



# INTERNATIONAL MEAL COMPANY

Presentation – 4Q13 and 2013 Results

## Number of Stores

**Number of Stores** came to 386 at the end of the period. We recorded net growth of 7 stores in the quarter and 36 in the full year, even after the closure of some newer less profitable stores in the second and third quarters.

## Net Revenue

**Net revenue** came to R\$376.7 million in 4Q13 and R\$1.37 billion in 2013, 15.5% and 16.6% more than in 4Q12 and 2012, respectively.

## Same-Store Sales (SSS)

**SSS** grew by 8.3% in both 4Q13 and 2013, led by the Airports segment with growth of 11.8% in the quarter and 11.3% in the year.

## Gross Margin

The **Gross Margin** stood at 31.9% in 4Q13 and 30.0% in 2013, 100bps and 30bps up on 4Q12 and 2012, respectively.

## New Brands

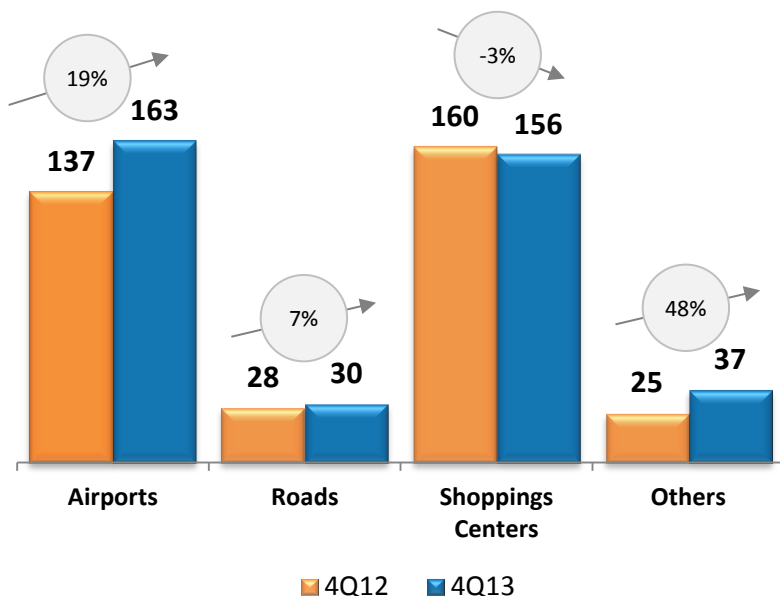
Agreement entered into in the United States in December for the acquisition of **MargaritaVille**, and acquisition of Gino's in the third quarter.

## Contract with airports

- Renewal of all existing contracts
- 26 new stores in new terminals.

## Store Growth – 4Q13/4Q12

(end of the period)



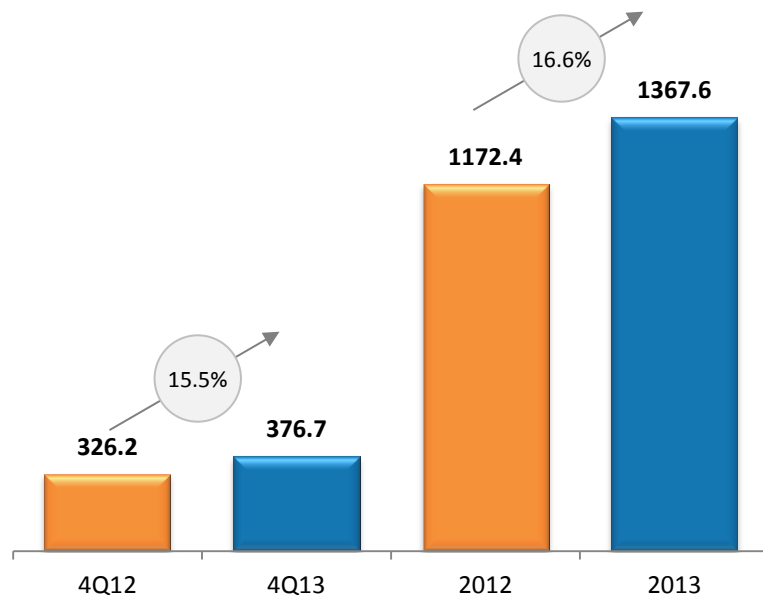
- The **total number of stores** grew to **386** in 4Q13 - **+36 in 2013**;
- **Airports**: +26 stores, comprising:
  - 12 international stores;
  - 14 domestic stores.
- **Roads**: +2 Frango Assado stores.
- **Shopping Centers**: -4 stores.
  - ✓ Closure of loss-making stores in 2Q13 and 3Q13;
- **Other**: +12 stores.
  - ✓ *Acquisition of Gino's in Mexico*

