



1Q19 RESULTS

São Paulo, May 14th, 1Q19 - 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 first quarter of 2019 (1Q19). 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\$362M in 1Q19
 (-0.1% vs. 1Q18)

Adjusted EBITDA
R\$23.5M in 1Q19
 (11% up vs. 1Q18)

Net Loss
-R\$4.8M in 1Q19
 (vs. -R\$6.4M in 1Q18)

MEAL3 on 3.29.1Q19
 R\$6.49

IR CONTACTS

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

CONFERENCE CALL - PORTUGUESE

5/14/2019
 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

5/14/2019
 11:00 a.m. (Brasília) / 10:00 a.m. (US ET)

Webcast: [click here](#)

Phone number
 +1 (412) 317-6387

IFRS 16

The IASB published IFRS 16 Leases in January 2016 with an effective date of 1 January 2019. The new standard requires lessees to recognize nearly all leases on the balance sheet, which will reflect their right to use an asset for a period of time and the associated liability for payments. For further information, please visit https://www.ey.com/gl/en/issues/ifrs/ifrs_slider_leases.

For a better comparable analysis (as we did not adjusted our 2018 figures to reflect the new regulation), all the performance commentary related to 1Q19 will be under the regulation prior to IFRS 16. Below, we fact-in the consolidated effect in our financial statements. For additional detail on IFRS results, please refer to page 24 of this document.

Consolidated Results (mm R\$)	Audited 1Q19	IFRS16 Effects	Prior IFRS 16 1Q19	chg.
Net Revenue	362.4		362.4	0.0%
COGS	(254.0)	(0.3)	(254.3)	0.1%
Depreciation & Amortization	(12.2)	(0.6)	(12.7)	4.7%
Gross Profit	108.4		108.1	(0.3%)
Gross Margin (%)	29.9%		29.8%	(0.1)p.p.
Operating Expenses	(104.8)	(4.3)	(109.2)	4.1%
Operating Expenses and G&A ²	(80.3)	(21.0)	(101.3)	
Depreciation & Amortization	(24.5)	+16.6	(7.9)	
Equity Income	2.5		2.5	
EBIT	6.1		1.5	
Financial Results	(15.4)	+9.0	(6.4)	
EBT	(9.3)		(5.0)	
Taxes	1.3	(1.2)	0.2	
Net Earnings	(8.0)	+3.2	(4.8)	
(+) D&A and Asset Sale*	37.1	+17.2	19.9	(46.4%)
EBITDA	43.2	+21.9	21.4	(50.6%)
EBITDA Margin (%)	11.9%		5.9%	0,6p.p.
(+) Special Items - Others	2.1		2.1	
Adjusted EBITDA¹	45.3	+21.9	23.5	(48.2%)
Adjusted EBITDA Margin (%)	12.5%		6.5%	(6.0)p.p.

¹Before special items; ²not included in the segmented and countries P&Ls ; ³includes +R\$0.6 million of investments amortization

MESSAGE FROM MANAGEMENT

We are happy to announce the 1Q19 results for IMC with highlights to the improvement in the operating results of the Roads segment in Brazil (+19% YoY) and in the US (turning positive). Moreover, the transformational projects that we have for 2019, namely: central kitchen integration and automation, and expansion of Frango Assado and Margaritaville/Landshark are at full steam, and should start to yield results shortly.

Consolidated SSS was up 4.9% YoY, on the back of strong figures in the US (+16.1%) and Caribbean (+7.3%). In Brazil, SSS was partially flat (+0.3%) and, despite the positive performance of our Road business (+4.2%), our Air business posted a 4.3% decrease in SSS, followed by Malls, which dropped 7.0%

Consolidated net revenue reached R\$362 million, a flat performance compared to 1Q18 (R\$363M). The positive performance in the US (+10.1%), and Caribbean (+7.4%) was mitigated by the Brazilian operation performance (-4.6%) that was impacted by stores closure and by a R\$5M tax credit in 1Q18.

Consolidated Adjusted EBITDA was up 11% YoY reaching R\$23M, with a 60bps improvement in margins to 6.5%, compared to 1Q18 at 5.8%. This improvement came mostly from the US (+R\$2M vs. -R\$1M in 1Q18), as Caribbean was flat at R\$11M, and Brazil shrank (-6%) as 1Q18 results' had the benefit of ~R\$5M from tax credit (R\$3M in Malls and R\$2M in Airports).

We posted a **net loss of R\$4.8M in 1Q19**, -25.1% YoY (-R\$6.4M). **Operating Cash Flow** (after taxes and maintenance Capex) reached **-R\$3.6M**, vs. +R\$3.2M in 1Q18.

In Brazil, operating income in 1Q19 was down 6%, reaching R\$10M with flat margins that reached 4.4%. As cited previously, 1Q18 Brazilian results had the positive impact of ~R\$5M from tax credit (R\$3M in Malls and R\$2M in Airports). Excluding that, operating income would have grown 61%, with a 200bps improvement in margins. The Road business was the main factor behind this improvement, with operating income increasing by 19% and margins reaching 13.6% (+170bps YoY).

In the US, there was an increase in operating income, which reached R\$2M (2.5% margin) from a loss of R\$1M (-1.4% margin) in 1Q18, due to the improvement in margins (from lower food and labor cost and selling expenses) that was amplified by the positive impact of the exchange rate.

In the Caribbean, operating income was flat in Reais, reaching R\$11M and margins were down by 200bps at 24.1% (vs. 26.1% in 1Q18). The margin compression was mostly a deleveraging effect based on the decrease in top-line.

As we disclosed in the 4Q18 results, in 2019 we have **3 major projects to address our 3-pillar strategy i) improve margins (in Brazil), ii) improve same store sales and iii) selective growth. These projects are: the Central Kitchen Integration and automation, Frango Assado Expansion and US Expansion. After 5 months, we have a few updates on each theme:**

- 1) Frango Assado Expansion:** Active conversations with signed NDAs
- 2) Margaritaville and LandShark Expansion:** New agreement for a Margaritaville in Boston, reaching 8 new locations with signed contracts.
- 3) Central Kitchen:** Construction started in May to be ready in the 4Q19. Stores already started to be adapted to work with the new kitchen

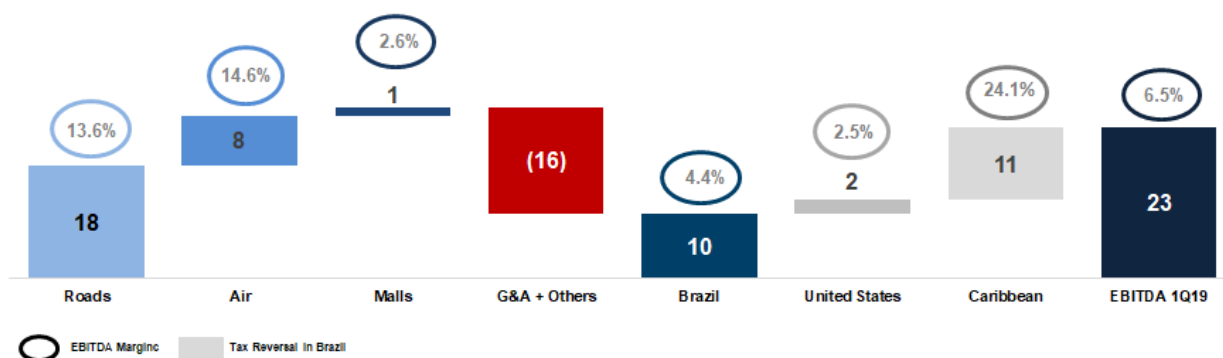
As we end the 1Q19, we reassure our goals for the year. The expansion of Frango Assado and Margaritaville/LandShark should help to leverage our existing assets and expand our customer base. The Central Kitchen should improve our efficiency and our customer experience (with an improved portfolio and better quality product).

