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Information From Company / Paid-up Capital

Number of shares (Units)	Current Quarter 09/30/2017
Paid-in Capital	
Common	166,531,600
Preferred	0
Total	**166,531,600**
Treasury shares	
Common	5,150,000
Preferred	0
Total	**5,150,000**

Individual FSs / Statements of Financial Positions - Assets

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 09/30/2017	Previous Period 12/31/2016
1	Total assets	1,148,198	1,149,581
1.01	Total current assets	44,076	54,492
1.01.01	Cash and cash equivalents	2,020	14,673
1.01.03	Trade receivables	20,446	16,932
1.01.04	Inventories	4,303	4,363
1.01.06	Taxes recoverable	13,610	15,404
1.01.07	Prepaid expenses	2,784	2,424
1.01.08	Other current assets	913	696
1.01.08.03	Other current assets	913	696
1.01.08.03.01	Other assets and advances	913	518
1.01.08.03.02	Derivatives – “swap”	0	178
1.02	Total noncurrent assets	1,104,122	1,095,089
1.02.01	Assets realizable over the long term	11,996	24,572
1.02.01.01	Financial investments	0	589
1.02.01.03	Trade receivables	975	969
1.02.01.08	Receivables from related parties	0	12,473
1.02.01.09	Other noncurrent assets	11,021	10,541
1.02.01.09.03	Judicial deposits	5,058	4,335
1.02.01.09.05	Other noncurrent assets	5,963	6,206
1.02.02	Investments in subsidiaries and joint-venture	925,797	891,940
1.02.03	Property, plant and equipment	28,166	32,501
1.02.04	Intangible assets	138,163	146,076

Individual FSs / Statements of Financial Positions - Liabilities

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 09/30/2017	Previous Period 12/31/2016
2	Liabilities and equity	1,148,198	1,149,581
2.01	Current liabilities	42,168	68,945
2.01.01	Payroll and related taxes	16,185	18,365
2.01.02	Trade payables	23,108	27,550
2.01.03	Taxes payable	1,500	9,518
2.01.04	Borrowings	508	11,495
2.01.05	Other liabilities	867	2,017
2.01.05.02	Deferred revenue	867	2,017
2.02	Total noncurrent liabilities	113,213	49,982
2.02.01	Borrowings	275	451
2.02.02	Payables to related parties	78,057	16,793
2.02.03	Deferred taxes	26,759	23,922
2.02.03.01	Deferred income tax and social contribution	26,759	23,922
2.02.04	Provisions	6,381	7,253
2.02.04.01	Provisions for labor, civil and tax risks	6,381	7,253
2.02.06	Deferred revenue	1,741	1,563
2.02.06.02	Deferred revenue	1,741	1,563
2.03	Equity	992,817	1,030,654
2.03.01	Capital	876,281	924,614
2.03.02	Capital reserve	114,219	222,791
2.03.03	Reserve for stock option plan	8,550	5,370
2.03.05	Retained earnings (accumulated losses)	19,620	-104,097
2.03.08	Other comprehensive income (loss)	-25,853	-18,024

Individual FSs / Statements of profit or loss

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 07/01/2017 to 09/30/2017	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Previous period 07/01/2016 to 09/30/2016	Accumulated in Previous Period 01/01/2016 to 09/30/2016
3.01	Net revenue	41,634	112,987	39,200	124,947
3.02	Cost of sales and services	-29,878	-86,450	-31,979	-95,913
3.03	Gross profit	11,756	26,537	7,221	29,034
3.04	Operating income (expenses)	13,513	-2,465	1,503	-70,807
3.04.01	Selling and operating expenses	-6,143	-19,032	-7,678	-27,354
3.04.02	General and administrative expenses	-7,707	-26,460	-13,451	-39,263
3.04.02.01	General and administrative expenses	-4,666	-16,746	-10,024	-26,596
3.04.02.02	Depreciation and amortization	-3,041	-9,714	-3,427	-12,667
3.04.04	Other operating income	3,111	4,203	2,222	2,957
3.04.05	Other operating expenses	-652	-2,862	-131	-3,869
3.04.06	Share of profit (loss) of investees	24,904	41,686	20,541	-3,278
3.05	Operating Profit (loss) before finance income (expense) and income tax and social contribution	25,269	24,072	8,724	-41,773
3.06	Financial income (expense), net	-28	-1,615	2,814	19,843
3.07	profit (loss) before income tax and social contribution	25,241	22,457	11,538	-21,930
3.08	Income tax and social contribution	-3,399	-2,837	384	6,654
3.08.01	Current Income tax and social contribution	0	0	386	6,719
3.08.02	Deferred Income tax and social contribution	-3,399	-2,837	-2	-65
3.09	Profit (loss) for the period from continuing operations	21,842	19,620	11,922	-15,276
3.10	Profit for the period from discontinued operations	0	0	0	3,972
3.11	Profit (Loss) in the Period	21,842	19,620	11,922	-11,304
3.99	Earnings (loss) per share – R$				
3.99.01	Basic earnings per share				
3.99.01.01	ON	0,13530	0,12153	0,07266	-0,6889
3.99.02	Diluted earnings per share				
3.99.02.01	ON	0,13341	0,11984	0,07266	-0,6889

Individual FSs / Statements of Comprehensive Loss

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 07/01/2017 to 09/30/2017	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Previous period 07/01/2016 to 09/30/2016	Accumulated in Previous Period 01/01/2016 to 09/30/2016
4.01	Profit (loss) for the period	21,842	19,620	11,922	-11,304
4.02	Translation adjustments in the balance sheet of foreign subsidiaries	-11,347	-7,829	4,094	-32,189
4.03	Total comprehensive loss for the period	10,495	11,791	16,016	-43,493

Individual FSs / Statements of Cash Flows - Indirect Method
Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Accumulated in Previous Period 01/01/2016 to 09/30/2016
6.01	Net cash provided by (used in) operating activities	-14,831	-11,003
6.01.01	Cash provided by operating activities	3,371	1,760
6.01.01.01	Profit (loss) for the period from continuing operations	19,620	-15,276
6.01.01.02	Depreciation and amortization	13,888	17,869
6.01.01.03	Share of profit (loss) investees	-41,686	3,278
6.01.01.04	Deferred revenue	-1,649	-1,649
6.01.01.05	Provision for (reversal of) labor, civil and tax risks net of disbursements	813	403
6.01.01.06	Income tax and social contribution	2,837	-6,654
6.01.01.07	Interest on Borrowings	686	1,270
6.01.01.08	Write-off of property, plant and equipment and intangible assets	8,541	5,783
6.01.01.09	Interest on business acquisition and commercial rights	0	2,300
6.01.01.10	Several provisions and others	3,475	-7,539
6.01.01.13	Share-based payment	3,180	5,654
6.01.01.15	Impairment of intangible assets (utilization)	-6,058	-5,173
6.01.01.16	Exchange gains (losses)	-276	1,494
6.01.02	Changes in operating assets and liabilities	-12,846	-10,975
6.01.02.01	Trade receivables	-3,381	6,220
6.01.02.02	Inventories	-4	1,118
6.01.02.03	Taxes recoverable	140	-5,339
6.01.02.04	Prepaid expenses	-360	-3,818
6.01.02.05	Trade payables	-1,724	1,407
6.01.02.07	Other assets and Liabilities	-6,510	-10,047
6.01.02.08	Fees and sales agreements	678	274
6.01.02.09	Labor, civil and tax risks	-1,685	-790
6.01.03	Others	-5,356	-1,788
6.01.03.01	Income tax and social contribution paid	-5,356	0
6.01.03.02	Interest paid on borrowings	0	-1,622
6.01.03.03	Interest paid on business acquisition and commercial rights	0	-166
6.02	Net cash used in investing activities	66,710	-137,752
6.02.01	Additions to intangible assets, net of balance payable in installments	-385	-33,150
6.02.02	Additions to property, plant and equipment, net of balance payable in installments.	-6,643	-5,164
6.02.05	Payment of business acquisitions made in prior years	0	-1,000
6.02.06	Capital increase in subsidiaries	0	-48,913
6.02.07	Loans obtained from (made to) subsidiaries	73,738	-62,725
6.02.08	Dividends received	0	13,200
6.03	Net cash provided by (used in) financing activities	-64,532	35,722

Individual FSs / Statements of Cash Flows - Indirect Method
Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Accumulated in Previous Period 01/01/2016 to 09/30/2016
6.03.01	Repayment of borrowings	-11,724	-710
6.03.07	Capital increase (return of capital to shareholders)	-48,333	46,807
6.03.08	Treasury shares acquired	-8,106	-10,375
6.03.09	Treasury shares sold	3,631	0
6.05	Net change in the period	-12,653	-113,033
6.05.01	Cash and cash equivalents at the beginning of the period	14,673	233,996
6.05.02	Cash and cash equivalents at the end of period	2,020	120,963

Individual FSs / Statements of Changes in Equity 01/01/2017 to 09/30/2017

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital reserve and in treasury shares	Reserve for stock option plan	Accumulated losses	Other comprehensive income (loss)	Total equity
5.01	Initial balances	924,614	222,791	5,370	-104,097	-18,024	1,030,654
5.03	Initial adjusted balances	924,614	222,791	5,370	-104,097	-18,024	1,030,654
5.04	Capital increase (decrease)	-48,333	-4,475	3,180	0	0	-49,628
5.04.04	Treasury shares acquired	0	-8,106	0	0	0	-8,106
5.04.05	Treasury shares sold	0	3,631	0	0	0	3,631
5.04.08	Stock option plan	0	0	3,180	0	0	3,180
5.04.09	Return of capital to shareholders	-48,333	0	0	0	0	-48,333
5.05	Total comprehensive loss	0	0	0	19,620	-7,829	11,791
5.05.01	Profit in the period	0	0	0	19,620	0	19,620
5.05.02	Other comprehensive loss	0	0	0	0	-7,829	-7,829
5.05.02.04	Translation adjustments in the balance sheet of foreign subsidiaries	0	0	0	0	-7,829	-7,829
5.06	Internal changes in net worth	0	-104,097	0	104,097	0	0
5.06.04	Utilization of capital reserve to absorb accumulated losses	0	-104,097	0	104,097	0	0
5.07	End balances	876,281	114,219	8,550	19,620	-25,853	992,817

Individual FSs / Statements of Changes in Shareholders' Equity 01/01/2016 to 09/30/2016

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital reserve and in treasury shares	Reserve for stock option plan	Accumulated losses	Other comprehensive income (loss)	Total equity
5.01	Initial balances	908,256	211,359	3,047	-27,667	97,134	1,192,129
5.03	Initial adjusted balances	908,256	211,359	3,047	-27,667	97,134	1,192,129
5.04	Capital transactions with the partners	16,783	19,649	5,654	0	0	42,567
5.04.01	Capital increase (decrease)	11,596	34,786	0	0	0	46,382
5.04.04	Treasury shares acquired	0	-10,375	0	0	0	-10,375
5.04.08	Stock option plan	0	0	5,654	0	0	5,654
5.04.09	Transfer of treasury shares from capital to capital reserve	4,762	-4,762	0	0	0	0
5.04.10	Capital increase through exercise of stock options	425	0	0	0	0	425
5.05	Total comprehensive income for the period	0	0	0	-11,304	-114,349	-125,653
5.05.01	Loss for the period	0	0	0	-11,304	0	-11,304
5.05.02	Other comprehensive loss	0	0	0	0	-114,349	-114,349
5.05.02.04	Translation adjustments in the balance sheet of foreign subsidiaries	0	0	0	0	-32,189	-32,189
5.05.02.08	Write-off of translation adjustments in the balance sheet of discontinued operations	0	0	0	0	-82,160	-82,160
5.07	End balances	925,039	231,008	8,701	-38,971	-17,215	1,108,562

Individual FSs / Statements of Value Added

Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Accumulated in Previous Period 01/01/2016 to 09/30/2016
7.01	Revenues	129,620	142,571
7.01.01	Sales of goods, products and services	125,279	139,622
7.01.02	Other revenues	4,203	2,957
7.01.04	Allowance for doubtful debts	138	-8
7.02	Input purchased from third parties	-37,165	-50,963
7.02.01	Cost of sales and services	-33,124	-36,586
7.02.02	Materials, electric power, outside services and Others	-16,495	-21,429
7.02.04	Others	12,454	7,052
7.03	Gross value added	92,455	91,608
7.04	Retentions	-13,888	-17,869
7.04.01	Depreciation and amortization	-13,888	-17,869
7.05	Wealth created by the company	78,567	73,739
7.06	Wealth received In transfer	41,962	22,144
7.06.01	Share of profit (loss) of investees	41,686	-3,278
7.06.02	Finance income	0	26,916
7.06.03	Others	276	-1,494
7.06.03.01	Exchange rate changes	276	-1,494
7.07	Total wealth for distribution	120,529	95,883
7.08	Wealth distributed	120,529	95,883
7.08.01	Personnel	76,717	84,803
7.08.01.01	Payroll and related taxes	69,584	76,250
7.08.01.04	Others	7,133	8,553
7.08.01.04.01	Management fees	3,953	2,899
7.08.01.04.02	Share-based payment	3,180	5,654
7.08.02	Taxes, fees and contributions	14,903	7,480
7.08.03	Lenders and lessors	9,289	18,876
7.08.03.01	Interest	686	3,570
7.08.03.02	Rentals	8,522	15,054
7.08.03.03	Royalties	81	252
7.08.04	Shareholders	19,620	-15,276
7.08.04.03	Profit (loss) for the period	19,620	-15,276

Consolidated FSs / Statements of Financial Positions – Assets

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 09/30/2017	Previous Period 12/31/2016
1	Total assets	1,416,116	1,503,408
1.01	Current assets	299,447	348,983
1.01.01	Cash and cash equivalents	130,020	190,108
1.01.03	Trade receivable	76,606	70,567
1.01.04	Inventories	37,998	35,101
1.01.06	Taxes recoverable	40,771	33,995
1.01.07	Prepaid expenses	8,429	5,782
1.01.08	Other current assets	5,623	13,430
1.01.08.03	Others current assets	5,623	13,430
1.01.08.03.01	Other assets and advances	4,129	8,261
1.01.08.03.02	Derivatives – “swap”	1,494	5,169
1.02	Total noncurrent assets	1,116,669	1,154,425
1.02.01	Assets realizable over the long term	38,595	36,053
1.02.01.01	Financial investments	86	589
1.02.01.03	Trade receivable	2,910	1,705
1.02.01.03.01	Trade receivable	2,910	1,705
1.02.01.06	Deferred income tax and social contribution	3,432	626
1.02.01.06.01	Deferred income tax and social contribution	3,432	626
1.02.01.09	Other noncurrent assets	32,167	33,133
1.02.01.09.03	Judicial deposits	17,148	13,992
1.02.01.09.05	Other noncurrent assets	13,267	17,742
1.02.01.09.06	Derivatives – “swap”	1,752	1,399
1.02.02	Investments in subsidiaries and joint-venture	24,868	29,169
1.02.03	Property, plant and equipment	230,322	252,429
1.02.04	Intangible assets	822,884	836,774

