48	49 ^a	49	49	53	57	57
Construction and Pre-sale of Memberships	2	3	2	0	0	6 ^c	4	0	2
Total Clubs in Operation and Pre-sale	48	50	50	49	49	55	57	57	59

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

b) Considers the closing in July of 2016 of SW Paseo Interomas because the shopping mall where it is located is being remodeled.

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

Note: As of December 31, 2017, the total number of clubs in operation includes the clubs in Tijuana, Luna Parc, Arboledas, and Coacoalco, all of which have a third-party shared operating agreement and do not operate under the brand Sports World.

NUMBER OF EMPLOYEES

	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17
Clubs' Operations	1,688	1,762	1,955	1,928	1,934	2,070	2,281	2,375	2,369
Clubs' Allocation Personnel	47	62	66	56	59	62	65	64	66
Headquarters	86	90	81	71	70	70	80	79	74
Total	1,821	1,914	2,102	2,055	2,063	2,202	2,426	2,518	2,509

CONSOLIDATED INCOME STATEMENT

REVENUE

(Thousands of pesos)	Fourth Quarter				Full Year			
	2017	2016	\$ Var	% Var	2017	2016	\$ Var	% Var
Revenue from membership sales	14,344	13,569	775	5.7%	71,967	52,984	18,983	35.8%
Revenue from monthly dues	357,467	288,291	69,176	24.0%	1,301,085	1,114,519	186,566	16.7%
Revenue from memberships and monthly dues	371,811	301,860	69,951	23.2%	1,373,052	1,167,503	205,549	17.6%
Sports revenue	19,276	12,915	6,361	49.2%	95,351	67,112	28,239	42.1%
Other core revenue	23,598	12,476	11,122	89.1%	92,807	64,162	28,645	44.6%
Other non-core revenue	44,618	30,266	14,352	47.4%	104,633	65,097	39,536	60.7%
Other revenue	87,491	55,657	31,834	57.2%	292,789	196,371	96,419	49.1%
Total Revenues	459,303	357,517	101,786	28.5%	1,665,842	1,363,873	301,968	22.1%

- During 4Q17 Total Revenues amounted to **\$459.3 million pesos**, an increase of **28.5%** compared to the same period of 2016. Revenues were composed as follows:
 - **Revenue from Memberships and Monthly Dues** grew **23.2%** to reach **\$371.8 million pesos**, due to the opening of eight new clubs during the last twelve months, as well as to higher occupancy levels in the clubs in operation, which is reflected in a higher number of enrolled customers.
 - **Sports Revenue** and **Other Core Revenue** increased **68.9%** to reach **\$42.9 million pesos**, mainly due to a higher sale of personalized classes and other activities related to the core business, such as credential sales, lockers' rentals and one-day passes.
 - **Other Non-Core Revenue** amounted to **\$44.6 million pesos**, a **47.4%** increase compared to 4Q16. This increase is related to the strong positioning of the brand, as well as to the Company's aggressive expansion, which have generated more sponsorships, advertising and projects linked to the current and potential customer base.
- Total Year, **Total Revenues** amounted to **\$1.67 billion pesos**, a **22.1%** increase.
- **Total Revenues from Same Clubs** had an increase of **12.8%** during the quarter, and **11.6%** in the Full Year, compared to the same period of 2016.

