imc INTERNATIONAL MEAL COMPANY

2018 RESULTS

São Paulo, March 29th, 2018 - International Meal Company Alimentação S.A. (B3: MEAL3), one of the largest multi-brand companies in the Latin American food retail industry, announces its results for the fourth quarter of 2018 (4Q18). Unless otherwise indicated, the information herein is presented in a consolidated manner and in millions of Brazilian Reais (R$), and in accordance with the International Financial Reporting Standards (IFRS) and the accounting principles adopted in Brazil.

HIGHLIGHTS

Net Revenue
R$1.58B in 2018
(5.9% up vs. 2017)

Adjusted EBITDA
R$136M in 2018
(12.7% up vs. 2017)

Net Profit
R$8M in 2018
(vs. R$4M in 2017)

MEAL3 on 12.28.2018
R$7.09

IR CONTACTS

Vitor Pini (IRO)
Danielle Hernandes (IR Analyst)
Phone number: +55 (11) 3041-9628
ri@internationalmealcompany.com

CONFERENCE CALL - PORTUGUESE

3/29/2019
10:00 a.m. (Brasília) / 09:00 a.m. (US ET)

Webcast: click here

Phone number
+55 (11) 3127-4971 / 3728-5971

CONFERENCE CALL - ENGLISH

3/29/2019
11:00 a.m. (Brasília) / 10:00 a.m. (US ET)

Webcast: click here

Phone number
+1 (412) 317-6387

MESSAGE FROM MANAGEMENT

We are happy to announce a strong year in all regions – in spite of the negative pressure from the truck drivers' strike in the 2Q18 (~R$5M) and the R$4M provision related to the accounts receivable in the Airport segment in Brazil from Avianca that filed for chapter eleven in December, 2018.

Consolidated net revenue reached R$ 1.6 billion, a growth of 6% vs. 2017, with SSS up 4.6% YoY. **In the 4Q18, revenues reached R$376 million, up 2.5% compared to 4Q17,** with SSS up 6.3% vs. 4Q17.

Consolidated Adjusted EBITDA was up 13% YoY reaching R$136M, with a 50bps improvement in margins, or 8.6%, compared to 2017 at 8.1%**.** If we were to exclude the R$4M higher provision due to the accounts receivable from Avianca, the Adjusted EBITDA would have reached R$140M, up 16% YoY, with a 80bps improvement in margins to 8.9%. **In the 4Q18, adjusted EBITDA reached R$20M, up 68% vs. 4Q17, with margins at 5.3% (up 210bps).**

We posted a **net profit of R$8M in 2018,** from R$4M in 2017**.** In the 4Q18 we posted a net loss of R$1.5M from R$16M in 2017. **Operating Cash Flow** (after taxes and maintenance Capex) reached **R$74M**, from R$66M in 2017, representing an operating cash conversion rate from EBITDA of 54%. **In the 4Q18 Operating Cash Flow reached R$16M**, from R$5M in 4Q17, **equivalent to 79% of adjusted EBITDA.**

In Brazil, operating income in 2018 grew 7%, reaching R$42M with a 30bps improvement in margins, which includes the estimated R$5M pressure from the truck drivers' strike in the 2Q18 and the R$4M additional provision from Avianca's accounts receivables. If we would exclude those impacts, operating income would have reached R$51M, with a 5.4% margin and up 30% YoY. **In the 4Q18, operating income reached R$4M, up 119% vs. 4Q17,** with margins improving 100bps to 1.7%.

In the US, there was **an increase in operating income of 28% in 2018, due to the improvement in sales and margins (in US$)** that was amplified by the positive impact of the exchange rate, reaching R$45M with a 10.3% margin (up 70bps). In the 4Q18, operating income reached R$4M, from negative R$0.7M in 4Q17, with a 4.7% margin (up 580bps).

In the Caribbean, operating income was 6% up in Reais, reaching R$48.8M and margins were stable at 25.6%. In the 4Q18, operating income was up 12%, and margins up by 90bps at 24.6%. Both results were positively impacted by FX.

We continue to implement the Company's strategy based on 3 pillars: i) improve margins (in Brazil), ii) improve same store sales and iii) selective growth; and are very happy with the results and also with the prospects for the future.

i) Margins Improvement (in Brazil)

a. In 2016, margins in Brazil were 2.3% and in 2018 (adjusting for truckers' strike and Avianca) it would have reached 5.4%, if we do not adjust it, it reached 4.4%.

b. We mapped out the initiatives to reach our minimum margin target of 10%:

   i. Central Kitchens Integration – Viena Central Kitchen and Frango Assado Central Kitchen will be consolidated into one modern kitchen. The project is concluded, construction starts in April and should be concluded in September.

   ii. Intelligent Kitchen Project – Once New Central Kitchen is ready, all restaurants will be equipped with Combined Steam Ovens and they will finalize the food prepared in the New Central Kitchen. This should increase food quality and consistency, and also reduce labor cost and food waste.

   iii. Sales and Operational Planning (S&OP) + Theoretic vs. Real Food Cost Project – Request for ingredients is starting to be centralized – instead of being done by each store – and a routine to verify differences in real vs. theoretic has already started.

   iv. Product Development Integration – Common recipes among brands are being integrated whenever there is no loss in brand identity.

   v. Strategic Sourcing – With the unification of recipes due to the product integration project, the purchasing department started a new wave of strategic sourcing and bidding.

ii) Improving SSS

a. In January 2017, with the exception of the Caribbean, all business units had negative same store sales.

b. Today, the Caribbean region still sustains a high margin level (25%+) and all business units including Roads and Air in Brazil and Margaritaville in the US, have positive same store sales (even in dollars), with the exception of Malls division in Brazil that still have negative same store sales. Malls division represents approximately only 6% of IMC's EBITDA.

c. We continue to implement initiatives to improve quality of service and product to revert this situation (the intelligent kitchen should help to improve quality and product consistency).

iii) Selective Growth:

a. Good return on invested capital of past units, ie: in the USA, recent opened stores had less than 2 years of aggregated payback.

b. A considerable white space: 70 top priority locations for Margaritaville-Landshark in the USA and over 1k gas stations mapped out and ranked in SP for Frango Assado expansion.

c. We will resume growth:

    i. 3-4 new Margaritaville-Landshark stores/year

        a. 70 locations on top-priority list / 12 under negotiations

        b. New unit was inaugurated in February, 2019 in Branson Landing, Missouri and 5 new units have already signed to be opened in 2019/2020:

            a. Landshark in the River Walk in San Antonio – TX

            b. Landshark in the Inner Harbor in Baltimore – MD

            c. Landshark in the Bayside Miami – FL

            d. Margaritaville in Times Square – NYC

            e. Landshark in Times Square – NYC

    ii. 3-4 new Frango Assado stores/year

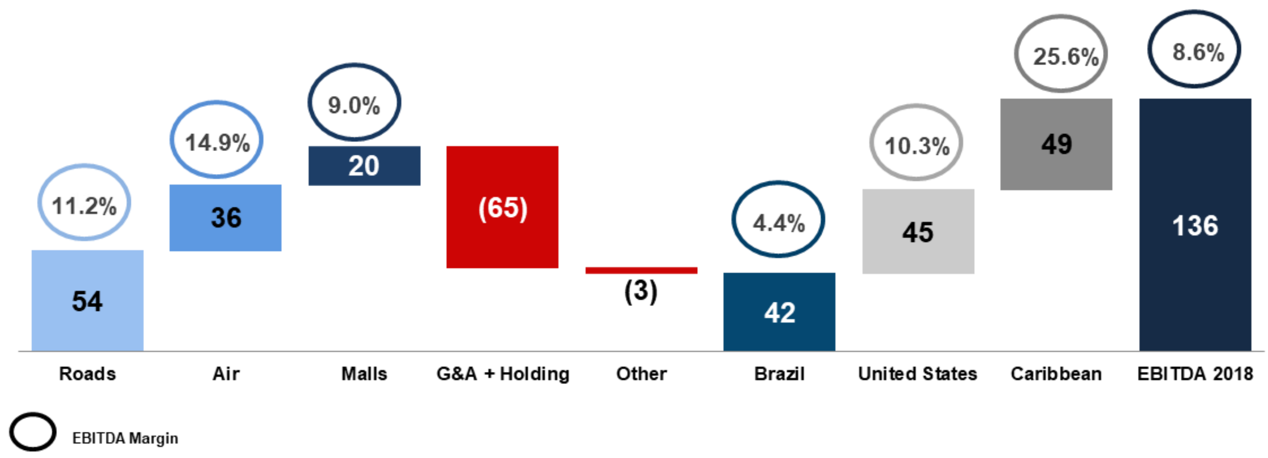
        a. 100 locations on top-priority list / 8 under negotiation

In 2017, we were more focused on margins; in 2018, we consolidated improvement in SSS; and in 2019, we will resume growth while expanding margins in Brazil.