Management Team

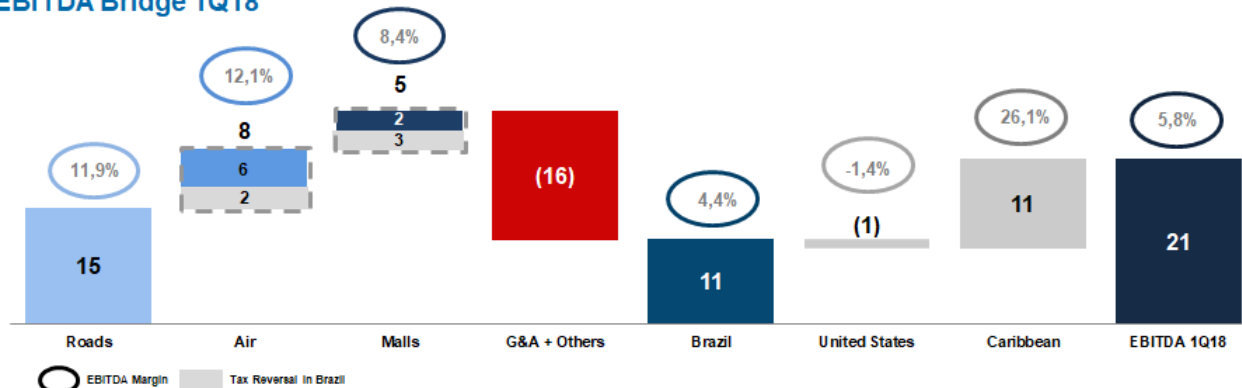
COMMENTS ABOUT IMC'S PERFORMANCE

OVERVIEW OF 1Q19

EBITDA Bridge 1Q19



EBITDA Bridge 1Q18



In 1Q19, IMC's Adjusted EBITDA was up by 11% with margins growing 70bps vs. 1Q18, reaching R\$23 million in Reais (or R\$22 million constant currency) with a 6.5% margin.

In Brazil, operating income reached R\$10M (with a 4.4% margin), down 6% YoY. The Road segment was up by 19% YoY reaching R\$18M with a 13.6% margin (+170bps) on the back of higher same stores sales and lower food cost (-90bps) and lower labor cost (-30bps). The Airport segment grew by 1.5% (although 1Q18 had the positive impact of R\$2M in 1Q18 from tax credit), on the back of the recovery in sales and margins from the restaurants division, offsetting lower sales in Catering. For Catering specifically, the 1Q18 had the benefit of a short-term contract to provide meals to the Doctors and Nurses at the Hospital Albert Einstein in SP. In the Malls segment, the positive impact from tax credit of R\$3M in 1Q18 and the SSS pressure led to a 72% reduction YoY in the operating income, reaching R\$1.4M with a 2.6% margin. G&A and Others remained flat at R\$16M.

In the US, there was an increase in operating income that reached R\$2M (2.5% margin) from a loss of R\$1M (-1.4% margin) in 1Q18, due to the improvement in margins (from lower food cost and selling expenses) that was amplified by the positive impact of the exchange rate.

In the Caribbean, operating income was flat in Reais, reaching R\$11.3M and margins were down by 200bps at 24.1% compared to 26.1% in 1Q18.

CONSOLIDATED RESULTS

(in R\$ million)	1Q19	%VA	1Q18	%VA	%HA	1Q19 ³	%VA ³	%HA ³
Net Revenue	362.4	100.0%	362.8	100.0%	-0.1%	346.2	100.0%	-4.6%
Restaurants & Others	301.4	83.2%	304.6	83.9%	-1.0%	285.1	82.4%	-6.4%
Gas Stations	61.0	16.8%	58.3	16.1%	4.7%	61.0	17.6%	4.7%
Brazil	233.5	64.4%	244.6	67.4%	-4.6%	233.5	67.4%	-4.6%
US	82.1	22.7%	74.6	20.6%	10.1%	70.6	20.4%	-5.4%
Caribbean	46.8	12.9%	43.6	12.0%	7.4%	42.1	12.2%	-3.4%
Cost of Sales and Services	(254.3)	-70.2%	(254.4)	-70.1%	-0.1%	(244.8)	-70.7%	-3.8%
Direct Labor	(95.9)	-26.5%	(94.9)	-26.2%	1.1%	(91.2)	-26.3%	-3.9%
Food	(77.5)	-21.4%	(80.1)	-22.1%	-3.2%	(74.1)	-21.4%	-7.4%
Others	(19.6)	-5.4%	(19.2)	-5.3%	1.8%	(18.9)	-5.5%	-1.9%
Fuel and Automotive Accessories	(49.1)	-13.5%	(48.4)	-13.3%	1.5%	(49.1)	-14.2%	1.5%
Depreciation & Amortization	(12.2)	-3.4%	(11.9)	-3.3%	2.3%	(11.5)	-3.3%	-2.9%
Gross Profit	108.1	29.8%	108.4	29.9%	-0.2%	101.4	29.3%	-6.4%
<i>Gross Margin (%)</i>	29.8%		29.9%		0p.p.	29.3%	-0.6p.p.	-0.6p.p.
Operating Expenses	(104.6)	-28.9%	(106.5)	-29.3%	-1.8%	(98.5)	-28.5%	-7.5%
Selling and Operating	(38.2)	-10.5%	(41.7)	-11.5%	-8.3%	(35.1)	-10.1%	-15.8%
Rents of Stores	(35.5)	-9.8%	(34.7)	-9.6%	2.5%	(33.6)	-9.7%	-3.1%
Store Pre-Openings	(1.4)	-0.4%	(2.5)	-0.7%	-44.1%	(1.4)	-0.4%	-44.8%
Depreciation & Amortization	(7.1)	-2.0%	(6.8)	-1.9%	4.5%	(6.9)	-2.0%	1.1%
J.V. Investment Amortization	(0.6)	-0.2%	(0.5)	-0.1%	16.1%	(0.5)	-0.1%	0.0%
Equity income result	3.1	0.9%	2.4	0.7%	31.2%	2.7	0.8%	12.8%
Other revenues (expenses)	(0.7)	-0.2%	(1.6)	-0.5%	-57.0%	(0.7)	-0.2%	-55.3%
General & Administrative	(21.8)	-6.0%	(19.0)	-5.2%	15.1%	(20.8)	-6.0%	9.6%
Corporate (Holding) ²	(2.2)	-0.6%	(2.0)	-0.6%	11.9%	(2.2)	-0.6%	9.7%
Special Items - Other	(2.1)		(2.6)		-18.7%	(2.1)		-18.7%
EBIT	1.5	0.4%	(0.7)	-0.2%	-315.9%	0.8	0.2%	-214.0%
(+) D&A and Write-offs	19.9	5.5%	19.2	5.3%	3.4%	19.0	5.5%	-1.4%
EBITDA	21.4	5.9%	18.6	5.1%	15.1%	19.7	5.7%	6.3%
<i>EBITDA Margin (%)</i>	5.9%		5.1%		0.8p.p.	5.7%		0.6p.p.
(+) Special Items - Other	2.1	0.6%	2.6	0.7%	-	2.1	0.6%	-
Adjusted EBITDA¹	23.5	6.5%	21.1	5.8%	10.9%	21.8	6.3%	3.2%
<i>Adjusted EBITDA Margin (%)</i>	6.5%		5.8%		0.6p.p.	6.3%	0.5p.p.	0.5p.p.

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

Net revenue totaled R\$362.4 million in 1Q19, flat vs. 1Q18. The positive same store sales performance in all regions were offset by the negative impact of the net store closures of 14 restaurants, as shown in the section "Number of stores". 1Q18's revenues had a positive impact from tax credit of R\$5M in Brazil (R\$2M in the Airports and R\$3M in Malls).

Food cost totaled R\$77.5 million in 1Q19, or R\$74.1 million in constant currency, compared to R\$80.1 million in 1Q18, representing a 70bps improvement YoY (as a % of sales).

Direct Labor cost totaled R\$95.9 million, or R\$91.2 million in constant currency, compared to R\$94.9 million in 1Q18, representing a 30bps increase YoY (as a % of sales).

Fuel cost totaled R\$49.1M, a 1.4% increase compared to 1Q18. Fuel gross margin was R\$2M higher compared to 1Q18.

