



# INTERNATIONAL MEAL COMPANY

Presentation – 3Q14 and 9M14 Results

## Net Revenue

**Net Revenue** came to R\$450.3 million in 3Q14, 27.0 % higher than in the same quarter of previous year. In 9M14, **Net Revenue** increased 24.3%.

## Margaritaville

2 new MargaritaVille stores, which represented 16% of net revenue.

## Same-Store Sales (SSS)

**SSS** grew by 3.9% in 3Q14 and 7.0% in 9M14. Due to the temporary change of flow in the Guarulhos airport, we considered it as a single store for purposes of **SSS** calculation.

## Gross Margin

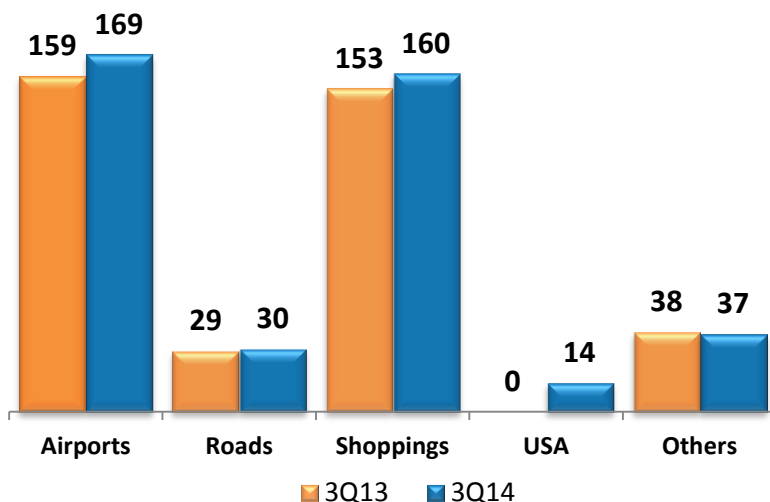
**Gross Margin** stood at 32.2% in 3Q14 and 31.5% in 9M14, 30bps and 130bps higher than 3Q13 and 9M13, respectively.

## G&A

Dilution of 50bps in G&A line in comparison with 3Q13 and 80bps in comparison with 9M13.

## Store Growth – 3Q14/3Q13

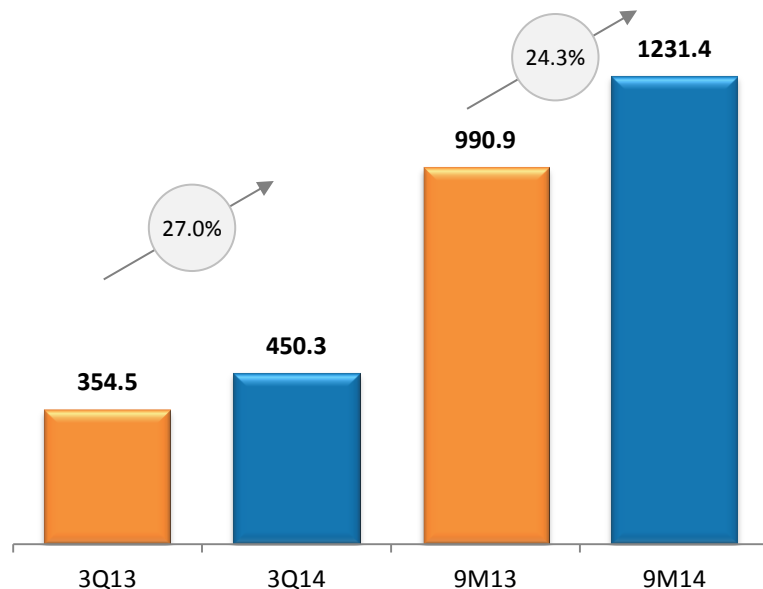
(end of the period)



- The **total number of stores** grew to **410** in 3Q14  
**+ 31 stores in the last 12 months and 24 net stores in the year;**
  - **Airports:** + 10 new stores, comprising:
    - 14 net stores in Brazil;
    - - -4 international stores;
  - **Roads:** +1 stores *Frango Assado*;
  - **Malls:** + 7 new stores
  - **IMCMV:** 14 Margaritaville's stores in USA
  - **Others:** -1 store, sold in Mexico City.