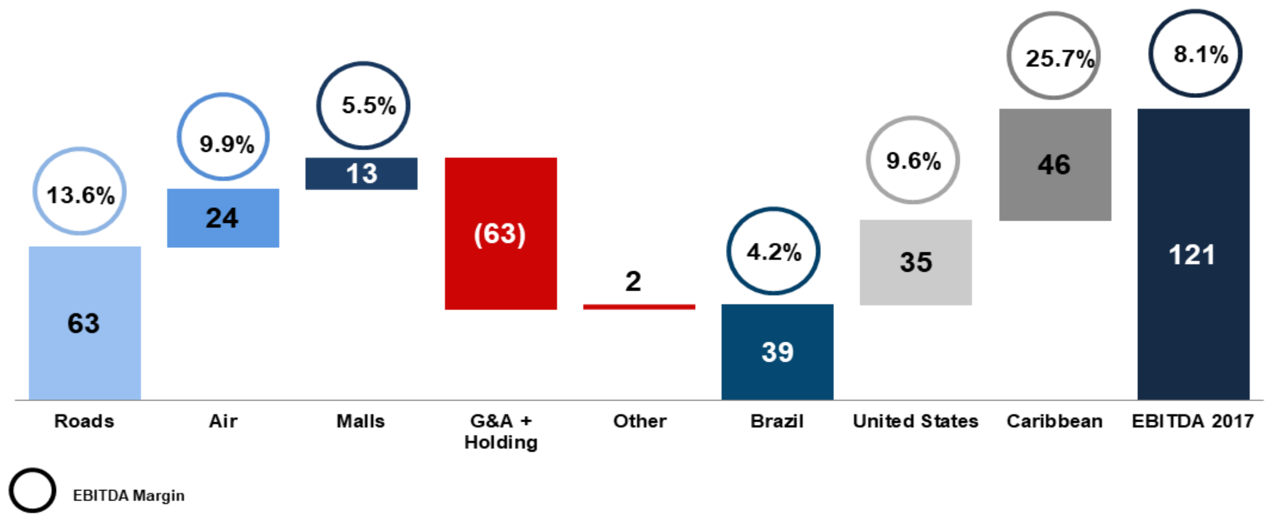
COMMENTS ABOUT IMC'S PERFORMANCE

OVERVIEW OF 2018

EBITDA Bridge 2018



EBITDA Bridge 2017



In 2018, IMC's Adjusted EBITDA was up by 13% with margins flat vs. 2017, reaching R$136 million in Reais (or R$123 million constant currency) with an 8.6% margin.

In Brazil, operating income reached R$42M (with a 4.4% margin), up 7% YoY in spite of the negative pressure from the truck drivers' strike in the 2Q18 (~R$5M in the Road segment) and the R$4M provision related to the accounts receivable in the Airport segment in Brazil from Avianca that filed for chapter eleven. Excluding those impacts, operating income would have reached R$51M, a 30% improvement YoY with a 5.3% operating margin, from 4.2% in 2017. The Airport segment grew by 47%, on the back of positive SSS in the catering division in 9M18, the recovery in sales and margins from the restaurants division in the 4Q18 and the positive impact of tax recoveries that totaled R$5M in 2018. Malls segment, in spite of the SSS pressure, presented a 60% YoY due to tax recoveries that totaled R$7M in 2018 and the reduction on food and selling expenses. The Road segment was down by 14% YoY due to the R$5M impact from the truck drivers' strike in the 2Q18 and a tough comparison in the 4Q18 as the 4Q17 was positively impacted by tax recoveries of R$9M. Nevertheless, we must note the continuous improvement in SSS that reached +9% in 4Q18, attesting the positive momentum in the segment.

In the US, there was an increase in operating income of 28% in 2018, due to the improvement in sales and margins (in US$) that was amplified by the positive impact of the exchange rate, reaching R$45M with a 10.3% margin (up 70bps).

In the Caribbean, operating income was 6% up in Reais, reaching R$48.8M and with margins stable at 25.6%.

CONSOLIDATED RESULTS

(in R$ million)	4Q18	4Q17	%HA	4Q18[3]	% HA[3]	2018	2017	%HA	2018[3]	% HA[3]
Net Revenue	**376.2**	**366.9**	**2.5%**	***358.5***	***-2.3%***	**1,582.1**	**1,494.5**	**5.9%**	***1,501.4***	***0.5%***
Restaurants & Others	312.2	311.8	0.1%	*294.5*	*-5.6%*	1,346.3	1,284.5	4.8%	*1,265.6*	*-1.5%*
Gas Stations	64.1	55.1	16.2%	*64.1*	*16.2%*	235.8	210.0	12.3%	*235.8*	*12.3%*
Brazil	247.3	253.9	-2.6%	*247.3*	*-2.6%*	952.0	947.2	0.5%	*952.0*	*0.5%*
US	80.2	67.9	18.1%	*68.5*	*0.8%*	439.0	368.1	19.3%	*381.6*	*3.7%*
Caribbean	48.7	45.1	7.9%	*42.7*	*-5.3%*	191.1	179.3	6.6%	*167.8*	*-6.4%*
Cost of Sales and Services	**(264.7)**	**(252.8)**	**4.7%**	***(254.2)***	***0.5%***	**(1,073.0)**	**(1,028.9)**	**4.3%**	***(1,028.3)***	***-0.1%***
Direct Labor	(97.9)	(93.0)	5.3%	*(92.8)*	*-0.3%*	(404.8)	(388.5)	4.2%	*(383.6)*	*-1.3%*
Food	(82.2)	(83.6)	-1.6%	*(78.4)*	*-6.2%*	(339.3)	(338.8)	0.1%	*(322.0)*	*-5.0%*
Others	(20.3)	(19.4)	4.7%	*(19.5)*	*0.3%*	(85.0)	(79.5)	6.9%	*(81.2)*	*2.1%*
Fuel and Automotive Accessories	(52.0)	(45.0)	15.3%	*(52.0)*	*15.3%*	(194.0)	(171.1)	13.4%	*(194.0)*	*13.4%*
Depreciation & Amortization	(12.2)	(11.8)	3.8%	*(11.6)*	*-1.7%*	(49.9)	(51.0)	-2.2%	*(47.5)*	*-6.9%*
Gross Profit	**111.6**	**114.1**	**-2.2%**	***104.4***	***-8.5%***	**509.1**	**465.6**	**9.3%**	***473.1***	***1.6%***
Gross Margin (%)	*29.7%*	*31.1%*	*-1.4p.p.*	*29.1%*	*-2p.p.*	*32.2%*	*31.2%*	*1p.p.*	*31.5%*	*0.4p.p.*
Operating Expenses	**(111.2)**	**(121.2)**	**-8.3%**	***(105.2)***	***-13.3%***	**(452.9)**	**(426.5)**	**6.2%**	***(426.1)***	***-0.1%***
Selling and Operating	(44.3)	(39.5)	12.4%	*(40.6)*	*2.9%*	(182.9)	(167.4)	9.3%	*(167.7)*	*0.2%*
Rents of Stores	(34.8)	(34.1)	2.0%	*(32.8)*	*-3.8%*	(152.0)	(147.0)	3.4%	*(143.4)*	*-2.4%*
Store Pre-Openings	(1.1)	(2.6)	-58.5%	*(1.1)*	*-58.7%*	(5.8)	(5.0)	15.4%	*(5.7)*	*14.9%*
Depreciation & Amortization	(6.9)	(6.8)	1.5%	*(6.6)*	*-2.7%*	(27.7)	(28.7)	-3.5%	*(26.6)*	*-7.3%*
J.V. Investment Amortization	(0.6)	(0.5)	17.1%	*(0.5)*	*0.0%*	(2.3)	(2.0)	14.2%	*(2.0)*	*0.0%*
Equity income result	1.7	1.3	31.3%	*1.4*	*11.9%*	9.1	6.9	32.0%	*8.1*	*17.5%*
Other revenues (expenses)	0.4	(12.3)	-103.0%	*(0.1)*	*-99.2%*	0.7	5.5	-86.7%	*0.3*	*-94.8%*
General & Administative	(23.3)	(23.1)	1.1%	*(22.7)*	*-1.5%*	(83.9)	(77.3)	8.5%	*(81.1)*	*4.8%*
Corporate (Holding)[2]	(2.3)	(3.7)	-37.9%	*(2.2)*	*-40.6%*	(8.2)	(11.6)	-29.5%	*(7.9)*	*-31.8%*
Special Items - Write-offs	(6.0)	0.0	-	*(6.0)*	-	(6.0)	0.0	0.0%	*(6.0)*	
Special Items - Other	(10.4)	(7.0)	48.0%	*(10.0)*	*41.8%*	(25.0)	(10.2)	144.5%	*(24.9)*	*143.8%*
EBIT	**(16.1)**	**(14.2)**	**13.6%**	***(16.8)***	***18.6%***	**25.2**	**28.8**	**na**	***16.1***	***na***
(+) D&A and Write-offs	25.7	19.1	35.0%	*24.7*	*29.6%*	85.9	81.7	5.2%	*82.2*	*0.5%*
EBITDA	**9.6**	**4.9**	**96.8%**	***7.9***	***61.4%***	**111.1**	**110.5**	**0.5%**	***98.3***	***-11.1%***
EBITDA Margin (%)	*2.6%*	*1.3%*	*1.2p.p.*	*2.2%*	*0.9p.p.*	*7.0%*	*7.4%*	*-0.4p.p.*	*6.5%*	*-0.9p.p.*
(+) Special Items - Other	10.4	7.0	-	*10.0*	-	25.0	10.2	144.5%	*24.9*	*143.8%*
Adjusted EBITDA [1]	**20.1**	**11.9**	**68.0%**	***17.9***	***49.8%***	**136.1**	**120.8**	**12.7%**	***123.2***	***2.0%***
Adjusted EBITDA Margin (%)	*5.3%*	*3.3%*	*2.1p.p.*	*5.0%*	*1.7p.p.*	*8.6%*	*8.1%*	*0.5p.p.*	*8.2%*	*0.1p.p.*

[1]Before special items; [2]Not allocated in segments and countries; [3]In constant currencies as of the prior year.

Net revenue totaled R$1,582.1 million in 2018, up 5.9% vs. 2017. The positive same store sales performance in all regions combined with the positive performance of new stores launched in the period (in Brazil and USA) offset the negative impact of the net store closures of 14 restaurants (16 of which in Brazil), as shown in the section "Number of stores”. In the 4Q18, net revenues totaled R$376M, up 2.5% vs. 4Q17.

Food cost totaled R$339.3 million in 2018, or R$322.0 million in constant currency, compared to R$338.8 million in 2017, representing a 120bps improvement YoY (as a % of sales).