## 4Q13 Highlights

- ✓ **4 new airport stores.**
- ✓ **1 new Frango Assado road store.**

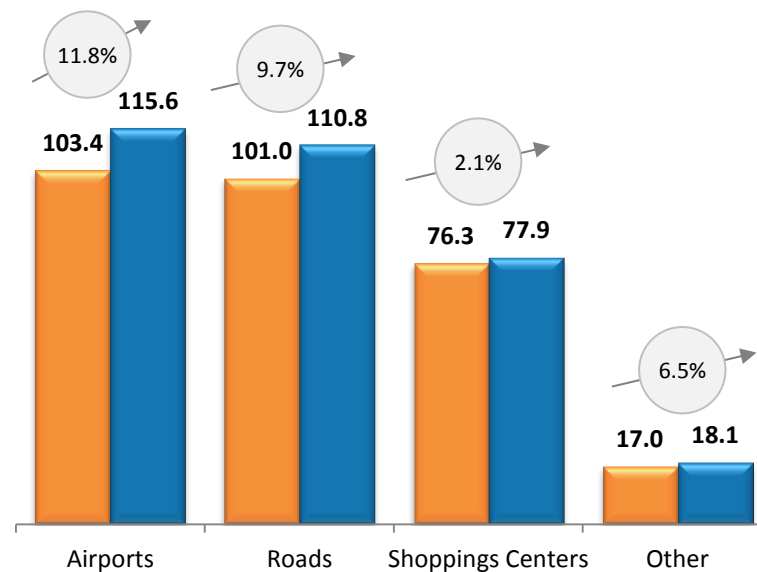
## Net Revenue

(R\$ million)



## Same-Store Sales (SSS) in 4Q13

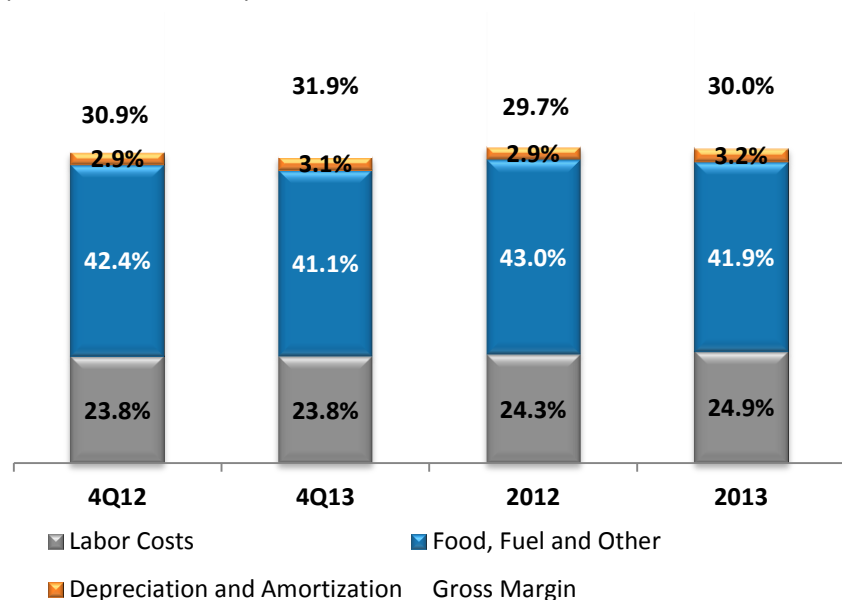
(R\$ million)



- ✓ **Net Revenue** of R\$376.7 million in 4Q13, 15.5% above 4Q12. In 2013, we posted growth of 16.6%;
- ✓ Consolidated **SSS** of 8.3%, led by the **airports segment** with growth of 11.8% in 4Q13 and 11.3% in 2013.
- ✓ The **road segment** recorded **SSS** of 11.6% in 4Q13 and 10.1% in 2013, excluding fuel sales.