Sales and Operating expenses came in at R\$38.2 million or R\$35.1 million in constant currency compared to R\$41.7 million in 1Q18.

Rent expenses totaled R\$35.5 million or R\$33.6 million in constant currency, compared to R\$34.7 million in 1Q18, mainly because of 14 restaurants net reduction in the year.

G&A and Holding expenses totaled R\$24.0 million or R\$23.0 million in constant currency, compared to R\$21.0 million in 1Q18.

Other income (expenses) came in at -R\$0.7M compared to -R\$1.6M in 1Q18.

Overall, in 1Q19, the adjusted EBITDA reached R\$23.5 million, 11% up from 1Q18, and margin reached 6.5%, up by 60bps YoY.

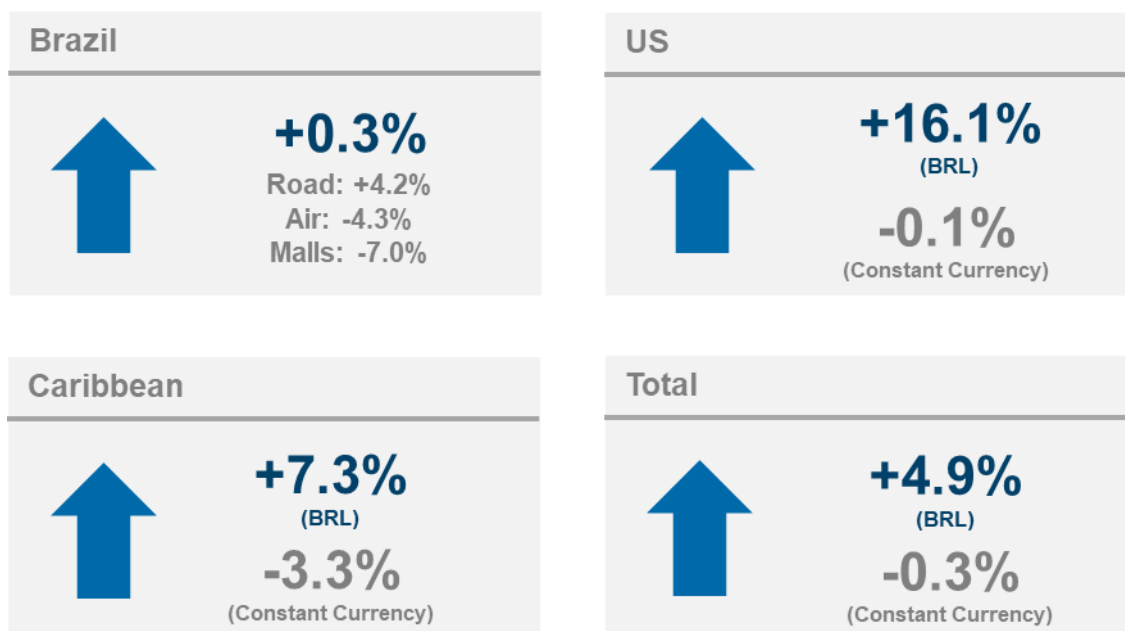
NUMBER OF STORES EVOLUTION

(end of period)	1Q19	1Q18	YoY	
			Var. (%)	Var. (#)
Brazil	156	170	-8.2%	-14
<i>Air</i>	<i>37</i>	<i>52</i>	<i>-28.8%</i>	<i>-15</i>
<i>Roads</i>	<i>25</i>	<i>25</i>	<i>0.0%</i>	<i>0</i>
<i>Shopping Malls</i>	<i>94</i>	<i>93</i>	<i>1.1%</i>	<i>1</i>
USA	22	22	0.0%	0
Caribbean	45	45	0.0%	0
Total Number of Stores	223	237	-5.9%	-14

At the end of 1Q19, the Company had 223 stores, a net reduction of 14 stores vs 1Q18, due to store closures, especially in Brazilian Airports (contract renegotiation with Guarulhos Airport).

SAME-STORE SALES (SSS)

1Q19



In 1Q19, same store sales achieved a 4.9% increase in Reais or a 0.3% reduction constant currency.

In Brazil, Roads accumulated a 4.2% increase in 1Q19, reinforcing Frango Assado's good performance. The Air segment had its same store sales reduced by 4.3%, negatively impacted by the end of a temporary contract with Albert Einstein Hospital (which began on 3Q17 and ended mid-2Q18). The Mall segment dropped its same store sales by 7.0%, partially explained by tax credit that happened in 1Q18. Thus, Brazil's overall same store sales came to a 0.3% increase.

USA's same store sales in 1Q19 grew 16.1% in Reais and flat in constant currency (with food and beverage growing 1.8% in US\$), due to the seasonality related to Spring Break and Easter (which occurred in April in 2019 vs. March in 2018).

The Caribbean finished 1Q19 with an SSS of +7.3% in Reais and -3.3% 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 2019	USA 2019	Caribbean 2019	Consolidated 2019	% VA	Brasil 2018	EUA 2018	Caribbe 2018	Consolidated 2018	% VA	% HA
Net Revenue	233.5	82.1	46.8	362.4	100.0%	244.6	74.6	43.6	362.8	100.0%	-0.1%
Restaurants & Others	172.4	82.1	46.8	301.4	83.2%	186.3	74.6	43.6	304.6	83.9%	-1.0%
Gas Stations	61.0	0.0	0.0	61.0	16.8%	58.3	0.0	0.0	58.3	16.1%	4.7%
Cost of Sales and Services	(178.4)	(54.0)	(21.9)	(254.3)	-70.2%	(184.4)	(49.7)	(20.3)	(254.4)	-70.1%	-0.1%
Direct Labor	(58.6)	(28.9)	(8.5)	(95.9)	-26.5%	(60.7)	(25.9)	(8.3)	(94.9)	-26.2%	1.1%
Food	(49.2)	(15.9)	(12.4)	(77.5)	-21.4%	(53.8)	(15.0)	(11.3)	(80.1)	-22.1%	-3.2%
Others	(14.1)	(5.0)	(0.6)	(19.6)	-5.4%	(13.9)	(4.9)	(0.4)	(19.2)	-5.3%	1.8%
Fuel and Automotive Accessories	(49.1)	0.0	0.0	(49.1)	-13.5%	(48.4)	0.0	0.0	(48.4)	-13.3%	1.5%
Depreciation & Amortization	(7.5)	(4.2)	(0.5)	(12.2)	-3.4%	(7.6)	(3.9)	(0.4)	(11.9)	-3.3%	2.3%
Gross Profit	55.1	28.1	24.9	108.1	29.8%	60.3	24.9	23.3	108.4	29.9%	-0.2%
Operating Expenses¹	(57.1)	(31.2)	(16.3)	(104.6)	-28.9%	(61.6)	(30.6)	(14.2)	(106.5)	-29.3%	-1.8%
Selling and Operating	(13.8)	(18.1)	(6.3)	(38.2)	-10.5%	(17.8)	(18.4)	(5.5)	(41.7)	-11.5%	-8.3%
Rents of Stores	(20.9)	(9.4)	(5.3)	(35.5)	-9.8%	(21.9)	(8.1)	(4.7)	(34.7)	-9.6%	2.5%
Store Pre-Openings	(1.3)	(0.0)	(0.1)	(1.4)	-0.4%	(1.0)	(1.6)	0.0	(2.5)	-0.7%	-44.1%
Depreciation & Amortization	(4.7)	(0.2)	(2.2)	(7.2)	-2.0%	(4.6)	(0.3)	(2.0)	(6.8)	-1.9%	4.7%
J.V. Investment Amortization	0.0	(0.6)	0.0	(0.6)	-0.2%	0.0	(0.5)	0.0	(0.5)	-0.1%	16.1%
Equity income result	0.0	3.1	0.0	3.1	0.9%	0.0	2.4	0.0	2.4	0.7%	31.2%
Other revenues (expenses)	(0.8)	(0.2)	0.3	(0.7)	-0.2%	(2.1)	0.2	0.3	(1.6)	-0.5%	n/a
General & Administrative	(13.3)	(5.8)	(2.7)	(21.8)	-6.0%	(12.4)	(4.3)	(2.3)	(19.0)	-5.2%	15.1%
Corporate (Holding) ²	(2.2)	0.0	0.0	(2.2)	-0.6%	(2.0)	0.0	0.0	(2.0)	-0.6%	11.9%
(+) Depreciation & Amortization	12.2	5.0	2.7	19.9	5.5%	12.2	4.7	2.3	19.2	5.3%	3.5%
Operating Income	10.2	2.0	11.3	23.5	6.5%	10.8	(1.0)	11.4	21.1	5.8%	10.9%
Special Items - Other				(2.1)	-0.6%				(2.6)	-0.7%	-18.7%
EBIT	(2.0)	(3.0)	8.6	1.4	0.4%	(1.4)	(5.7)	9.0	(0.7)	-0.2%	
(+) D&A and Write-offs				19.9	5.5%				19.2	5.3%	3.5%
EBITDA				21.4	5.9%				18.6	5.1%	15.1%
(+) Special Items				2.1	0.6%				2.6	0.7%	-18.7%
Adjusted EBITDA				23.5	6.5%				21.1	5.8%	10.9%

¹Before special items; ² Not allocated in segments.