Consolidated FSs / Statements of Financial Positions - Liabilities

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 09/30/2017	Previous Period 12/31/2016
2	Liabilities and equity	1,416,116	1,503,408
2.01	Current liabilities	204,775	248,593
2.01.01	Payroll and related taxes	64,807	63,976
2.01.01.02	Payroll and related taxes	64,807	63,976
2.01.02	Trade payables	68,813	85,815
2.01.03	Taxes payable	11,180	15,858
2.01.04	Borrowings	33,469	52,987
2.01.05	Others liabilities	26,506	29,957
2.01.05.02	Others liabilities	26,506	29,957
2.01.05.02.04	Deferred revenue	4,513	5,007
2.01.05.02.06	Installment payment of business acquisitions	4,490	5,786
2.01.05.02.07	Installment payment of commercial rights	0	3,024
2.01.05.02.08	Other current liabilities	17,503	16,140
2.02	Total noncurrent liabilities	210,837	214,019
2.02.01	Borrowings	63,510	76,292
2.02.02	Others liabilities	42,409	39,108
2.02.02.02	Others liabilities	42,409	39,108
2.02.02.02.03	Installment payment of business acquisitions	31,818	28,021
2.02.02.02.05	Other noncurrent liabilities	10,591	11,087
2.02.03	Deferred taxes	76,068	62,569
2.02.03.01	Deferred income tax and social contribution	76,068	62,569
2.02.04	Provisions	17,109	26,997
2.02.04.01	Provisions for labor, civil and tax risks	17,109	26,997
2.02.06	Deferred revenue	11,741	9,053
2.02.06.02	Deferred revenue	11,741	9,053
2.03	Equity	1,00,504	1,040,796
2.03.01	Capital	876,281	924,614
2.03.02	Capital reserve	114,219	222,791
2.03.03	Reserve for stock option plan	8,550	5,370
2.03.05	Retained earnings (accumulated losses)	19,620	-104,097
2.03.08	Other comprehensive income (loss)	-25,853	-18,024
2.03.09	Noncontrolling Interest	7,687	10,142

Consolidated FSs / Statements of Profit or Loss

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 07/01/2017 to 09/30/2017	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Previous period 07/01/2016 to 09/30/2016	Accumulated in Previous Period 01/01/2016 to 09/30/2016
3.01	Net revenue	400,077	1,127,600	401,166	1,117,442
3.02	Cost of sales and services	-263,431	-776,129	-269,306	-811,270
3.03	Gross profit	136,646	351,471	131,860	366,172
3.04	Operating income (expenses)	-103,441	-308,501	-114,693	-360,785
3.04.01	Selling and operating expenses	-84,405	-240,768	-86,684	-260,662
3.04.02	General and administrative expenses	-28,888	-89,720	-35,768	-107,769
3.04.02.01	General and administrative expenses	-21,994	-67,765	-27,824	-80,759
3.04.02.02	Depreciation and amortization	-6,894	-21,955	-7,944	-27,010
3.04.04	Other operating Income	10,309	20,922	9,233	13,390
3.04.05	Other operating expenses	-939	-3,103	-2,412	-10,902
3.04.06	Share of profit (loss) of investees	482	4,168	938	5,158
3.05	Operating profit (loss) before finance income (expense) and income tax and social contribution	33,205	42,970	17,167	5,387
3.06	Finance income (expense), net	-2,751	-5,713	-878	-13,330
3.07	Profit (loss) before income tax and social contribution	30,454	37,257	16,289	-7,943
3.08	Income tax and social contribution	-8,612	-17,637	-4,367	-7,333
3.08.01	Current income tax and social contribution	-3,835	-9,239	-3,568	1,475
3.08.02	Deferred income tax and social contribution	-4,777	-8,398	-799	-8,808
3.09	Profit (loss) for the period from continuing operations	21,842	19,620	11,922	-15,276
3.10	Profit for the period from discontinued operations	0	0	0	3,972
3.11	Profit (loss) in the period	21,842	19,620	11,922	-11,304
3.11.01	Owners of the company	21,842	19,620	11,922	-11,304
3.99	Earnings (loss) per share – R$				
3.99.01	Basic (earnings per share)	0,13530	0,12153	0,07266	-0,06889
3.99.01.01	ON				
3.99.02	Diluted earnings per share	0,13341	0,11984	0,07266	-0,06889
3.99.02.01	ON				

Consolidated FSs / Statements of Comprehensive Loss

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 07/01/2017 to 09/30/2017	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Previous period 07/01/2016 to 09/30/2016	Accumulated in Previous Period 01/01/2016 to 09/30/2016
4.01	Profit loss for the period	21,842	19,620	11,922	-11,304
4.02	Translation adjustments in the balance sheet of foreign subsidiaries	-12,309	-8,146	4,210	-34,210
4.03	Total comprehensive loss for the period	9,533	11,474	16,132	-45,514
4.03.01	Comprehensive loss attributable to owners of the company	10,495	11,791	16,016	-43,493
4.03.02	Noncontrolling interest	-962	-317	116	-2,021

Consolidated FSs / Statements of Cash Flow - Indirect Method
Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Accumulated in Previous Period 01/01/2016 to 09/30/2016
6.01	Net cash generated by (used in) operating activities	65,801	60,789
6.01.01	Cash Provided by operating activities	113,999	100,512
6.01.01.01	Loss for the period from continuing operations	19,620	-15,276
6.01.01.02	Depreciation and amortization	61,168	70,236
6.01.01.03	Share of profit (loss) of investees	-5,658	-6,821
6.01.01.04	Deferred revenue	-4,152	-3,384
6.01.01.05	Provision for labor, civil and tax risks net of disbursements	1,513	3,140
6.01.01.06	Income tax and social contribution	17,637	7,333
6.01.01.07	Interest on loans	8,607	15,600
6.01.01.08	Write-off of property, plant and equipment and intangible assets	20,249	14,647
6.01.01.09	Interest on business acquisition and commercial rights	1,385	4,112
6.01.01.10	Several provisions and others	8,742	-6,731
6.01.01.11	Amortization of investment in joint venture	1,490	1,663
6.01.01.13	Share-based payments	3,180	5,654
6.01.01.15	Impairment of intangible assets (utilization)	-19,336	-13,836
6.01.01.16	Exchange gains (losses)	-446	24,175
6.01.02	Changes in operating assets and liabilities	-34,868	-16,613
6.01.02.01	Trade receivables	-6,202	6,374
6.01.02.02	Inventories	-3,208	5,902
6.01.02.03	Taxes recoverable	-1,348	-1,388
6.01.02.04	Prepaid expenses	-2,828	-3,712
6.01.02.05	Trade payables	-9,623	-14,136
6.01.02.07	Other assets and liabilities	-11,117	-6,177
6.01.02.08	Fees and sales agreements	6,336	1,355
6.01.02.09	Labor, civil and tax risks	-6,878	-4,831
6.01.03	Others	-13,330	-23,110
6.01.03.01	Income tax and social contribution paid	-10,375	-3,894
6.01.03.02	Interest paid on borrowings	-2,894	-16,945
6.01.03.03	Interest paid on business acquisitions and commercial rights	-61	-2,271
6.02	Net cash used in investing activities	-35,328	26,785
6.02.01	Additions to intangible assets, net of balance payable in installments	-4,210	-37,541
6.02.02	Additions to property, plant and equipment, net of balance payable in installments	-34,256	-39,490
6.02.04	Dividends received	7,844	8,359
6.02.05	Loans granted to parent, net of returns	-4,706	-79,339
6.02.09	Proceeds from sale of discontinued operation, net of transferred cash	0	174,796
6.03	Net cash provided by (used in) financing activities	-87,316	-116,594
6.03.01	Repayment of borrowings	-95,064	-155,481

Consolidated FSs / Statements of Cash Flow - Indirect Method
Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Accumulated in Previous Period 01/01/2016 to 09/30/2016
6.03.02	New borrowings	62,694	2,297
6.03.05	Capital increase (return of capital to shareholders)	-48,333	46,807
6.03.06	Increase (decrease) in noncontrolling interests	-2,138	158
6.03.08	Treasury shares acquired	-8,106	-10,375
6.03.09	Treasury shares sold	3,631	0
6.04	Effect of exchange rate changes on cash and cash equivalents	-3,245	-37,967
6.05	Net change in the period	-60,088	-66,987
6.05.01	Cash and cash equivalents at the beginning of the period	190,108	289,390
6.05.02	Cash and cash equivalents at the end of period	130,020	222,403

Consolidated FSs / Statements of Changes in Equity 01/01/2017 to 09/30/2017

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital reserve and in treasu ry shares	Reserve for stock option plan	Accumulated losses	Other comprehensive income (loss)	Attributable to owners of the company	Noncontrolling interest	Total Equity
5.01	Initial balances	924,614	222,791	5,370	-104,097	-18,024	1,030,654	10,142	1,040,796
5.03	Initial adjusted balances	924,614	222,791	5,370	-104,097	-18,024	1,030,654	10,142	1,040,796
5.04	Capital increase (decrease)	-48,333	-4,475	3,180	0	0	-49,628	-2,138	-51,766
5.04.04	Treasury shares acquired	0	-8,106	0	0	0	-8,106	0	-8,106
5.04.05	Treasury shares sold	0	3,631	0	0	0	3,631	0	3,631
5.04.08	Stock option plan	0	0	3,180	0	0	3,180	0	3,180
5.04.09	Return of capital to shareholders	-48,333	0	0	0	0	-48,333	0	-48,333
5.04.10	Capital reduction of noncontrolling	0	0	0	0	0	0	-2,138	-2,138
5.05	Total comprehensive income (loss)	0	0	0	19,620	-7,829	11,791	-317	11,474
5.05.01	Profit in the period	0	0	0	19,620	0	19,620	0	19,620
5.05.02	Other comprehensive loss	0	0	0	0	-7,829	-7,829	-317	-8,146
5.05.02.04	Translation adjustments in the balance sheet of foreign subsidiaries	0	0	0	0	-7,829	-7,829	-317	-8,146
05.06	Internal changes in net worth	0	-104,097	0	104,097	0	0	0	0
5.06.04	Utilization of capital reserve to absorb accumulated losses	0	-104,097	0	104,097	0	0	0	0
5.07	End Balances	876,281	114,219	8,550	19,620	-25,853	992,817	7,687	1,000,504

Consolidated FSs / Statements of Changes in Equity 01/01/2016 to 09/30/2016

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital reserve and in treas ury shares	Reserve for stock option plan	Accumulated losses	Other comprehensive income (loss)	Attributable to owners of the company	Noncontrolling interest	Total Equity
5.01	Initial balances	908,256	211,359	3,047	-27,667	97,134	1,192,129	11,999	1,204,128
5.03	Initial adjusted balances	908,256	211,359	3,047	-27,667	97,134	1,192,129	11,999	1,204,128
5.04	Capital transactions with the partners	16,783	19,649	5,654	0	0	42,086	158	42,244
5.04.01	Capital increase (decrease)	11,596	34,786	0	0	0	46,382	158	46,540
5.04.04	Treasury shares acquired	0	-10,375	0	0	0	-10,375	0	-10,375
5.04.08	Stock option plan	0	0	5,654	0	0	5,654	0	5,654
5.04.09	Transfer of treasury shares from capital to capital reserve	4,762	-4,762	0	0	0	0	0	0
5.04.10	Capital increase through exercise of stock options	425	0	0	0	0	425	0	425
5.05	Total comprehensive income for the period	0	0	0	-11,304	-114,349	-125,653	-2,021	-127,674
5.05.01	Loss for the period	0	0	0	-11,304	0	-11,304	0	-11,304
5.05.02	Other comprehensive loss	0	0	0	0	-114,349	-114,349	-2,021	-116,370
5.05.02.04	Translation adjustments in the balance sheet of foreign subsidiaries	0	0	0	0	-32,189	-32,189	-2,021	-34,210
5.05.02.08	Write-off of translation adjustments in the balance sheet of discontinued operations	0	0	0	0	-82,160	-82,160	0	-82,160
5.07	End Balances	925,039	231,008	8,701	-38,971	-17,215	1,108,562	10,136	1,118,698

Consolidated FSs / Statements of Value Added

Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2017 to 09/30/2017	Accumulated in Previous Period 01/01/2016 to 09/30/2016
7.01	Revenues	1,231,058	1,279,927
7.01.01	Sales of goods, products and services	1,209,824	1,266,739
7.01.02	Other revenues	20,922	13,390
7.01.04	Allowance for doubtful debts	312	-202
7.02	Input purchased from third parties	-576,018	-608,401
7.02.01	Cost of sales and services	-392,794	-403,471
7.02.02	Materials, electric power, outside services and others	-109,113	-123,911
7.02.04	Others	-74,111	-81,019
7.03	Gross value added	655,040	671,526
7.04	Retentions	-62,658	-71,899
7.04.01	Depreciation and amortization	-62,658	-71,899
7.05	Wealth created by the company	592,382	599,627
7.06	Wealth received In transfer	14,341	16,694
7.06.01	Share of profit (loss) of investees	5,658	6,821
7.06.02	Finance income	8,237	34,048
7.06.03	Others	446	-24,175
7.06.03.01	Exchange rate changes	446	-24,175
7.07	Total wealth for distribution	606,723	616,321
7.08	Wealth distributed	606,723	616,321
7.08.01	Personnel	360,068	380,787
7.08.01.01	Payroll and related taxes	352,935	372,234
7.08.01.04	Others	7,133	8,553
7.08.01.04.01	Management fees	3,953	2,899
7.08.01.04.02	Share-based payment	3,180	5,654
7.08.02	Taxes, fees and contributions	83,614	80,964
7.08.03	Lenders and lessors	143,421	169,846
7.08.03.01	Interest	9,992	19,712
7.08.03.02	Rentals	116,832	131,866
7.08.03.03	Others	16,597	18,268
7.08.04	Shareholders	19,620	-15,276
7.08.04.04	Profit (loss) for the period	19,620	-15,276

MESSAGE FROM MANAGEMENT

São Paulo, October 26th, 2017 - 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 third quarter of 2017 (3Q17). 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$402M in 3Q17 **(0.3% up vs. 3Q16)**

Adjusted EBITDA: R$54M in 3Q17 **(+33%|+330bps)**

Net Income: R$22M in 3Q17 **(83% up vs. 3Q16)**

As we continue to implement the Company's strategy with a higher focus on Efficiency, Execution and Growth (which aims at improving margins with organic growth based on a higher focus on fewer brands), we are happy to announce that we continue to see improvement in the results.

Consolidated Adjusted EBITDA was up 33% YoY reaching R$54M (in constant currency), with an improvement of 330bps in margins that reached 13.5% in 3Q17. Net revenues reached R$402M (in constant currency), up 0.3% YoY. **Operating Cash Generation – after maintenance Capex – reached R$34M, or a 62% conversion rate from EBITDA**. **Net income reached R$22M, up 83% YoY.**

In Brazil, operating income was up 83% YoY (+R$10.8M) reaching R$23.9M with a 470bps expansion in margins, reflecting our efforts to improve efficiency on the back of the implementation of the new zero based budget in early April, a second phase of adjustments focused on indirect expenses (sales and operating) and G&A in August/September, combined with top line growth in the Roads segment and higher efficiency in the Air segment (mostly driven by the catering operation). We also had a positive impact in the "Other Revenues/Expenses" line with tax recovery credits (converted into cash in the short term).