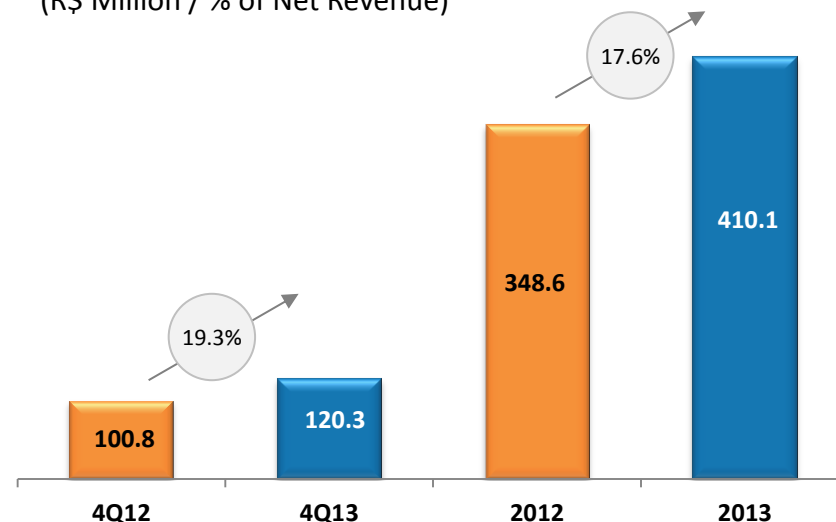
## Cost of Sales

(% of Net Revenue)



## Gross Profit

(R\$ Million / % of Net Revenue)

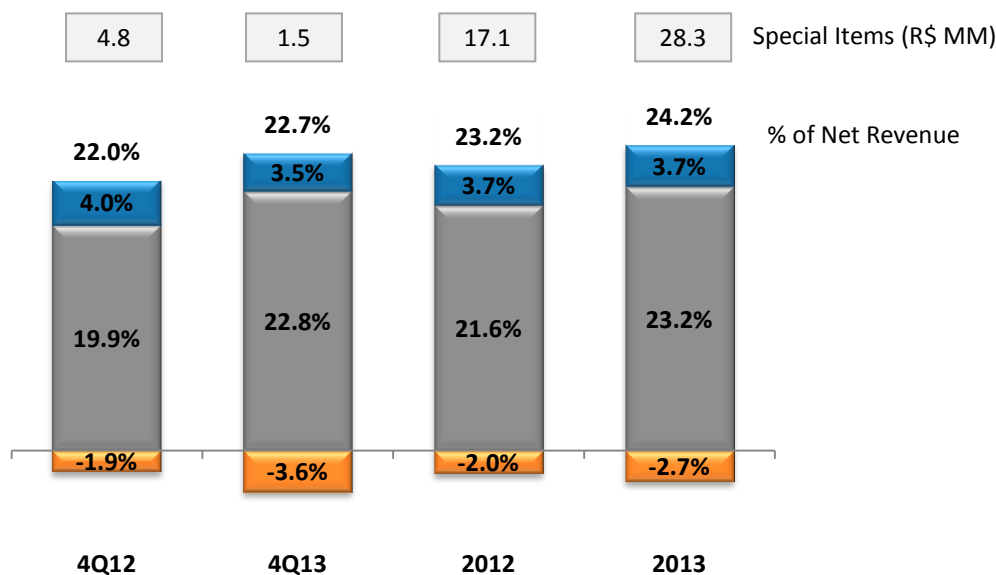


- ✓ The **Gross Margin** stood at 31.9% in the quarter and 30.0% in the year, 1.0% and 0.3% up on 4Q12 and 2012, respectively, mainly due to :
- Food and fuel costs, which fell by 1.3% over 4Q12 and 1.1% in the year , even in a scenario of food inflation.
  - Stable labor costs for the second consecutive quarter, thanks to our efforts to increase productivity. We expect a dilution of expenses in this line, given the more moderate growth of the minimum wage in 2014.