Direct Labor cost totaled R$404.8 million, or R$383.6 million in constant currency, compared to R$388.5 million in 2017, representing a 40bps improvement YoY (as a % of sales).

Fuel cost totaled R$194.0M, a 13% increase compared to 2017, as a consequence of higher discounts policy impacting sales and resulting in an R$3M increase in fuel gross margin.

Sales and Operating expenses came in at R$182.9 million or R$167.7 million in constant currency compared to R$167.4 million in 2017.

Rent expenses totaled R$152.0 million or R$143.4 million in constant currency, compared to R$147.0 million in 2017, mainly because of 14 restaurants net reduction in the year.

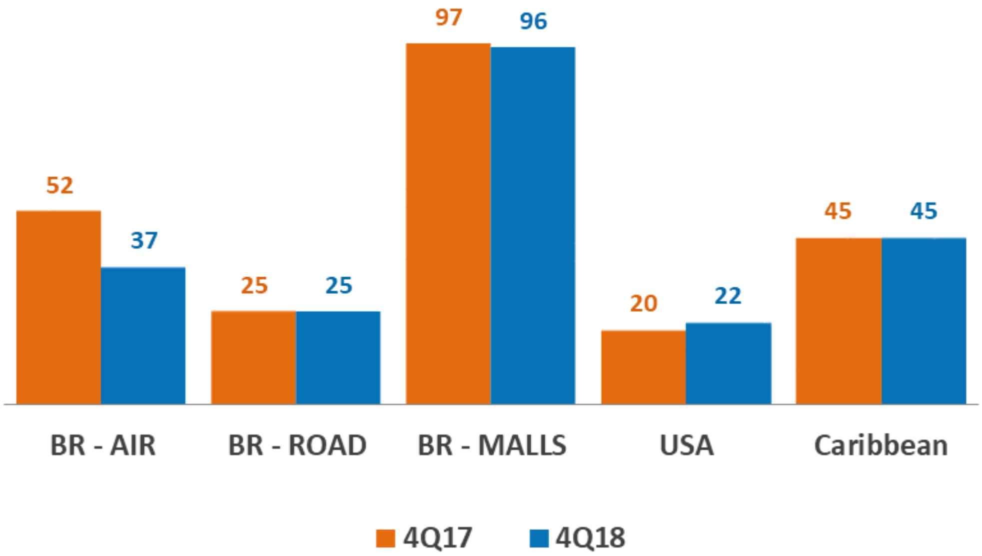
G&A and Holding expenses totaled R$92.1 million or R$89.0 million in constant currency, compared to R$88.9 million in 2017.

Other income at R$0.7M was down 86.7% in 2018 compared to 2017, due to the R$4M provision related to the accounts receivable in the Airport segment in Brazil from Avianca that filed for chapter eleven in Brazil.

Overall, in 2018, the adjusted EBITDA reached R$136.1 million, 13% up from 2017, and margin reached 8.6%, flat YoY. In 4Q18, adjusted EBITDA reached R$20.1 million, up 68% from 4Q17, with a 5.3% margin (+210bps).

NUMBER OF STORES EVOLUTION

(end of period)	4Q18	4Q17	YoY Var. (%)	YoY Var. (#)
Brazil	**158**	**174**	**-9.2%**	**-16**
Air	*37*	*52*	*-28.8%*	*-15*
Roads	*25*	*25*	*0.0%*	*0*
Shopping Malls	*96*	*97*	*-1.0%*	*-1*
USA	**22**	**20**	**10.0%**	**2**
Caribbean	**45**	**45**	**0.0%**	**0**
Total Number of Stores	**225**	**239**	**-5.9%**	**-14**



At the end of 2018, the Company had 225 stores, a net reduction of 14 stores vs 2017, due to store closures, especially in Brazilian Airports (new agreement with Guarulhos).

SAME-STORE SALES (SSS)

2018

Brazil

+0.6%

Road: +4.4%
Air: +1.1%
Malls: -10.7%

US

+12.3%
(BRL)

+0.9%
(Constant Currency)

Caribbean

+8.0%
(BRL)

-4.1%
(Constant Currency)

Total

+4.6%
(BRL)

+0.1%
(Constant Currency)

4Q18

Brazil

+2.3%

Road: +9.0%
Air: -8.1%
Malls: -5.1%

US

+16.5%
(BRL)

+1.6%
(Constant Currency)

Caribbean

+8.9%
(BRL)

-4.4%
(Constant Currency)

Total

+6.3%
(BRL)

+1.3%
(Constant Currency)

In 2018, same store sales achieved a 0.1% increase in constant currency, or a 4.6% growth in Reais.

In Brazil, the Air segment grew its same store sales by 1.1%, being negatively impacted in the 4Q18 by the end of a temporary contract with Albert Einstein Hospital (which began on 4Q17 and ended mid-2Q18) and the closure of 15 stores, mitigating its overall performance. Roads accumulated a 4.4% increase in 2018 despite the negative effects of the World Cup and the truckers' strike, reinforcing Frango Assado's good performance. The Mall segment, on the other hand, dropped its same store sales by 10.7%. Thus, Brazil's overall same store sales came to a growth of 0.6%.

USA's same store sales in 2018 grew +12.3% in Reais and +0.9% in constant currency, reflecting our efforts in marketing, menu engineering and stores refurbishments that started to yield positive results since 3Q18.

The Caribbean finished 2018 with an SSS of +8.0% in Reais and -4.1% in constant currency, as Colombia's positive performance was offset by lower sales in Panama, especially in airports due to refurbishments in the airport that impacted the flow of customers in our stores.

RESULTS BY BUSINESS SEGMENT AND GEOGRAPHIC REGION

(in R$ million)	Brazil 2018	USA 2018	Caribbean 2018	Consolidated 2018	% VA	Brasil 2017	EUA 2017	Caribbe 2017	Consolidated 2017	% VA	% HA
Net Revenue	**952.0**	**439.0**	**191.1**	**1,582.1**	**100.0%**	**947.2**	**368.1**	**179.3**	**1,494.5**	**100.0%**	**5.9%**
Restaurants & Others	716.2	439.0	191.1	1,346.3	85.1%	737.2	368.1	179.3	1,284.5	86.0%	4.8%
Gas Stations	235.8	0.0	0.0	235.8	14.9%	210.0	0.0	0.0	210.0	14.0%	12.3%
Cost of Sales and Services	**(719.4)**	**(265.2)**	**(88.4)**	**(1,073.0)**	**-67.8%**	**(718.2)**	**(227.0)**	**(83.7)**	**(1,028.9)**	**-68.8%**	**4.3%**
Direct Labor	(236.0)	(133.5)	(35.3)	(404.8)	-25.6%	(243.5)	(113.4)	(31.7)	(388.5)	-26.0%	4.2%
Food	(203.5)	(86.1)	(49.7)	(339.3)	-21.4%	(217.2)	(72.6)	(49.1)	(338.8)	-22.7%	0.1%
Others	(55.4)	(27.6)	(2.0)	(85.0)	-5.4%	(54.8)	(23.1)	(1.6)	(79.5)	-5.3%	6.9%
Fuel and Automotive Accessories	(194.0)	0.0	0.0	(194.0)	-12.3%	(171.1)	0.0	0.0	(171.1)	-11.4%	13.4%
Depreciation & Amortization	(30.6)	(18.0)	(1.3)	(49.9)	-3.2%	(31.8)	(17.9)	(1.4)	(51.0)	-3.4%	-2.2%
Gross Profit	**232.7**	**173.7**	**102.7**	**509.1**	**32.2%**	**228.9**	**141.1**	**95.5**	**465.6**	**31.2%**	**9.3%**
Operating Expenses[1]	**(239.7)**	**(150.1)**	**(63.1)**	**(452.9)**	**-28.6%**	**(240.9)**	**(126.9)**	**(58.7)**	**(426.5)**	**-28.5%**	**6.2%**
Selling and Operating	(63.1)	(94.6)	(25.2)	(182.9)	-11.6%	(68.7)	(74.3)	(24.3)	(167.4)	-11.2%	9.3%
Rents of Stores	(85.1)	(46.1)	(20.8)	(152.0)	-9.6%	(87.0)	(40.9)	(19.0)	(147.0)	-9.8%	3.4%
Store Pre-Openings	(4.4)	(1.1)	(0.3)	(5.8)	-0.4%	(4.4)	(0.6)	(0.0)	(5.0)	-0.3%	15.4%
Depreciation & Amortization	(18.5)	(1.3)	(7.9)	(27.7)	-1.8%	(19.7)	(1.2)	(7.8)	(28.7)	-1.9%	-3.5%
J.V. Investment Amortization	0.0	(2.3)	0.0	(2.3)	-0.1%	0.0	(2.0)	0.0	(2.0)	-0.1%	14.2%
Equity income result	0.0	9.1	0.0	9.1	0.6%	0.0	6.9	0.0	6.9	0.5%	32.0%
Other revenues (expenses)	(3.2)	2.7	1.2	0.7	0.0%	1.8	2.4	1.3	5.5	0.4%	n/a
General & Administative	(57.2)	(16.5)	(10.2)	(83.9)	-5.3%	(51.3)	(17.2)	(8.8)	(77.3)	-5.2%	8.5%
Corporate (Holding)[2]	(8.2)	0.0	0.0	(8.2)	-0.5%	(11.6)	0.0	0.0	(11.6)	-0.8%	-29.5%
(+) Depreciation & Amortization	49.1	21.6	9.2	79.9	5.1%	51.4	21.1	9.2	81.7	5.5%	-2.2%
Operating Income	**42.0**	**45.2**	**48.8**	**136.1**	**8.6%**	**39.4**	**35.3**	**46.1**	**120.8**	**8.1%**	**12.7%**
Special Items - Write-offs				(6.0)	-0.4%						
Special Items - Other				(25.0)	-1.6%				(10.2)	-0.7%	144.5%
EBIT	**(7.1)**	**23.6**	**39.6**	**31.2**	**2.0%**	**(12.0)**	**14.2**	**36.9**	**28.8**	**1.9%**	
(+) D&A and Write-offs				85.9	5.4%				81.7	5.5%	5.2%
EBITDA				**111.1**	**7.0%**				**110.5**	**7.4%**	**0.5%**
(+) Special Items				25.0	1.6%				10.2	0.7%	144.5%
Adjusted EBITDA				**136.1**	**8.6%**				**120.8**	**8.1%**	**12.7%**

[1]Before special items; [2] Not allocated in segments.

