

SPORTS WORLD REPORTS A 8.6% GROWTH IN NET REVENUE AND 206% IN EBITDA (IFRS 16)

Mexico City, April 29th, 2019 – Grupo Sports World S.A.B. de C.V. (“Sports World”, “SW”, “The Company” or “The Group”) (MSE: SPORT) (BIVA: SPORT), announces its consolidated financial and operative results corresponding to the first quarter of 2019. This information is presented according to the International Financial Reporting Standard (IFRS)

(Variations compared to the same period of 2018)

First Quarter 2019

- Sports World ended 1Q19 with 62¹ clubs in operation
- At the end of 1Q19 the number of active clients was 84,514², which represents an increase of 2.3% compared to the closing of 1Q18.
- Total Income reached \$488.7 million pesos, an 8.6% growth compared to 1Q18.
- The EBITDA (IFRS 16) reached \$181.9 million pesos, a growth of 206% compared to 1Q18. The EBITDA margin (IFRS 16) was 37.2%, an increase of 24 percentage points compared to the same period of 2018.
- The EBITDA (without considering IFRS 16) ended in \$79.1 million pesos, an increase of 33.2% compared to 1Q18. The EBITDA margin (without considering IFRS 16) was 16.2%, increasing 3 percentage points compared to 1Q18.
- The EBITDA (without considering IFRS 16) of Same Clubs³ was \$85.9 million pesos, a growth of 22.9% compared to 1Q18. The EBITDA margin (without considering IFRS 16) was 18.8%, an increase of 2.9 percentage points compared to the first quarter of 2018.
- The Operations Profit (IFRS 16) in 1Q19 reached \$59.2 million pesos, a growth of 515.6% compared to 1Q18. The Operation Profit (without considering IFRS 16) was \$25 million pesos, an increase of 174.1% vs 1Q18.

¹ The total number of Clubs includes the ones that count with a shared operation agreement with a third party and do not operate under the Sports World brand. The clubs that operate with the Sports World brand are 58

² The number of active clients considers the clients of Corporate Health Plans

³ Same Clubs considers clubs with 12 months of operation or more

MESSAGE FROM THE CEO

During the first quarter of 2019, we have had important growth in the results of the company in an environment distinguished by uncertainty, a conservative attitude in consumption and low consumer confidence.

We continue to strengthen our geographic position with the opening of 3 new clubs: SW Tlalnepantla, SW Saltillo and SW Torreon. Likewise, we continue with the process of construction and pre-sale of SW Parque San Andres (Mexico City), SW Aguascalientes and SW Apodaca (Monterrey), the latter starting operations on April 1st. Thus, we reached 84,514 active clients evolving the commercial activity above the levels reached in the second quarter of 2018, but still below our expectations.

On the other hand, and according to our strategic targets, we have continued the strengthening process and renovation of the sporting offer, as well as the exhaustive follow up of the quality in our service. This way, the net churn rate 4.4%, 0.7 percentage points less than the first quarter of 2018.

Income increased 8.6% vs the first quarter of 2018, driven by greater income per client, as well as the growth of Other Business Revenues such as sporting programs, daily pass sales, among others.

The EBITDA (without considering IFRS 16) increased 33.2% compared to 1Q18, while the EBITDA Margin (not considering IFRS 16) increased 3 percentage points in the same period through the growth in income and the achievement of operative efficiencies.

The challenges for the upcoming months will be focused on the recovery of the commercial activity through the process already initiated for the expansion of the sale channels, diversification of income, the decrease of the net churn rate and continuity in the achievement of operative efficiencies.

During the first quarter we initiated the process of construction of our business line "LOAD -Training Lab-". An innovative concept that integrates Fitness and Wellness experiences in the same place, supported by a nice environment and co-creation through its Lounging Area. The opening of the first LOAD was on April 1st, 2019.

During the quarter we received once again the certification "Great Place to Work Mexico" for the fourth consecutive year, remaining as one of the best places to work in Mexico and unique in our activity.