RESULTS OF THE BRAZILIAN OPERATIONS

(in R\$ million)	1Q19	% VA	1Q18	% VA	% HA
Net Revenue	233.5	100.0%	244.6	100.0%	-4.6%
Restaurants & Others	172.4	73.9%	186.3	76.2%	-7.5%
Gas Stations	61.0	26.1%	58.3	23.8%	4.7%
Cost of Sales and Services	(178.4)	-76.4%	(184.4)	-75.4%	-3.2%
Direct Labor	(58.6)	-25.1%	(60.7)	-24.8%	-3.6%
Food	(49.2)	-21.1%	(53.8)	-22.0%	-8.5%
Others	(14.1)	-6.0%	(13.9)	-5.7%	1.4%
Fuel and Automotive Accessories	(49.1)	-21.0%	(48.4)	-19.8%	1.5%
Depreciation & Amortization	(7.5)	-3.2%	(7.6)	-3.1%	-1.6%
Gross Profit	55.1	23.6%	60.3	24.6%	-8.6%
Operating Expenses¹	(57.1)	-24.5%	(61.6)	-25.2%	-7.4%
Selling and Operating	(13.8)	-5.9%	(17.8)	-7.3%	-22.2%
Rents of Stores	(20.9)	-8.9%	(21.9)	-8.9%	-4.6%
Store Pre-Openings	(1.3)	-0.6%	(1.0)	-0.4%	34.7%
Depreciation & Amortization	(4.7)	-2.0%	(4.6)	-1.9%	2.8%
Other revenues (expenses) ²	(0.8)	-0.4%	(2.1)	-0.9%	-60.2%
General & Administrative ²	(13.3)	-5.7%	(12.4)	-5.1%	7.8%
Corporate (Holding) ²	(2.2)	-1.0%	(2.0)	-0.8%	11.9%
(+) Depreciation & Amortization	12.2	5.2%	12.2	5.0%	0.1%
Operating Income	10.2	4.4%	10.8	4.4%	-5.7%
Expansion Capex	9.9	4.2%	8.2	3.4%	20.6%
Maintenance Capex	2.2	1.0%	1.5	0.6%	45.5%
Total Capex	12.1	5.2%	9.7	4.0%	24.5%
Operating Inc. - Maintenance Capex³	8.0	78.2%	9.3	85.9%	-7.7%

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

In Brazil, operating income reached R\$10M, a 5.7% decrease YoY, with margins reaching 4.4%, flat compared to 1Q18.

Brazilian operation's top line in 1Q19 reached R\$233.5 million, down 4.6% vs 1Q18. The net closure of 14 stores and the negative performance in SSS from Malls and Airports (besides lower traffic and the end of a temporary contract with Albert Einstein Hospital, 1Q18 was positively impacted by R\$5M in tax credit, R\$2M in airports and R\$3M in Malls) offset the positive same store sales performance in Roads.

In terms of costs and expenses, there was an R\$2.1M (-3.6%) reduction in labor cost as a consequence of the headcount reduction and store closures. Food cost was down by R\$4.6M, an 8.5% reduction and others (mainly utilities) was up by R\$0.2M. Fuel costs were R\$0.7 higher, but fuel sales grew R\$2.7M, representing an R\$2M improvement in gross margin.

There was also an improvement of R\$4.0M in selling and operating expenses (related to the indirect labor cost reduction) and an R\$1.1M increase in G&A and Holding expenses combined. Other expenses had a positive impact of 50bps or R\$1.3M.

RESULTS OF THE BRAZILIAN OPERATIONS – ROADS

(in R\$ million)	1Q19	% VA	1Q18	% VA	% HA
Net Revenue	128.4	100.0%	123.6	100.0%	3.9%
Restaurants & Others	67.4	52.5%	65.3	52.9%	3.1%
Gas Stations	61.0	47.5%	58.3	47.1%	4.7%
Cost of Sales and Services	(103.0)	-80.2%	(101.7)	-82.3%	1.3%
Direct Labor	(24.2)	-18.9%	(23.7)	-19.2%	2.1%
Food	(20.5)	-16.0%	(20.9)	-16.9%	-1.6%
Others	(6.0)	-4.7%	(5.7)	-4.6%	5.6%
Fuel and Automotive Accessories	(49.1)	-38.2%	(48.4)	-39.1%	1.5%
Depreciation & Amortization	(3.2)	-2.5%	(3.1)	-2.5%	3.1%
Gross Profit	25.4	19.8%	21.9	17.7%	16.0%
Operating Expenses¹	(11.9)	-9.2%	(11.0)	-8.9%	7.6%
Selling and Operating	(5.3)	-4.1%	(5.7)	-4.6%	-7.2%
Rents of Stores	(5.4)	-4.2%	(4.6)	-3.7%	18.5%
Store Pre-Openings	(0.4)	-0.3%	0.0	0.0%	0.0%
Depreciation & Amortization	(0.8)	-0.6%	(0.8)	-0.6%	0.6%
(+) Depreciation & Amortization	4.0	3.1%	3.9	3.2%	2.6%
Operating Income	17.5	13.6%	14.8	11.9%	18.7%
Expansion Capex	1.4	1.1%	3.1	2.5%	-56.0%
Maintenance Capex	1.3	1.0%	0.1	0.1%	1047.7%
Total Capex	2.7	2.1%	3.2	2.6%	-16.1%
Operating Inc. - Maintenance Capex²	16.2	92.4%	14.6	99.2%	-6.8%

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

The Roads segment operating income increased by 19% in 1Q19 reaching R\$ 17.5M with a 13.6% margin (up 170bps). The highlights in terms of performance in 1Q19 were:

- Sales up by 4% as a result of positive same store sales in restaurants and fuel.
- Lower food cost at R\$20.5M vs R\$20.9M in 1Q18, reflecting the efforts to reduce waste and improve efficiency.
- Higher labor costs at R\$24.2M, but with a 30bps improvement as a % of sales, due to headcount adjustments that partially offset the inflation pass-through in salaries;
- Fuel cost totaled R\$49.1M, a 1.5% increase compared to 1Q18, but as fuel sales grew by 4.7%, there was a R\$2M increase in fuel gross margin;
- Higher rent expenses as 1Q18 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;

