



INTERNATIONAL MEAL COMPANY

Presentation – 1Q14 Result

Net Revenue

Net Revenue came to R\$367.0 million in 1Q14, 15.7% higher than in the same quarter of previous year.

Same-Store Sales (SSS)

SSS grew by 10.3% in 1Q14, led by airports segment with growth of 16.0%, followed by the roads segment with 9.6%.

Gross Margin

Gross Margin stood at 30.4% in 1Q14, 240 bps higher than 1Q13, with dilutions in the lines of labor and raw material.

G&A

Dilution of 90 bps in G&A line in comparison with 1Q13.

New Disclosure

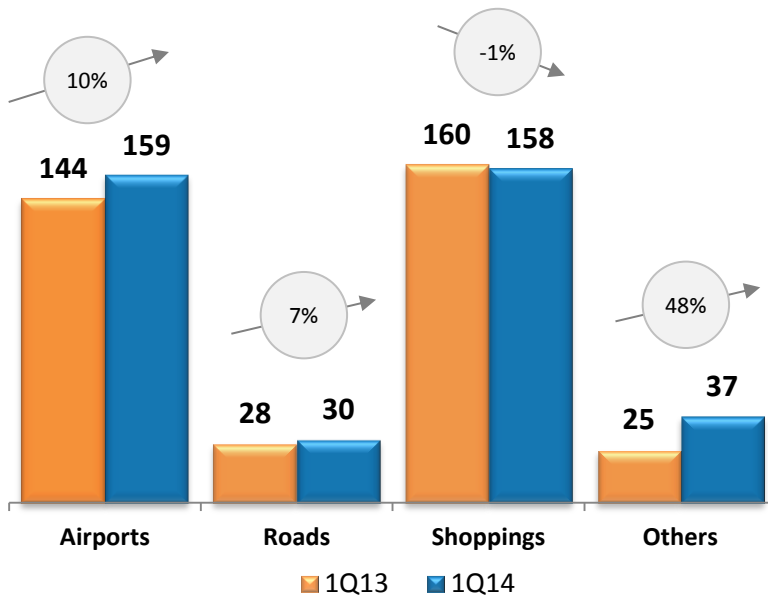
Better detailed expenses line, differentiating between Operating Expenses (Opex) and General & Administrative (G&A), besides segregation of the line related to rents.

MargaritaVille

Margaritaville's transaction closed at April 1st, marking IMC's entry into the U.S. market.

Store Growth – 1Q14/1Q13

(end of the period)



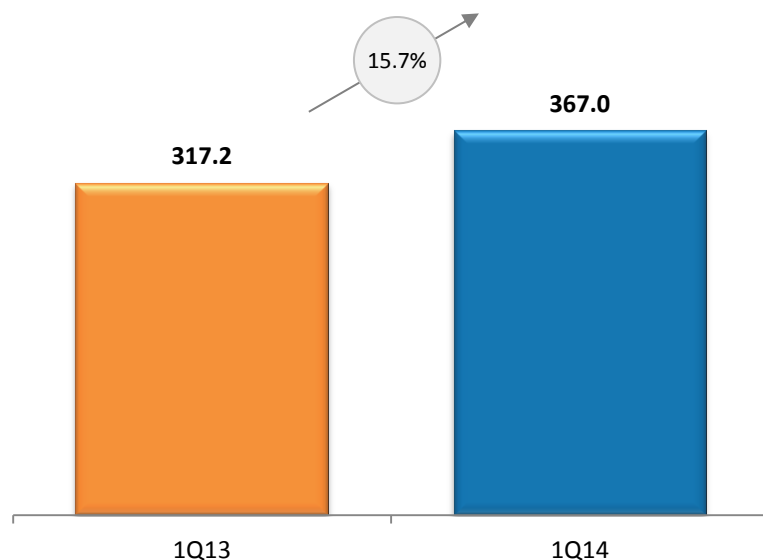
- The **total number of stores** grew to **384** in 1Q14

+ 27 stores in the last 12 months and - 2 net stores in the year;

- **Airports:** + 15 new stores, comprising:
 - 7 international stores;
 - 8 stores in Brazil;
- **Roads:** +2 stores *Frango Assado*;
- **Shopping Centers:** - 2 stores,
 - ✓ Closing of stores with negative profitability in 2Q13 and 3Q13;
- **Others:** +12 stores, mainly Gino's brand in Mexico.