In the US, the new stores combined with higher efficiency on labor cost and selling and operating expenses led to **a 9% growth in operating income with a 130bps margin improvement**. **In the Caribbean, operating income was down by 4%** in constant currency, as a consequence of slightly lower revenues combined with higher labor, selling and operating expenses – mainly in Colombia. Holding expenses were down by 39% in 3Q17, reflecting the structural changes in overhead implemented over the last quarters.

These are the early achievements and we are very confident that we still have a lot of room for further improvement (both in terms of margins as well as in terms of expansion in sales) as we continue to implement our strategy. In our view we have three important sources for the continuous improvement in results:

i) **Margin Improvement Based on Costs Reduction – does not depend on sales improvement**:

a. **Zero Based Budget**: which is a cost control oriented effort aiming at setting the adequate cost structure for the Company. Such effort entailed a reduction in costs and expenses in some areas, and increases in core areas such as Marketing, IT and Engineering. The first part of this project was concluded in April and a second wave of adjustments was concluded in

August/September. Just as important as implementing the adjustments is the improved controls to guarantee that any expense not budgeted will not occur without the CFO's consent.

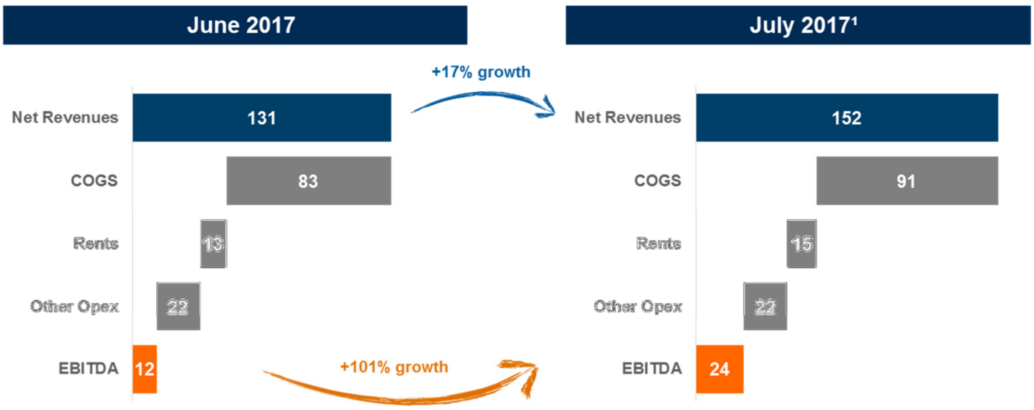
b. **Corporate Restructuring:** in September we concluded an important corporate restructuring project consolidating Frango Assado's fiscal entity into Viena's. That will allow higher tax efficiency and higher efficiency on food cost as it will enable the central kitchen's specialization, ie: we will concentrate the production of certain items in each central kitchen for all brands, improving scale, efficiency and quality. This was not attainable before as being in separate fiscal entities the product transfer from a kitchen to a different brand/restaurant (or fiscal entity) would have paid sales taxes. We should conclude the central kitchens optimization project by 2Q18.

c. **Labor Reform in Brazil:** the new labor bill (valid starting mid-November) allows higher flexibility in hiring part time employees and reducing the labor-related liabilities for companies. With regards to higher flexibility, it should allow us to have lesser idle capacity in lower volume days (= lower costs) and higher capacity in higher volume days (= higher sales and better service). We will start testing changes in December and fully implement them next year.

ii) **Operational Leverage = margin improvement based on sales increase and costs control**:

a. **The Concept**: with an important part of our costs being fixed, an improvement in sales drives a disproportional increase in EBITDA / Margins. We have three main costs/expenses in our operations: Rent Expenses, Labor Cost and Food Cost. With regards to rent, today most of our stores are paying a minimum fixed rent – that has been adjusted by inflation yearly, consequently we can grow sales by a certain degree without changing rent in nominal terms (as we will continue to pay minimum rent). As for Labor cost, given the sales volume reduction in the last few years we are mostly operating with the required minimum staff in many units, therefore, an increase in sales does not materially change our headcount.

b. **The Actual Example**: July is (and has always been) a seasonally strong month for IMC and always has higher sales than June. In 2017 – for example, July sales went up by 17% compared to June, while July's EBITDA increased more than 100% vs. June, as a consequence of our mostly fixed cost structure.



R$ - million [1]July is a typically stronger month (in terms of sales) compared to June due to a positive seasonality: summer time in the US and Caribbean, and vacations in Brazil

c. **What are we doing**: To recoup same store sales we are working on two main fronts: i) demand generation and organization by brand; and ii) training and alignment.

i. **Demand Generation and Organization by Brand (initiatives to increase product quality)**

- First, we organized the team by brand rather than channel (as was the case before) after the portfolio rationalization that started in 2016. We have now a Head, a *Chef* as well as a dedicated marketing team for each brand. This is a subtle change but allows for important benefits such as product innovation, special campaigns and a marketing calendar for each brand and operation. At Frango Assado this process started earlier (as the brand and channel were always the same): since December 2016 we implemented a new menu revising the whole product offering. Throughout 2017 we started to implement periodic marketing campaigns with special products such as "New Sandwiches – *Gostosões da Parada*", "Hot-dog Festival – *Arraiá do Frango*", "Pizza Festival" and the recently launched campaign "65-Years Celebration Burger Festival". We believe that such effort was crucial to revert the downward trend into positive SSS since the end of the 1Q17.

ii. Alignment and Training (initiatives to increase service quality)

- To improve the service level based on higher commitment from our staff we have started to implement an operational excellence-measuring tool (M.A.I.S.) combined with an incentive (variable compensation) program. The operational excellence-measuring tool consists in grading the restaurants based on an operational guideline questionnaire with non-sales related metrics such as: the cleanliness (and scent) of the bathrooms, the temperature of the soft drinks, the absence of broken lights and others. Restaurants and their managers are evaluated according to this assessment, which will be part of his/her incentive program evaluation that will also consider sales and contribution margin performance, and mystery shopper grading. Our target is to improve day-to-day execution with incentives aligning store Managers' individual goals with those of the Company.

iii) Expansion: focus on low risk with high impact on results store openings

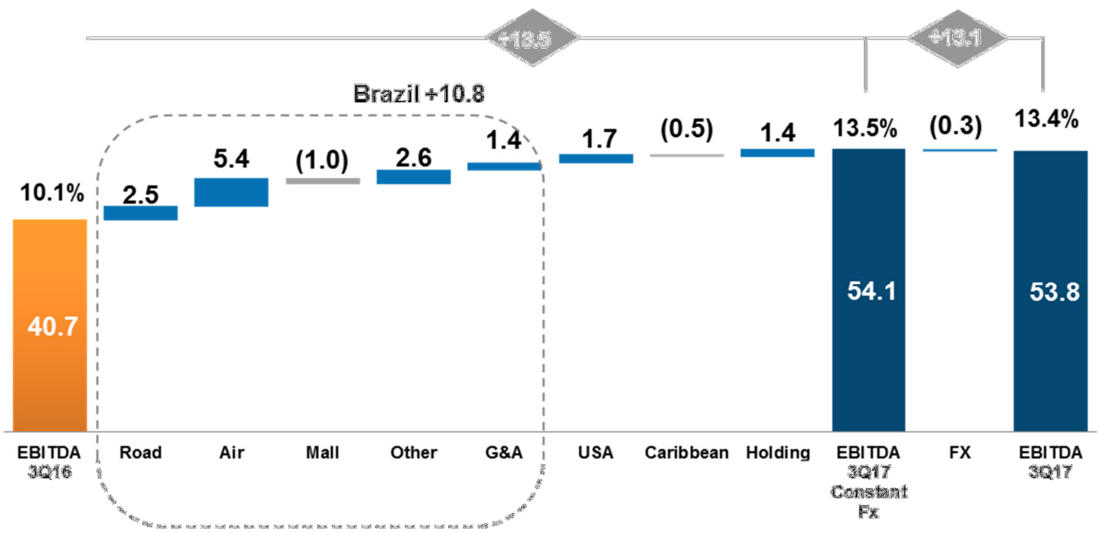
- Olive Garden in Brazil
- Margaritaville in the US

All in all, we already see the early signs of the Company's improved structure, processes and costs controls materialized in the results, with **room for further improvement in margins** and a **sizable organic growth opportunity** in terms of same store sales (especially with the Demand Generation efforts and the Organization by Brand focus) and also through the opening of new selected locations.

COMMENTS ABOUT IMC'S PERFORMANCE

OVERVIEW OF THE 3Q17

EBITDA Bridge 3Q17



In 3Q17, IMC's Adjusted EBITDA was up by 33% with a 330bps margin improvement reaching R$54.1 million in constant currency, or R$53.8 million in Reais with a 13.4% margin.

In Brazil, operating income was up 83% YoY (+R$10.8M) reaching R$23.9M with a 470bps expansion in margins, reflecting our efforts to improve efficiency on the back of the implementation of the zero based budget in early April, a second phase of adjustments focused on indirect expenses (sales and operating) and G&A in August/September, combined with top line growth in the Roads segment and higher efficiency in the Air segment (mostly driven by the catering operation). We also had a positive impact in the "Other Revenues/Expenses" line with tax recovery credits (converted into cash in the short term).

In the US, the R$1.7 million YoY improvement (in constant currency) was related to new stores combined with the decrease in labor, selling & operating and store pre-opening expenses. Operating income grew 9% in the quarter with a 130bps margin improvement.

In the Caribbean, the R$0.5 million reduction in constant currency is a consequence of higher rent expenses and selling and operating expenses, leading to a 90bps decrease in margins or a 4% reduction YoY in the Operating income.

Holding expenses were down by 39% in 3Q17 (or R$1.4M), reflecting the structural changes in overhead implemented over the last quarters, which represents a 40bps improvement in margins.

We continue to have a higher focus on Execution, Efficiency and Growth aiming at improving performance in the short term. We still believe we have room for further adjustments and improvements in the Company's structure, processes and costs in order to have a leaner and more agile Company. On top of that, we continue to invest in demand generation efforts to improve same store sales and seek opportunities to grow organically with new sites to be launched.

CONSOLIDATED RESULTS

(in R$ million)	3Q17	3Q16	%HA	3Q17³	% HA³	2017	2016	%HA	2017³	% HA³
Net Revenue	**400.1**	**401.2**	**-0.3%**	***402.5***	***0.3%***	**1,127.6**	**1,177.4**	**-4.2%**	***1,166.8***	***-0.9%***
Restaurants & Others	351.0	357.7	-1.9%	*353.4*	*-1.2%*	972.7	1,035.9	-6.1%	*1,012.0*	*-2.3%*
Gas Stations	49.1	43.5	12.8%	*49.1*	*12.8%*	154.9	141.6	9.4%	*154.9*	*9.4%*
Brazil	230.6	229.5	0.5%	*230.6*	*0.5%*	693.3	712.6	-2.7%	*693.3*	*-2.7%*
US	123.7	124.8	-0.9%	*125.3*	*0.4%*	300.1	317.8	-5.6%	*326.8*	*2.8%*
Caribbean	45.8	46.8	-2.2%	*46.6*	*-0.5%*	134.2	147.1	-8.8%	*146.7*	*-0.3%*
Cost of Sales and Services	**(263.4)**	**(269.3)**	**-2.2%**	***(264.8)***	***-1.7%***	**(776.1)**	**(811.3)**	**-4.3%**	***(799.6)***	***-1.4%***
Direct Labor	(100.9)	(103.7)	-2.7%	*(101.5)*	*-2.1%*	(295.5)	(309.9)	-4.6%	*(306.6)*	*-1.1%*
Food	(90.6)	(94.8)	-4.4%	*(91.1)*	*-3.8%*	(255.2)	(277.2)	-7.9%	*(263.9)*	*-4.8%*
Others	(21.1)	(22.3)	-5.5%	*(21.2)*	*-5.0%*	(60.1)	(67.6)	-11.1%	*(61.9)*	*-8.6%*
Fuel and Automotive Accessories	(39.0)	(34.6)	12.7%	*(39.0)*	*12.7%*	(126.0)	(113.3)	11.2%	*(126.0)*	*11.2%*
Depreciation & Amortization	(11.9)	(13.9)	-14.6%	*(11.9)*	*-14.1%*	(39.2)	(43.2)	-9.3%	*(41.2)*	*-4.8%*
Gross Profit	**136.6**	**131.9**	**3.6%**	***137.7***	***4.4%***	**351.5**	**366.2**	**-4.0%**	***367.3***	***0.3%***
Gross Margin (%)	*34.2%*	*32.9%*	*1,3p.p.*	*34.2%*	*1,3p.p.*	*31.2%*	*31.1%*	*0,1p.p.*	*31.5%*	*0,4p.p.*
Operating Expenses¹	**(102.1)**	**(113.5)**	**-10.1%**	***(102.9)***	***-9.3%***	**(305.3)**	**(355.1)**	**-14.0%**	***(319.0)***	***-10.2%***
Selling and Operating	(43.4)	(45.7)	-5.1%	*(43.8)*	*-4.2%*	(127.9)	(135.4)	-5.6%	*(135.3)*	*-0.1%*
Rents of Stores	(41.0)	(41.0)	0.1%	*(41.3)*	*0.8%*	(112.9)	(125.2)	-9.9%	*(117.3)*	*-6.4%*
Store Pre-Openings	(0.5)	(3.3)	-86.2%	*(0.5)*	*-85.9%*	(2.4)	(5.0)	-52.5%	*(2.4)*	*-51.5%*
Depreciation & Amortization	(6.9)	(7.9)	-13.2%	*(6.9)*	*-12.7%*	(22.0)	(27.0)	-18.7%	*(22.6)*	*-16.3%*
J.V. Investment Amortization	(0.5)	(0.5)	-1.7%	*(0.5)*	*0.0%*	(1.5)	(1.7)	-10.4%	*(1.7)*	*0.0%*
Equity income result	1.0	1.4	-32.1%	*1.0*	*-32.0%*	5.7	6.8	-17.0%	*6.4*	*-6.9%*
Other revenues (expenses)	9.4	6.8	37.4%	*9.4*	*37.5%*	17.8	2.5	616.1%	*18.2*	*631.3%*
General & Administative	(18.0)	(19.8)	-9.0%	*(18.1)*	*-8.4%*	(54.3)	(57.2)	-5.1%	*(56.3)*	*-1.6%*
Corporate (Holding)²	(2.2)	(3.6)	-39.4%	*(2.2)*	*-39.3%*	(7.9)	(12.9)	-38.5%	*(8.0)*	*-37.9%*
Special Items - Write-offs	0.0	0.0	-	*0.0*	-	0.0	0.0	0.0%	*0.0*	
Special Items - Other	(1.3)	(1.2)	15.1%	*(1.3)*	*15.1%*	(3.2)	(5.7)	-43.8%	*(3.2)*	*-43.7%*
EBIT	**33.2**	**17.2**	**93.4%**	***33.4***	***94.7%***	**43.0**	**5.4**	**na**	***45.1***	***na***
(+) D&A and Write-offs	19.3	22.4	-13.8%	*19.4*	*-13.3%*	62.7	71.9	-12.9%	*65.4*	*-9.0%*
EBITDA	**52.5**	**39.5**	**32.7%**	***52.8***	***33.6%***	**105.6**	**77.3**	**36.7%**	***110.5***	***43.0%***
EBITDA Margin (%)	*13.1%*	*9.9%*	*3,3p.p.*	*13.1%*	*3,3p.p.*	*9.4%*	*6.6%*	*2,8p.p.*	*9.5%*	*2,9p.p.*
(+) Special Items - Other	1.3	1.2	-	*1.3*	-	3.2	5.7	-43.8%	*3.2*	*-43.7%*
Adjusted EBITDA	**53.8**	**40.7**	**32.2%**	***54.1***	***33.1%***	**108.8**	**82.9**	**31.2%**	***113.7***	***37.1%***
Adjusted EBITDA Margin (%)	*13.4%*	*10.1%*	*3,3p.p.*	*13.5%*	*3,3p.p.*	*9.7%*	*7.0%*	*2,6p.p.*	*9.7%*	*2,7p.p.*

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

Net revenue totaled R$402.5 million in 3Q17, up 0.3% vs. 3Q16 in constant currencies. The positive performance of new stores launched in the period more than offset the negative impact of the net store closures of 11 restaurants (10 of which in Brazil), as shown in the section "Number of stores”. In 9M17 net revenue reached R$1,166.8 million, down 0.9% in constant currency compared to 9M16.