Moreover, we continue to develop our sustainability plan based on the boost of labor, environmental, corporate and social well-being, as well as on solid ethic principles that strengthen our doing and the impact on social responsibility. During this quarter we have incorporated into the fundraising of the Cruz Roja Mexicana through all our clubs and headquarter.

Finally, I want to thank the trust and loyalty of our customers, the effort of our collaborators and the support of our shareholders, maintaining our compromise of leadership in the market and excellency in service.

Fabián Bifaretti,
CEO

SUMMARY OF OPERATIONS

	First Quarter		
	2019	2018	% Var
Customers at the end of the period ¹	84,514	82,598 ²	2.3%
Customers at the end of the period - Same Clubs ¹	78,426	82,421 ³	-4.8%
Net Average Churn Rate	4.4%	5.1%	-0.7 pp
Net Average Churn Rate - Same Clubs	4.9%	5.5%	-0.6 pp
Average Monthly Visits	712,409	737,451	-3.4%
Average Monthly Visits per Customer	8.7	9.0	-3.3%

¹ The number of Active Clients considers clients with Corporate Health Plans.

² The number of Active Clients in 1Q18 does not consider SW Centenario, which ended operations in November 2018.

³ Does not match with what was reported in 1Q18, as the base is updated with 2017 openings.

CUSTOMERS

- The total number of **Enrolled Customers** at the end of the period amounted to **84,514**, an increase of **2.3%** compared to 1Q18 mainly explained by the new openings and in lesser scale, by the incorporation of Corporate Health Plan Customers, segment that is positively evolving since its launching in 2018. **Enrolled Customers in Same Clubs** (those with more than twelve months of operations) decreased **-4.8%**.
- Net Churn Rate** during 1Q19 was **4.4%**, a decrease of 0.7 percentage point compares to the same period of 2018, the lowest historical rate for a first quarter. The latter is explained by the continuous focus on service, the wide and innovative sporting offer and the increase on service satisfaction, which translated in an improvement on customer experience. **Net Churn Rate in Same Clubs** during the quarter was **4.9%** compare to 5.5% in 1Q18.

NUMBER OF CLUBS

Sports World	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
SW Openings	0	4	4	0	0	2	0	1	3
SW Closure	0	0	0	0	0	0	0	1	0
Total Clubs in Operation	49	53	57	57	57	59	59	59	62
Construction and Pre-sale of Memberships	6 ^c	4	0	2	2	0	5	4	3 ^a
Total Clubs in Operation and Pre-sale	55	57	57	59	59	59	64	63	65

^a includes the beginning of the construction of LOAD

Note: the total number of clubs in operation include clubs with shared operations with a third party and do not operate under the Sports World brand. The Clubs that operate under the Sports World brand are 58.

NUMBER OF EMPLOYEES

	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Clubs' Operations	2,137	2,285	2,378	2,381	2,518	2,634	2,572	2,542	2,545
Clubs' Allocation Personnel	62	61	60	61	70	75	80	82	75
Headquarters	75	81	81	74	83	81	83	86	86
Total	2,274	2,427	2,519	2,516	2,671	2,790	2,735	2,710	2,706

CONSOLIDATED INCOME STATEMENT

REVENUE

(Thousands of pesos)	First Quarter				2019 without IFRS 16	% Var without IFRS 16
	2019	2018	\$ Var	% Var		
Revenue from membership sales	19,503	19,267	236	1.2%	-	-
Revenue from monthly dues	385,604	366,298	19,306	5.3%	-	-
Revenue from memberships and monthly dues	405,107	385,565	19,542	5.1%	-	-
Sports revenue	30,547	22,793	7,754	34.0%	-	-
Other business revenue*	42,002	30,867	11,135	36.1%	-	-
Sponsorships and other commercial activities revenue*	11,051	10,797	253	2.3%	-	-
Other revenue, net	83,600	64,457	19,142	29.7%	-	-
Net revenue	488,707	450,022	38,684	8.6%	-	-

*During 1Q18, a reclassification was made between accounts, increasing Other business revenue and decreasing revenue from Sponsorships and other Commercial Activities.