RESULTS OF THE BRAZILIAN OPERATIONS – AIR

(in R\$ million)	1Q19	% VA	1Q18	% VA	% HA
Net Revenue	52.9	100.0%	62.6	100.0%	-15.6%
Restaurants & Others	52.9	100.0%	62.6	100.0%	-15.6%
Cost of Sales and Services	(35.5)	-67.2%	(42.0)	-67.1%	-15.5%
Direct Labor	(17.4)	-32.9%	(19.8)	-31.5%	-12.0%
Food	(12.9)	-24.5%	(16.5)	-26.4%	-21.6%
Others	(3.3)	-6.3%	(3.6)	-5.8%	-8.2%
Depreciation & Amortization	(1.9)	-3.5%	(2.1)	-3.4%	-12.3%
Gross Profit	17.3	32.8%	20.6	32.9%	-15.8%
Operating Expenses¹	(15.0)	-28.3%	(18.5)	-29.6%	-19.1%
Selling and Operating	(4.2)	-8.0%	(6.1)	-9.7%	-30.2%
Rents of Stores	(7.3)	-13.7%	(9.1)	-14.5%	-19.9%
Depreciation & Amortization	(3.5)	-6.6%	(3.4)	-5.4%	2.8%
(+) Depreciation & Amortization	5.3	10.1%	5.5	8.8%	-3.0%
Operating Income¹	7.7	14.6%	7.6	12.1%	1.5%
Expansion Capex	1.6	3.1%	0.4	0.6%	319.2%
Maintenance Capex	0.4	0.8%	0.0	0.0%	1577.8%
Total Capex	2.1	3.9%	0.4	0.7%	392.5%
Operating Inc. - Maintenance Capex²	7.3	94.7%	7.6	99.7%	-5.0%

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

The Brazilian Airport segment operating income reached R\$7.7 million in 1Q19 (from R\$7.6M in 1Q18), with a 14.6% margin (up 250bps YoY). The reduction in SSS was a result of the benefit the 1Q18 had of the temporary contract with Albert Einstein Hospital (which started on 4Q17 and had a positive impact on catering revenue until mid-2Q18, when it ended) and lower volumes for Avianca. Sales were down due to the SSS performance combined with the 15-store closure and the positive impact of R\$2M from tax credit in 1Q18. The other highlights in terms of performance in 1Q19 were:

- i. Lower labor costs (-R\$2.4M, or a 12.0% decrease);
- ii. Lower food costs (-R\$3.6M, or a 21.6% decrease);
- iii. Lower selling and operating expenses (-R\$1.8M, or a 30.2% decrease);
- iv. Lower rent expenses (-R\$1.8M, or a 19.9% decrease).

RESULTS OF THE BRAZILIAN OPERATIONS – MALLS

(in R\$ million)	1Q19	% VA	1Q18	% VA	% HA
Net Revenue	52.2	100.0%	58.4	100.0%	-10.6%
Restaurants & Others	52.2	100.0%	58.4	100.0%	-10.6%
Cost of Sales and Services	(39.9)	-76.3%	(40.6)	-69.6%	-1.9%
Direct Labor	(17.0)	-32.5%	(17.3)	-29.6%	-1.6%
Food	(15.7)	-30.1%	(16.4)	-28.1%	-4.2%
Others	(4.7)	-9.1%	(4.6)	-7.8%	3.8%
Depreciation & Amortization	(2.4)	-4.6%	(2.4)	-4.1%	1.9%
Gross Profit	12.4	23.7%	17.8	30.4%	-30.5%
Operating Expenses¹	(13.9)	-26.5%	(15.6)	-26.8%	-11.4%
Selling and Operating	(4.4)	-8.3%	(6.1)	-10.4%	-28.1%
Rents of Stores	(8.2)	-15.6%	(8.2)	-14.1%	-0.6%
Store Pre-Openings	(0.9)	-1.7%	(1.0)	-1.6%	-6.1%
Depreciation & Amortization	(0.4)	-0.8%	(0.4)	-0.7%	7.1%
(+) Depreciation & Amortization	2.9	5.5%	2.8	4.8%	2.6%
Operating Income	1.4	2.6%	4.9	8.4%	-72.4%
Expansion Capex	6.9	13.2%	4.7	8.1%	45.8%
Maintenance Capex	0.5	0.9%	1.4	2.4%	-65.1%
Total Capex	7.4	14.1%	6.1	10.5%	20.7%
Operating Inc. - Maintenance Capex²	0.9	64.5%	3.5	71.9%	-7.4%

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

The Malls segment operating income reached R\$1.4 million, a 72% decrease compared to 1Q18, with a reduction in margins of 580bps that reached 2.6%, mainly due to the pressure from the negative SSS performance and the R\$3M in tax credit that impacted positively the 1Q18 results. The other highlights in terms of performance in 1Q19 were:

- i) a 10.6% decrease in sales, as a consequence of 5 stores under refurbishment, combined with a reduction of 7.0% in SSS and the R\$3M in tax credit that impacted the 1Q18 results.
- ii) labor cost -R\$0.3M (-290bps), food cost -R\$0.7M (-200bps) and rent expenses flat (-150bps), on the back lower traffic and stores under refurbishment.

RESULTS OF U.S. OPERATIONS

(in US\$ Million)	1Q19	% VA	1Q18	% VA	% HA
Net Revenue	21.7	100.0%	22.9	100.0%	-5.4%
Restaurants & Others	21.7	100.0%	22.9	100.0%	-5.4%
Cost of Sales and Services	(14.3)	-65.8%	(15.3)	-66.8%	-6.7%
Direct Labor	(7.6)	-35.3%	(8.0)	-34.8%	-4.0%
Food	(4.2)	-19.4%	(4.6)	-20.1%	-9.0%
Others	(1.3)	-6.1%	(1.5)	-6.6%	-13.1%
Depreciation & Amortization	(1.1)	-5.2%	(1.2)	-5.3%	-7.2%
Gross Profit	7.4	34.2%	7.6	33.2%	-2.8%
Operating Expenses¹	(8.3)	-38.1%	(9.4)	-41.1%	-12.3%
Selling and Operating	(4.8)	-22.1%	(5.6)	-24.6%	-15.2%
Rents of Stores	(2.5)	-11.4%	(2.5)	-10.9%	-1.2%
Store Pre-Openings	(0.0)	0.0%	(0.5)	-2.1%	-100%
Depreciation & Amortization	(0.1)	-0.3%	(0.1)	-0.4%	-24.5%
J.V. Investment Amortization	(0.2)	-0.7%	(0.2)	-0.7%	0.0%
Equity income result	0.8	3.8%	0.7	3.2%	12.9%
Other revenues (expenses)	(0.1)	-0.2%	0.1	0.2%	-197.7%
General & Administrative	(1.5)	-7.1%	(1.3)	-5.8%	17.1%
(+) Depreciation & Amortization	1.3	6.2%	1.4	6.3%	-7.4%
Operating Income	0.5	2.3%	(0.3)	-1.5%	-241.2%
Expansion Capex	1.0	4.8%	0.9	3.8%	20.8%
Maintenance Capex	0.1	0.4%	0.1	0.5%	-13.4%
Total Capex	1.1	5.2%	1.0	4.2%	16.9%
Operating Inc. - Maintenance Capex²	0.4	80.8%	(0.5)	131.3%	-50.5%

¹Before special items; ²VA 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 1Q19, net revenues reached US\$21.7 million, a 5.4% decrease compared to 1Q18, mostly by a store closure in Dec,18 (Mohegan Sun) and the seasonality related to Spring Break and Easter (which occurred in April in 2019 vs. March in 2018). On the other hand, operating income increased to US\$0.5M from a loss of US\$0.3M with a 2.3% operating margin. This improvement was related to a better food waste management (-US\$0.4M / +70bps), optimization of expenses (3rd party contracts, paper and other supplies: -US\$0.9M / +260bps) and other costs (utilities: -US\$0.2M / +50bps).