Food cost totaled R$91.1M (in constant currency), down 3.8% compared to 3Q16, leading to a 100bps improvement YoY.

Direct Labor cost totaled R$101.5 million (in constant currency), compared to R$103.7 million in 3Q16, as headcount adjustments mitigated inflationary pressures on payroll, leading to a 60bps improvement compared to 3Q16.

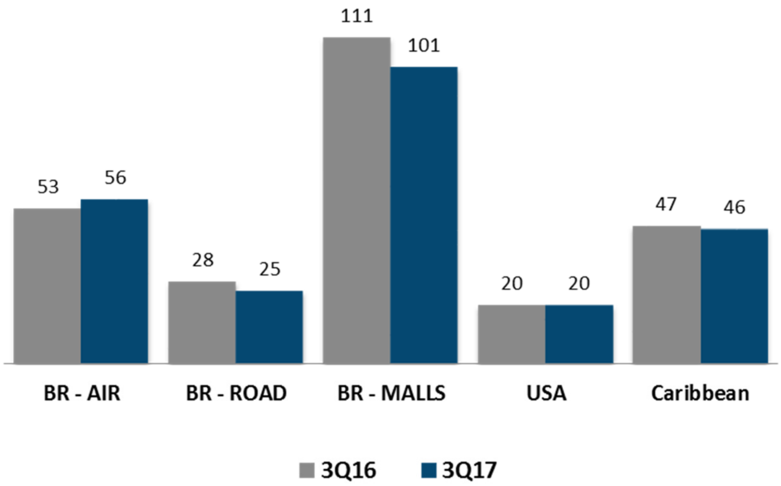
Sales and Operating expenses were R$1.9 million lower YoY (in constant currency), representing a 50bps improvement compared to 3Q16.

Rent expenses totaled R$41.3 million, a 0.8% reduction YoY, as a consequence of the net closure of 11 stores in the period combined with the higher dilution of rent expenses in Road and Air segments as a consequence of higher sales. Considering 9M17, there is a 60bps improvement.

With regards to G&A, the R$1.7 million decrease YoY (in constant currency) reflects the second wave of adjustments linked to the zero based budget process that took place in August/September.

All in all, in 3Q17 the adjusted EBITDA reached R$54.1 million, 33% up in constant currency. Adjusted EBITDA margin reached 13.5% in constant currency, a 330 bps increase YoY.

NUMBER OF STORES



NUMBER OF STORES (end of period)	3Q17	3Q16	YoY Var. (%)	YoY Var. (#)
Brazil	**182**	**192**	**-5.2%**	**-10**
Air	*56*	*53*	*5.7%*	*3*
Roads	*25*	*28*	*-10.7%*	*-3*
Shopping Malls	*101*	*111*	*-9.0%*	*-10*
USA	**20**	**20**	**0.0%**	**0**
Caribbean	**46**	**47**	**-2.1%**	**-1**
Total Number of Stores	**248**	**259**	**-4.2%**	**-11**

At the end of the quarter, the Company had 248 stores, a net reduction of 11 stores YoY, 10 in Brazil and 1 in the Caribbean. Most store closures in Brazil were part of the loss-making store closure program.

SAME-STORE SALES (SSS)

(in R$ million)	3Q17	3Q16	HA (%)	2017	2016	HA (%)
Brazil	**216.3**	**212.0**	**2.0%**	**651.0**	**648.9**	**0.3%**
BR - Air	57.7	55.3	4.3%	161.9	169.3	-4.4%
BR - Roads	108.0	102.5	5.4%	333.9	317.0	5.4%
BR - Roads - Restaurants	*60.8*	*59.0*	*3.0%*	*180.9*	*178.0*	*1.6%*
BR - Roads - Gas Station	*47.3*	*43.5*	*8.7%*	*153.0*	*138.9*	*10.2%*
BR - Malls	50.6	54.2	-6.7%	155.2	162.7	-4.6%
USA	**107.5**	**121.0**	**-11.1%**	**262.7**	**309.3**	**-15.1%**
Caribbean	**43.3**	**44.3**	**-2.4%**	**125.5**	**139.9**	**-10.3%**
Total Same Store Sales	**367.1**	**377.3**	**-2.7%**	**1,039.2**	**1,098.1**	**-5.4%**

In constant currencies (in R$ million)	3Q17	3Q16	HA (%)	2017	2016	HA (%)
Brazil	216.3	212.0	2.0%	651.0	648.9	0.3%
USA	109.0	121.0	-9.9%	285.7	309.3	-7.6%
Caribbean	44.0	44.3	-0.8%	137.0	139.9	-2.0%
Total Same Store Sales	**369.3**	**377.3**	**-2.1%**	**1,073.7**	**1,098.1**	**-2.2%**

Same store sales totaled R$369.3 million in 3Q17, -2.1% in constant currencies.

In Brazil, the 2.0% increase in same store sales was led by Roads with a 5.4% increase YoY with a positive performance in both restaurants (+3.0%) and gas stations (+8.7%).

In Brazilian airports, SSS grew by 4.3% in 3Q17 due to the positive performance of catering that offset the negative performance of air restaurants.

Same stores sales in the Malls segment fell by 6.7% in 3Q17. This quarter the performance was impacted by a tougher comp in Rio de Janeiro as in 2016 the Summer Olympics helped the performance in Rio de Janeiro and the poor performance of local Economy.

USA SSS in local currency was -9.9% YoY in 3Q17. We were impacted by Hurricane Irma, which affected all 7 stores in Florida.

In the Caribbean, SSS were nearly flat in the quarter as Panama’s positive performance was offset by lower sales in Colombia. The Hurricanes also affected the region in 2017 as a large number of flights were cancelled.

RESULTS BY BUSINESS SEGMENT AND GEOGRAPHIC REGION

(in R$ million)	Brazil 2017	USA 2017	Caribbean 2017	Consolidated 2017	% VA	Brasil 2016	EUA 2016	Caribbe 2016	Consolidated 2016	% VA	% HA
Net Revenue	**693.3**	**300.1**	**134.2**	**1,127.6**	**100.0%**	**712.6**	**317.8**	**147.1**	**1,177.4**	**100.0%**	**-4.2%**
Restaurants & Others	538.4	300.1	134.2	972.7	86.3%	571.0	317.8	147.1	1,035.9	88.0%	-6.1%
Gas Stations	154.9	0.0	0.0	154.9	13.7%	141.6	0.0	0.0	141.6	12.0%	9.4%
Cost of Sales and Services	**(532.7)**	**(181.3)**	**(62.1)**	**(776.1)**	**-68.8%**	**(544.6)**	**(194.9)**	**(71.7)**	**(811.3)**	**-68.9%**	**-4.3%**
Direct Labor	(182.5)	(89.6)	(23.4)	(295.5)	-26.2%	(186.5)	(97.0)	(26.4)	(309.9)	-26.3%	-4.6%
Food	(159.6)	(59.1)	(36.5)	(255.2)	-22.6%	(172.3)	(62.3)	(42.7)	(277.2)	-23.5%	-7.9%
Others	(40.5)	(18.4)	(1.2)	(60.1)	-5.3%	(46.4)	(20.1)	(1.1)	(67.6)	-5.7%	-11.1%
Fuel and Automotive Accessories	(126.0)	0.0	0.0	(126.0)	-11.2%	(113.3)	0.0	0.0	(113.3)	-9.6%	11.2%
Depreciation & Amortization	(24.1)	(14.1)	(1.0)	(39.2)	-3.5%	(26.1)	(15.6)	(1.5)	(43.2)	-3.7%	-9.3%
Gross Profit	**160.6**	**118.9**	**72.0**	**351.5**	**31.2%**	**167.9**	**122.9**	**75.3**	**366.2**	**31.1%**	**-4.0%**
Operating Expenses[1]	**(154.4)**	**(99.4)**	**(43.6)**	**(297.4)**	**-26.4%**	**(187.0)**	**(107.5)**	**(47.8)**	**(342.3)**	**-29.1%**	**-13.1%**
Selling and Operating	(52.1)	(57.6)	(18.2)	(127.9)	-11.3%	(53.5)	(62.9)	(19.0)	(135.4)	-11.5%	-5.6%
Rents of Stores	(65.0)	(33.7)	(14.2)	(112.9)	-10.0%	(78.0)	(31.9)	(15.3)	(125.2)	-10.6%	-9.9%
Store Pre-Openings	(1.6)	(0.8)	0.0	(2.4)	-0.2%	(1.3)	(2.7)	(1.1)	(5.0)	-0.4%	-52.5%
Depreciation & Amortization	(15.1)	(0.9)	(5.9)	(22.0)	-1.9%	(19.0)	(1.0)	(7.0)	(27.0)	-2.3%	-18.7%
J.V. Investment Amortization	0.0	(1.5)	0.0	(1.5)	-0.1%	0.0	(1.7)	0.0	(1.7)	-0.1%	-10.4%
Equity income result	0.0	5.7	0.0	5.7	0.5%	0.0	6.8	0.0	6.8	0.6%	-17.0%
Other revenues (expenses)	15.5	1.4	0.9	17.8	1.6%	1.5	(0.3)	1.3	2.5	0.2%	n/a
General & Administative	(36.1)	(12.0)	(6.2)	(54.3)	-4.8%	(36.7)	(13.9)	(6.6)	(57.2)	-4.9%	-5.1%
(+) Depreciation & Amortization	39.2	16.5	6.9	62.7	5.6%	45.1	18.3	8.5	71.9	6.1%	-12.9%
Operating Income	**45.4**	**36.0**	**35.4**	**116.7**	**10.4%**	**26.0**	**33.7**	**36.1**	**95.8**	**8.1%**	**21.8%**
Corporate (Holding)[2]				(7.9)	-0.7%				(12.9)	-1.1%	-38.5%
Special Items - Write-offs				0.0	0.0%						
Special Items - Other				(3.2)	-0.3%				(5.7)	-0.5%	-43.8%
EBIT	**6.1**	**19.5**	**28.5**	**43.0**	**3.8%**	**(19.0)**	**15.4**	**27.6**	**5.4**	**0.5%**	
(+) D&A and Write-offs				62.7	5.6%				71.9		-12.9%
EBITDA				**105.6**	**9.4%**				**77.3**	**6.6%**	**36.7%**
(+) Special Items				3.2	0.3%				5.7	0.5%	-43.8%
Adjusted EBITDA				**108.8**	**9.7%**				**82.9**	**7.0%**	**31.2%**

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

RESULTS OF THE BRAZILIAN OPERATIONS

(in R$ million)	3Q17	% VA	3Q16	% VA	% HA	2017	% VA	2016	% VA	% HA
Net Revenue	**230.6**	**100.0%**	**229.5**	**100.0%**	**0.5%**	**693.3**	**100.0%**	**712.6**	**100.0%**	**-2.7%**
Restaurants & Others	181.5	78.7%	186.0	81.0%	-2.4%	538.4	77.7%	571.0	80.1%	-5.7%
Gas Stations	49.1	21.3%	43.5	19.0%	12.8%	154.9	22.3%	141.6	19.9%	9.4%
Cost of Sales and Services	**(173.4)**	**-75.2%**	**(176.2)**	**-76.8%**	**-1.6%**	**(532.7)**	**-76.8%**	**(544.6)**	**-76.4%**	**-2.2%**
Direct Labor	(59.7)	-25.9%	(61.3)	-26.7%	-2.7%	(182.5)	-26.3%	(186.5)	-26.2%	-2.2%
Food	(53.9)	-23.4%	(57.3)	-24.9%	-5.8%	(159.6)	-23.0%	(172.3)	-24.2%	-7.3%
Others	(13.1)	-5.7%	(14.4)	-6.3%	-8.9%	(40.5)	-5.8%	(46.4)	-6.5%	-12.8%
Fuel and Automotive Accessories	(39.0)	-16.9%	(34.6)	-15.1%	12.7%	(126.0)	-18.2%	(113.3)	-15.9%	11.2%
Depreciation & Amortization	(7.8)	-3.4%	(8.7)	-3.8%	-9.9%	(24.1)	-3.5%	(26.1)	-3.7%	-7.7%
Gross Profit	**57.2**	**24.8%**	**53.4**	**23.2%**	**7.2%**	**160.6**	**23.2%**	**167.9**	**23.6%**	**-4.4%**
Operating Expenses[1]	**(45.8)**	**-19.9%**	**(54.5)**	**-23.8%**	**-16.0%**	**(154.4)**	**-22.3%**	**(187.0)**	**-26.2%**	**-17.4%**
Selling and Operating	(15.8)	-6.8%	(17.2)	-7.5%	-8.5%	(52.1)	-7.5%	(53.5)	-7.5%	-2.7%
Rents of Stores	(21.8)	-9.4%	(23.5)	-10.2%	-7.3%	(65.0)	-9.4%	(78.0)	-10.9%	-16.7%
Store Pre-Openings	(0.1)	0.0%	(0.8)	-0.4%	-85.9%	(1.6)	-0.2%	(1.3)	-0.2%	26.3%
Depreciation & Amortization	(4.7)	-2.0%	(5.6)	-2.4%	-15.6%	(15.1)	-2.2%	(19.0)	-2.7%	-20.2%
J.V. Investment Amortization	0.0	0.0%	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	0.0%	0.0%
Other revenues (expenses)[2]	8.8	3.8%	6.2	2.7%	42.2%	15.5	2.2%	1.5	0.2%	938.0%
General & Administative[2]	(12.2)	-5.3%	(13.6)	-5.9%	-10.1%	(36.1)	-5.2%	(36.7)	-5.2%	-1.6%
(+) Depreciation & Amortization	12.5	5.4%	14.3	6.2%	-12.1%	39.2	5.7%	45.1	6.3%	-13.0%
Operating Income	**23.9**	**10.4%**	**13.1**	**5.7%**	**82.8%**	**45.4**	**6.5%**	**26.0**	**3.7%**	**74.2%**
Expansion Capex	3.8	1.7%	6.6	2.9%	-42.0%	16.6	2.4%	42.6	6.0%	-61.0%
Maintenance Capex	6.4	2.8%	1.0	0.4%	557.5%	11.7	1.7%	3.2	0.5%	263.4%
Total Capex	**10.3**	**4.5%**	**7.6**	**3.3%**	**34.8%**	**28.3**	**4.1%**	**45.8**	**6.4%**	**-38.1%**
Operating Inc. - Maintenance Capex[3]	**17.5**	**73.2%**	**12.1**	**92.5%**	**-19.4%**	**33.6**	**74.1%**	**22.8**	**87.6%**	**-13.5%**

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

Brazilian operations' top line was nearly flat in the quarter (+0.5%) as a result of the improvement in Roads and Air segments same store sales (+5.4% and +4.3%,respectively) that mitigated lower same store sales in the Malls segment, as well as the net reduction of 10 restaurants compared to 3Q16 (+3 in airports, -3 in roads and -10 in shopping malls). In the 9M17 the revenues of Brazilian operations fell by 2.7% compared to 9M16.