- During 1Q19 **Net Revenue** amounted to **\$488.7 million pesos**, an **8.6%** increase compared to the same period of 2018. Revenues were composed as follows:
 - **Revenue from Memberships and Monthly Dues** reached **\$405.1 million pesos**, a growth of **5.1%** compared to the previous year, mainly boosted by the opening of new clubs and a greater average income of the client.
 - **Sports Revenue** and **Other Business Revenue** increased **35.2%**, reaching **\$72.5 million pesos**, benefitted by greater income of sporting programs and personalized classes, the Corporate Health Plans, as well as other income linked to the main activity.
 - **Revenue from Sponsorships and other commercial activities** registered **\$11.1 million pesos**, a **2.3%** increase compared to 1Q18. These revenues refer to sponsorships, commercial alliances, space leasing, among others.

EXPENSES

(Thousands of pesos)	First Quarter				2019 without IFRS 16	% Var without IFRS 16
	2019	2018	\$ Var	% Var		
Operating expenses	259,001	340,614	(81,613)	(24.0%)	361,768	6.2%
Selling expenses	19,399	24,166	(4,767)	(19.7%)	-	-
Clubs' operating expenses¹	278,399	364,780	(86,380)	(23.7%)	381,167	4.5%
Gross contribution	210,307	85,243	125,065	146.7%	107,540	26.2%
<i>Clubs' gross contribution margin</i>	<i>43.0%</i>	<i>18.9%</i>		<i>24.1 pp</i>	<i>22.0%</i>	-
Administrative cost ²	28,405	25,813	2,592	10.0%	-	-
<i>% Administrative cost / Net revenue</i>	<i>5.8%</i>	<i>5.7%</i>		<i>0.1 pp</i>	-	-
Depreciation & Amortization	125,673	50,295	75,377	149.9%	54,097	7.6%
<i>% D&A / Net revenue</i>	<i>25.7%</i>	<i>11.2%</i>		<i>14.5 pp</i>	<i>11.1%</i>	-
Total operating expenses	432,477	440,888	(8,412)	(1.9%)	463,669	5.2%
<i>% Total operating expenses / Net revenue</i>	<i>88.5%</i>	<i>98.0%</i>		<i>-9.5 pp</i>	<i>94.9%</i>	-

¹ Operation Expenditure of clubs do not include Depreciation and repayment.

² A change in the methodology of the registration on variable benefits to employees, thus adjusting 1Q18 to be more comparable.

- During 1Q19 **Clubs' Operating Expenses** reached **\$278.4 million pesos**, a decrease of **23.7%** compared to 1Q18, explained by the accounting adjustments related to the implementation of the IFRS 16. However, excluding this effect, the Operation Expenditure of Clubs increased 4.5% vs the same period of 2018 derived from greater clubs in operation, which were compensated with operating efficiencies and greater containment of administrative expenditure.

- **The Marginal Contribution of Clubs** reached **43.0%** in 1Q19 as percentage of Total Income, compared to 18.9% in 1Q18.
- **Administrative Cost** registered **\$28.4 million pesos**, representing **5.8%** of Total Income, in line with the reported in 1Q18.
- **Depreciation and Repayment** of the quarter reached **\$125.7 million pesos**, an increase of **149%** compared to the previous year, mainly explained by the IFRS 16 effect along with greater number of clubs in operation.
- **Total Operating Expenses** reached **\$432.5 million pesos**, a decrease of **1.9%** compared to the first quarter of 2018. Excluding the accounting effects of the IFRS 16 this expenditure increased 5.2% and represented 94.9% of the Total Income against 98.0% in 1Q18.