RESULTS OF THE CARIBBEAN OPERATIONS

(in R\$ million)	1Q19	% VA	1Q18	% VA	% HA	1Q19 ²	% VA ²	% HA ²
Net Revenue	46.8	100.0%	43.6	100.0%	7.4%	42.1	100.0%	-3.4%
Restaurants & Others	46.8	100.0%	43.6	100.0%	7.4%	42.1	100.0%	-3.4%
Cost of Sales and Services	(21.9)	-46.8%	(20.3)	-46.7%	7.7%	(19.9)	-47.4%	-2.0%
Direct Labor	(8.5)	-18.1%	(8.3)	-18.9%	2.4%	(7.7)	-18.4%	-6.4%
Food	(12.4)	-26.6%	(11.3)	-25.9%	10.3%	(11.3)	-26.8%	-0.1%
Others	(0.6)	-1.2%	(0.4)	-1.0%	26.1%	(0.5)	-1.2%	19.2%
Depreciation & Amortization	(0.5)	-1.0%	(0.4)	-0.8%	25.5%	(0.4)	-1.0%	15.1%
Gross Profit	24.9	53.2%	23.3	53.3%	7.0%	22.2	52.6%	-4.7%
Operating Expenses¹	(16.3)	-34.8%	(14.2)	-32.7%	14.4%	(14.7)	-34.8%	3.0%
Selling and Operating	(6.3)	-13.4%	(5.5)	-12.7%	13.3%	(5.7)	-13.5%	2.7%
Rents of Stores	(5.3)	-11.4%	(4.7)	-10.8%	13.5%	(4.7)	-11.2%	0.1%
Store Pre-Openings	(0.1)	-0.3%	0.0	0.0%	0.0%	(0.1)	-0.2%	0.0%
Depreciation & Amortization	(2.2)	-4.7%	(2.0)	-4.6%	11.5%	(2.0)	-4.8%	1.4%
J.V. Investment Amortization	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0%
Equity income result	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0%
Other revenues (expenses)	0.3	0.7%	0.3	0.7%	6.8%	0.3	0.7%	-8.7%
General & Administrative	(2.7)	-5.7%	(2.3)	-5.3%	15.3%	(2.4)	-5.8%	5.0%
(+) Depreciation & Amortization	2.7	5.7%	2.3	5.4%	13.7%	2.4	5.8%	3.5%
EBITDA	11.3	24.1%	11.4	26.1%	-0.9%	9.9	23.6%	-12.7%
<i>Margin EBITDA (%)</i>	<i>24.1%</i>	<i>0.0%</i>	<i>26.1%</i>	<i>0.0%</i>	<i>-2p.p.</i>	<i>23.6%</i>	<i>0.0%</i>	<i>-2.5p.p.</i>
Operating Income	11.3	24.1%	11.4	26.1%	-0.9%	9.9	23.6%	-12.7%
Expansion Capex	0.2	0.5%	4.4	10.1%	-94.5%	0.2	0.5%	-95.0%
Maintenance Capex	0.1	0.3%	0.4	0.9%	-66.8%	0.1	0.3%	-70.2%
Total Capex	0.4	0.8%	4.8	11.0%	-92.3%	0.3	0.8%	-93.0%
Operating Inc. - Maintenance Capex³	11.1	98.9%	11.0	96.6%	1.4%	9.8	98.8%	-10.7%

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 constant currency (using the 1Q18 FX rate to convert the 1Q19 and 1Q18 results), to eliminate the effect of exchange rate fluctuations. The comments below refer to 1Q19 constant currency numbers.

Net revenues reached R\$42.1 million, down 3.4% versus 1Q18, as a result of a softer SSS performance in Panama (airports – mostly due to changes in the airport that affected customer flow in our restaurants – and malls) that offset the positive performance in Colombia (mainly catering and airport restaurants).

The Caribbean operation still sustains a high level of margins at 24% (from 26% in 1Q18). Higher efficiency on labor cost (+60bps), was offset by worse food cost (-90bps) and the deleveraging of operating expenses, mainly selling & operating (-80bps), G&A (-50bps) and rent (-40bps).

Consequently, operating income reached R\$10 million in 1Q19, a 12.7% decrease compared to 1Q18, with an operating margin of 24%.

ADJUSTED EBITDA AND ADJUSTED MARGIN

(R\$ million)	1Q19	1Q18	HA (%)
NET INCOME (LOSS)	(4.8)	(6.4)	-25.1%
(+) Income Taxes	(0.2)	5.2	-103.2%
(+) Net Financial Result	6.4	0.5	1146.7%
(+) D&A and Write-offs	19.3	18.7	3.1%
(+) Amortization of Investments in Joint Venture	0.6	0.5	16.1%
EBITDA	21.4	18.6	15.1%
(+) Special Items	2.1	2.6	-18.7%
Adjusted EBITDA	23.5	21.1	11.0%
<i>EBITDA / Net Revenues</i>	<i>5.9%</i>	<i>5.1%</i>	
<i>Adjusted EBITDA / Net Revenues</i>	<i>6.5%</i>	<i>5.8%</i>	

The Adjusted EBITDA in 1Q19 reached R\$23.5 million, up 11.0% compared to 1Q18, with a margin of 6.5%, compared to 5.8% in 1Q18. The special items refer to the stock option plan provisioning.

FINANCIAL RESULT, INCOME TAX AND NET INCOME

IMC had a net financial expense of R\$6.4 million, vs. R\$0.5 million in 1Q18.

Income taxes (current and differed) were positive and totaled R\$0.2 million, compared to R\$5.2 million expenses in 1Q18.

Consequently we had a net loss of R\$4.8 million, compared to R\$6.4 million in 1Q18.

SELECTED CASH FLOW INFORMATION

OPERATING ACTIVITIES

EBITDA Reconciliation to Operating Cash Flow (R\$ Million)	1Q19	1Q18	Var. (%)
Adjusted EBITDA	23.5	21.1	10.9%
Special Items	(2.1)	(2.6)	
(+/-) Working Capital and Other Non-Cash Items	(17.6)	(10.8)	
Operating Cash Before Taxes and Interest	3.7	7.8	-52.2%
(-) Paid Taxes	(4.5)	(1.5)	
(-) Maintenance Capex	(2.8)	(3.0)	
Net Cash Generated by Operating Activities	(3.6)	3.2	-211.8%
Operating Net Cash/EBITDA	-15.3%	15.2%	-30.4 p.p.

Operating cash flow in 1Q19 reached -R\$3.6 million (versus +R\$3.2 million in 1Q18), mainly impacted by higher working capital needs and paid taxes.

INVESTING ACTIVITIES

(R\$ million)	1Q19	1Q18	HA (%)
Property and Equipment	(15.9)	(14.5)	9.9%
Additions to Intangible Assets	(1.1)	(4.3)	-73.1%
(=) Total Invested (CAPEX)	(17.1)	(18.7)	-9.0%
Payment of Acquisitions	(1.5)	(2.0)	-26.7%
Dividends Received	2.2	1.9	18.1%
Total Investments	(12.6)	(17.6)	-28.1%

CAPEX (in R\$ million)	1Q19	1Q18	HA (%)
Expansion			
Brazilian Operations	9.9	8.2	20.6%
<i>Brazil - Air</i>	1.6	0.4	319.2%
<i>Brazil - Roads</i>	1.4	3.1	-56.0%
<i>Brazil - Malls</i>	6.9	4.7	45.8%
USA Operations	3.9	2.8	40.5%
Caribbean Operations	0.2	4.4	-94.5%
Holding	0.2	0.3	-46.4%
Total Expansion Investments	14.3	15.7	-9.4%

Maintenance			
Brazilian Operations	2.2	1.5	45.5%
<i>Brazil - Air</i>	0.4	0.0	1577.8%
<i>Brazil - Roads</i>	1.3	0.1	1047.7%
<i>Brazil - Malls</i>	0.5	1.4	-65.1%
USA Operations	0.4	0.4	0.8%
Caribbean Operations	0.1	0.4	-66.8%
Holding	0.1	0.7	-87.7%
Total Maintenance Investments	2.8	3.0	-6.8%
Total CAPEX Investments	17.1	18.7	-9.0%

CAPEX in 1Q19 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 1Q19 was mainly affected by the payment of loans of R\$160M (the bridge loan of R\$150M and R\$10M in loans in the US), the R\$100M capital reduction and the debenture issuance of R\$239M.

Specifically for the debenture issuance that totaled R\$250 million in the period. We issued two series of R\$125 million each with terms of i) 5-year and a cost of CDI+1.15% and ii) 7-year and a cost of CDI+1.60%, respectively. Standard&Poors rated the Debentures as AA.

(R\$ million)	1Q19	1Q18
Dividends payment	0.0	0.0
Capital Reduction	(100.0)	0.0
Treasury Shares	3.1	0.2
New Loans	238.7	0.0
Payment of Loans	(159.9)	(7.5)
Net Cash Generated by Financing Activities	(18.0)	(7.2)

NET DEBT

Net debt position at the end of 1Q19 was of R\$183.7 million, including cash, cash equivalents and short-term investments.