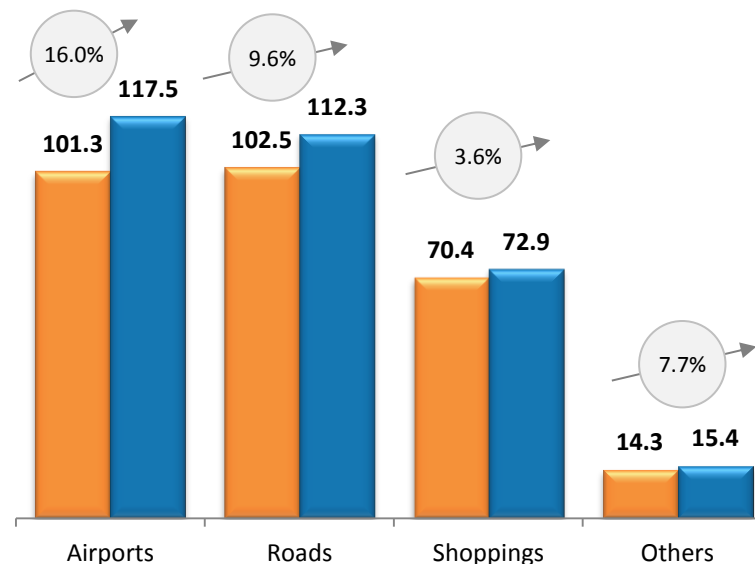
Net Revenue

(R\$ million)



Same-Store Sales (SSS) in 1Q14

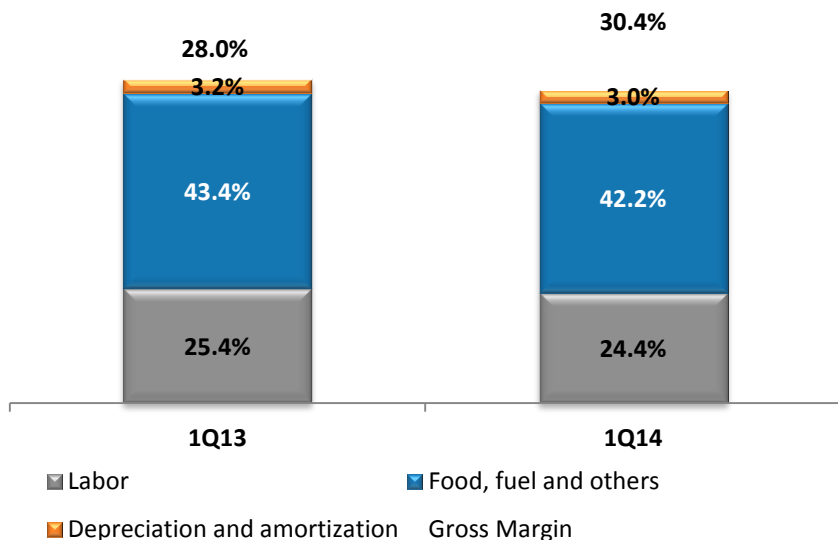
(R\$ million)



- ✓ **Net Revenue** of R\$**367.0** million in 1Q14, **15.7%** above 1Q13.
- ✓ Consolidated **SSS** of **10.3%**, led by the airports segment with growth of 16.0% in 1Q14;
- ✓ The road segment recorded **SSS** of 9.2% in 1Q14, excluding fuel sales.

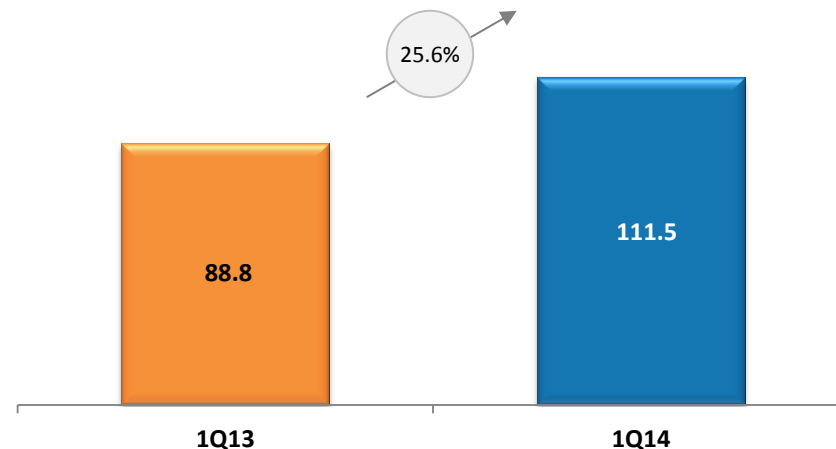
Cost of Sales

(% of Net Revenue)



Gross Profit

(R\$ million / % of Net Revenue)



- ✓ **Gross Margin** of 30.4% in 1Q14, 240 bps above 1Q13, mainly affected by:
- Cost with food and fuel fell 120 bps in comparison with 1Q13, even on a food inflation environmental;
 - Labor cost fell 100 bps in comparison with 1Q13, due to our effort on more productivity and SSS above the minimum wage increase.