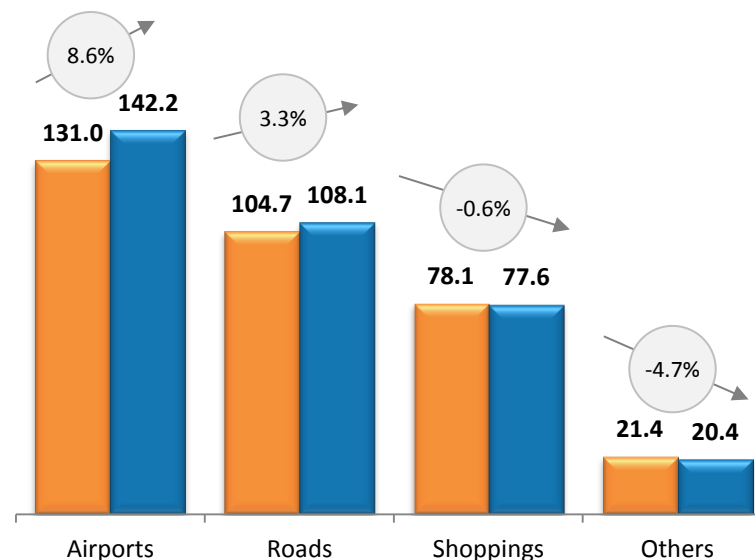
## Net Revenue

(R\$ million)



## Same-Store Sales (SSS) in 3Q14

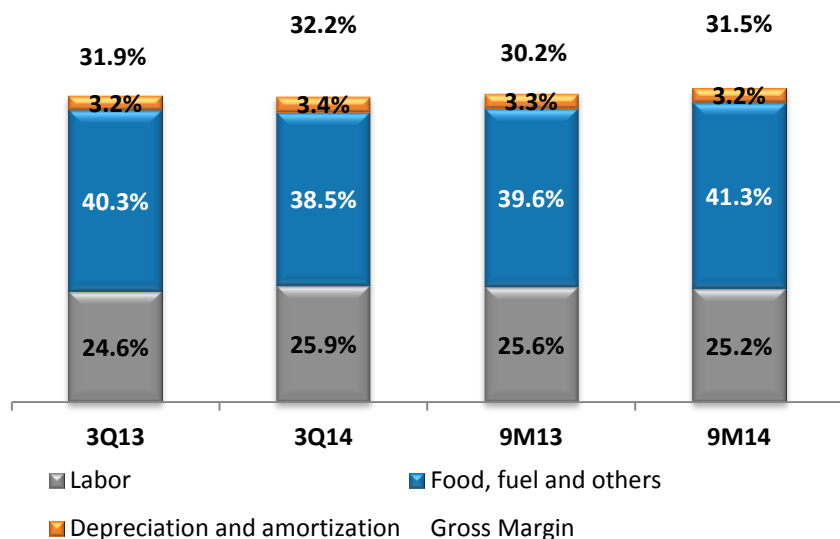
(R\$ million)



- ✓ **Net Revenue** of **R\$450.3 million** in 3Q14, **27.0%** above 2Q13. In 9M14 Net Revenue increased **24.3%**.
- ✓ Consolidated **SSS** of **3.9%** in 3Q14 and **7.0%** in 9M14, led by the airport segment with growth of **8.6%** and **11.0%** in 3Q14 and 9M14.
- ✓ The **SSS** of airports considers the GRU airport as a single entity due to the current change of flow.

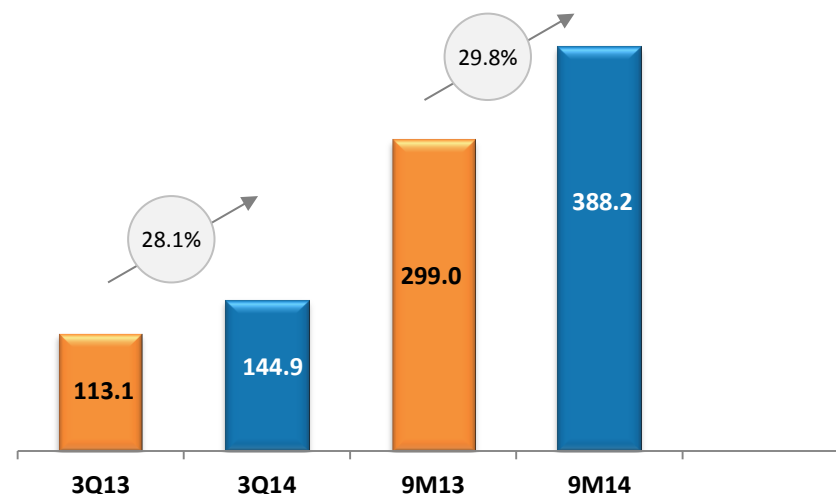
## Cost of Sales

(R\$ million / % of Net Revenue)



## Gross Profit

(R\$ million / % of Net Revenue)



✓ **Gross Margin** of **32.2%** in 3Q14 and **31.5%** in 9M14, 30 bps and 130 bps above 3Q13 and 9M13, mainly affected by:

- Cost with food and fuel fell 180 bps in comparison with 3Q13, even on a food inflation environmental;
- Labor cost increased 120 bps in comparison with 3Q13, due to the higher number of new stores and especially the change of flow in the Guarulhos airport, where some stores recorded low sales volume during a few weeks in the quarter.