RESULTS OF THE BRAZILIAN OPERATIONS

(in R$ million)	4Q18	% VA	4Q17	% VA	% HA	2018	% VA	2017	% VA	% HA
Net Revenue	**247.3**	**100.0%**	**253.9**	**100.0%**	**-2.6%**	**952.0**	**100.0%**	**947.2**	**100.0%**	**0.5%**
Restaurants & Others	183.3	74.1%	198.7	78.3%	-7.8%	716.2	75.2%	737.2	77.8%	-2.8%
Gas Stations	64.1	25.9%	55.1	21.7%	16.2%	235.8	24.8%	210.0	22.2%	12.3%
Cost of Sales and Services	**(188.2)**	**-76.1%**	**(185.5)**	**-73.1%**	**1.5%**	**(719.4)**	**-75.6%**	**(718.2)**	**-75.8%**	**0.2%**
Direct Labor	(60.5)	-24.5%	(61.0)	-24.0%	-0.7%	(236.0)	-24.8%	(243.5)	-25.7%	-3.1%
Food	(53.6)	-21.7%	(57.5)	-22.7%	-6.9%	(203.5)	-21.4%	(217.2)	-22.9%	-6.3%
Others	(14.3)	-5.8%	(14.3)	-5.6%	0.2%	(55.4)	-5.8%	(54.8)	-5.8%	1.1%
Fuel and Automotive Accessories	(52.0)	-21.0%	(45.0)	-17.7%	15.3%	(194.0)	-20.4%	(171.1)	-18.1%	13.4%
Depreciation & Amortization	(7.8)	-3.1%	(7.7)	-3.0%	1.5%	(30.6)	-3.2%	(31.8)	-3.4%	-3.6%
Gross Profit	**59.1**	**23.9%**	**68.4**	**26.9%**	**-13.5%**	**232.7**	**24.4%**	**228.9**	**24.2%**	**1.6%**
Operating Expenses[1]	**(67.2)**	**-27.2%**	**(78.6)**	**-31.0%**	**-14.5%**	**(239.7)**	**-25.2%**	**(240.9)**	**-25.4%**	**-0.5%**
Selling and Operating	(17.8)	-7.2%	(16.7)	-6.6%	6.5%	(63.1)	-6.6%	(68.7)	-7.3%	-8.1%
Rents of Stores	(21.0)	-8.5%	(22.0)	-8.7%	-4.5%	(85.1)	-8.9%	(87.0)	-9.2%	-2.2%
Store Pre-Openings	(1.0)	-0.4%	(2.8)	-1.1%	-63.1%	(4.4)	-0.5%	(4.4)	-0.5%	0.1%
Depreciation & Amortization	(4.6)	-1.9%	(4.6)	-1.8%	1.0%	(18.5)	-1.9%	(19.7)	-2.1%	-6.1%
Other revenues (expenses)[2]	(2.7)	-1.1%	(13.7)	-5.4%	-80.0%	(3.2)	-0.3%	1.8	0.2%	-274.5%
General & Administative[2]	(17.8)	-7.2%	(15.2)	-6.0%	16.7%	(57.2)	-6.0%	(51.3)	-5.4%	11.4%
Corporate (Holding)[2]	(2.3)	-0.9%	(3.7)	-1.5%	-37.9%	(8.2)	-0.9%	(11.6)	-1.2%	-29.5%
(+) Depreciation & Amortization	12.4	5.0%	12.2	4.8%	1.3%	49.1	5.2%	51.4	5.4%	-4.5%
Operating Income	**4.3**	**1.7%**	**2.0**	**0.8%**	**118.9%**	**42.0**	**4.4%**	**39.4**	**4.2%**	**6.7%**
Expansion Capex	10.0	4.0%	3.8	1.5%	160.2%	43.5	4.6%	16.6	1.8%	161.7%
Maintenance Capex	1.2	0.5%	6.4	2.5%	-82.0%	6.0	0.6%	11.7	1.2%	-48.7%
Total Capex	**11.2**	**4.5%**	**10.3**	**4.0%**	**8.8%**	**49.5**	**5.2%**	**28.3**	**3.0%**	**74.6%**
Operating Inc. - Maintenance Capex[3]	**3.2**	**73.3%**	**(4.4)**	**-224.8%**	**298.1%**	**36.0**	**85.7%**	**27.7**	**70.2%**	**15.4%**

[1]Before special items; [2] Not allocated in segments; [3]VA vs. Op. Inc.

In Brazil, operating income reached R$42M, up 7% YoY in spite of the negative pressure from the truck drivers' strike in the 2Q18 (~R$5M in the Road segment) and the R$4M provision related to the accounts receivable in the Airport segment from Avianca that filed for chapter eleven. Excluding those impacts, operating income would have reached R$51M, a 30% improvement YoY with a 5.3% operating margin.

Brazilian operation's top line in 2018 was flat (+0.5%) vs 2017 (-2.8% in restaurants and +12.3% in gas stations) as a result positive same store sales performance in Roads and Airports, which were partially offset by the negative same stores sales performance in Malls, the store closure in Airports (-15 vs. 4Q17 – as a consequence of the new agreement at the Guarulhos Airport) and the impact from the truckers' strike in the 2Q18. In 4Q18, net revenues had a decrease of 2.6% compared to 4Q17 (-7.8% in restaurants and +16.2% in gas stations).

In terms of costs and expenses, there was a R$7.5M (-3%) reduction in labor cost as a consequence of the headcount reduction. Food cost was down by R$13.7M and Others (mainly utilities) up by R$0.6M. Fuel costs, as a consequence of higher discounts and higher sales, were up by R$22.9M.

There was also an improvement of R$5.6M in selling and operating expenses (related to the indirect labor cost reduction) and a R$2.5M increase in G&A and Holding expenses combined. Other expenses had a negative impact of 50bps or R$5.0M as a result of the R$4M provision related to the accounts receivable in the Airport segment.

Thus, the Brazilian operations had an operating income of R$42.0 million in 2018, a 6.7% increase vs. 2017, with 4.4% of operating margin. In 4Q18, operating income grew 118.9%, reaching R$4.3 million.

RESULTS OF THE BRAZILIAN OPERATIONS – ROADS

(in R$ million)	4Q18	% VA	4Q17	% VA	% HA	2018	% VA	2017	% VA	% HA
Net Revenue	**133.0**	**100.0%**	**131.4**	**100.0%**	**1.2%**	**483.4**	**100.0%**	**467.2**	**100.0%**	**3.5%**
Restaurants & Others	69.0	51.8%	76.3	58.1%	-9.6%	247.6	51.2%	257.2	55.1%	-3.7%
Gas Stations	64.1	48.2%	55.1	41.9%	16.2%	235.8	48.8%	210.0	44.9%	12.3%
Cost of Sales and Services	**(107.1)**	**-80.5%**	**(100.0)**	**-76.1%**	**7.1%**	**(399.7)**	**-82.7%**	**(376.8)**	**-80.6%**	**6.1%**
Direct Labor	(23.9)	-18.0%	(23.7)	-18.0%	0.9%	(91.7)	-19.0%	(91.7)	-19.6%	0.0%
Food	(21.7)	-16.3%	(22.1)	-16.8%	-1.9%	(78.3)	-16.2%	(79.6)	-17.0%	-1.6%
Others	(6.2)	-4.7%	(6.0)	-4.5%	4.1%	(23.1)	-4.8%	(21.8)	-4.7%	6.0%
Fuel and Automotive Accessories	(52.0)	-39.0%	(45.0)	-34.3%	15.3%	(194.0)	-40.1%	(171.1)	-36.6%	13.4%
Depreciation & Amortization	(3.3)	-2.5%	(3.1)	-2.4%	4.7%	(12.7)	-2.6%	(12.6)	-2.7%	0.7%
Gross Profit	**26.0**	**19.5%**	**31.4**	**23.9%**	**-17.4%**	**83.7**	**17.3%**	**90.4**	**19.4%**	**-7.4%**
Operating Expenses[1]	**(12.4)**	**-9.3%**	**(11.1)**	**-8.4%**	**11.7%**	**(45.2)**	**-9.3%**	**(42.9)**	**-9.2%**	**5.4%**
Selling and Operating	(5.9)	-4.4%	(5.7)	-4.4%	1.9%	(22.3)	-4.6%	(23.4)	-5.0%	-4.9%
Rents of Stores	(5.4)	-4.0%	(4.6)	-3.5%	17.2%	(19.1)	-4.0%	(15.8)	-3.4%	20.9%
Store Pre-Openings	(0.4)	-0.3%	0.0	0.0%	0.0%	(0.6)	-0.1%	(0.3)	-0.1%	106.8%
Depreciation & Amortization	(0.8)	-0.6%	(0.8)	-0.6%	0.2%	(3.1)	-0.6%	(3.3)	-0.7%	-5.8%
(+) Depreciation & Amortization	4.1	3.1%	3.9	3.0%	3.8%	15.8	3.3%	15.9	3.4%	-0.7%
Operating Income	**17.6**	**13.2%**	**24.2**	**18.4%**	**-27.3%**	**54.4**	**11.2%**	**63.5**	**13.6%**	**-14.4%**
Expansion Capex	2.4	1.8%	2.8	2.2%	-15.8%	17.4	3.6%	7.1	1.5%	144.6%
Maintenance Capex	0.2	0.1%	4.7	3.6%	-96.2%	1.4	0.3%	7.2	1.5%	-80.0%
Total Capex	**2.6**	**1.9%**	**7.5**	**5.7%**	**-65.8%**	**18.8**	**3.9%**	**14.3**	**3.1%**	**31.2%**
Operating Inc. - Maintenance Capex[2]	**17.4**	**99.0%**	**19.6**	**80.7%**	**18.3%**	**52.9**	**97.3%**	**56.3**	**88.6%**	**8.7%**

[1]Before special items; [2]VA vs. Op. Inc.