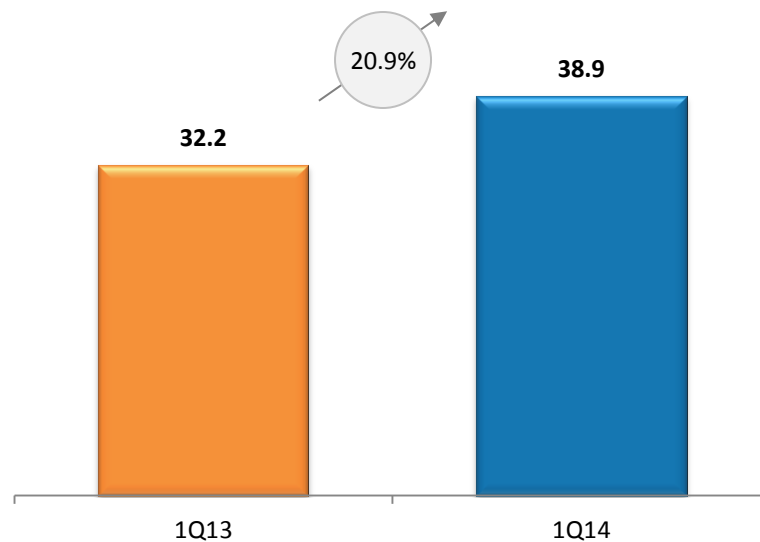
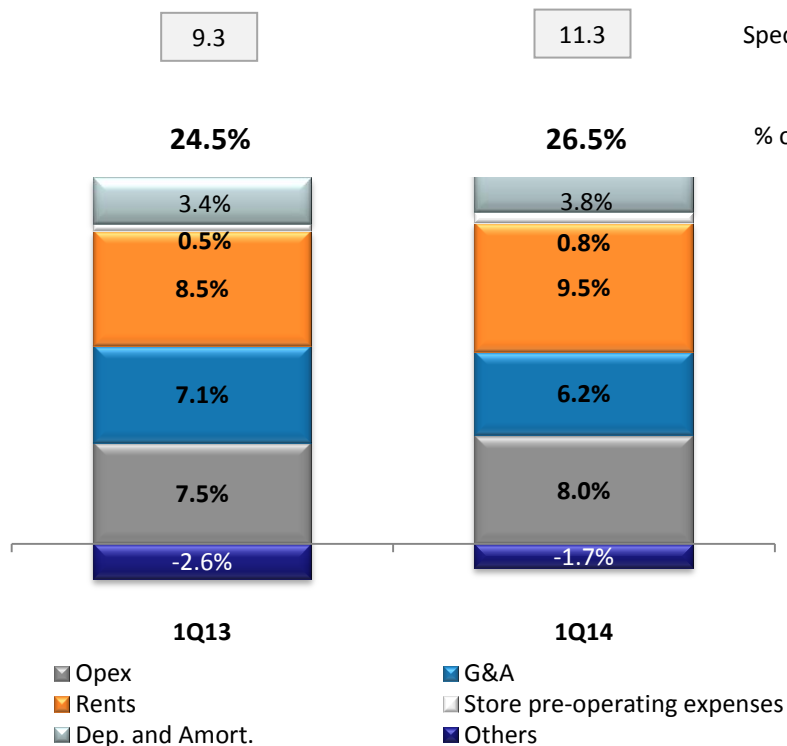
Operating Expenses and Adjusted EBITDA

Operating Expenses

(R\$ million / % of Net Revenue)

Adjusted EBITDA

(R\$ million)



- ✓ Better disclosure;
- ✓ Dilution of 90 bps in the **G&A** line;
- ✓ Increase in **store rents** in line with our expectations;
- ✓ **Adjusted EBITDA** totaled **R\$38.9 million** in 1Q14, **20.9%** above 1Q13. Without adjustments the increase was 41.7%.