OPERATING INCOME AND EBITDA

(Thousands of pesos)	First Quarter				2019 without IFRS 16	% Var without IFRS 16
	2019	2018	\$ Var	% Var		
Operating income	56,230	9,134	47,096	515.6%	25,038	174.1%
<i>Operating margin</i>	<i>11.5%</i>	<i>2.0%</i>		<i>9.5 pp</i>	<i>5.1%</i>	<i>3.1 pp</i>
EBITDA	181,903	59,430	122,473	206.1%	79,135	33.2%
<i>EBITDA margin</i>	<i>37.2%</i>	<i>13.2%</i>		<i>24.0 pp</i>	<i>16.2%</i>	<i>3.0 pp</i>

- **Operating Income (IFRS 16)** in 1Q19 reached **\$56.2 million pesos** an increase of **515.6%** or **\$47.0 million pesos** compared to 1Q18. Not including the IFRS 16 effect, the Operation Profit increased 174.1%. ending in \$25.0 million pesos.
- The Operation Margin went from **2.0%** in 1Q18 to **11.5%** in 1Q19. Without including the aforementioned effect, it was 5.1%.
- The **EBITDA (IFRS 16)** in 1Q19 totalled **\$181.9 million pesos**, **206.1%** greater than the previous year. Without IFRS 16 effect the EBITDA increased 33.2%.
- The **EBITDA Margin (IFRS 16)** in 1Q19 was **37.2%** and **16.2%** without the effect of the IFRS 16. In both cases, the margins improved if compared to the 13.2% observed in 1Q18.

NET FINANCING INCOME AND NET INCOME

(Thousands of pesos)	First Quarter				2019 without IFRS 16	% Var without IFRS 16
	2019	2018	\$ Var	% Var		
Interest expense	89,161	17,390	71,772	412.7%	21,087	21.3%
Interest income	(3,135)	(3,313)	178	(5.4%)	-	-
Exchange (gain) loss - Net	(242)	(40)	(202)	NA	-	-
Other financial expenses ³	134	236	(102)	(43.2%)	-	-
Net financing cost	85,918	14,273	71,645	502.0%	17,844	25.0%
(Loss) Profit before taxes	(29,688)	(5,139)	(24,549)	477.7%	7,194	NA
Income tax	1,439	-1,028	2,466	(240.0%)	1,439	NA
<i>Effective income tax rate</i>	<i>-</i>	<i>20.0%</i>	<i>-</i>	<i>-</i>	<i>20.0%</i>	<i>-</i>
Net (loss) profit for the year	(31,127)	(4,111)	(27,015)	15.2%	5,755	NA
<i>Net Profit Margin</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1.2%</i>	<i>-</i>
Number of shares outstanding	79,916,711	79,741,157	175,554	0.2%	79,916,711	0.2%
EPS ⁴	0.27	0.60		-54.4%	0.74	22.5%

³ Includes the result of the valuation of the coverage of the interest rate.

⁴ 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 the period; this number excludes shares in the Share Buyback Program and in the Employees' Trust.

- The **Net Financial Cost** in the quarter was **\$85.9 million pesos**, **502.0%** greater than 1Q18. The latter is mainly explained by the implementation of the IFRS 16. Excluding this effect, the Net Financial Cost increased 25.0% boosted by the greater Financial Expenditure as consequence of the greater level of debt used for the opening of new clubs.
- The **Loss Profit for the quarter** reached **\$31.1 million pesos**, compared to the loss of \$4.1 million pesos in Q1 18. Without considering the new accounting effect, a Net Profit of \$5.8 million pesos was obtained, an increase of \$9.9 million compared to 1Q18. The Net Margin without IFRS 16 was 1.2%.

BALANCE SHEET

MAIN BALANCE ACCOUNTS

(Thousands of pesos)	March			
	2019	2018	\$ Var	% Var
Cash and cash equivalents	89,709	67,051	22,658	33.8%
Leasehold improvements, construction in progress, machinery, furniture and equipment - Net ¹	1,519,453	1,389,571	129,882	9.3%
Accounts payable to suppliers and other payables	185,830	204,745	(18,915)	(9.2%)

¹ Includes payments in advance to suppliers.

CASH AND CASH EQUIVALENTS

- The segment of Cash and Equivalents at the closing of March 2019 reached **\$89.7 million pesos**, an increase of **\$22.7 million pesos** or **33.8%** compared to the same period of 2018.

LEASEHOLD IMPROVEMENTS, CONSTRUCTION IN PROGRESS, FURNITURE AND EQUIPMENT

- This concept registered a balance at the end of the quarter of **\$1,519.5 million pesos**, an increase of **9.3%** compared to March 2018, mainly as the result of the investments that have been made for the adaptation and equipment of new clubs.