The Roads segment operating income decreased by 14% in 2018 and by 27% in the 4Q18, compared to 2017 and 4Q17, respectively. 4Q18 had a tough comparison vs. 4Q17 as the later was positively impacted by R$9M, related to tax recoveries in the net revenue line. On top of that, the full year performance was also affected by an estimated R$5M negative impact from the truckers' strike in the 2Q18. Excluding those impacts, the full year result would have been 9% higher than 2017 and the 4Q18 would have been 16% higher than 4Q17. The other highlights in terms of performance in 2018 were:

i. Lower food cost at R$78M vs R$80M in 2017, reflecting the efforts to reduce waste and improve efficiency.

ii. Flat labor costs, remaining at R$91.7M, as a consequence of headcount adjustments offsetting the inflation pass-through in salaries;

iii. Fuel cost totaled R$194.0M, a 13% increase compared to 2017, as a consequence of higher discounts policy impacting sales and resulting in an R$3M increase in fuel gross margin;

iv. Higher rent expenses as 2017 result was positively impacted by rent discounts to offset Capex improvements done by the Company that were the landlord's responsibility – the ~4% of revenues figure should remain coming forward;

v. Higher other expenses (+R$1.3M), mainly utilities.

RESULTS OF THE BRAZILIAN OPERATIONS – AIR

(in R$ million)	4Q18	% VA	4Q17	% VA	% HA	2018	% VA	2017	% VA	% HA
Net Revenue	**53.6**	**100.0%**	**65.3**	**100.0%**	**-17.9%**	**239.8**	**100.0%**	**245.6**	**100.0%**	**-2.4%**
Restaurants & Others	53.6	100.0%	65.3	100.0%	-17.9%	239.8	100.0%	245.6	100.0%	-2.4%
Cost of Sales and Services	**(36.4)**	**-67.8%**	**(44.3)**	**-67.8%**	**-17.8%**	**(156.6)**	**-65.3%**	**(171.0)**	**-69.6%**	**-8.4%**
Direct Labor	(17.8)	-33.2%	(20.5)	-31.5%	-13.4%	(75.0)	-31.3%	(80.7)	-32.9%	-7.1%
Food	(13.3)	-24.9%	(18.1)	-27.7%	-26.2%	(59.4)	-24.8%	(67.4)	-27.4%	-11.9%
Others	(3.4)	-6.4%	(3.5)	-5.4%	-3.3%	(14.3)	-6.0%	(13.8)	-5.6%	3.1%
Depreciation & Amortization	(1.8)	-3.4%	(2.1)	-3.3%	-13.9%	(8.0)	-3.3%	(9.1)	-3.7%	-11.8%
Gross Profit	**17.3**	**32.2%**	**21.0**	**32.2%**	**-17.9%**	**83.2**	**34.7%**	**74.6**	**30.4%**	**11.5%**
Operating Expenses[1]	**(18.8)**	**-35.1%**	**(17.8)**	**-27.3%**	**5.6%**	**(69.1)**	**-28.8%**	**(73.8)**	**-30.0%**	**-6.3%**
Selling and Operating	(8.3)	-15.5%	(5.4)	-8.3%	52.8%	(22.2)	-9.3%	(23.3)	-9.5%	-4.7%
Rents of Stores	(7.1)	-13.2%	(9.1)	-13.9%	-21.8%	(33.2)	-13.9%	(36.0)	-14.7%	-7.8%
Depreciation & Amortization	(3.4)	-6.4%	(3.3)	-5.1%	3.4%	(13.7)	-5.7%	(14.4)	-5.9%	-4.8%
(+) Depreciation & Amortization	5.3	9.8%	5.5	8.4%	-3.4%	21.7	9.1%	23.5	9.6%	-7.5%
Operating Income[1]	**3.7**	**6.9%**	**8.7**	**13.3%**	**-57.2%**	**35.8**	**14.9%**	**24.3**	**9.9%**	**47.3%**
Expansion Capex	2.7	5.0%	0.8	1.2%	252.9%	4.5	1.9%	5.7	2.3%	-21.7%
Maintenance Capex	0.4	0.8%	0.4	0.6%	-4.5%	1.2	0.5%	1.0	0.4%	20.8%
Total Capex	**3.1**	**5.7%**	**1.2**	**1.8%**	**161.0%**	**5.7**	**2.4%**	**6.7**	**2.7%**	**-15.2%**
Operating Inc. - Maintenance Capex[2]	**3.3**	**89.2%**	**8.3**	**95.1%**	**-6.0%**	**34.5**	**96.5%**	**23.2**	**95.8%**	**0.8%**

[1]Before special items; [2]VA vs. Op. Inc.

The Brazilian Airport segment operating income reached R$35.8 million in 2018, a 47% increase compared to 2017 due to positive performance in the catering division that grew organically and had the benefit of the of the temporary contract with Albert Einstein Hospital (which started on 4Q17 and had a positive impact on restaurants revenue until mid-2Q18, when it ended) and a R$5M impact from tax recoveries in 2018. In the 4Q18, operating income was down by 57% due to the ending of the above mentioned contract and the store closure (-15 stores). The other highlights in terms of performance in 2018 were:

i. Lower labor costs (-R$5.7M, or a 7.1% decrease);

ii. Lower food costs (-R$8.0M, or a 11.9% decrease);

iii. Lower selling and operating expenses (-R$1.1M, or a 4.7% decrease);

iv. Lower rent expenses (-R$2.8M, or a 7.8% decrease).

RESULTS OF THE BRAZILIAN OPERATIONS – MALLS

(in R$ million)	4Q18	% VA	4Q17	% VA	% HA	2018	% VA	2017	% VA	% HA
Net Revenue	**60.6**	**100.0%**	**57.1**	**100.0%**	**6.1%**	**228.8**	**100.0%**	**234.4**	**100.0%**	**-2.4%**
Restaurants & Others	60.6	100.0%	57.1	100.0%	6.1%	228.8	100.0%	234.4	100.0%	-2.4%
Cost of Sales and Services	**(44.7)**	**-73.8%**	**(41.2)**	**-72.2%**	**8.5%**	**(163.0)**	**-71.2%**	**(170.4)**	**-72.7%**	**-4.4%**
Direct Labor	(18.8)	-31.1%	(16.7)	-29.2%	12.7%	(69.3)	-30.3%	(71.0)	-30.3%	-2.5%
Food	(18.5)	-30.6%	(17.4)	-30.4%	6.9%	(65.8)	-28.8%	(70.1)	-29.9%	-6.2%
Others	(4.7)	-7.7%	(4.8)	-8.4%	-2.0%	(18.0)	-7.9%	(19.2)	-8.2%	-5.9%
Depreciation & Amortization	(2.6)	-4.4%	(2.4)	-4.2%	11.3%	(9.9)	-4.3%	(10.1)	-4.3%	-1.6%
Gross Profit	**15.9**	**26.2%**	**15.9**	**27.8%**	**0.1%**	**65.8**	**28.8%**	**64.0**	**27.3%**	**2.9%**
Operating Expenses[1]	**(13.1)**	**-21.7%**	**(17.1)**	**-29.9%**	**-23.1%**	**(56.9)**	**-24.8%**	**(63.2)**	**-27.0%**	**-10.0%**
Selling and Operating	(3.6)	-5.9%	(5.5)	-9.6%	-34.7%	(18.7)	-8.2%	(22.1)	-9.4%	-15.2%
Rents of Stores	(8.5)	-14.1%	(8.3)	-14.6%	2.4%	(32.8)	-14.3%	(35.1)	-15.0%	-6.7%
Store Pre-Openings	(0.6)	-1.0%	(2.8)	-4.9%	-77.7%	(3.8)	-1.7%	(4.1)	-1.7%	-6.9%
Depreciation & Amortization	(0.4)	-0.6%	(0.4)	-0.8%	-15.8%	(1.6)	-0.7%	(1.9)	-0.8%	-16.3%
(+) Depreciation & Amortization	3.0	5.0%	2.8	4.9%	7.1%	11.5	5.0%	12.0	5.1%	-4.0%
Operating Income	**5.8**	**9.6%**	**1.6**	**2.9%**	**253.9%**	**20.5**	**9.0%**	**12.8**	**5.5%**	**60.1%**
Expansion Capex	4.9	8.2%	0.2	0.4%	1895.1%	21.7	9.5%	3.8	1.6%	468.4%
Maintenance Capex	0.6	0.9%	1.3	2.3%	-56.1%	3.3	1.5%	3.5	1.5%	-4.1%
Total Capex	**5.5**	**9.1%**	**1.6**	**2.7%**	**254.5%**	**25.0**	**10.9%**	**7.3**	**3.1%**	**243.5%**
Operating Inc. - Maintenance Capex[2]	**5.2**	**90.1%**	**0.3**	**20.1%**	**70.0%**	**17.2**	**83.8%**	**9.3**	**72.9%**	**10.8%**

[1]Before special items; [2]VA vs. Op. Inc.