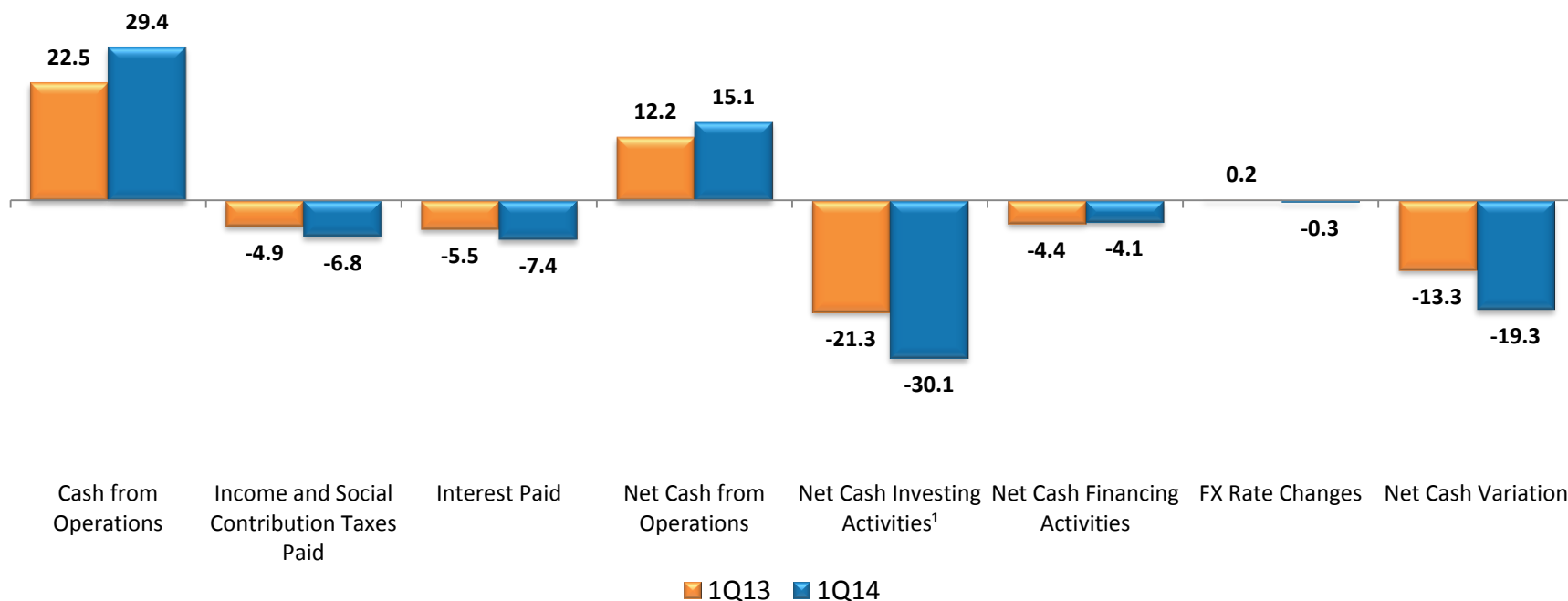
Net Income

(R\$ million)

SUMMARY (R\$ million)	1Q14	1Q13	Var. (%) 1Q14/1Q13
Adjusted EBITDA	38.9	32.2	20.9%
<i>Adjusted EBITDA MARGIN (%)</i>	<i>10.6%</i>	<i>10.1%</i>	<i>0.5 p.p.</i>
CHARGES WITH SPECIAL ITEMS	(9.3)	(11.3)	n/a
NET FINANCIAL EXPENSES	(8.6)	(5.0)	72.0%
INCOME TAX	(4.2)	(4.6)	-9.4%
NET (LOSS) PROFIT	(8.0)	(9.8)	n/a
<i>NET MARGIN (%)</i>	<i>-2.2%</i>	<i>-3.1%</i>	<i>0.9 p.p.</i>

- ✓ Non-recurring (special) expenses comprised R\$6.5 million from the acquisition of the Margaritaville chain and R\$2.8 million from contract terminations.
- ✓ Income and Social Contribution Taxes of R\$4.2 million in 1Q14.
- ✓ Net Loss of R\$8.0 million and Net Margin of -2.2% in 1Q14. If we consider the adjustments, net profit would be R\$1.3 million.

Cash Flow Summary (R\$ million)



✓ Capex of R\$ 30.1 million in 1Q14

- Airports new stores to be opened in 2Q14
- Intangible related to *key money* of new contracts

✓ High leverage capacity

- **Net Debt** of R\$315.8 million
- Net Debt/ LTM EBITDA = **1.8x**
- Net Debt (including receivables) / EBITDA = 1.4x

(1) For demonstration purpose, investing Activities excludes Temporary investments, considered to be cash equivalents.

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