EXPENSES

(Thousands of pesos)	Fourth Quarter				Full Year			
	2017	2016	\$ Var	% Var	2017	2016	\$ Var	% Var
Operating expenses	322,005	252,293	69,712	27.6%	1,195,347	985,946	209,401	21.2%
Selling expenses	17,180	14,208	2,972	20.9%	82,269	63,331	18,938	29.9%
Clubs' operating expenses¹	339,185	266,501	72,684	27.3%	1,277,616	1,049,277	228,339	21.8%
Gross contribution	120,118	91,016	29,102	32.0%	388,226	314,596	73,629	23.4%
<i>Clubs' gross contribution margin</i>	<i>26.2%</i>	<i>25.5%</i>		<i>0.7 pp</i>	<i>23.3%</i>	<i>23.1%</i>		<i>0.2 pp</i>
Administrative cost	27,357	24,635	2,722	11.1%	95,469	86,371	9,098	10.5%
<i>% Administrative cost / Total revenues</i>	<i>6.0%</i>	<i>6.9%</i>		<i>-0.9 pp</i>	<i>5.7%</i>	<i>6.3%</i>		<i>-0.6 pp</i>
Depreciation & Amortization	48,878	40,373	8,505	21.1%	180,996	158,665	22,331	14.1%
<i>% D&A / Total revenues</i>	<i>10.6%</i>	<i>11.3%</i>		<i>-0.7 pp</i>	<i>10.9%</i>	<i>11.6%</i>		<i>-0.7 pp</i>
Total operating expenses	415,421	331,509	83,911	25.3%	1,554,082	1,294,313	259,769	20.1%
<i>% Total operating expenses / Total revenues</i>	<i>90.4%</i>	<i>92.7%</i>		<i>-2.3 pp</i>	<i>93.3%</i>	<i>94.9%</i>		<i>-1.6 pp</i>

1) Clubs' operating expenses do not include Depreciation and Amortization.

- During 4Q17 **Operating Expenses** had an increase of **27.6%** compared to 4Q16, reaching **\$322.0 million pesos**, due to the opening of eight new clubs in the last twelve months and to higher occupancy levels in the clubs in operation; as well as to price increases in the main operating expenses. **Selling Expenses** reached **\$17.2 million pesos** during the 4Q17, a **20.9%** increase due to a higher effort in the commercial activity, mainly related to the opening of new clubs.
- Total Year 2017, **Operating Expenses** reached **\$1.20 billion pesos**, a **21.2%** increase, while **Selling Expenses** reached **\$82.3 million pesos**, an increase of **29.9%** compared to 2016.
- **Selling Expenses** for the year show an increase in sales' commissions. This increase is related to a higher number of memberships sold and a greater average price, which is used to calculate sales' commissions.
- **Administrative Cost** during 4Q17 was **6.0%** over Total Revenues, **0.9** percentage points below 4Q16; this number reflects operative efficiencies. Total Year, **Administrative Cost** was **5.7%** of Total Revenues, **0.6** percentage points below 2016.
- **Depreciation and Amortization** in the quarter reached **\$48.9 million pesos**, an increase of **21.1%** compared to the previous year, mainly due to a higher number of clubs in operation. Total Year, Depreciation and Amortization increased **14.1%** to reach **\$181.0 million pesos**.
- **Total Operating Expenses** reached **\$415.4 million pesos**, an increase of **25.3%** compared to the same quarter of 2016. Total Year, **Total Operating Expenses** grew **20.1%** to reach **\$1.55 billion pesos**.

OPERATING INCOME AND EBITDA

(Thousands of pesos)	Fourth Quarter				Full Year			
	2017	2016	\$ Var	% Var	2017	2016	\$ Var	% Var
Operating income	43,882	26,008	17,874	68.7%	111,758	69,561	42,197	60.7%
<i>Operating margin</i>	<i>9.6%</i>	<i>7.3%</i>		<i>2.3 pp</i>	<i>6.7%</i>	<i>5.1%</i>		<i>1.6 pp</i>
EBITDA	92,760	66,381	26,379	39.7%	292,757	228,226	64,531	28.3%
<i>EBITDA margin</i>	<i>20.2%</i>	<i>18.6%</i>		<i>1.6 pp</i>	<i>17.6%</i>	<i>16.7%</i>		<i>0.9 pp</i>

- **Operating Income** in 4Q17 reached **\$43.9 million pesos**, a **68.7%** increase compared to the previous year; this represents a margin of **9.6%** over Total Revenues, compared to 7.3% in 4Q17. Total Year, **Operating Income** grew **60.7%**, reaching **\$111.8 million pesos**. This improvement was derived from operating efficiencies achieved thanks to a larger number of clubs.
- **EBITDA** amounted to **\$92.8 million pesos** in 4Q17, a **39.7%** increase compared to the previous year. **EBITDA Margin** was **20.2%**, compared to 18.6% in 4Q16. Total Year, **EBITDA** grew **28.3%** to reach **\$292.8 million pesos**, representing a **0.9** percentage point margin expansion, to reach **17.6%**.