SUPPLIERS, CREDITORS AND OTHERS

- The company registered a balance of **\$185.8 million pesos** in this account, a decrease of **9.2%** or \$18.9 million pesos compared to 1Q18 as consequence of the opening of new clubs.

FINANCIAL DEBT

(Thousands of pesos)	March			
	2019	2018	\$ Var	% Var
Short-Term financial debt	435,284	102,669	332,615	324.0%
Long-Term financial debt	2,719,338	425,296	2,294,042	539.4%
Gross financial debt	3,154,622	527,965	2,626,657	497.5%
Net financial debt	3,064,913	460,914	2,603,999	565.0%
Net financial debt / EBITDA ¹	1.7 x	1.7 x		

¹ EBITDA last twelve months and the IFRS 16 effect is excluded.

- At the closing of the first quarter of 2019, the **Net Financial Debt** reached **\$3,064.9 million pesos**, an increase of **565.0%** vs 1Q18, mainly explained by the implementation of the IFRS 16. The gross financial debt without IFRS 16 reached \$683.4 million pesos, greatly explained by the simple credit "Club Deal" which ended in \$670 million pesos.

- The **Net Debt / EBITDA** ratio at the end of the quarter was **1.7x** (without including the IFRS 16 effect), in line with what was reported in the same period of 2018.

OTHER RELEVANT EVENTS

- On January 28, the Company announces the opening of its club SW Tlalnepantla, while on February 18 GSW announced the start of operation of SW Saltillo. Both family format clubs.
- On February 19, GSW announces the launch of its new business line called: "LOAD", starting with the construction and pre-sale process.

LOAD is a new concept that integrates Fitness, Wellness and Lounging Area experiences, all in the same place, supported by the highest technology standards for its operation including facial recognition systems for identification and customers access. In this new business line, a wide and innovative range of sports alternatives will be offered, including Workout Bar, a successful training concept tested in California that combines plyometric exercises, strength and cardio generating a high caloric burn in one session. Cycling Lab (Indoor Cycling) with the latest generation of bicycles, modern atmosphere and classes prepared by the best Coaches. It also offers the Beast Mode Lab, a space that integrates Free and Integrated Weight equipment and accessories of the highest quality.

All customer experience within LOAD can be controlled through the APP, allowing to book classes, choose coaches, buy healthy food (LOAD Grab & Go) using QR code and promote motivation among members of their community since it works as a social network.

- On March 1, 2019, the Company announces that it will begin construction and pre-sale process of two new clubs, SW Parque San Andrés y SW Apodaca.

SW Parque San Andrés is located inside "Punto Maq" shopping center located on Avenida Miguel Angel de Quevedo 1144, in the south of Mexico City. This club is a family format club, which includes: basic areas such as free and controlled-weight, boxing area, cardio equipment, group classrooms, swimming pool, dressing rooms with towels, steam room, and sauna, as well as an area designed exclusively for children, FitKidz, and Zona Intenz, a specialized area that has all the necessary equipment to practice high intensity functional training.

On the other hand, SW Apodaca is located in Monterrey, N.L. inside the mixed-use complex "Nave 01". SW Apodaca is a Gym + format, that means, it has basic areas such as free and controlled-weight, boxing area, cardio equipment, group classrooms, swimming pool, dressing rooms with towels, steam room, and sauna.

- Finally, on March 4, GSW announces the opening of its club SW Torreon located inside the mixed uses complex "Almanara" in Coahuila State.

Sports World Torreon is a family format club, which includes: basic areas such as free and controlled-weight, boxing area, cardio equipment, group classrooms, swimming pool, dressing rooms with towels, steam room, and sauna, as well as an area designed exclusively for children, FitKidz, and Zona Intenz, a specialized area that has all the necessary equipment to practice high intensity functional training. Additionally, in this new club will be offered, as in all our clubs, a wide range of sports alternatives for the whole family, with cutting-edge equipment and programs, led by certified coaches.

SHARE BUYBACK PROGRAM

Sports World actively operates a share buyback fund; as of March 31, 2019, it has 1,901,849 repurchased shares.