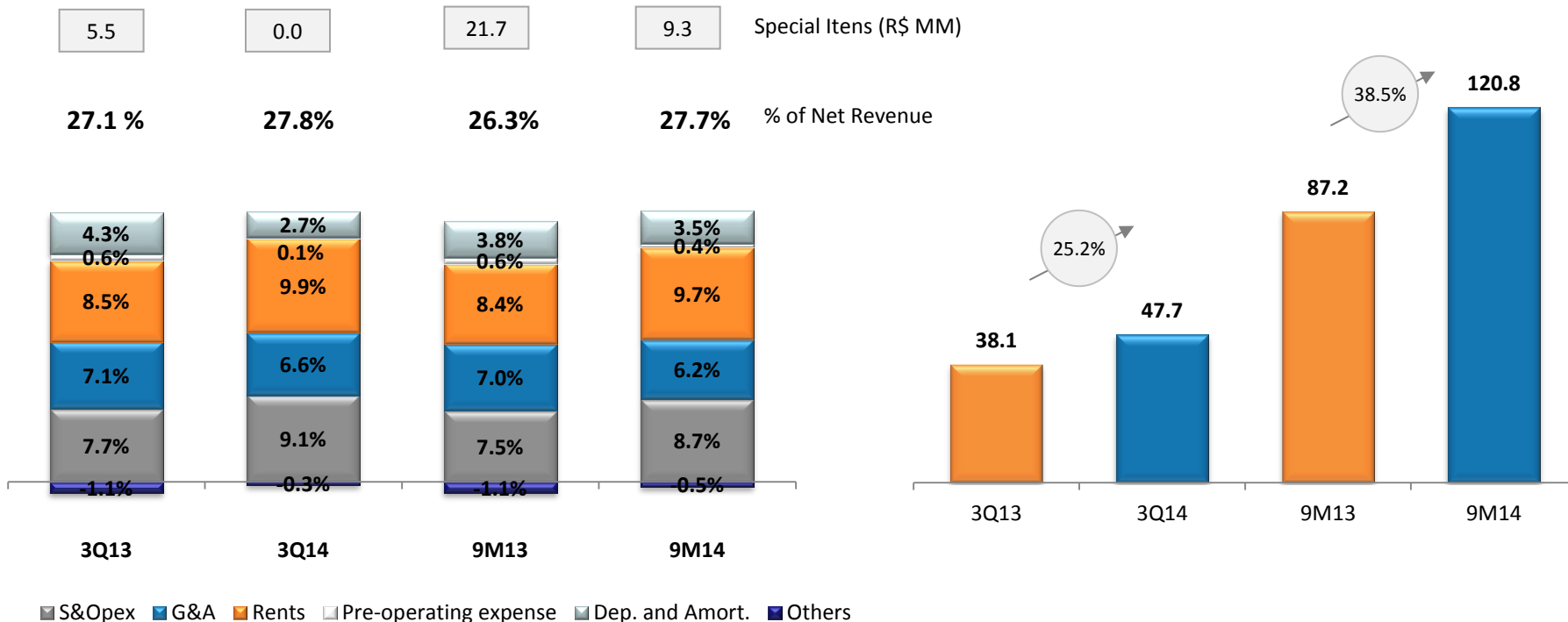
# Operating Expenses and EBITDA

## Operating Expenses

(R\$ million / % of Net Revenue)

## EBITDA

(R\$ million)



- ✓ Dilution of 50 bps in the **G&A** line, in the quarter.
- ✓ Increase in **store rents** in line with our expectations, which should have some dilution as soon as the flows return to normal.
- ✓ **No special items** in 3Q14, as disclosed by the company over the last two quarters.