NET FINANCING RESULT AND NET INCOME

(Thousands of pesos)	Fourth Quarter				Full Year			
	2017	2016	\$ Var	% Var	2017	2016	\$ Var	% Var
Interest expense	16,569	10,376	6,193	59.7%	56,261	34,416	21,845	63.5%
Interest income	(1,534)	(417)	(1,117)	267.9%	(7,693)	3,209	(10,902)	(339.7%)
Exchange loss (gain) - Net	593	(116)	709	NA	760	(2,176)	2,936	(134.9%)
Other financial expenses ²	262	(720)	982	NA	868	3,350	(2,482)	(74.1%)
Net financing cost	15,891	9,123	6,768	74.2%	50,196	30,033	20,163	67.1%
Profit before taxes	27,991	16,885	11,106	65.8%	61,562	39,528	22,034	55.7%
Income taxes	58	3,409	(3,351)	(98.3%)	8,818	9,806	(988)	(10.1%)
Net income	27,933	13,475	14,458	107.3%	52,747	29,721	23,026	77.5%
<i>% Net income/Total revenues</i>	<i>6.1%</i>	<i>3.8%</i>	<i>2.3 pp</i>		<i>3.2%</i>	<i>2.2%</i>	<i>1.0 pp</i>	
Number of shares outstanding	79,580,376	79,967,741			79,580,376	79,967,741		
EPS ³	0.66	0.37		78.3%	0.66	0.37		78.3%

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

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

- **Net Financing Result** for the fourth quarter of 2017 represented a cost of **\$15.9 million pesos**, an increase of **74.2%** compared to 4Q16. Total Year, **Net Financing Result** represented a cost of **\$50.2 million pesos**, an increase of **67.1%** compared to 2016, due to a higher level of debt that has been used for the construction of new clubs, as well as to an increase in the TIIE rate.
- The **Effective Tax Rate** for the year was **14.3%**, a **10.5 percentage point** decrease. This reduction was mainly due to a higher inflation, which had a positive effect in the Company's fixed assets when updating the tax rate base.
- **Net Income** reached **\$27.9 million pesos**, a **107.3%** increase compared to the previous year. The **Margin Over Total Revenues** for the fourth quarter was **6.1%**, a **2.3 percentage point** expansion from 4Q16. Total Year, **Net Income** grew **77.5%**, reaching **\$52.7 million pesos**, which represented a margin of **3.2%** over Total Revenues, **one percentage point** above the previous year.

BALANCE SHEET

MAIN BALANCE ACCOUNTS

(Thousands of pesos)	December			
	2017	2016	\$ Var	% Var
Cash and cash equivalents	68,792	134,269	(65,477)	(48.8%)
Leasehold improvements, construction in progress, furniture and equipment - Net ¹	1,394,054	1,206,292	187,762	15.6%
Accounts payable to suppliers and other payables	189,340	120,057	69,283	57.7%

1) Includes payments in advance to suppliers.

CASH AND CASH EQUIVALENTS

- **Cash and Cash Equivalents** at the end of the quarter amounted to **\$68.8 million pesos**, a **48.8%** reduction compared to 4Q16, mainly due to a higher investment in the opening of eight clubs during the year, the payment of credit lines obtained to carry out these openings and the share repurchase for \$10.6 million pesos.

LEASEHOLD IMPROVEMENTS, CONSTRUCTION IN PROGRESS, FURNITURE AND EQUIPMENT

- This line registered **\$1.39 billion pesos**, a **\$187.8 million peso** or **15.6%** increase compared to the previous year, mainly as a result of the investments made for adapting and equipping new clubs, as well as to remodel existing units.