In terms of costs and expenses there was a 80 bps reduction in rent expenses, due to the expenses dilution from higher sales in the Road segment and better catering performance in the Air segment. Regarding labor cost and expenses, "direct labor cost" and "sales and operating expenses" combined resulted in R$75.4 million in 3Q17, compared to R$78.6 million in 3Q16, as a consequence of headcount reduction that offset the inflation pressure on payroll. With regards to G&A, the R$1.4 million decrease reflects the second wave of adjustments linked to the zero based budget process that took place in August/September.

Consequently, Brazilian operations posted an operating income of R$23.9 million in 3Q17, up 83% YoY, with a 470 bps increase in operating margin. In 9M17, operating income reached R$45.4 million, up 74% YoY.

RESULTS OF THE BRAZILIAN OPERATIONS – ROADS

(in R$ million)	3Q17	% VA	3Q16	% VA	% HA	2017	% VA	2016	% VA	% HA
Net Revenue	**109.9**	**100.0%**	**103.7**	**100.0%**	**5.9%**	**335.8**	**100.0%**	**323.2**	**100.0%**	**3.9%**
Restaurants & Others	60.8	55.3%	60.2	58.1%	0.9%	180.9	53.9%	181.6	56.2%	-0.4%
Gas Stations	49.1	44.7%	43.5	41.9%	12.8%	154.9	46.1%	141.6	43.8%	9.4%
Cost of Sales and Services	**(88.6)**	**-80.7%**	**(84.6)**	**-81.5%**	**4.8%**	**(276.8)**	**-82.4%**	**(266.1)**	**-82.3%**	**4.0%**
Direct Labor	(22.2)	-20.2%	(23.1)	-22.2%	-3.8%	(68.0)	-20.3%	(68.9)	-21.3%	-1.3%
Food	(19.5)	-17.8%	(18.7)	-18.0%	4.5%	(57.5)	-17.1%	(57.4)	-17.8%	0.1%
Others	(4.9)	-4.4%	(5.2)	-5.0%	-5.9%	(15.8)	-4.7%	(17.0)	-5.3%	-7.0%
Fuel and Automotive Accessories	(39.0)	-35.5%	(34.6)	-33.3%	12.7%	(126.0)	-37.5%	(113.3)	-35.1%	11.2%
Depreciation & Amortization	(3.1)	-2.8%	(3.1)	-3.0%	0.5%	(9.5)	-2.8%	(9.5)	-2.9%	0.1%
Gross Profit	**21.2**	**19.3%**	**19.1**	**18.5%**	**10.9%**	**59.0**	**17.6%**	**57.1**	**17.7%**	**3.3%**
Operating Expenses[1]	**(9.8)**	**-8.9%**	**(10.3)**	**-9.9%**	**-5.1%**	**(31.7)**	**-9.5%**	**(31.6)**	**-9.8%**	**0.3%**
Selling and Operating	(5.3)	-4.8%	(5.1)	-4.9%	3.4%	(17.6)	-5.3%	(15.7)	-4.9%	12.5%
Rents of Stores	(3.7)	-3.4%	(4.3)	-4.2%	-14.9%	(11.3)	-3.4%	(13.4)	-4.1%	-15.7%
Store Pre-Openings	(0.1)	-0.1%	0.0	0.0%	0.0%	(0.3)	-0.1%	0.0	0.0%	0.0%
Depreciation & Amortization	(0.8)	-0.7%	(0.9)	-0.9%	-12.8%	(2.5)	-0.8%	(2.6)	-0.8%	-2.4%
J.V. Investment Amortization	0.0	0.0%	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	0.0%	0.0%
Other revenues (expenses)[2]	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
General & Administative[2]	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
(+) Depreciation & Amortization	3.9	3.5%	4.0	3.9%	-2.5%	12.0	3.6%	12.1	3.7%	-0.4%
Operating Income	**15.3**	**14.0%**	**12.8**	**12.4%**	**19.6%**	**39.3**	**11.7%**	**37.5**	**11.6%**	**4.6%**
Expansion Capex	2.8	2.6%	1.7	1.6%	68.5%	7.1	2.1%	2.0	0.6%	260.5%
Maintenance Capex	4.7	4.3%	0.1	0.0%	9039.3%	7.2	2.2%	0.6	0.2%	1139.7%
Total Capex	**7.5**	**6.9%**	**1.7**	**1.7%**	**332.8%**	**14.3**	**4.3%**	**2.6**	**0.8%**	**461.5%**
Operating Inc. - Maintenance Capex[3]	**10.7**	**69.5%**	**12.8**	**99.6%**	**-30.1%**	**32.0**	**81.6%**	**37.0**	**98.4%**	**-16.9%**

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

The Roads segment operating income increased by R$2.5 million in the 3Q17, with a 160bps improvement on margins mainly due to:

i) Improvement in sales (+5.9% YoY), as a consequence of the improvement of 5.4% in SSS.

ii) 200bps gain in labor cost, as a result of positive operational leverage (led by higher sales) and headcount reduction (linked to the zero based budget initiative).

iii) 80bps improvement in rent expenses also due to positive operational leverage and a contract renegotiation effort that started in the previous quarter.

iv) Fuel cost was 210bps higher in 3Q17, as we implemented a higher discount policy in some gas stations to increase sales (also in the restaurant) and improve scale with further dilution of fixed costs and expenses such as labor and rent.

In 9M17, operating income reached R$39.3 million, with a 11.7% margin, and R$32.0 million after maintenance Capex, which represents an 82% cash conversion rate.

RESULTS OF THE BRAZILIAN OPERATIONS – AIR

(in R$ million)	3Q17	% VA	3Q16	% VA	% HA	2017	% VA	2016	% VA	% HA
Net Revenue	**64.2**	**100.0%**	**64.8**	**100.0%**	**-0.9%**	**180.3**	**100.0%**	**200.4**	**100.0%**	**-10.0%**
Restaurants & Others	64.2	100.0%	64.8	100.0%	-0.9%	180.3	100.0%	200.4	100.0%	-10.0%
Gas Stations	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Cost of Sales and Services	**(43.5)**	**-67.8%**	**(47.5)**	**-73.3%**	**-8.3%**	**(126.8)**	**-70.3%**	**(141.8)**	**-70.8%**	**-10.6%**
Direct Labor	(20.2)	-31.5%	(20.2)	-31.2%	-0.2%	(60.2)	-33.4%	(62.1)	-31.0%	-3.1%
Food	(17.7)	-27.5%	(19.9)	-30.7%	-11.3%	(49.3)	-27.4%	(57.2)	-28.5%	-13.7%
Others	(3.5)	-5.5%	(4.4)	-6.8%	-20.3%	(10.3)	-5.7%	(14.1)	-7.0%	-26.8%
Fuel and Automotive Accessories	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(2.2)	-3.4%	(3.0)	-4.6%	-26.1%	(6.9)	-3.8%	(8.5)	-4.2%	-18.0%
Gross Profit	**20.7**	**32.2%**	**17.3**	**26.7%**	**19.6%**	**53.5**	**29.7%**	**58.6**	**29.2%**	**-8.7%**
Operating Expenses	**(18.0)**	**-28.0%**	**(21.3)**	**-32.9%**	**-15.6%**	**(56.0)**	**-31.0%**	**(72.1)**	**-36.0%**	**-22.4%**
Selling and Operating	(5.4)	-8.4%	(6.9)	-10.6%	-21.1%	(17.9)	-9.9%	(21.1)	-10.5%	-15.4%
Rents of Stores	(9.1)	-14.2%	(9.8)	-15.1%	-6.9%	(27.0)	-15.0%	(36.0)	-17.9%	-25.0%
Store Pre-Openings	0.0	0.0%	(0.6)	-1.0%	-100.0%	(0.0)	0.0%	(0.9)	-0.5%	-95.5%
Depreciation & Amortization	(3.5)	-5.4%	(4.0)	-6.2%	-13.8%	(11.1)	-6.1%	(14.1)	-7.0%	-21.5%
J.V. Investment Amortization	0.0	0.0%	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	0.0%	0.0%
Other revenues (expenses)[2]	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
General & Administative[2]	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
(+) Depreciation & Amortization	5.7	8.8%	7.0	10.8%	-19.0%	18.0	10.0%	22.6	11.3%	-20.2%
Operating Income[1]	**8.3**	**13.0%**	**3.0**	**4.6%**	**180.5%**	**15.6**	**8.6%**	**9.1**	**4.5%**	**72.2%**
Expansion Capex	0.8	1.2%	3.7	5.6%	-79.3%	5.7	3.2%	37.4	18.6%	-84.7%
Maintenance Capex	0.4	0.7%	0.4	0.6%	11.9%	1.0	0.6%	1.2	0.6%	-12.9%
Total Capex	**1.2**	**1.8%**	**4.0**	**6.2%**	**-70.8%**	**6.7**	**3.7%**	**38.5**	**19.2%**	**-82.5%**
Operating Inc. - Maintenance Cape:	**7.9**	**94.9%**	**2.6**	**87.3%**	**7.6%**	**14.6**	**93.4%**	**7.9**	**86.9%**	**6.5%**

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

The Brazilian Airport segment operating income reached R$8.3 million in 3Q17, up 181% YoY with a 840bps increase in margins mainly due to:

i) Revenues were nearly flat YoY, as positive same store sales (+4.3% driven by catering) was offset by new concepts/kiosks with lower sales/unit.

ii) The reduction in food cost (an improvement of 320bps),

iii) The reduction in selling and operating expenses (an improvement of 220bps, as a result of lower personnel cost – due to the zero based budget adjustments);

iv) The reduction in “other costs” – mainly utilities (an improvement of 130bps),

v) The reduction in rent expenses (an improvement of 90bps, as a result of expenses dilution from a positive performance in catering),

In 9M17, operating income reached R$15.6 million, up 72% YoY with an operating margin of 8.6% (+410bps). Operating income after maintenance capex reached R$14.6 million, or an 93% cash conversion rate in 9M17.

RESULTS OF THE BRAZILIAN OPERATIONS – MALLS

(in R$ million)	3Q17	% VA	3Q16	% VA	% HA	2017	% VA	2016	% VA	% HA
Net Revenue	**56.6**	**100.0%**	**61.1**	**100.0%**	**-7.4%**	**177.3**	**100.0%**	**189.0**	**100.0%**	**-6.2%**
Restaurants & Others	56.6	100.0%	61.1	100.0%	-7.4%	177.3	100.0%	189.0	100.0%	-6.2%
Gas Stations	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Cost of Sales and Services	**(41.3)**	**-73.0%**	**(44.1)**	**-72.3%**	**-6.5%**	**(129.2)**	**-72.9%**	**(136.7)**	**-72.4%**	**-5.5%**
Direct Labor	(17.3)	-30.6%	(18.0)	-29.5%	-4.2%	(54.3)	-30.7%	(55.5)	-29.4%	-2.2%
Food	(16.7)	-29.6%	(18.7)	-30.6%	-10.3%	(52.8)	-29.8%	(57.7)	-30.5%	-8.5%
Others	(4.7)	-8.4%	(4.8)	-7.9%	-1.7%	(14.4)	-8.1%	(15.3)	-8.1%	-6.2%
Fuel and Automotive Accessories	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(2.5)	-4.4%	(2.6)	-4.3%	-3.8%	(7.7)	-4.3%	(8.2)	-4.3%	-6.0%
Gross Profit	**15.3**	**27.0%**	**16.9**	**27.7%**	**-9.7%**	**48.1**	**27.1%**	**52.2**	**27.6%**	**-8.0%**
Operating Expenses[1]	**(14.6)**	**-25.8%**	**(15.5)**	**-25.4%**	**-5.9%**	**(46.1)**	**-26.0%**	**(48.0)**	**-25.4%**	**-4.0%**
Selling and Operating	(5.1)	-9.0%	(5.3)	-8.6%	-3.7%	(16.6)	-9.3%	(16.7)	-8.9%	-1.0%
Rents of Stores	(9.0)	-15.9%	(9.4)	-15.4%	-4.2%	(26.8)	-15.1%	(28.7)	-15.2%	-6.7%
Store Pre-Openings	(0.1)	-0.1%	(0.2)	-0.3%	-69.6%	(1.3)	-0.7%	(0.3)	-0.2%	281.0%
Depreciation & Amortization	(0.5)	-0.8%	(0.7)	-1.1%	-30.7%	(1.5)	-0.8%	(2.2)	-1.2%	-33.1%
J.V. Investment Amortization	0.0	0.0%	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	0.0%	0.0%
Other revenues (expenses)[2]	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
General & Administative[2]	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
(+) Depreciation & Amortization	2.9	5.2%	3.2	5.3%	-9.2%	9.2	5.2%	10.4	5.5%	-11.8%
Operating Income	**3.7**	**6.5%**	**4.7**	**7.7%**	**-22.0%**	**11.2**	**6.3%**	**14.7**	**7.8%**	**-23.9%**
Expansion Capex	0.2	0.4%	1.3	2.1%	-80.8%	3.8	2.1%	3.3	1.7%	16.4%
Maintenance Capex	1.3	2.3%	0.5	0.9%	139.1%	3.5	2.0%	1.5	0.8%	136.8%
Total Capex	**1.6**	**2.8%**	**1.8**	**3.0%**	**-15.3%**	**7.3**	**4.1%**	**4.7**	**2.5%**	**53.5%**
Operating Inc. - Maintenance Capex[3]	**2.3**	**64.2%**	**4.1**	**88.3%**	**-24.2%**	**7.7**	**69.0%**	**13.2**	**90.0%**	**-21.1%**

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

The Malls segment operating income decreased by R$1.0 million YoY in the 3Q17, totaling R$3.7 million with a 120bps reduction on margins mainly due to:

i) a 7.4% decrease in sales, as a consequence of the net closure of 10 stores combined with a reduction of 6.7% in SSS, as a result of the worsening performance of the segment specially in Rio de Janeiro that had a tough comp due to the Summer Olympics in 2016 and the worsening macroeconomic environment in the State. Out of the 101 stores in Malls 37 are located in Rio de Janeiro.

ii) a 100bps increase in labor (“direct labor cost” combined with “selling and operating expenses”), a 50bps increase in others – mainly utilities and a 50bps increase in rent expenses.

iii) Mitigating the aforementioned effects, we experienced a 100bps decrease in food cost.

In 9M17, operating income reached R$11.2 million, with a 6.3% margin compared to R$14.7 million and 7.8% in 9M16, respectively. Operating income after maintenance Capex totaled R$7.7 million, or a 69% cash conversion rate.