## Net Income

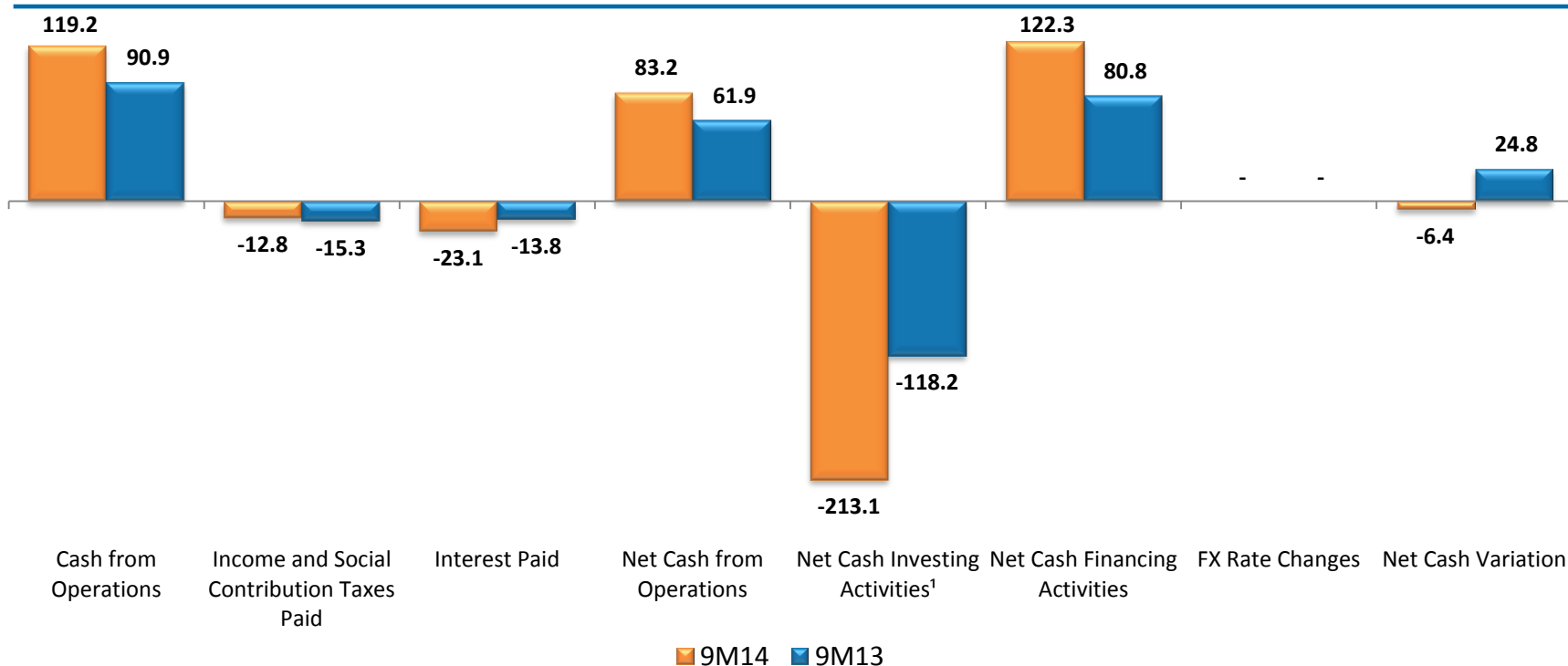
(R\$ million)

SUMMARY (R\$ million)	3Q14	3Q13	Var. (%) 3Q14/3Q13	9M14	9M13	Var. (%) 9M14/9M13
Adjusted EBITDA	47.7	43.7	9.3%	130.0	108.9	19.4%
<i>Adjusted EBITDA MARGIN (%)</i>	<i>10.6%</i>	<i>12.3%</i>	<i>-1.7 p.p.</i>	<i>10.6%</i>	<i>11.0%</i>	<i>-0.4 p.p.</i>
DEPRECIATION & AMORTIZATION	27.7	26.6	4.1%	82.9	70.0	18.3%
SPECIAL ITEMS	-	(5.5)	n/a	(9.3)	(21.7)	n/a
NET FINANCIAL EXPENSES	(13.6)	(7.0)	94.7%	(32.2)	(18.2)	77.2%
INCOME TAX	(2.1)	(4.8)	-55.5%	(9.0)	(11.1)	-18.2%
NET (LOSS) PROFIT	4.3	(0.3)	n/a	(3.3)	(12.0)	n/a
<i>NET MARGIN (%)</i>	<i>1.0%</i>	<i>-0.1%</i>	<i>1.0 p.p.</i>	<i>-0.3%</i>	<i>-1.2%</i>	<i>0.9 p.p.</i>

- ✓ No special items in the quarter;
- ✓ Income and Social Contribution Taxes of R\$ 2.1 million on 3Q14 and R\$ 9.0 million in 9M14. Taxes effectively paid of R\$1.7 million in 3Q14
- ✓ Net Income of R\$ 4.3 million in 3Q14 vs Net Loss of R\$ 0.3 million in 3Q13.



## Cash Flow Summary (R\$ million)



✓ **Capex of R\$ 70.7 million** in 3Q14 (R\$ 21.9 MM ex-MV)

- R\$ 18.4 MM in new stores (mostly in airports)
- R\$ 5.3 MM Intangible related to *key money* of new contracts
- R\$ 30.8 MM of net operating cash vs R\$ 21.9 MM in Capex (ex-MV)

✓ **Balance Sheet**

- **Net Debt of R\$ 530.9 million**
- Net Debt/ LTM EBITDA = **2.8x**
- Net Debt (including receivables) / EBITDA = **2.4x**

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



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