SUPPLIERS, CREDITORS AND OTHERS

- The Company registered a balance of **\$189.3 million pesos** in this line, a **\$69.3 million peso** or **57.7%** increase compared to the previous year, mainly due to the construction of new clubs to continue with the Company's expansion plan.

FINANCIAL DEBT

(Thousands of pesos)	December			
	2017	2016	\$ Var	% Var
Short-Term financial debt	107,300	235,202	(127,902)	(54.4%)
Long-Term financial debt	447,978	205,432	242,546	118.1%
Gross financial debt	555,278	440,634	114,644	26.0%
Net financial debt	486,486	306,365	180,121	58.8%
Net financial debt / EBITDA ¹	1.7 x	1.3 x		0.4x

1) Last twelve months.

- At the end of 2017, **Net Financial Debt** amounted to **\$486.5 million pesos**, a **58.8%** increase compared to 2016, mainly due to new long-term lines of credit, which have been utilized for adjustments and equipment of new clubs, as well as to remodel existing units.
- **Net Debt / EBITDA** at the end of 4Q17 was **1.7x**, compared to 1.3x in the same period of 2016. The Company maintains a healthy debt level and a solid financial position.

OTHER RELEVANT EVENTS

- **Full Year 2018 Guidance:**

2018 will be a year in which we will continue with our growth strategy as well as developing new projects.

- With the objective of exploring a new business model, in 2015, the Company opened two "Upster" studios; however, these did not have the expected results, and management has decided to **cease its operations**. It should be mentioned that the results of the two "Upster" studios represented less than 0.3% of the Company's Total Revenues and had a negative Net Income in 2017.

Also, towards the middle of the year, **the operations of one of the Company's clubs will be terminated**; as of December 31, 2017, this club has a third-party shared operating agreement and does not operate under the brand Sports World.

The total estimated effect in EBITDA for the closings, both the "Upster" studios and the third-party club, is **\$15.2 million pesos** in the year; which represents the write-off in Leasehold Improvements and Other Expenses related to the closing of the operations.

- On the other hand, this year, the Company will have **new projects** that will keep it at the vanguard in the world of wellness, reaching an ever-wider market. The details of these projects will be promptly announced.

Given the above, the breakdown of the expected results is as follows:

	Sports World	Sports World + Closings	Sports World + Closings + New Projects
Revenue Growth	18% - 19%	18% - 19%	More than 19%
EBITDA Growth	23% - 24%	18% - 19%	13% - 14%
EBITDA Margin	More than 18%	More than 17%	More than 16%

- **Change of CFO:**

On February 19, Roberto Cayetano Jiménez joined Sports World, and as of February 26, he will assume the position of Administration and Finance Director, replacing Fabián Morales Carpio, who has announced his decision to leave the Company to pursue a new professional challenge.

Cayetano holds a Business Administration bachelor's degree from the Universidad Iberoamericana and a Master's in Business Administration from the Instituto Panamericano de Alta Dirección de Empresas (IPADE). With more than twelve years of experience in the financial sector; his professional career includes activities such as structuring and issuing debt transactions in the Mexican public market (BMV), among others.

Sports World thanks and highlights the professionalism of Fabián Morales and his contributions to the development of the Company, wishing him the greatest success.

SHARE BUYBACK PROGRAM

Sports World actively operates a share buyback fund; as of December 31, 2017, it has 2,454,247 repurchased shares.

ANALYST COVERAGE

- **Actinver** José Antonio Cebeira
- **Banorte-Ixe** Valentín III Mendoza
- **Signum Research** Cristina Morales

4Q17 CONFERENCE CALL

The conference call to discuss 4Q and Full Year 2017 results will be held on Monday, February 26, 2018 at 11:00 am Mexico City time (12:00 pm Eastern Time). The conference will include a presentation that can be accessed through our website 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 and other countries: **+1-323-994-2080**

Conference ID: **4301606**

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.