RESULTS OF U.S. OPERATIONS

(in US$ Million)	3Q17	% VA	3Q16	% VA	% HA	2017	% VA	2016	% VA	% HA
Net Revenue	**38.6**	**100.0%**	**38.4**	**100.0%**	**0.4%**	**93.9**	**100.0%**	**91.6**	**100.0%**	**2.6%**
Restaurants & Others	38.6	100.0%	38.4	100.0%	0.4%	93.9	100.0%	91.6	100.0%	2.6%
Gas Stations	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Cost of Sales and Services	**(21.6)**	**-55.9%**	**(22.0)**	**-57.3%**	**-2.1%**	**(56.8)**	**-60.5%**	**(55.8)**	**-60.9%**	**1.9%**
Direct Labor	(10.5)	-27.1%	(10.6)	-27.6%	-1.2%	(28.1)	-29.9%	(27.7)	-30.2%	1.5%
Food	(7.6)	-19.6%	(7.6)	-19.7%	-0.3%	(18.5)	-19.7%	(17.9)	-19.6%	3.2%
Others	(2.4)	-6.2%	(2.3)	-6.1%	1.6%	(5.8)	-6.1%	(5.8)	-6.3%	0.2%
Fuel and Automotive Accessories	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(1.2)	-3.0%	(1.5)	-3.9%	-23.5%	(4.4)	-4.7%	(4.4)	-4.8%	0.8%
Gross Profit	**17.0**	**44.1%**	**16.4**	**42.7%**	**3.8%**	**37.1**	**39.5%**	**35.8**	**39.1%**	**3.7%**
Operating Expenses[1]	**(12.4)**	**-32.1%**	**(12.7)**	**-32.9%**	**-2.1%**	**(31.2)**	**-33.2%**	**(30.8)**	**-33.7%**	**1.1%**
Selling and Operating	(6.7)	-17.4%	(7.0)	-18.2%	-4.3%	(18.1)	-19.2%	(18.0)	-19.6%	0.6%
Rents of Stores	(4.5)	-11.7%	(3.9)	-10.2%	15.6%	(10.5)	-11.2%	(9.2)	-10.1%	14.5%
Store Pre-Openings	(0.1)	-0.3%	(0.7)	-1.8%	-84%	(0.2)	-0.3%	(0.8)	-0.9%	-70.1%
Depreciation & Amortization	(0.1)	-0.2%	(0.1)	-0.3%	-5.9%	(0.3)	-0.3%	(0.3)	-0.3%	-2.7%
J.V. Investment Amortization	(0.2)	-0.4%	(0.2)	-0.4%	0.0%	(0.5)	-0.5%	(0.5)	-0.5%	0.0%
Equity income result	0.3	0.8%	0.4	1.2%	-32.0%	1.8	1.9%	1.9	2.1%	-6.8%
Other revenues (expenses)	0.1	0.2%	0.0	0.0%	3989.7%	0.4	0.5%	(0.1)	-0.1%	-702.9%
General & Administative	(1.2)	-3.1%	(1.3)	-3.3%	-5.1%	(3.8)	-4.0%	(3.9)	-4.3%	-3.9%
(+) Depreciation & Amortization	1.4	3.6%	1.8	4.6%	-20.5%	5.2	5.5%	5.2	5.6%	0.5%
Operating Income	**6.0**	**15.7%**	**5.5**	**14.4%**	**9.4%**	**11.2**	**11.9%**	**10.1**	**11.1%**	**10.3%**
Expansion Capex	0.5	1.2%	1.3	3.3%	-63.4%	1.0	1.1%	5.0	5.4%	-80.1%
Maintenance Capex	0.3	0.7%	0.1	0.3%	125.0%	0.5	0.5%	0.8	0.8%	-40.7%
Total Capex	**0.7**	**1.9%**	**1.4**	**3.6%**	**-48.0%**	**1.4**	**1.5%**	**5.7**	**6.3%**	**-74.8%**
Operating Inc. - Maintenance Capex[2]	**5.8**	**95.8%**	**5.4**	**97.9%**	**-2.2%**	**10.7**	**95.9%**	**9.4**	**92.4%**	**3.5%**

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

The operations in the United States consist mainly of Margaritaville and currently has 20 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.

Net revenues came in at US$38.6 million in 3Q17, up 0.4% YoY due to the positive performance of the recently opened restaurants, which offset the impact from lower same store sales (-9.9%), due to the impacts from Hurricane Irma affecting Florida's 7 stores that were closed for several days.

Margins (+130bps, in US$) were impacted by an improvement (as a % of sales) in labor cost, G&A, store pre-opening expenses, selling and operating expenses in 3Q17. Such positive result was partially mitigated by higher rent expenses.

In 9M17, operating income in the US reached US$11.2 million (up 10.3% YoY), with a 11.9% margin (up 80bps YoY). Operating income after maintenance capex totaled US$10.7 million, or a cash conversion rate of 96%.

RESULTS OF THE CARIBBEAN OPERATIONS

(in R$ million)	3Q17	3Q16	% HA	*3Q17²*	*% HA²*	2017	2016	% HA	*2017²*	*% HA²*
Net Revenue	**45.8**	**46.8**	**-2.2%**	***46.6***	***-0.5%***	**134.2**	**147.1**	**-8.8%**	***146.7***	***-0.3%***
Restaurants & Others	45.8	46.8	-2.2%	*46.6*	*-0.5%*	134.2	147.1	-8.8%	*146.7*	*-0.3%*
Gas Stations	0.0	0.0	0.0%	*0.0*	*0.0%*	0.0	0.0	0.0%	*0.0*	*0.0%*
Cost of Sales and Services	**(21.0)**	**(21.6)**	**-3.0%**	***(21.3)***	***-1.2%***	**(62.1)**	**(71.7)**	**-13.4%**	***(67.6)***	***-5.7%***
Direct Labor	(7.8)	(8.0)	-3.2%	*(7.9)*	*-1.5%*	(23.4)	(26.4)	-11.3%	*(25.4)*	*-3.7%*
Food	(12.4)	(12.9)	-3.4%	*(12.7)*	*-1.8%*	(36.5)	(42.7)	-14.4%	*(39.8)*	*-6.7%*
Others	(0.4)	(0.4)	5.4%	*(0.4)*	*7.4%*	(1.2)	(1.1)	2.1%	*(1.2)*	*8.8%*
Fuel and Automotive Accessories	0.0	0.0	0.0%	*0.0*	*0.0%*	0.0	0.0	0.0%	*0.0*	*0.0%*
Depreciation & Amortization	(0.4)	(0.3)	13.3%	*(0.4)*	*15.5%*	(1.0)	(1.5)	-33.1%	*(1.1)*	*-27.0%*
Gross Profit	**24.8**	**25.2**	**-1.5%**	***25.2***	***0.1%***	**72.0**	**75.3**	**-4.4%**	***79.1***	***4.9%***
Operating Expenses¹	**(14.5)**	**(14.4)**	**1.2%**	***(14.8)***	***3.0%***	**(43.6)**	**(47.8)**	**-8.7%**	***(47.5)***	***-0.6%***
Selling and Operating	(6.2)	(5.7)	7.4%	*(6.3)*	*9.3%*	(18.2)	(19.0)	-4.5%	*(19.8)*	*3.8%*
Rents of Stores	(4.8)	(4.8)	-0.1%	*(4.9)*	*1.7%*	(14.2)	(15.3)	-7.2%	*(15.7)*	*2.3%*
Store Pre-Openings	0.0	(0.3)	-100.0%	*0.0*	*-100.0%*	0.0	(1.1)	-100.0%	*0.0*	*-100.0%*
Depreciation & Amortization	(1.9)	(2.1)	-7.6%	*(1.9)*	*-5.8%*	(5.9)	(7.0)	-15.5%	*(6.5)*	*-7.7%*
J.V. Investment Amortization	0.0	0.0	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%	*0.0*	*0.0%*
Other revenues (expenses)	0.3	0.6	-47.1%	*0.3*	*-46.0%*	0.9	1.3	-27.3%	*1.2*	*-8.2%*
General & Administative	(2.0)	(2.2)	-6.0%	*(2.1)*	*-4.3%*	(6.2)	(6.6)	-6.0%	*(6.7)*	*2.2%*
(+) Depreciation & Amortization	2.3	2.4	-4.8%	*2.3*	*-3.0%*	6.9	8.5	-18.6%	*7.6*	*-11.1%*
Operating Income	**12.6**	**13.2**	**-5.0%**	***12.7***	***-3.6%***	**35.4**	**36.1**	**-2.0%**	***39.1***	***8.4%***
Expansion Capex	0.0	0.1	-86.6%	*0.0*	*-86.4%*	0.4	1.0	-57.1%	*0.5*	*-53.1%*
Maintenance Capex	0.4	1.5	-70.2%	*0.4*	*-69.7%*	2.0	3.0	-34.6%	*2.2*	*-28.5%*
Total Capex	**0.4**	**1.5**	**-71.1%**	***0.5***	***-70.6%***	**2.4**	**4.0**	**-40.2%**	***2.6***	***-34.7%***
Operating Inc. - Maintenance Capex³	**12.1**	**11.8**	**3.0%**	***12.3***	***4.6%***	**33.4**	**33.1**	**1.0%**	***37.0***	***11.8%***

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

The information in the table above is presented in Reais and in Reais in constant currency (using the 3Q16 FX rate to convert the results on 3Q16 and 3Q17), to eliminate the effect of exchange rate changes. The comments below refer to 3Q17 constant currency numbers.

Net revenues reached R$46.6 million, down 0.5% YoY, as a result of a softer performance in Colombia (airports and malls) that offset the positive performance in Panama (airports and malls), which was also impacted by the hurricanes in the region.

As a consequence of lower sales, there was a lower dilution of selling and operating expenses (-120bps).

The focus on operational excellence partially mitigated those impacts with an improvement in food cost of 30bps, a 20pbs improvement in labor cost and a 20bps improvement in G&A expenses. There was also a 60bps reduction in store pre-opening expenses.

Operating income came in at R$12.7 million in 3Q17, down 4% compared to 3Q16, with an operating margin of 27.4% down from 28.2% in 3Q16.

In 9M17, operating income totaled R$39.1 million, with a 26.7% margin from R$36.1 million and 24.5% in 9M16, respectively. Operating income after maintenance Capex reached R$37.0 million, or a 94% cash conversion rate.

ADJUSTED EBITDA AND ADJUSTED MARGIN

EBITDA RECONCILIATION (R$ million)	3Q17	3Q16	HA (%)	2017	2016	HA (%)
NET INCOME (LOSS) FROM CONTINUED OPERATIONS	**21.8**	**11.9**	**83.2%**	**19.6**	**(15.3)**	**n.a.**
(+) Income Taxes	8.6	4.4	n.a.	17.6	7.3	140.5%
(+) Net Financial Result	2.8	0.9	n.a.	5.7	13.3	-57.1%
(+) D&A and Write-offs	18.8	21.9	-14.1%	61.2	70.2	-12.9%
(+) Amortization of Investments in Joint Venture	0.5	0.5	-1.7%	1.5	1.7	-10.4%
EBITDA	**52.5**	**39.5**	**32.7%**	**105.6**	**77.3**	**36.7%**
(+) Special Items	1.3	1.2	15.1%	3.2	5.7	-43.8%
Adjusted EBITDA	**53.8**	**40.7**	**32.2%**	**108.8**	**82.9**	**31.2%**
EBITDA / Net Revenues	*13.1%*	*9.9%*		*9.4%*	*6.6%*	
Adjusted EBITDA / Net Revenues	*13.4%*	*10.1%*		*9.7%*	*7.0%*	

The Company's Adjusted EBITDA, excluding special items, reached R$53.8 million in 3Q17, with an adjusted EBITDA margin of 13.4% vs. 10.1% in 3Q16. The special items refer to the stock option plan. In 9M17, Adjusted EBITDA reached R$108.8 million, from R$82.9 million in 9M16, with a margin of 9.7%, 270bps higher YoY.

FINANCIAL RESULT, INCOME TAX AND NET INCOME

The Company recorded a net financial expense of R$2.8 million, compared to R$0.9 million in 3Q16.

Income taxes totaled a R$8.6 million in 3Q17, versus R$4.4 million in 3Q16.

The Company recorded a net income of R$21.8 million in 3Q17, compared to a net income of R$11.9 million in 3Q16. In 9M17 the Company had a net income of R$19.6 million compared to a net loss of R$15.3 million in 9M16.

SELECTED CASH FLOW INFORMATION

OPERATING ACTIVITIES

EBITDA Reconcilation to Operating Cash Flow (R$ Million)	3Q17	3Q16	Var. (%)	2017	2016	Var. (%)
Adjusted EBITDA	**53.8**	**40.7**	**32.2%**	**108.8**	**82.9**	**31.2%**
Special Items	(1.3)	(1.2)	n.a.	(3.2)	(5.7)	n.a.
(+/-) Other Non-Cash Impact on IS	(2.1)	3.4		8.4	23.2	
(+/-) Working Capital	(8.7)	(0.8)		(34.9)	(16.6)	
Operating Cash Before Taxes and Interest	**41.7**	**42.1**	**-0.9%**	**79.1**	**83.9**	**-5.7%**
(-) Paid Taxes	(0.3)	(0.8)		(10.4)	(3.9)	
(-) Maintenance Capex	(7.9)	(3.8)		(15.7)	(13.0)	
Net Cash Generated by Operating Activities	**33.6**	**37.5**	**-10.6%**	**53.0**	**67.0**	**-20.9%**
Operating Net Cash/EBITDA	**62.4%**	**92.2%**	**-29.8 p.p.**	**48.7%**	**80.8%**	**-32.1 p.p.**

Operating cash flow totaled +R$33.6 million in 3Q17 (compared to +R$37.5 million in 3Q16), mostly impacted by improved results and higher working capital needs. Operating net cash over Adjusted EBITDA reached 62% in 3Q17, from 92% in 3Q16.