ANALYST COVERAGE

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

1Q19 CONFERENCE CALL

The conference call to discuss 1Q19 results will be held on Monday, April 29, 2019 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: **+1-720-707-2699**

From Mexico and other countries: **+152-55-4261-4288**

Conference ID: **467892750**

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" in the Institutional Stock Exchange (BIVA) under the same ticker (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.

CONSOLIDATED INCOME STATEMENT

GRUPO SPORTS WORLD, S.A.B. DE C.V. & SUBSIDIARIES
As of March 31, 2019 & 2018

(Thousands of pesos)	First Quarter				2019 without IFRS 16	% Var without IFRS 16
	2019	2018	\$ Var	% Var		
Revenue from membership sales	19,503	19,267	236	1.2%	-	-
Revenue from monthly dues	385,604	366,298	19,306	5.3%	-	-
Revenue from memberships and monthly dues	405,107	385,565	19,542	5.1%	-	-
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Other business revenue*	42,002	30,867	11,135	36.1%	-	-
Sponsorships and other commercial activities revenue*	11,051	10,797	253	2.3%	-	-
Other revenue, net	83,600	64,457	19,142	29.7%	-	-
Net revenue	488,707	450,022	38,684	8.6%	-	-
Operating expenses	259,001	340,614	(81,613)	(24.0%)	361,768	6.2%
Selling expenses	19,399	24,166	(4,767)	(19.7%)	-	-
Clubs' operating expenses¹	278,399	364,780	(86,380)	(23.7%)	381,167	4.5%
Gross contribution	210,307	85,243	125,065	146.7%	107,540	26.2%
<i>Clubs' gross contribution margin</i>	<i>43.0%</i>	<i>18.9%</i>		<i>24.1 pp</i>	<i>22.0%</i>	-
Administrative cost ²	28,405	25,813	2,592	10.0%	-	-
<i>% Administrative cost / Net revenue</i>	<i>5.8%</i>	<i>5.7%</i>		<i>0.1 pp</i>	-	-
Depreciation & Amortization	125,673	50,295	75,377	149.9%	54,097	7.6%
<i>% D&A / Net revenue</i>	<i>25.7%</i>	<i>11.2%</i>		<i>14.5 pp</i>	<i>11.1%</i>	-
Total operating expenses	432,477	440,888	(8,412)	(1.9%)	463,669	5.2%
<i>% Total operating expenses / Net revenue</i>	<i>88.5%</i>	<i>98.0%</i>		<i>-9.5 pp</i>	<i>94.9%</i>	-
Operating income	56,230	9,134	47,096	515.6%	25,038	174.1%
<i>Operating margin</i>	<i>11.5%</i>	<i>2.0%</i>		<i>9.5 pp</i>	<i>5.1%</i>	<i>3.1 pp</i>
EBITDA	181,903	59,430	122,473	206.1%	79,135	33.2%
<i>EBITDA margin</i>	<i>37.2%</i>	<i>13.2%</i>		<i>24.0 pp</i>	<i>16.2%</i>	<i>3.0 pp</i>
Interest expense	89,161	17,390	71,772	412.7%	21,087	21.3%
Interest income	(3,135)	(3,313)	178	(5.4%)	-	-
Exchange (gain) loss - Net	(242)	(40)	(202)	NA	-	-
Other financial expenses ³	134	236	(102)	(43.2%)	-	-
Net financing cost	85,918	14,273	71,645	502.0%	17,844	25.0%
(Loss) Profit before taxes	(29,688)	(5,139)	(24,549)	477.7%	7,194	NA
Income tax	1,439	-1,028	2,466	(240.0%)	1,439	NA
<i>Effective income tax rate</i>	-	20.0%	-	-	20.0%	-
Net (loss) profit for the year	(31,127)	(4,111)	(27,015)	15.2%	5,755	NA
<i>Net Profit Margin</i>	-	-		-	1.2%	-
Number of shares outstanding	79,916,711	79,741,157	175,554	0.2%	79,916,711	0.2%
EPS ⁴	0.27	0.60		-54.4%	0.74	22.5%

- 1) Club Operating Expenses do not include Depreciation and Amortization.
- 2) A change in the methodology of the registration on variable benefits to employees, thus adjusting 1Q18 to be more comparable.
- 3) Includes the result of the valuation of the coverage of the interest rate.
- 4) 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 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, 2019 & 2018.