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CONSOLIDATED INCOME STATEMENT

GRUPO SPORTS WORLD, S.A.B. DE C.V. & SUBSIDIARIES
As of December 2017, and 2016

(Thousands of pesos)	Fourth Quarter				Full Year			
	2017	2016	\$ Var	% Var	2017	2016	\$ Var	% Var
Revenue from membership sales	14,344	13,569	775	5.7%	71,967	52,984	18,983	35.8%
Revenue from monthly dues	357,467	288,291	69,176	24.0%	1,301,085	1,114,519	186,566	16.7%
Revenue from memberships and monthly dues	371,811	301,860	69,951	23.2%	1,373,052	1,167,503	205,549	17.6%
Sports revenue	19,276	12,915	6,361	49.2%	95,351	67,112	28,239	42.1%
Other core revenue	23,598	12,476	11,122	89.1%	92,807	64,162	28,645	44.6%
Other non-core revenue	44,618	30,266	14,352	47.4%	104,633	65,097	39,536	60.7%
Other revenue	87,491	55,657	31,834	57.2%	292,789	196,371	96,419	49.1%
Total Revenues	459,303	357,517	101,786	28.5%	1,665,842	1,363,873	301,968	22.1%
Operating expenses	322,005	252,293	69,712	27.6%	1,195,347	985,946	209,401	21.2%
Selling expenses	17,180	14,208	2,972	20.9%	82,269	63,331	18,938	29.9%
Clubs' operating expenses¹	339,185	266,501	72,684	27.3%	1,277,616	1,049,277	228,339	21.8%
Gross contribution	120,118	91,016	29,102	32.0%	388,226	314,596	73,629	23.4%
<i>Clubs' gross contribution margin</i>	<i>26.2%</i>	<i>25.5%</i>		<i>0.7 pp</i>	<i>23.3%</i>	<i>23.1%</i>		<i>0.2 pp</i>
Administrative cost	27,357	24,635	2,722	11.1%	95,469	86,371	9,098	10.5%
<i>% Administrative cost / Total revenues</i>	<i>6.0%</i>	<i>6.9%</i>		<i>-0.9 pp</i>	<i>5.7%</i>	<i>6.3%</i>		<i>-0.6 pp</i>
Depreciation & Amortization	48,878	40,373	8,505	21.1%	180,996	158,665	22,331	14.1%
<i>% D&A / Total revenues</i>	<i>10.6%</i>	<i>11.3%</i>		<i>-0.7 pp</i>	<i>10.9%</i>	<i>11.6%</i>		<i>-0.7 pp</i>
Total operating expenses	415,421	331,509	83,911	25.3%	1,554,082	1,294,313	259,769	20.1%
<i>% Total operating expenses / Total revenues</i>	<i>90.4%</i>	<i>92.7%</i>		<i>-2.3 pp</i>	<i>93.3%</i>	<i>94.9%</i>		<i>-1.6 pp</i>
Operating income	43,882	26,008	17,874	68.7%	111,758	69,561	42,197	60.7%
<i>Operating margin</i>	<i>9.6%</i>	<i>7.3%</i>		<i>2.3 pp</i>	<i>6.7%</i>	<i>5.1%</i>		<i>1.6 pp</i>
EBITDA	92,760	66,381	26,379	39.7%	292,757	228,226	64,531	28.3%
<i>EBITDA margin</i>	<i>20.2%</i>	<i>18.6%</i>		<i>1.6 pp</i>	<i>17.6%</i>	<i>16.7%</i>		<i>0.9 pp</i>
Interest expense	16,569	10,376	6,193	59.7%	56,261	34,416	21,845	63.5%
Interest income	(1,534)	(417)	(1,117)	267.9%	(7,693)	3,209	(10,902)	(339.7%)
Exchange loss (gain) - Net	593	(116)	709	NA	760	(2,176)	2,936	(134.9%)
Other financial expenses ²	262	(720)	982	NA	868	3,350	(2,482)	(74.1%)
Net financing cost	15,891	9,123	6,768	74.2%	50,196	30,033	20,163	67.1%
Profit before taxes	27,991	16,885	11,106	65.8%	61,562	39,528	22,034	55.7%
Income taxes	58	3,409	(3,351)	(98.3%)	8,818	9,806	(988)	(10.1%)
Net income	27,933	13,475	14,458	107.3%	52,747	29,721	23,026	77.5%
<i>% Net income/Total revenues</i>	<i>6.1%</i>	<i>3.8%</i>		<i>2.3 pp</i>	<i>3.2%</i>	<i>2.2%</i>		<i>1.0 pp</i>
Number of shares outstanding	79,580,376	79,967,741			79,580,376	79,967,741		
EPS ³	0.66	0.37		78.3%	0.66	0.37		78.3%