INVESTING ACTIVITIES

(R$ million)	3Q17	3Q16	HA (%)	2017	2016	HA (%)
Property and Equipment	(13.0)	(10.7)	21.1%	(34.3)	(39.5)	-13.3%
Additions to Intangible Assets	(2.0)	(4.3)	-53.9%	(4.2)	(37.5)	-88.8%
(=) Total Invested (CAPEX)	**(14.9)**	**(15.0)**	**-0.5%**	**(38.5)**	**(77.0)**	**-50.1%**
Payment of Acquisitions	(0.1)	(1.1)	-93.5%	(4.7)	(79.3)	-94.1%
Dividends and Sale Proceeds	3.4	3.0	13.4%	0.0	174.8	-100.0%
Sale of controlling interest in disc. Ops.	0.0	5.7				
Total Investments	**(11.6)**	**(7.4)**	**57.1%**	**(43.2)**	**18.4**	**-334.3%**

CAPEX (in R$ million)	3Q17	3Q16	HA (%)	2017	2016	HA (%)
Expansion						
Brazilian Operations	**3.8**	**6.6**	**-42.0%**	**16.6**	**42.6**	**-61.0%**
Brazil - Air	0.8	3.7	-79.3%	5.7	37.4	-84.7%
Brazil - Roads	2.8	1.7	68.5%	7.1	2.0	260.5%
Brazil - Malls	0.2	1.3	-80.8%	3.8	3.3	16.4%
USA Operations	**1.5**	**4.1**	**-63.9%**	**3.2**	**17.2**	**-81.7%**
Caribbean Operations	**0.0**	**0.1**	**-86.6%**	**0.4**	**1.0**	**-57.1%**
Holding	**1.5**	**0.4**	**324.7%**	**2.3**	**3.1**	**-28.3%**
Total Expansion Investments	**6.9**	**11.2**	**-38.6%**	**22.5**	**64.0**	**-64.9%**
Maintenance						
Brazilian Operations	**6.4**	**1.0**	**557.5%**	**11.7**	**3.2**	**263.4%**
Brazil - Air	0.4	0.4	11.9%	1.0	1.2	-12.9%
Brazil - Roads	4.7	0.1	na	7.2	0.6	na
Brazil - Malls	1.3	0.5	139.1%	3.5	1.5	136.8%
USA Operations	**0.8**	**0.4**	**122.1%**	**1.5**	**2.7**	**-45.4%**
Caribbean Operations	**0.4**	**1.5**	**-70.2%**	**2.0**	**3.0**	**-34.6%**
Holding	**0.2**	**1.0**	**-82.1%**	**0.6**	**4.1**	**-86.4%**
Total Maintenance Investments	**7.9**	**3.8**	**105.2%**	**15.7**	**13.0**	**21.1%**
Total CAPEX Investments	**14.7**	**15.0**	**-2.0%**	**38.2**	**77.0**	**-50.4%**

Regarding Expansion CAPEX, in 3Q17 IMC invested mainly in stores at the Brazilian roads and airports, as well as in new stores in the US.

FINANCING ACTIVITIES

The Company's financing cash flow in 3Q17 was mainly affected by the capital reduction that took place in September (affecting the "Capital Contributions" line) and the US debt rollover: +R$63M in new loans and R$62M in payments of loans.

(R$ million)	3Q17	3Q16	HA (%)	2017	2016	HA (%)
Capital Contribuitions	(48.3)	0.4	n.a.	(48.3)	46.8	n.a.
Capital Contribuitions - minority ii	(2.1)	0.2	n.a.	(2.1)	0.2	n.a.
Treasury Shares	1.2	(2.1)	n.a.	(4.5)	(10.4)	-56.9%
New Loans	62.7	1.0	n.a.	62.7	2.3	n.a.
Payment of Loans	(61.8)	(71.3)	-13.3%	(95.1)	(155.5)	-38.9%
Net Cash Generated by Financing	**(48.4)**	**(71.8)**	**-32.6%**	**(87.4)**	**(116.6)**	**-25.1%**

NET DEBT

The Company ended the first nine months of 2017 with a net cash position of R$0.02 million, including cash, cash equivalents and short-term investments, as well as sellers finance and agreements entered into with the current operators of concessions at private airports.

R$ million	3Q17	3Q16
Debt	93.7	140.9
Financing of past acquisitions	36.3	27.5
Point of Sales rights	0.0	4.5
Total Debt	**130.0**	**173.0**
(-) Cash	**(130.0)**	**(222.4)**
Net Debt	**0.02**	**(49.4)**

CONDENSED INCOME STATEMENT

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (R$ thousand)	3Q17	3Q16	2017	2016
NET REVENUE	**400,077**	**401,166**	**1,127,600**	**1,177,442**
COST OF SALES AND SERVICES	**(263,431)**	**(269,306)**	**(776,129)**	**(811,270)**
GROSS PROFIT	**136,646**	**131,860**	**351,471**	**366,172**
OPERATING INCOME (EXPENSES)				
Commercial and operating expenses	(84,405)	(86,684)	(240,768)	(260,662)
General and administrative expenses	(21,994)	(27,824)	(67,765)	(80,759)
Depreciation and amortization	(6,894)	(7,944)	(21,955)	(27,010)
Impairment	0	0	0	0
Other income (expenses)	9,370	6,821	17,819	2,488
Equity income result	482	938	4,168	5,158
Net financial expenses	(2,751)	(878)	(5,713)	(13,330)
INCOME (LOSS) BEFORE INCOME TAXES	**30,454**	**16,289**	**37,257**	**(7,943)**
Income Taxes	**(8,612)**	**(4,367)**	**(17,637)**	**(7,333)**
NET INCOME (LOSS) FOR THE QUARTER FROM CONTINUED OPERATIONS	**21,842**	**11,922**	**19,620**	**(15,276)**
RESULT FROM DISCONTINUED OPERATIONS	**0**	**0**	**0**	**3,972**
NET INCOME (LOSS) FOR THE QUARTER	**21,842**	**11,922**	**19,620**	**(11,304)**

CONDENSED BALANCE SHEET

CONDENSED STATEMENTS OF FINANCIAL POSITION (R$ thousand)	3Q17	4Q16
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	130,020	190,108
Accounts receivable	76,606	70,567
Inventories	37,998	35,101
Derivatives	1,494	5,169
Other current assets	53,329	48,038
Assets from discontinued operations	0	0
Total current assets	**299,447**	**348,983**
NONCURRENT ASSETS		
Deferred income taxes	3,432	626
Derivatives	1,752	1,399
Other noncurrent assets	58,279	63,197
Property and equipment	230,322	252,429
Intangible assets	822,884	836,774
Total noncurrent assets	**1,116,669**	**1,154,425**
TOTAL ASSETS	**1,416,116**	**1,503,408**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	68,813	85,815
Loans and financing	37,959	61,797
Salaries and payroll charges	64,807	63,976
Other current liabilities	33,196	37,005
Liabilities from Discontinued operations	0	0
Total current liabilities	**204,775**	**248,593**
NONCURRENT LIABILITIES		
Loans and financing	95,328	104,313
Provision for labor, civil and tax disputes	17,109	26,997
Deferred income tax liability	76,068	62,569
Other noncurrent liabilities	22,332	20,140
Total noncurrent liabilities	**210,837**	**214,019**
EQUITY		
Capital and reserves	999,050	1,152,775
Accumulated losses	19,620	(104,097)
Other comprehensive income	(25,853)	(18,024)
Total equity	**992,817**	**1,030,654**
Non-Controlling Interest	7,687	10,142
TOTAL LIABILITIES AND EQUITY	**1,416,116**	**1,503,408**

CASH FLOW STATEMENT

CONDENSED STATEMENTS OF CASH FLOWS (R$ thousand)	3Q17	3Q16	2017	2016
CASH FLOW FROM OPERATING ACTIVITIES				
Net income (loss) for the quarter	21,842	11,922	19,620	(15,276)
Depreciation and amortization	18,765	21,853	61,168	70,236
Impairment of intangible assets (using)	(50)	(3,931)	(19,336)	(13,836)
Investiment amortization	497	506	1,490	1,663
Equity income result	(979)	(1,444)	(5,658)	(6,821)
Provision for labor, civil and tax disputes	(91)	4,238	1,513	3,140
Income taxes	8,612	4,367	17,637	7,333
Interest expenses	4,050	4,268	9,992	19,712
Effect of exchange rate changes	(331)	336	(446)	24,175
Disposal of property and equipment	550	4,217	20,249	14,647
Deferred Revenue, Rebates	(4,076)	(1,526)	(4,152)	(3,384)
Expenses in payments to employees based in stock plan	1,339	1,163	3,180	5,654
Others	257	(3,072)	8,742	(6,731)
Changes in operating assets and liabilities	**(8,658)**	**(792)**	**(34,868)**	**(16,613)**
Cash generated from operations	41,727	42,105	79,131	83,899
Income tax paid	(309)	(751)	(10,374)	(3,894)
Interest paid	(2,723)	(4,248)	(2,955)	(19,216)
Net cash generated by (used in) operating activities	**38,695**	**37,106**	**65,802**	**60,789**
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisitions of controlling interest, net of cash	(71)	(1,088)	(4,706)	(79,339)
Dividends received	3,401	3,000	7,844	8,359
Sale of controlling interest in discontinued operations, net of cash	-	5,716	-	174,796
Additions to intangible assets	(1,993)	(4,324)	(4,210)	(37,541)
Additions to property and equipment	(12,956)	(10,700)	(34,256)	(39,490)
Net cash used in investing activities from continued operations	**(11,619)**	**(7,396)**	**(35,328)**	**26,785**
Net cash used in investing activities from discontinued operations	-	-	-	-
Net cash used in investing activities	**(11,619)**	**(7,396)**	**(35,328)**	**26,785**
CASH FLOW FROM FINANCING ACTIVITIES				
Capital contribuitions	(48,333)	425	(48,333)	46,807
Capital contribuitions from minority interest	(2,138)	158	(2,138)	158
Shares in Treasury	1,159	(2,069)	(4,475)	(10,375)
New loans	62,694	964	62,694	2,297
Payment of loans	(61,792)	(71,283)	(95,064)	(155,481)
Net cash used in financing activities	**(48,410)**	**(71,805)**	**(87,316)**	**(116,594)**
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EC	(4,120)	2,750	(3,246)	(37,967)
NET INCREASE (DECREASE) FOR THE PERIOD	**(25,454)**	**(39,345)**	**(60,088)**	**(66,987)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	**162,352**	**261,749**	**190,108**	**289,390**
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	**136,898**	**222,404**	**130,020**	**222,403**

APPENDIX - CURRENCY CONVERSION TABLE

	US$		COP	
	EoP	Average	EoP	Average
1Q13	2.019	1.995	0.001100	0.001100
2Q13	2.226	2.062	0.001200	0.001100
3Q13	2.235	2.285	0.001200	0.001200
4Q13	2.348	2.272	0.001200	0.001200
1Q14	2.266	2.369	0.001200	0.001200
2Q14	2.205	2.234	0.001200	0.001200
3Q14	2.438	2.276	0.001200	0.001200
4Q14	2.687	2.548	0.001100	0.001200
1Q15	3.208	2.865	0.001200	0.001200
2Q15	3.103	3.073	0.001200	0.001200
3Q15	3.973	3.540	0.001300	0.001300
4Q15	3.905	3.841	0.001200	0.001300
1Q16	3.559	3.857	0.001200	0.001200
2Q16	3.210	3.501	0.001100	0.001200
3Q16	3.246	3.246	0.001126	0.001100
4Q16	3.298	3.204	0.001126	0.001100
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

MANAGEMENT NOTE

There may 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: The Company calculates EBITDA as net income, before income tax and social contribution tax, financial income (expenses) and depreciation and amortization. According to the accounting practices adopted in Brazil (BR GAAP) or IFRS, 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. EBITDA does not have a standard meaning and the Company’s definition of EBITDA may not be comparable with the definition of EBITDA used by other companies. 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 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 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 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.

Adjusted EBITDA: 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. Adjusted EBITDA is used as a tool to measure and evaluate the Company’s performance, focusing on the continuity of its operations and is believed that adjusted EBITDA is a useful tool for investors, by enabling a more comprehensive and standardized comparative analysis of the information on the past and current results of the Company’s management. According to the accounting practices adopted in Brazil (BR GAAP) or IFRS, 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. Adjusted EBITDA does not have a standard meaning and the Company’s definition of Adjusted EBITDA may not be comparable with the definition of the Adjusted EBITDA used by other companies. 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, Adjusted 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 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.

1. General information

1.1. Operations

International Meal Company Alimentação S.A. (“Company”), headquartered at Avenida das Nações Unidas, 4.777, 12o andar, in the City of São Paulo, State of São Paulo, established in 1965, is a publicly-held company with shares traded on B3 S.A – Brasil. Bolsa. Balcão (“B3 ”) under the ticker symbol “MEAL3” and listed in the Novo Mercado (New Market) segment.

The Company and its subsidiaries (“Group”) are engaged in the sale of food and beverages to restaurants, snack bars and coffee shops (“stores”) and in the sale of food for airline catering services (“catering”). The Group also subleases stores and spaces for promotional and commercial purposes in its store chain, upon the sale of fuel, and provides general services related to these segments.

As of September 30, 2017, the Group has operations in Brazil, Panama, Colombia, and the United States of America.

As detailed in the individual and consolidated financial statements for the year ended December 31, 2016, disclosed on March 27, 2017, the Group completed the sale of the total direct and indirect interests in its subsidiaries located in Mexico, Puerto Rico and the Dominican Republic on January 29 and February 26, 2016, respectively.

1.2. Sale of operations

In order to improve our capital structure and reduce the Company’s leverage, in the first quarter of 2016, the Company sold its operations in Mexico, Puerto Rico and the Dominican Republic.

a) <u>Mexico</u>

On January 29, 2016, the Company completed the sale of its direct and indirect interests in the subsidiaries located in Mexico to Taco Holding, S.A.P.I de C.V. and Distribuidora de Alimentos TH, S.A. de C.V. The sale comprises Inversionistas en Restaurantes de Carnes y Cortes, S. de R.L. de C.V. ("IRCyC"), Grupo Restaurantero del Centro, S.A. de C.V., Servicios de Personal Gastrónomico IMC S. de R.L. de C.V. and Servicios Administrativos IMC S. de R.L. de C.V.

1. General information--Continued

1.2. Sale of investments--Continued

b) Puerto Rico and the Dominican Republic

On February 26, 2016, the Company completed the sale of the total direct and indirect interests in the subsidiaries located in Puerto Rico and the Dominican Republic to Management Group Investor, LLC. The sale comprised Airport Shoppes Corp. Cargo Service Corporation, Airport Aviation Service Inc., Carolina Catering Corp., Airport Catering Service Corporation and Aeroparque Corporation, located in Puerto Rico, and International Meal Company DR S.R.L. and Inversiones Llers S.A., both located in the Dominican Republic.

2. Preparation and presentation of interim financial information

The Company's individual and consolidated interim financial information has been prepared in accordance with CPC 21 (R1) – Demonstração intermediária and IAS 34 Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and is presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Financial Information (ITR), identified as "Parent" and "Consolidated", respectively.

The individual and consolidated interim financial information has been prepared based on the historical cost, except for (i) certain financial instruments; and (ii) assets and liabilities arising from business combinations measured at their fair values, when applicable.

As required by CVM Official Letter 03, of April 28, 2011, the following are the explanatory notes that were included in the latest annual financial statements (year ended December 31, 2016, disclosed on March 27, 2017), which, since there were no significant changes in the quarter, have not been fully included in this individual and consolidated interim financial information.

(Amounts in thousands of reais - R$, unless otherwise stated)

2. Preparation and presentation of interim financial information--Continued

Explanatory notes not included in the interim financial information	Location of the full explanatory note in the annual financial statements for the year ended December 31, 2016
Business acquisitions – full note	Note 6
Investments – full note	Note 13
Payroll and related taxes	Note 18
Installment payment of business acquisitions – full note	Note 19
Deferred revenue	Note 21
Income tax and social contribution – full note	Note 22
Operating lease - stores	Note 32
Commitments, contractual obligations and rights	Note 33
Discontinued operations	Note 34

3. Significant accounting policies

The accounting policies adopted in preparing this individual and consolidated interim financial information were the same as those adopted in preparing the individual and consolidated financial statements for the year ended December 31, 2016, disclosed on March 27, 2017; accordingly, they should be read in conjunction. The accounting practices adopted in Brazil comprise the Brazilian Corporate Law and the pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM).

3.1. Basis of consolidation

The consolidated interim financial information includes the interim financial information of the Company and its subsidiaries and joint ventures through the equity method of accounting.