# Operating Expenses and Adjusted EBITDA

## Operating Expenses

(R\$ Million/% of Net Revenue)



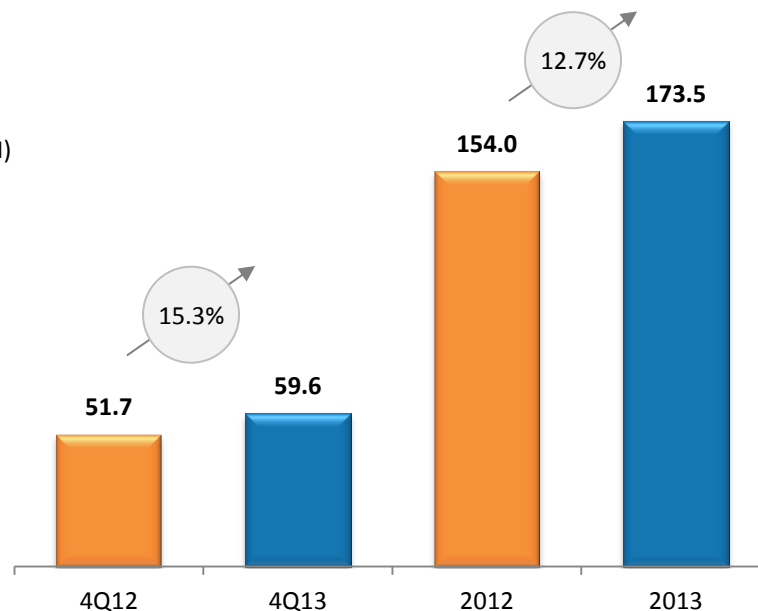
■ Selling, General and Administrative ■ Depreciation and Amortization

■ Other Expenses (Income)

Total SG&A

## Adjusted EBITDA

(R\$ Million)



- ✓ Increase in other operating revenue, mainly due to a tax credit in 4Q13.
- ✓ **Adjusted EBITDA** totaled **R\$59.6 million** in 4Q13, **15.3%** up on 4Q12. In 2013, **Adjusted EBITDA** totaled **R\$ 173.5 milhões**, **12.7%** up on 2012.