The Malls segment operating income reached R$20.5 million, a 60% increase compared to 2017, with an improvement in margins of 350bps mainly due to the R$7M tax recoveries in 2018 and our efforts to reduce costs and expenses and the positive performance of recently opened stores offsetting the pressure from the negative SSS performance. In the quarter, operating income reached R$5.8M, up 254% compared to 4Q17. The other highlights in terms of performance in 2018 were:

i) a 2.4% decrease in sales, as a consequence of the net closure of 1 store combined with a reduction of 10.7% in SSS, which were partially offset by the positive performance of new Olive Garden Restaurants and the positive impact of R$7M in tax recoveries in 2018.

ii) labor cost -R$1.8M, food cost -R$4.4M (+120bps), selling and operating expenses -R$3.4M (+120bps), rent expenses -R$2.4M (+70bps) and other costs (utilities) -R$1.1M (+30bps); store pre-opening expenses -R$0.3M (+10bps).

RESULTS OF U.S. OPERATIONS

(in US$ Million)	4Q18	% VA	4Q17	% VA	% HA	2018	% VA	2017	% VA	% HA
Net Revenue	**21.1**	**100.0%**	**20.9**	**100.0%**	**0.8%**	**119.1**	**100.0%**	**114.9**	**100.0%**	**3.7%**
Restaurants & Others	21.1	100.0%	20.9	100.0%	0.8%	119.1	100.0%	114.9	100.0%	3.7%
Cost of Sales and Services	**(14.2)**	**-67.4%**	**(14.1)**	**-67.2%**	**1.1%**	**(72.2)**	**-60.6%**	**(70.9)**	**-61.7%**	**1.9%**
Direct Labor	(7.6)	-35.8%	(7.3)	-34.9%	3.4%	(36.4)	-30.6%	(35.4)	-30.8%	2.9%
Food	(4.1)	-19.4%	(4.1)	-19.8%	-0.9%	(23.4)	-19.6%	(22.7)	-19.7%	3.2%
Others	(1.5)	-6.9%	(1.5)	-6.9%	0.0%	(7.5)	-6.3%	(7.2)	-6.3%	3.9%
Depreciation & Amortization	(1.1)	-5.2%	(1.2)	-5.6%	-4.8%	(4.9)	-4.1%	(5.6)	-4.9%	-12.2%
Gross Profit	**6.9**	**32.6%**	**6.9**	**32.8%**	**0.2%**	**46.9**	**39.4%**	**44.0**	**38.3%**	**6.6%**
Operating Expenses[1]	**(7.3)**	**-34.5%**	**(8.5)**	**-40.5%**	**-14.2%**	**(41.0)**	**-34.4%**	**(39.6)**	**-34.5%**	**3.5%**
Selling and Operating	(5.2)	-24.9%	(5.1)	-24.5%	2.2%	(25.8)	-21.6%	(23.2)	-20.2%	11.1%
Rents of Stores	(2.2)	-10.5%	(2.2)	-10.7%	-1.5%	(12.5)	-10.5%	(12.8)	-11.1%	-2.0%
Store Pre-Openings	0.0	0.0%	0.1	0.3%	-97%	(0.3)	-0.3%	(0.2)	-0.2%	88.9%
Depreciation & Amortization	(0.1)	-0.4%	(0.1)	-0.4%	5.5%	(0.4)	-0.3%	(0.4)	-0.3%	-1.8%
J.V. Investment Amortization	(0.2)	-0.7%	(0.2)	-0.7%	0.0%	(0.6)	-0.5%	(0.6)	-0.5%	0.0%
Equity income result	0.4	2.1%	0.4	1.9%	12.2%	2.5	2.1%	2.2	1.9%	17.5%
Other revenues (expenses)	0.8	3.6%	0.3	1.4%	164.7%	0.7	0.6%	0.7	0.6%	0.4%
General & Administative	(0.8)	-3.7%	(1.6)	-7.6%	-51.6%	(4.7)	-3.9%	(5.4)	-4.7%	-12.9%
(+) Depreciation & Amortization	1.4	6.4%	1.4	6.7%	-3.7%	5.9	5.0%	6.6	5.7%	-10.5%
Operating Income	**1.0**	**4.5%**	**(0.2)**	**-1.0%**	**-562.7%**	**11.8**	**9.9%**	**11.0**	**9.5%**	**7.4%**
Expansion Capex	3.8	17.8%	0.5	2.2%	720.5%	5.5	4.6%	1.0	0.9%	457.0%
Maintenance Capex	0.2	0.9%	0.3	1.2%	-27.5%	0.7	0.6%	0.5	0.4%	55.4%
Total Capex	**3.9**	**18.7%**	**0.7**	**3.4%**	**455.0%**	**6.2**	**5.2%**	**1.4**	**1.3%**	**330.1%**
Operating Inc. - Maintenance Capex[2]	**0.8**	**80.9%**	**(0.5)**	**222.0%**	**-141.1%**	**11.1**	**94.0%**	**10.5**	**95.8%**	**-1.9%**

[1]Before special items; [2]VA vs. Op. Inc.

The operations in the United States consist mainly of Margaritaville and currently has 22 restaurants. The comments below (as well as the table above) are in local currency (US$) to provide a better understanding of the region's results eliminating the impact of FX. It is important to note that the restaurants in the US are located mostly in summer destinations, therefore, most of the profitability is concentrated in the second and third quarters.

In 2018, net revenues reached US$119.1 million, a 3.7% increase compared to 2017, due to the opening of 2 new stores and positive SSS performance, reflecting our efforts in marketing, menu engineering and stores refurbishments that started to yield positive results since 3Q18.

Operating income increased by 7.4% reaching US$11.8M, with a 9.9% operating margin (from 9.5%) that were mostly impacted by higher selling and operating expenses - mainly marketing expenses related to the increased marketing efforts to revert the same stores sales trend, partially offsetting the eficiency gains on food and labor costs, as well as higher equity income result from our Orlando store.

RESULTS OF THE CARIBBEAN OPERATIONS

(in R$ million)	4Q18	4Q17	% HA	*4Q18²*	*% VA²*	*% HA²*	2018	2017	% HA	*2018²*	*% AV²*	*% HA²*
Net Revenue	**48.7**	**45.1**	**7.9%**	***42.7***	***100.0%***	***-5.3%***	**191.1**	**179.3**	**6.6%**	***167.8***	***100.0%***	***-6.4%***
Restaurants & Others	48.7	45.1	7.9%	*42.7*	*100.0%*	*-5.3%*	191.1	179.3	6.6%	*167.8*	*100.0%*	*-6.4%*
Cost of Sales and Services	**(22.4)**	**(21.6)**	**3.6%**	***(19.8)***	***-46.3%***	***-8.5%***	**(88.4)**	**(83.7)**	**5.6%**	***(77.7)***	***-46.3%***	***-7.2%***
Direct Labor	(8.6)	(8.3)	4.4%	*(7.7)*	*-17.9%*	*-7.5%*	(35.3)	(31.7)	11.3%	*(31.0)*	*-18.5%*	*-2.1%*
Food	(13.0)	(12.6)	3.5%	*(11.4)*	*-26.8%*	*-8.9%*	(49.7)	(49.1)	1.3%	*(43.7)*	*-26.0%*	*-11.0%*
Others	(0.5)	(0.4)	19.9%	*(0.4)*	*-1.0%*	*8.6%*	(2.0)	(1.6)	28.8%	*(1.8)*	*-1.1%*	*13.0%*
Depreciation & Amortization	(0.3)	(0.4)	-27.0%	*(0.2)*	*-0.5%*	*-36.5%*	(1.3)	(1.4)	-2.9%	*(1.2)*	*-0.7%*	*-14.3%*
Gross Profit	**26.3**	**23.5**	**11.8%**	***22.9***	***53.7%***	***-2.4%***	**102.7**	**95.5**	**7.5%**	***90.1***	***53.7%***	***-5.7%***
Operating Expenses¹	**(16.5)**	**(15.1)**	**9.2%**	***(14.4)***	***-33.8%***	***-4.4%***	**(63.1)**	**(58.7)**	**7.5%**	***(55.3)***	***-33.0%***	***-5.7%***
Selling and Operating	(6.6)	(6.1)	8.4%	*(5.8)*	*-13.6%*	*-4.8%*	(25.2)	(24.3)	3.6%	*(22.1)*	*-13.2%*	*-9.1%*
Rents of Stores	(5.3)	(4.8)	11.0%	*(4.6)*	*-10.8%*	*-3.9%*	(20.8)	(19.0)	9.1%	*(18.2)*	*-10.9%*	*-4.3%*
Store Pre-Openings	(0.1)	(0.0)	3543.8%	*(0.0)*	*-0.1%*	*3025.4%*	(0.3)	(0.0)	19574.4%	*(0.2)*	*-0.1%*	*17068.1%*
Depreciation & Amortization	(1.9)	(1.9)	-0.5%	*(1.7)*	*-3.9%*	*-12.7%*	(7.9)	(7.8)	0.7%	*(7.0)*	*-4.2%*	*-11.3%*
Other revenues (expenses)	0.2	0.4	-45.4%	*0.2*	*0.4%*	*-53.9%*	1.2	1.3	-6.7%	*1.1*	*0.6%*	*-17.8%*
General & Administative	(2.8)	(2.6)	4.8%	*(2.4)*	*-5.7%*	*-7.5%*	(10.2)	(8.8)	15.4%	*(8.9)*	*-5.3%*	*1.4%*
(+) Depreciation & Amortization	2.2	2.3	-4.7%	*1.9*	*4.5%*	*-16.4%*	9.2	9.2	0.2%	*8.1*	*4.8%*	*-11.7%*
Operating Income	**12.0**	**10.7**	**12.1%**	***10.4***	***24.4%***	***-2.5%***	**48.8**	**46.1**	**6.0%**	***42.9***	***25.6%***	***-6.9%***
Expansion Capex	0.4	0.0	3248.8%	*0.3*	*0.7%*	*2838.9%*	5.5	0.4	1164.3%	*(0.3)*	*-0.2%*	*-176.0%*
Maintenance Capex	0.5	0.4	24.5%	*0.5*	*1.1%*	*9.2%*	1.7	2.0	-12.2%	*(0.1)*	*-0.1%*	*-105.3%*
Total Capex	**0.9**	**0.4**	**100.8%**	***0.8***	***1.8%***	***76.2%***	**7.2**	**2.4**	**199.2%**	***(0.4)***	***-0.3%***	***-118.0%***
Operating Inc. - Maintenance Capex³	**11.4**	**10.3**	**11.5%**	***10.0***	***95.5%***	***-3.0%***	**47.1**	**44.1**	**6.8%**	***43.0***	***100.2%***	***-2.5%***

¹Before special items; ² in constant currencies as of the prior year; ³VA vs. Op. Inc.