(Thousands of pesos)	March			
	2019	2018	\$ Var	% Var
Cash and cash equivalents	89,709	67,051	22,658	33.8%
Accounts receivable - Net and recoverable taxes	82,786	86,399	(3,613)	(4.2%)
Inventories	7,954	4,520	3,434	76.0%
Prepayments	53,889	59,348	(5,459)	(9.2%)
Total current assets	234,338	217,318	17,020	7.8%
Leasehold improvements, construction in progress, machinery, furniture and equipment - Net ¹	1,519,453	1,389,571	129,882	9.3%
Intangible assets - Net	115,235	84,098	31,137	37.0%
Other assets	12,205	45,486	(33,281)	(73.2%)
Derivate financial instruments	266	978	(712)	(72.8%)
Deferred tax assets	212,877	187,707	25,170	13.4%
Right of use assets	2,468,875	-	-	-
Total non-current assets	4,328,911	1,707,840	2,621,071	153.5%
Total assets	4,563,249	1,925,158	2,638,091	137.0%
	2019	2018	\$ Var	% Var
Borrowings	16,750	100,000	(83,250)	(83.3%)
Leases	3,703	2,669	1,034	38.7%
Accounts payable to suppliers and other payables	185,830	204,745	(18,915)	(9.2%)
Lease liability	414,831	-	-	-
Deferred revenue	245,291	247,111	(1,820)	(0.7%)
Total current liabilities	866,405	554,525	311,880	56.2%
Borrowings	648,411	406,460	241,951	59.5%
Leases	14,507	18,836	-	-
Lease liability	2,056,420	-	-	-
Other liabilities	16,280	15,795	485	3.1%
Total non-current liabilities	2,735,618	441,091	2,294,527	520.2%
Total liabilities	3,602,023	995,616	2,606,407	261.8%
Capital stock and additional paid-in capital	575,603	575,603	-	0.0%
Retained earnings	458,587	407,736	50,851	12.5%
Reserve for Share Buyback Program	(41,837)	(49,686)	-	0.0%
Profit (loss) for the year	(31,127)	(4,111)	(27,016)	-
Total stockholders' equity	961,226	929,542	31,684	3.4%
	-	-	-	0.0%
Total stockholders' equity and liabilities	4,563,249	1,925,158	2,638,091	137.0%

¹⁾ Includes payments in advance to suppliers.

CONSOLIDATES STATEMENT OF CASH FLOWS

GRUPO SPORTS WORLD, S.A.B. DE C. V. & SUBSIDIARIES
Year to date as of March 31, 2019

March	
(Thousands of Mexican pesos)	2019
Operating activities:	
(Loss) Profit before taxes	7,194
Depreciation & amortization	54,097
Disposal of leasehold improvements, maachinery, furniture and equipment	-
Others	7,201
Net cash generated by operating activities before changes on working capital	68,493
Accounts Receivable	8,242
Warehouse and Advance Paymente	(8,185)
Current Accounts Receivable	(54,299)
Provisions	(149)
Taxes payable	8,289
Deferred income	39,122
Changes on working capital	(6,979)
Net cash generated by operating activities	61,514
Investment activities:	
Acquisitions of leased location improvements, furnishings, equipment and constructions	(72,673)
Acquisitions of intangible assets and other assets	(5,260)
Interest received	-
Net cash (used in) generated by investing activities	(77,933)
Cash before financing activities	(16,419)
Financing Activities:	
Share repurchases	(1,985)
Proceeds and payments of borrowings and leases	(525)
Interest paid	(17,844)
Net cash used in financing activities	(20,354)
Net (decrease) increase in cash and cash equivalents	(36,773)
Cash and cash equivalents at the beginning of the period	126,482
Cash and cash equivalents at the end of the period	89,709