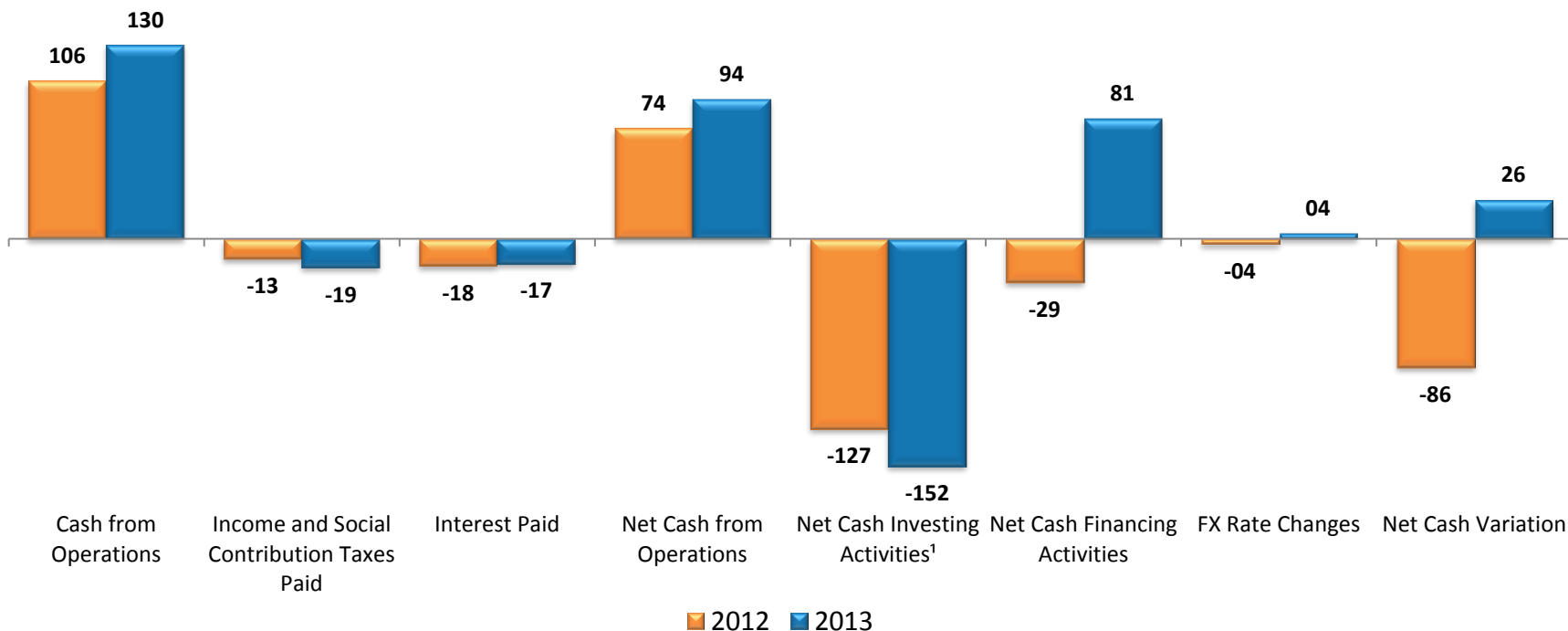
## Net Income

(R\$ Million)

SUMMARY (R\$ million)	4Q13	4Q12	Var. (%) 4Q13/4Q12	2013	2012	Var. (%) 2013/2012
Adjusted EBITDA	59.6	51.7	15.3%	173.5	154.0	12.7%
<i>Adjusted EBITDA MARGIN (%)</i>	<i>15.8%</i>	<i>15.8%</i>	<i>0.0 p.p.</i>	<i>12.7%</i>	<i>13.1%</i>	<i>-0.4 p.p.</i>
CHARGES WITH SPECIAL ITEMS	(1.5)	(4.8)	n/a	(28.3)	(17.1)	n/a
NET FINANCIAL EXPENSES	(7.9)	(6.4)	-23.1%	(26.0)	(19.6)	-33.1%
INCOME TAX	(9.1)	(13.2)	30.8%	(20.2)	(22.0)	8.3%
NET PROFIT	16.2	4.7	n/a	4.2	17.9	n/a
<i>NET MARGIN (%)</i>	<i>4.3%</i>	<i>1.4%</i>	<i>2.9 p.p.</i>	<i>0.3%</i>	<i>1.5%</i>	<i>-1.2 p.p.</i>

- ✓ Non-recurring items in the quarter were exclusively related to the acquisition of the MargaritaVille chain.
- ✓ Income and Social Contribution Taxes of R\$9.1 million in 4Q13, only R\$4.1 million of which was effectively paid. In 2013 as a whole, taxes effectively paid totaled R\$19.3 million.
- ✓ Net income totaled R\$16.2 million in 4Q13, with a Net Margin of 4.3%. Annual net income came to R\$4.3 million, with a margin of 1.5%. If we adjust for the non-cash impact of the stock option plan, net income would have come to R\$14.3 million, with a margin of 1.1%

## Cash Flow Summary (R\$ Million)



✓ **Capex of R\$ 33.9 million in 4Q13 and R\$ 152.0 million in 2013**

- Net addition of 36 new stores
- 1 new brand

✓ **High leverage capacity**

- **Net Debt of R\$304.1 million**
- Net Debt / LTM EBITDA = **1.8x**
- Net Debt (including receivables) / EBITDA = 1.3x

(1) For demonstration purposes, Investing Activities excludes Temporary Investments, considered to be cash equivalents.



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