The information in the table above is presented in Reais and in Reais in constant currency (using the 2017 FX rate to convert the 2018 and 2017 results), to eliminate the effect of exchange rate fluctuations. The comments below refer to 2018 constant currency numbers.

Net revenues reached R$167.8 million, down 6.4% versus 2017, as a result of a softer SSS performance in Panama (airports – mostly due to refurbishments that affected customer flow in our restaurants – and malls) that offset the positive performance in Colombia (mainly catering).

Despite the lower sales, the Caribbean operation managed to sustain the high level of margins at 25.6% (from 25.7% in 2017), mainly as a result of higher efficiency on food cost (+130bps), which offset the lower labor cost and G&A expenses dilution (due to lower sales).

Consequently, operating income reached R$42.9 million in 2018, a 6.9% decrease compared to 2017, with an operating margin of 25.6%.

ADJUSTED EBITDA AND ADJUSTED MARGIN

(R$ million)	4Q18	4Q17	HA (%)	2018	2017	HA (%)
NET INCOME (LOSS)	**(1.5)**	**(16.0)**	**-90.5%**	**7.9**	**3.7**	**115.3%**
(+) Income Taxes	(24.7)	(1.6)	1458.3%	(0.2)	16.1	-101.1%
(+) Net Financial Result	10.1	3.4	200.2%	17.4	9.1	92.0%
(+) D&A and Write-offs	25.1	18.6	35.5%	83.7	79.7	4.9%
(+) Amortization of Investments in Joint Venture	0.6	0.5	17.1%	2.3	2.0	14.2%
EBITDA	**9.6**	**4.9**	**96.8%**	**111.1**	**110.5**	**0.5%**
(+) Special Items	10.4	7.0	48.0%	25.0	10.2	144.5%
Adjusted EBITDA	**20.1**	**11.9**	**68.0%**	**136.1**	**120.8**	**12.7%**
EBITDA / Net Revenues	*2.6%*	*1.3%*		*7.0%*	*7.4%*	
Adjusted EBITDA / Net Revenues	*5.3%*	*3.3%*		*8.6%*	*8.1%*	

The Adjusted EBITDA in 2018 reached R$136.1 million, up 12.7% compared to 2017, with a margin of 8.6%, compared to 8.1% in 2017. The special items refer to the stock option plan provisioning of ~R$10M, expenses related to the M&A that was not completed of ~R$7M (mainly consulting services), expenses related to the renegotiation of Guarulhos airport contract, store closures of R$3M and R$5M of expenses provision related to the closure of Jurubatuba Kitchen (Central Kitchen Integration Project) that will happen in 2019.

FINANCIAL RESULT, INCOME TAX AND NET INCOME

IMC had a net financial expense of R$17.4 million, vs. R$9.1 million in 2017.

Income taxes (current and differed) totaled a reversion of R$0.2 million, compared to an R$16.1 million expense in 2017.

Net profit reached R$7.9 million, compared to R$3.8 million in 2017.

SELECTED CASH FLOW INFORMATION

OPERATING ACTIVITIES

EBITDA Reconcilation to Operating Cash Flow (R$ Million)	4Q18	4Q17	Var. (%)	2018	2017	Var. (%)
Adjusted EBITDA	**20.1**	**11.9**	**68.0%**	**136.1**	**120.8**	**12.7%**
Special Items	(10.4)	(7.0)		(25.0)	(10.2)	
(+/-) Working Capital and Other Non-Cash Items	10.6	10.4		(19.4)	(16.1)	
Operating Cash Before Taxes and Interest	**20.2**	**15.3**	**32.4%**	**91.7**	**94.4**	**-2.9%**
(-) Paid Taxes	(0.9)	(2.4)		(3.7)	(12.7)	
(-) Maintenance Capex	(3.5)	(7.9)		(14.3)	(15.7)	
Net Cash Generated by Operating Activities	**15.9**	**5.1**	**214.3%**	**73.7**	**66.0**	**11.7%**
Operating Net Cash/EBITDA	**79.3%**	**42.4%**	**36.9 p.p.**	**54.1%**	**54.6%**	**-0.5 p.p.**

Operating cash flow in 2018 reached R$73.7 million (versus R$66.0 million in 2017, an increase of 11.7%), mainly impacted by higher working capital needs and lower maintenance Capex. Operating net cash over adjusted EBITDA totaled 54.1% in 2018, compared to 54.6% in 2017, a 50bps decrease.

INVESTING ACTIVITIES

(R$ million)	4Q18	4Q17	HA (%)	2018	2017	HA (%)
Property and Equipment	(20.0)	(21.8)	-8.5%	(70.7)	(56.1)	26.1%
Additions to Intangible Assets	(1.1)	(5.5)	-79.1%	(8.1)	(9.7)	-16.5%
(=) Total Invested (CAPEX)	**(21.1)**	**(27.3)**	**-22.7%**	**(78.8)**	**(65.8)**	**19.8%**
Payment of Acquisitions	(1.7)	(2.6)	-32.7%	(7.0)	(7.3)	-4.1%
Dividends Received	2.3	1.6	45.1%	13.0	9.4	38.3%
Total Investments	**(20.6)**	**(28.3)**	**-27.4%**	**(72.8)**	**(63.6)**	**14.4%**

CAPEX (in R$ million)	4Q18	4Q17	HA (%)	2018	2017	HA (%)
Expansion						
Brazilian Operations	**10.0**	**3.8**	**160.2%**	**43.5**	**16.6**	**161.7%**
Brazil - Air	2.7	0.8	252.9%	4.5	5.7	-21.7%
Brazil - Roads	2.4	2.8	-15.8%	17.4	7.1	144.6%
Brazil - Malls	4.9	0.2	1895.1%	21.7	3.8	468.4%
USA Operations	**14.3**	**1.5**	**861.2%**	**20.3**	**3.2**	**540.7%**
Caribbean Operations	**0.4**	**0.0**	**3248.8%**	**5.5**	**0.4**	**1164.3%**
Holding	**0.6**	**1.5**	**-59.2%**	**3.0**	**2.3**	**34.2%**
Total Expansion Investments	**25.3**	**6.9**	**268.2%**	**72.2**	**22.5**	**221.5%**
Maintenance						
Brazilian Operations	**1.2**	**6.4**	**-82.0%**	**6.0**	**11.7**	**-48.7%**
Brazil - Air	0.4	0.4	-4.5%	1.2	1.0	20.8%
Brazil - Roads	0.2	4.7	-96.2%	1.4	7.2	-80.0%
Brazil - Malls	0.6	1.3	-56.1%	3.3	3.5	-4.1%
USA Operations	**0.7**	**0.8**	**-15.1%**	**2.6**	**1.5**	**78.7%**
Caribbean Operations	**0.5**	**0.4**	**24.5%**	**1.7**	**2.0**	**-12.2%**
Holding	**1.1**	**0.2**	**477.2%**	**3.9**	**0.6**	**612.4%**
Total Maintenance Investments	**3.5**	**7.9**	**-56.0%**	**14.3**	**15.7**	**-9.1%**
Total CAPEX Investments	**28.8**	**14.7**	**95.3%**	**86.5**	**38.2**	**126.6%**

CAPEX in 2018 was mainly impacted by stores' opening in the US and Brazilian Malls, and the refurbishment of Frango Assado's stores, which include stores' capacity increase.

FINANCING ACTIVITIES

The Company's financing cash flow in 2018 was mainly affected by the new bridge loan of R$150M; R$44M in debt payment and the share buyback program (R$32M).

(R$ million)	4Q18	4Q17	HA (%)	2018	2017	HA (%)
Dividends payment	0.0	50.5	-100.0%	(0.9)	0.0	n.a.
Treasury Shares	(11.5)	(46.5)	-75.3%	(32.4)	(51.0)	-36.4%
New Loans	148.6	79.3	87.3%	148.6	142.0	4.6%
Payment of Loans	(10.3)	(6.7)	54.1%	(43.7)	(101.7)	-57.1%
Net Cash Generated by Financing Activities	**126.8**	**76.6**	**65.5%**	**71.6**	**(10.7)**	**-769.6%**

NET DEBT

Net debt position at the end of 2018 was of R$65.8 million, including cash, cash equivalents and short-term investments.