R\$ million	1Q19	1Q18
Debt	380.4	169.5
Financing of past acquisitions	35.4	36.4
Total Debt	415.7	205.9
(-) Cash	(232.0)	(183.6)
Net Debt	183.7	22.3

CONSOLIDATED INCOME STATEMENT

(R\$ thousand)	1Q19	1Q18
NET REVENUE	362,392	362,821
COST OF SALES AND SERVICES	(254,286)	(254,449)
GROSS PROFIT	108,106	108,372
OPERATING INCOME (EXPENSES)		
Commercial and operating expenses	(73,751)	(76,358)
General and administrative expenses	(27,559)	(26,059)
Depreciation and amortization	(7,148)	(6,842)
Other income (expenses)	(708)	(1,648)
Equity income result	2,520	1,862
Net financial expenses	(6,446)	(517)
EARNINGS BEFORE TAXES	(4,985)	(1,190)
Income Taxes	170	(5,236)
NET PROFIT (LOSS)	(4,815)	(6,426)

CONDENSED BALANCE SHEET

(R\$ thousand)	1Q19	1Q18
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	232,003	268,561
Accounts receivable	79,582	78,907
Inventories	34,175	37,742
Derivatives	72	53
Other current assets	76,031	73,042
Total current assets	421,863	458,305
NONCURRENT ASSETS		
Deferred income taxes	9,513	9,863
Derivatives	36	40
Other noncurrent assets	55,345	57,257
Property and equipment	262,092	259,399
Intangible assets	851,539	853,618
Total noncurrent assets	1,178,525	1,180,177
TOTAL ASSETS	1,600,388	1,638,482
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	64,324	80,980
Loans, financing and acquisitions' payables	46,463	196,123
Salaries and payroll charges	55,442	55,676
Other current liabilities	43,489	43,575
Total current liabilities	209,718	376,354
NONCURRENT LIABILITIES		
Loans, financing and acquisitions' payables	369,392	138,295
Provision for labor, civil and tax disputes	12,071	12,900
Deferred income tax liability	69,833	71,575
Other noncurrent liabilities	22,565	24,140
Total noncurrent liabilities	473,861	246,910
EQUITY		
Capital and reserves	886,926	983,182
Accumulated losses	3,999	8,814
Other comprehensive income	25,884	23,222
Total equity	916,809	1,015,218
TOTAL LIABILITIES AND EQUITY	1,600,388	1,638,482

CASH FLOW STATEMENT

(R\$ thousand)	1Q19	1Q18
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the quarter	(4,815)	(6,426)
Depreciation and amortization	19,313	18,732
Impairment of intangible assets (using)	(81)	(1,613)
Investment amortization	589	507
Equity income result	(3,108)	(2,369)
Provision for labor, civil and tax disputes	1,450	2,028
Income taxes	(171)	5,236
Interest expenses	6,618	2,919
Effect of exchange rate changes	(24)	455
Disposal of property and equipment	142	1,985
Deferred Revenue, Rebates	(1,196)	-
Expenses in payments to employees based in stock plan	600	2,375
Others	3,136	(5,865)
Changes in operating assets and liabilities	(18,742)	(10,205)
Cash generated from operations	3,711	7,759
Income tax paid	(4,497)	(1,549)
Interest paid	(5,058)	(2,148)
Net cash generated by (used in) operating activities	(5,844)	4,062
CASH FLOW FROM INVESTING ACTIVITIES		
Payment of business acquisitions made in prior years	(1,500)	(2,046)
Dividends received	2,228	1,887
Sale of controlling interest in discontinued operations, net of cash	3,694	1,322
Additions to intangible assets	(1,146)	(4,259)
Additions to property and equipment	(15,904)	(14,477)
Net cash used in investing activities	(12,628)	(17,573)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital contributions from minority interest	(100,000)	-
Shares in Treasury	3,144	239
New loans	238,710	-
Payment of loans	(159,852)	(7,453)
Net cash used in financing activities	(17,998)	(7,214)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(88)	1,811
NET INCREASE (DECREASE) FOR THE PERIOD	(36,558)	(18,914)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	268,561	183,588
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	232,003	164,674

APPENDIX – 1Q19 Results under IFRS 16

(in R\$ million)	Brazil		USA		Caribbean		Consolidated	
	1Q19	% AV	1Q19	% AV	1Q19	% AV	1Q19	% AV
Net Revenue	233.5	100.0%	82.1	100.0%	46.8	100.0%	362.4	100.0%
Restaurants & Others	172.4	73.9%	82.1	100.0%	46.8	100.0%	301.4	83.2%
Gas Stations	61.0	26.1%	0.0	0.0%	0.0	0.0%	61.0	16.8%
Cost of Sales and Services	(178.3)	-76.4%	(53.9)	-65.6%	(21.9)	-46.7%	(254.0)	-70.1%
Direct Labor	(58.6)	-25.1%	(28.9)	-35.2%	(8.5)	-18.1%	(95.9)	-26.5%
Food	(49.2)	-21.1%	(15.9)	-19.4%	(12.4)	-26.6%	(77.5)	-21.4%
Others	(13.6)	-5.8%	(4.9)	-5.9%	(0.3)	-0.5%	(18.7)	-5.2%
Fuel and Automotive Accessories	(49.1)	-21.0%	0.0	0.0%	0.0	0.0%	(49.1)	-13.5%
Depreciation & Amortization	(7.8)	-3.3%	(4.2)	-5.1%	(0.7)	-1.5%	(12.7)	-3.5%
Gross Profit	55.2	23.6%	28.3	34.4%	24.9	53.3%	108.4	29.9%
Operating Expenses¹	(53.4)	-22.9%	(30.9)	-37.7%	(15.9)	-34.0%	(100.2)	-27.7%
Selling and Operating	(13.8)	-5.9%	(18.1)	-22.0%	(6.3)	-13.4%	(38.2)	-10.5%
Rents of Stores	(8.8)	-3.8%	(5.4)	-6.5%	(1.7)	-3.5%	(15.8)	-4.4%
Store Pre-Openings	(0.7)	-0.3%	0.0	0.0%	(0.1)	-0.3%	(0.8)	-0.2%
Depreciation & Amortization	(14.4)	-6.2%	(4.0)	-4.9%	(5.4)	-11.6%	(23.8)	-6.6%
J.V. Investment Amortization	0.0	0.0%	(0.6)	-0.7%	0.0	0.0%	(0.6)	-0.2%
Equity income result	0.0	0.0%	3.1	3.8%	0.0	0.0%	3.1	0.9%
Other revenues (expenses)	(0.9)	-0.4%	(0.2)	-0.2%	0.3	0.7%	(0.7)	-0.2%
General & Administrative	(12.9)	-5.5%	(5.7)	-6.9%	(2.6)	-5.6%	(21.2)	-5.8%
Corporate (Holding) ²	(1.9)	-0.8%	(0.1)	-0.2%	(0.2)	-0.3%	(2.2)	-0.6%
(+) Depreciation & Amortization	22.2	9.5%	8.8	10.7%	6.1	13.1%	37.1	10.2%
Operating Income	24.0	10.3%	6.1	7.5%	15.2	32.4%	45.3	12.5%
Special Items - Other							(2.1)	-0.6%
EBIT	(0.1)	-0.9%	(2.7)	-3.7%	9.0	18.3%	6.1	1.7%
(+) D&A and Write-offs							37.1	10.2%
EBITDA							43.2	11.9%
(+) Special Items							2.1	0.6%
Adjusted EBITDA							45.3	12.5%