- 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 for the last 12 months by the weighted average number of shares outstanding in this 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 December 31, 2017 & 2016.

(Thousands of pesos)	December			
	2017	2016	\$ Var	% Var
Cash and cash equivalents	68,792	134,269	(65,477)	(48.8%)
Accounts receivable - Net and recoverable taxes	79,808	23,986	55,822	232.7%
Inventories	5,153	8,463	(3,310)	(39.1%)
Prepayments	34,192	24,813	9,379	37.8%
Total current assets	187,945	191,531	(3,586)	(1.9%)
Leasehold improvements, construction in progress, furniture and equipment - Net ¹	1,394,054	1,206,292	187,762	15.6%
Intangible assets - Net	83,602	66,244	17,358	26.2%
Other assets	45,682	44,299	1,383	3.1%
Derivate financial instruments	1,214	2,082	(868)	(41.7%)
Deferred tax assets	173,457	131,374	42,083	32.0%
Total non-current assets	1,698,009	1,450,291	247,718	17.1%
Total assets	1,885,954	1,641,822	244,132	14.9%
	2017	2016	\$ Var	% Var
Short-term financial debt	104,246	231,568	(127,322)	(55.0%)
Leases	3,054	3,634	(580)	(16.0%)
Accounts payable to suppliers and other payables	189,340	120,057	69,283	57.7%
Deferred revenue	194,060	178,990	15,070	8.4%
Total current liabilities	490,700	534,249	(43,549)	(8.2%)
Long-term financial debt	428,542	182,787	245,755	134.4%
Leases	19,436	22,645	(3,209)	(14.2%)
Other liabilities	14,940	12,477	2,463	19.7%
Total non-current liabilities	462,918	217,909	245,009	112.4%
Total liabilities	953,618	752,158	201,460	26.8%
Capital stock and additional paid-in capital	575,603	575,603	-	0.0%
Retained earnings	303,986	284,339	19,647	6.9%
Profit (loss) for the year	52,747	29,722	23,025	77.5%
Total stockholders' equity	932,336	889,664	42,672	4.8%
Total stockholders' equity and liabilities	1,885,954	1,641,822	244,132	14.9%

1) Includes payments in advance to suppliers.

CONSOLIDATED STATEMENT OF CASH FLOWS

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

(Thousands of Mexican pesos)	2017
Operating activities:	
Profit before taxes	61,562
Depreciation & amortization	180,996
Other	52,985
Net cash generated by operating activities before changes on working capital	295,543
Changes on working capital	(44,285)
Net cash generated by operating activities	251,258
Investment activities:	
Acquisitions of leasehold improvements, construction in progress, furniture and equipment	(346,379)
Acquisitions of intangible assets and other assets	(25,835)
Interest received	7,693
Net cash (used in) generated by investing activities	(364,521)
Cash before financing activities	(113,263)
Financing Activities:	
Repurchase of shares	(10,597)
Proceeds and payments of borrowings and leases	114,644
Interest paid	(56,261)
Net cash used in financing activities	47,786
Net (decrease) increase in cash and cash equivalents	(65,477)
Cash and cash equivalents at the beginning of the year	134,269
Cash and cash equivalents at the end of the year	68,792