R$ million	4Q18	4Q17
Debt	297.6	169.5
Financing of past acquisitions	36.7	36.4
Total Debt	**334.3**	**205.9**
(-) Cash	**(268.6)**	**(183.6)**
Net Debt	**65.8**	**22.3**

CONDENSED INCOME STATEMENT

(R$ thousand)	4Q18	4Q17	2018	2017
NET REVENUE	**376,241**	**366,911**	**1,582,081**	**1,494,511**
COST OF SALES AND SERVICES	**(264,675)**	**(252,807)**	**(1,073,012)**	**(1,028,936)**
GROSS PROFIT	**111,566**	**114,104**	**509,069**	**465,575**
OPERATING INCOME (EXPENSES)				
Commercial and operating expenses	(79,088)	(73,546)	(334,883)	(314,314)
General and administrative expenses	(31,744)	(36,307)	(114,205)	(104,072)
Depreciation and amortization	(6,868)	(6,765)	(27,728)	(28,720)
Other income (expenses)	(5,006)	(13,202)	(7,925)	4,617
Equity income result	1,077	766	6,866	4,934
Net financial expenses	(10,126)	(3,373)	(17,442)	(9,086)
EARNINGS BEFORE TAXES	**(26,218)**	**(17,539)**	**7,723**	**19,718**
Income Taxes	**24,699**	**1,585**	**171**	**(16,052)**
NET PROFIT (LOSS)	**(1,519)**	**(15,954)**	**7,894**	**3,666**

CONDENSED BALANCE SHEET

(R$ thousand)	2018	2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	268,561	183,588
Accounts receivable	78,907	86,882
Inventories	37,742	43,670
Derivatives	53	1,066
Other current assets	73,042	57,319
Total current assets	**458,305**	**372,525**
NONCURRENT ASSETS		
Deferred income taxes	9,863	877
Derivatives	40	653
Other noncurrent assets	57,257	56,126
Property and equipment	259,399	244,141
Intangible assets	853,618	838,102
Total noncurrent assets	**1,180,177**	**1,139,899**
TOTAL ASSETS	**1,638,482**	**1,512,424**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	80,980	89,525
Loans, financing and acquisitions' payables	196,123	50,604
Salaries and payroll charges	55,676	61,889
Other current liabilities	43,575	42,613
Total current liabilities	**376,354**	**244,631**
NONCURRENT LIABILITIES		
Loans, financing and acquisitions' payables	138,295	157,034
Provision for labor, civil and tax disputes	12,900	12,539
Deferred income tax liability	71,575	69,622
Other noncurrent liabilities	24,140	24,633
Total noncurrent liabilities	**246,910**	**263,828**
EQUITY		
Capital and reserves	983,182	1,006,056
Accumulated losses	8,814	2,795
Other comprehensive income	23,222	-12,549
Total equity	**1,015,218**	**996,302**
Non-Controlling Interest	0	7,663
TOTAL LIABILITIES AND EQUITY	**1,638,482**	**1,512,424**

CASH FLOW STATEMENT

(R$ thousand)	4Q18	4Q17	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES				
Loss for the quarter	(1,519)	(15,954)	7,894	3,666
Depreciation and amortization	19,115	18,561	77,639	79,729
Impairment of intangible assets (using)	(1)	(836)	(4,499)	(20,172)
Impairment of intangible assets (provision)	6,028	(784)	6,028	(784)
Investiment amortization	594	508	2,281	1,998
Equity income result	(1,671)	(1,274)	(9,147)	(6,932)
Provision for labor, civil and tax disputes	5,133	4,157	10,910	5,670
Income taxes	(24,699)	(1,585)	(171)	16,052
Interest expenses	3,794	3,521	13,388	13,513
Effect of exchange rate changes	(646)	523	1,774	77
Disposal of property and equipment	1,588	2,111	8,493	22,360
Deferred Revenue, Rebates	108	(1,416)	(3,600)	(5,568)
Expenses in payments to employees based in stock plan	2,228	5,175	9,568	8,355
Others	13,584	(7,979)	(16,438)	763
Changes in operating assets and liabilities	(3,414)	10,546	(12,433)	(24,322)
Cash generated from operations	20,222	15,274	91,687	94,405
Income tax paid	(854)	(2,359)	(3,748)	(12,733)
Interest paid	(3,917)	(8,959)	(11,630)	(11,914)
Net cash generated by (used in) operating activities	**15,451**	**3,956**	**76,309**	**69,758**
CASH FLOW FROM INVESTING ACTIVITIES				
Payment of business acquisitions made in prior years	(1,733)	(2,575)	(6,983)	(7,281)
Additions to investments in subsidiaries	-	-	(576)	-
Dividends received	2,286	1,575	11,706	9,419
Sale of controlling interest in discontinued operations, net of cash	-	-	1,322	-
Additions to intangible assets	(1,147)	(5,479)	(8,093)	(9,689)
Additions to property and equipment	(19,973)	(21,840)	(70,746)	(56,096)
Net cash used in investing activities	**(20,567)**	**(28,319)**	**(73,370)**	**(63,647)**
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Payments	-	50,471	(871)	-
Capital contribuitions from minority interest	-	-	-	-
Shares in Treasury	(11,470)	(46,502)	(32,442)	(50,977)
New loans	148,605	79,343	148,605	142,037
Payment of loans	(10,296)	(6,682)	(43,696)	(101,746)
Net cash used in financing activities	**126,839**	**76,630**	**71,596**	**(10,686)**
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(6,846)	1,301	10,438	(1,945)
NET INCREASE (DECREASE) FOR THE PERIOD	**114,877**	**53,568**	**84,973**	**(6,520)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	**153,684**	**130,020**	**183,588**	**190,108**
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	**268,561**	**183,588**	**268,561**	**183,588**

APPENDIX - CURRENCY CONVERSION TABLE

	US$		COP	
	EoP	Average	EoP	Average
1Q16	3.559	3.857	0.001183	0.001201
2Q16	3.210	3.501	0.001149	0.001174
3Q16	3.246	3.246	0.001115	0.001102
4Q16	3.298	3.801	0.001116	0.001093
1Q17	3.168	3.145	0.001099	0.001078
2Q17	3.308	3.215	0.001086	0.001101
3Q17	3.168	3.190	0.001079	0.001082
4Q17	3.308	3.249	0.001109	0.001088
1Q18	3.324	3.247	0.001190	0.001137
2Q18	3.856	3.604	0.001320	0.001269
3Q18	4.004	3.954	0.001353	0.001337
4Q18	3.875	3.805	0.001194	0.001202

MANAGEMENT NOTE

There may be some minor differences between the financial information presented in the charts and graphs in this release and that in the Audited Condensed Financial Statements due to rounding.

Any and all non-accounting information or information arising from non-accounting figures, in addition to comparable historical information, has not been reviewed by the independent auditors.

GLOSSARY

Net store openings: References to “net store openings”, “net store closures” or similar expressions correspond to the sum of stores opened or reopened in a given period less the sum of the stores closed in the same period.

Company: International Meal Company Alimentação S.A. or IMCASA.

EBITDA and Adjusted EBITDA: The Company calculates EBITDA as net income, before income tax and social contribution tax, financial income (expenses) and depreciation and amortization.

Adjusted EBITDA reflects EBITDA, adjusted to exclude the effects of transactions deemed by management as being unrepresentative of the normal course of business and/or do not impact cash generation, such as provisions for store closures, corporate restructuring expenses, consulting expenses related to projects’ implementation.

According to the accounting practices adopted in IFRS, EBITDA and the Adjusted EBITDA is not a measure of financial performance and should not be considered as an alternative to net income as an indicator of operating performance, as an alternative to operating cash flow, or as an indicator of liquidity.

Due to the fact that the calculation of EBITDA does not consider the income tax and social contribution tax, financial income (expense), depreciation and amortization, EBITDA is an indicator of the Company’s overall financial performance, which is unaffected by changes in income tax and social contribution tax rates, fluctuations in interest rates or levels of depreciation and amortization.

Therefore, the Company believes that Adjusted EBITDA serves as a significant comparative tool to measure, periodically, its operating performance and to base certain decisions of an administrative nature. The Company believes that Adjusted EBITDA provides a better understanding of not only of its financial performance, but also its ability to pay interest and principal on its debt and to incur more debt to finance its capital expenditures and working capital.

However, because Adjusted EBITDA does not consider certain costs inherent in its business, which could, in turn, significantly affect earnings, such as interest, taxes, depreciation, capital expenditures and other related charges, EBITDA has limitations that affect its use as an indicator of the Company’s profitability.

Same-store sales (SSS): corresponds to the sales of stores that have been opened for more than eighteen months and have maintained operations in comparable periods, excluding stores that were temporarily closed. If a store is included in the calculation of comparable store sales for only a part of one of the periods compared, then this store will be included in the calculation of the corresponding portion of another period. Some of the reasons for the temporary closure of the Company’s stores include renovation or remodeling, rebuilding, road construction and natural disasters. When there is a variation in the area of a store included in comparable store sales, said store is excluded from the comparable store sales. The variations in same-store sales is a measure used in the retail market as an indicator of the performance of the implemented business strategies and initiatives, and also represent the trends of the local economy and consumers. The Company’s sales are recorded and analyzed based on the functional currency of each country where the Company operates. Therefore, as the Company’s financial information is converted and demonstrated in reais (R$), Brazilian currency, using average exchange rates of the periods compared, the values of same-store sales may present gains or losses resulting from the exchange rate of the currency of the country where that same store is located. Same-store sales are not a measure of financial performance according to the accounting practices adopted in Brazil (BR GAAP) or IFRS. Same-store sales do not have a standardized meaning in the market, and the Company's definition may not be the same definition of same-store sales in used by other companies.

DISCLAIMER

This report contains forward-looking information. Such information does not refer to historical facts only, but reflect IMC's management's wishes and expectations. The words "anticipates", "wants", "expects", "forecasts", "intends", "plans", "predicts", "projects", "aims" and the like are intended to identify statements that necessarily involve known and unknown risks. Known risks include uncertainties not limited to the impact of price and product competitiveness, acceptance of products on the market, product transitions from the Company and its competitors, regulatory approval, currency, currency fluctuations, supply and production hurdles and changes in product sales, among other risks. This report also contains information prepared by the Company only for information and reference purposes; therefore, it has not been audited. This report is up-to-date, and IMC has no obligation to update it with new information and/or future events. There may some minor differences between the financial information presented in the charts and graphs in this release and that in the Audited Financial Statements due to rounding. Any and all non-accounting information or information arising from non-accounting figures, in addition to comparable historical information, has not been reviewed by the independent auditors.