¹Before special items; ²Not allocated in segments

Brazil		1Q19						
(in R\$ million)		Air	% AV	Road	% AV	Malls	% AV	
Net Revenue		52.9	100.0%	128.4	100.0%	52.2	100.0%	233.5 100.0%
Restaurants & Others		52.9	100.0%	67.4	52.5%	52.2	100.0%	172.4 100.0%
Gas Stations		0.0	0.0%	61.0	47.5%	0.0	0.0%	61.0 35.4%
Cost of Sales and Services		(35.5)	-67.2%	(102.9)	-80.1%	(39.9)	-76.3%	(178.3) -103.4%
Direct Labor		(17.4)	-32.9%	(24.2)	-18.9%	(17.0)	-32.5%	(58.6) -34.0%
Food		(12.9)	-24.5%	(20.5)	-16.0%	(15.7)	-30.1%	(49.2) -28.5%
Others		(3.2)	-6.1%	(5.7)	-4.4%	(4.7)	-9.1%	(13.6) -7.9%
Fuel and Automotive Accessories		0.0	0.0%	(49.1)	-38.2%	0.0	0.0%	(49.1) -28.5%
Depreciation & Amortization		(2.0)	-3.7%	(3.4)	-2.6%	(2.4)	-4.6%	(7.8) -4.5%
Gross Profit		17.4	32.8%	25.5	19.9%	12.4	23.7%	55.2 32.0%
Operating Expenses¹		(14.3)	-27.0%	(10.8)	-8.4%	(13.5)	-25.9%	(53.3) -30.9%
Selling and Operating		(4.2)	-8.0%	(5.3)	-4.1%	(4.4)	-8.3%	(13.8) -8.0%
Rents of Stores		(1.9)	-3.7%	(2.6)	-2.0%	(4.2)	-8.1%	(8.8) -5.1%
Store Pre-Openings		0.0	0.0%	0.1	0.1%	(0.8)	-1.5%	(0.7) -0.4%
Depreciation & Amortization		(7.9)	-15.0%	(2.8)	-2.2%	(3.7)	-7.0%	(14.4) -8.3%
Other revenues (expenses) ²		(0.2)	-0.4%	(0.2)	-0.2%	(0.4)	-0.8%	(0.9) -0.5%
General & Administrative ²								(12.9) -7.5%
Corporate (Holding) ²								(1.9) -1.1%
(+) Depreciation & Amortization		9.9	18.7%	6.2	4.8%	6.1	11.7%	22.2 12.9%
Operating Income		13.0	14.6%	20.9	16.3%	5.0	2.6%	24.0 13.9%
Expansion Capex								10.1 5.8%
Maintenance Capex								2.3 1.3%
Total Capex								12.4 7.2%
Operating Inc. - Maintenance Capex³								21.7 12.6%

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

USA		1Q19	% AV
(in R\$ million)			
Net Revenue		82.1	100.0%
Restaurants & Others		82.1	100.0%
Cost of Sales and Services		(53.9)	-65.6%
Direct Labor		(28.9)	-35.2%
Food		(15.9)	-19.4%
Others		(4.9)	-5.9%
Depreciation & Amortization		(4.2)	-5.1%
Gross Profit		28.3	34.4%
Operating Expenses¹		(30.9)	-37.7%
Selling and Operating		(18.1)	-22.0%
Rents of Stores		(5.4)	-6.5%
Depreciation & Amortization		(4.0)	-4.9%
J.V. Investment Amortization		(0.6)	-0.7%
Equity income result		3.1	3.8%
Other revenues (expenses)		(0.2)	-0.2%
General & Administrative		(5.7)	-6.9%
Corporate (Holding) ²		(0.1)	-0.2%
(+) Depreciation & Amortization		8.8	10.7%
EBITDA		6.1	7.5%
Margin EBITDA (%)		7.5%	
Operating Income		6.1	7.5%
Expansion Capex		3.9	4.8%
Maintenance Capex		0.4	0.4%
Total Capex		4.3	5.2%
Operating Inc. - Maintenance Capex³		5.8	7.0%

Caribbean		1Q19	% AV
(in R\$ million)			
Net Revenue		46.8	57.0%
Restaurants & Others		46.8	57.0%
Cost of Sales and Services		(21.9)	-26.6%
Direct Labor		(8.5)	-10.3%
Food		(12.4)	-15.2%
Others		(0.3)	-0.3%
Depreciation & Amortization		(0.7)	-0.9%
Gross Profit		24.9	30.4%
Operating Expenses¹		(15.9)	-19.4%
Selling and Operating		(6.3)	-7.6%
Rents of Stores		(1.7)	-2.0%
Store Pre-Openings		(0.1)	-0.1%
Depreciation & Amortization		(5.4)	-6.6%
Other revenues (expenses)		0.3	0.4%
General & Administrative		(2.6)	-3.2%
Corporate (Holding) ²		(0.2)	-0.2%
(+) Depreciation & Amortization		6.1	7.5%
EBITDA		15.2	18.5%
Margin EBITDA (%)		32.4%	
Operating Income		15.2	18.5%
Expansion Capex		0.2	0.3%
Maintenance Capex		0.1	0.2%
Total Capex		0.4	0.5%
Operating Inc. - Maintenance Capex³		15.0	18.3%

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

Balance Sheet

(R\$ thousand)

1Q19

ASSETS

CURRENT ASSETS

Cash and cash equivalents	232,003
Accounts receivable	79,582
Inventories	34,175
Derivatives	72
Other current assets	76,031

Total current assets	421,863
-----------------------------	----------------

NONCURRENT ASSETS

Deferred income taxes	10,666
Derivatives	36
Other noncurrent assets	55,345
Property and equipment	262,092
Intangible assets	851,539
Right of use	400,475

Total noncurrent assets	1,580,153
--------------------------------	------------------

TOTAL ASSETS	2,002,016
---------------------	------------------

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Trade accounts payable	64,324
Loans, financing and acquisitions' payables	46,463
Salaries and payroll charges	55,442
Other current liabilities	43,489
Liabilities from Right of use	85,642

Total current liabilities	295,360
----------------------------------	----------------

NONCURRENT LIABILITIES

Loans, financing and acquisitions' payables	369,392
Provision for labor, civil and tax disputes	12,071
Deferred income tax liability	69,833
Other noncurrent liabilities	22,565
Liabilities from Right of use	319,229

Total noncurrent liabilities	793,090
-------------------------------------	----------------

EQUITY

Capital and reserves	886,926
Accumulated losses	811
Other comprehensive income	25,829

Total equity	913,566
---------------------	----------------

TOTAL LIABILITIES AND EQUITY	2,002,016
-------------------------------------	------------------

CASH FLOW

(R\$ thousand)

1Q19

CASH FLOW FROM OPERATING ACTIVITIES

Loss for the quarter	(8,003)
Depreciation and amortization	19,313
Depreciation of right of use	17,222
Impairment of intangible assets (using)	(81)
Impairment of intangible assets (provision)	-
Investment amortization	589
Equity income result	(3,108)
Provision for labor, civil and tax disputes	1,450
Income taxes	(1,324)
Interest expenses	6,618
Effect of exchange rate changes	(24)
Interest on lease	8,977
Disposal of property and equipment	142
Deferred Revenue, Rebates	(1,196)
Expenses in payments to employees based in stock plan	600
Others	3,135
Changes in operating assets and liabilities	(18,742)
Cash generated from operations	25,568
Income tax paid	(4,497)
Interest paid	(5,058)

Net cash generated by (used in) operating activities 16,013

CASH FLOW FROM INVESTING ACTIVITIES

Capital increase in subsidiaries	-
Payment of business acquisitions made in prior years	(1,500)
Additions to investments in subsidiaries	-
Dividends received	2,228
Sale of controlling interest in discontinued operations, net of cash	3,694
Additions to intangible assets	(1,146)
Additions to property and equipment	(15,904)

Net cash used in investing activities from continued operations (12,628)

Net cash used in investing activities from discontinued operations -

Net cash used in investing activities (12,628)

CASH FLOW FROM FINANCING ACTIVITIES

Capital Increase (Reduction)	(100,000)
Shares in Treasury	3,144
Right of use ("lease")	(22,054)
New loans	238,710
Payment of loans	(159,852)

Net cash used in financing activities (40,052)

EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS 109

NET INCREASE (DECREASE) FOR THE PERIOD (36,558)

CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD 268,561

CASH AND CASH EQUIVALENTS AT THE END OF PERIOD 232,003

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	3.787	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
1Q19	3.897	3.772	0.001224	0.001204

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 Consolidated 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.