Control over an entity is achieved when the company has the power to govern the financial and operating policies of an entity so as to benefit from its activities.

When necessary, the subsidiaries' and joint ventures' interim financial information is adjusted to conform their accounting policies to those set by the Group.

All intragroup transactions, balances, income, and expenses were fully eliminated in the consolidated interim financial information.

3. Significant accounting policies--Continued

3.1. Basis of consolidation--Continued

In the Company´s individual interim financial information, investments in subsidiaries and joint ventures are accounted for under the equity method.

The investments disclosed in note 13 represent the same consolidated companies and joint ventures disclosed in the individual and consolidated financial statements for the year ended December 31, 2016, disclosed on March 27, 2017, except for:

- The merger of Comercial Frango Assado Ltda. into Pimenta Verde Alimentos Ltda., Company's direct subsidiary, on September 1, 2017.

- The closure of direct subsidiary México Premier Restaurants LLC on May 18, 2017, resulting in the Company becoming the holder of direct interest in subsidiary IMCMV Holdings Inc.

3.2. Functional and reporting currency

The financial statements of each subsidiary included in the consolidated financial statements are prepared based on the functional currency of each entity. The functional currency of an entity is the currency of the primary economic environment in which it operates. The Company defines the functional currency of each of its subsidiaries analyzing which currency significantly influences the sales price of its products and services and the currency in which most of its operating and administrative costs is paid or incurred.

The financial statements are presented in reais (R$), which is the Group's reporting currency, and the translation adjustments are recognized in the Statements of comprehensive income (loss) in line item "Translation adjustments in the balance sheet of foreign subsidiaries"

4. International financial reporting standards

The main new and revised standards, amendments and interpretations issued by the IASB and adopted by the CPC, and the standards issued and not yet effective are consistent with those adopted and disclosed in note 4 to the individual and consolidated financial statements for the year ended December 31, 2016, disclosed on March 27, 2017 and, therefore, should be read in conjunction.

In addition to such disclosures, there are no other standards or interpretations issued by the IASB and the CPC not yet effective that could, based on the Management's assessment, have a significant impact on the profit or loss for the period or equity disclosed by the Company. Additionally, no significant impacts on the individual and consolidated interim financial information were determined due to the adoption of the new and revised standards, amendments and interpretations issued by the IASB effective for annual periods beginning on or after January 1, 2017, as disclosed in note 4 to the individual and consolidated financial statements for the year ended December 31, 2016, disclosed on March 27, 2017.

Because of the CPC's and the CVM's commitment to keep the set of standards issued up-to-date as changes are made by the IASB, such standards are expected to be issued by the CPC and approved by the CVM by the date they become effective.

5. Key estimates and judgments

The preparation of interim financial information requires the Company's management to use certain accounting estimates and judgment in applying the accounting policies. The accounting estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors that are considered to be reasonable in the circumstances. Actual results may differ from those estimates. The effects resulting from the revision of accounting estimates are recognized in the period in which the review is made.

The key assumptions and estimates used for the individual and consolidated interim financial information for the nine-month period ended September 30, 2017 are the same as those adopted in the individual and consolidated financial statements for the year ended December 31, 2016, disclosed on March 27, 2017.

(Amounts in thousands of reais - R$, unless otherwise stated)

6. Business acquisitions

6.1. Acquisitions in 2016

a) United States of America

Continuing the acquisition of restaurants branded Margaritaville in the United States of America started on April 1, 2014, on July 16, 2016 the Group exercised, through its subsidiary IMCMV Holdings Inc., the option to acquire the Margaritaville restaurant in San Antonio, in the United States of America. The final purchase price was calculated based on 7.5x the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) accumulated in the 12 months from the acquisition date. At the transaction date, the estimated purchase price was US$ 7,973 thousand (R$26,215 at the transaction date). Of the total amount, US$ 117 thousand (R$380 at the transaction date) were provisionally allocated to inventories, US$ 1,746 thousand (R$ 5,857 at the transaction date) to property, plant and equipment, and the remaining amount of US$ 6,110 thousand (R$ 19,978 at the transaction date) to goodwill.

Considering the EBITDA generated by this restaurant at the end of the calculation period, the purchase price was adjusted to US$ 10,065 thousand (R$ 32,844) due mainly to the performance of the EBITDA, which exceeded the target initially estimated.

The total amount will be paid in quarterly installments, beginning August 2017, over a six-year period, adjusted by interest of 5.75% p.a.

The Group adjusted the preliminary allocations of the purchase price, made at the date of acquisition and reflected in the financial statements for the year ended December 31, 2016, disclosed by the Company on March 27, 2017, as follows:

Allocation acquisition of Margaritaville San Antonio	**Preliminary purchase price allocation as disclosed as of 12/31/2016**	**Adjustments**	**Final purchase price allocation**
Inventories	380	-	380
Property, plant and equipment	5,857	-	5,857
Fair value of assets acquired and liabilities assumed	6,237	-	6,237
Consideration payable	26,215	6,629	32,844
Goodwill	19,978	6,629	26,607
(-) Goodwill recognized through December 31, 2016			(19,978)
Goodwill recognized in the period			6,629

7. Segment information

The objective of this acquisition by the Group is to be consolidated in the American market as the main operator of the Margaritaville brand.

Goodwill was allocated to the cash-generating unit in the United States of America, as disclosed in note 15.a.

The information reported to the Group's chief decision maker, for the purpose of capital allocation and segment performance evaluation, is more specifically focused on the categories of customer for each type of product and service. The main categories of customers for these products and services are restaurants in shopping malls, airports and highways. Each of these operating segments is managed separately, considering that each one of these product lines requires different resources, including marketing approaches. The Company's main products consist of meals and related services.

The chief operating decision maker evaluates the performance of the operating segments based on the operating profit before depreciation and amortization, finance income (expense), income tax and social contribution.

Therefore, the Group's reportable segments pursuant to CPC 22/IFRS 8 – Segment Reporting are as follows:

- Shopping malls: meals in restaurant chains and coffee shops in shopping malls in Brazil and in the Caribbean.
- Airports: supply of meals in restaurants and coffee shops and for airline companies (catering) in Brazil and in the Caribbean.
- Highways: food courts in service stations and restaurant chains located along highways, and sale of vehicle fuel.
- United States of America: meals in restaurants in captive markets in the United States of America and consumables in the retail market.
- Others: comprise corporate costs not allocated directly to each of the business segments.

(Amounts in thousands of reais - R$, unless otherwise stated)

7. Segment information--Continued

The Group's reportable segments as of September 30, 2017 and 2016 are represented by the Company's continuing operations after the sale of operations in Mexico, Puerto Rico and the Dominican Republic, as mentioned in note 1.2:

	Consolidated					
	Shopping malls	**Airports**	**Highways**	**United States of America**	**Others**	**Total**
September 30, 2017:						
Net revenue	**218,060**	**273,640**	**335,763**	**300,137**	**-**	**1,127,600**
Operating profit (loss)	**7,052**	**38,626**	**35,065**	**35,992**	**(11,107)**	**105,628**
Depreciation and amortization	**(12,205)**	**(21,328)**	**(12,032)**	**(16,490)**	**(603)**	**(62,658)**
Finance income (expense)	**4,038**	**(3,518)**	**(453)**	**(5,588)**	**(192)**	**(5,713)**
Income tax benefit (expense)	**1,590**	**(4,715)**	**(7,818)**	**(3,648)**	**(3,046)**	**(17,637)**

	Consolidated					
	Shopping malls	**Airports**	**Highways**	**United States of America**	**Others**	**Total**
September 30, 2016:						
Net revenue	234,468	301,968	323,177	317,829	-	1,177,442
Operating profit (loss)	5,735	30,015	26,378	33,687	(18,529)	77,286
Depreciation and amortization	(13,649)	(26,419)	(12,081)	(18,305)	(1,445)	(71,899)
Finance income (expense)	(643)	14,328	(3,937)	529	(23,607)	(13,330)
Income tax benefit (expense)	(5,487)	(6,790)	(4,595)	(2,406)	11,945	(7,333)

The reconciliation of operating profit (loss), adjusted by profit before taxes and discontinued operations, is as follows:

	Consolidated	
	9/30/2017	**9/30/2016**
Reconciliation of profit (loss) for the period:		
Operating profit from reportable segments	**116,735**	95,815
Operating loss from other segments	**(11,107)**	(18,529)
	105,628	77,286
Depreciation and amortization	**(62,658)**	(71,899)
Finance income (expense)	**(5,713)**	(13,330)
Income tax and social contribution	**(17,637)**	(7,333)
Profit (loss) for the period from continuing operations	**19,620**	(15,276)
Profit for the period from discontinued operations	**-**	3,972
Profit (loss) for the period	**19,620**	(11,304)

(Amounts in thousands of reais - R$, unless otherwise stated)

7. Segment information--Continued

The Company's total assets by business segment are as follows:

	Consolidated	
	9/30/2017	**12/31/2016**
Shopping malls	**444,736**	419,800
Airports	**287,067**	399,573
Highways	**353,945**	354,636
United States of America	**324,692**	317,952
Subtotal	**1,410,440**	1,491,961
Assets not allocated to the segments	**5,676**	11,447
	1,416,116	1,503,408

a) Disclosures at the Company's level

Geographical information

The Group operates in the following main areas: Brazil, the Caribbean (Colombia and Panama), and the United States of America. Segment reporting on the Group's sales by geographic market based on the location of its customers, regardless of the origin of assets/services, is as follows:

	Consolidated	
	9/30/2017	**9/30/2016**
Net revenue:		
Brazil	**693,304**	712,562
The Caribbean	**134,159**	147,051
United States of America	**300,137**	317,829
	1,127,600	1,177,442

b) Information on major customers

The Group does not have customers or a group of customers under common control accounting for more than 10% of its revenue.

8. Financial instruments

a) Capital management

The Group's management manages the Group's capital to ensure the continuity of the Group as a going concern and to maximize its funds to allow for investments in new stores, refurbishments, and redesign of existing stores, as well as the acquisition of other entities.

The Group's capital structure consists of financial liabilities with financial institutions, currency swap derivatives, cash and cash equivalents, and financial investments, including capital and retained earnings.

The Group can change its capital type and structure, depending on economic conditions, to optimize its financial leverage. In addition, Management periodically reviews the capital structure and its capacity to settle its liabilities taking the appropriate actions, when necessary, to balance the Group's debt and liquidity ratios.

b) Significant accounting policies

For details on the significant accounting policies and practices adopted, including the criteria used to recognize revenues and expenses for each class of financial assets and financial liabilities, see the individual and consolidated financial statements for the year ended December 31, 2016, disclosed on March 27, 2017.

c) Categories of financial instruments

Management considers that the carrying amounts of financial assets and liabilities recorded at amortized cost in the individual and consolidated interim financial information approximate their fair values. The Group conducted swap derivative transactions, which are used only to mitigate the exposure to foreign currency fluctuations of certain borrowings, so that the balance of the capital structure is maintained.

(Amounts in thousands of reais - R$, unless otherwise stated)

8. **Financial instruments**--Continued

c) Categories of financial instruments--Continued

The main financial instruments are distributed as follows:

	Carrying amount and fair value			
	Parent		Consolidated	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Financial assets				
Trade receivables and receivables:				
Cash and cash equivalents	**2,020**	14,673	**130,020**	190,108
Financial investments (noncurrent)	-	589	**86**	589
Currency swap instrument (item f)	**-**	178	**3,246**	6,568
Trade receivables	**21,421**	17,901	**79,516**	72,272
Receivables from related parties	-	12,473	-	-
	23,441	45,814	**212,868**	269,537
Financial liabilities				
Financial liabilities recognized:				
Trade payables	**23,108**	27,550	**68,813**	85,815
Borrowings	**783**	11,946	**96,979**	129,279
Payables to related parties	**78,057**	16,793		-
Installment payment of commercial rights	**-**	-	**-**	3,024
Installment payment of business acquisitions	**-**	-	**36,308**	33,807
	101,948	56,289	**202,100**	251,925

The Group's management believes that these financial instruments, recognized in the individual and consolidated interim financial information at their amortized cost, approximate their respective fair values.

d) Liquidity

Liquidity management entails maintaining sufficient funds, such as cash, securities, and committed credit facilities, to manage the capacity to settle our obligations.

Management monitors the Group's liquidity level considering the expected cash flows against unused credit facilities.

The table below details the remaining contractual maturity of the Group's financial assets and financial liabilities, and the agreed repayment terms. The tables below were prepared using the undiscounted cash flows of the financial assets and financial liabilities.

(Amounts in thousands of reais - R$, unless otherwise stated)

8. Financial instruments--Continued

d) Liquidity - Continued

based on the nearest date on which the Group can be required to make the related payment or collect its receivables. As interest flows are based on floating rates, the undiscounted amount obtained is based on the interest curves in the nine-month period ended September 30, 2017. Accordingly, the disclosed balances do not match the balances stated in the statements of financial position.

	Weighted average effective interest rate - %	Parent				
		Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Total
September 30, 2017:						
Trade payables	-	(22,620)	(366)	(122)	-	(23,108)
Trade receivables	-	19,681	666	99	975	21,421
Borrowings	11,25	(90)	(179)	(263)	(297)	(829)

	Weighted average effective interest rate - %	Consolidated					
		Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 Years	Over 5 years	Total
September 30, 2017:							
Trade payables	-	(65,908)	(1,765)	(1,140)	-	-	(68,813)
Trade receivables	-	74,566	880	1,160	2,910	-	79,516
Currency swap derivatives (item f))	11.53	-	-	1,651	2,886	-	4,537
Borrowings	10.50	-	-	(28,708)	(87,960)	-	(116,668)
Installment payment of business acquisitions	11.53	(477)	(1,286)	(5,207)	(28,286)	(5,569)	(40,825)

(Amounts in thousands of reais - R$, unless otherwise stated)

8. Financial instruments--Continued

d) Credit risk

Credit risk refers to the risk of a counterparty not complying with its contractual obligations, which would result in financial losses for the Group. Group sales are basically made using various means of payment, especially credit and debit cards, which reduce significantly the risk of default. A portion of the catering segment sales is made to airlines, the creditworthiness of which is monitored. As a result of such management, expected losses are recorded in 'Allowance for doubtful debts', as described in note 10.

The Group is also exposed to credit risks related to financial instruments contracted for the management of its business, which consist basically of cash and cash equivalents and short-term investments. Management believes that the credit risk of transactions with financial institutions is low, as these are considered by the market as prime banks.

e) Currency risk

As referred to in note 17, the Group has a US dollar-denominated loan plus a spread from 4.05% to 4.81% per year, with a swap instrument classified in Level 2, contracted on the same date and with the same financial institution, exchanging 100% of this debt for the interbank deposit rate (CDI) plus spread from 2.35% to 3.0% per year.

As of September 30, 2017 and 2016, due to this financial instrument, the following results were obtained:

	9/30/2017	9/30/2016
Notional amount in US dollars - US$ thousand	**29,124**	32,229
Average contracting rate - real - R$	**2,49**	2,56
Notional amount in real - R$	**72,570**	82,550
Long position (purchased)		
US dollar - US$ thousand plus interest from 4.05% to 4.81% per year	**3,741**	9,313
Short position (sold)		
CDI plus interest from 2.35% to 3.0% per year	**(495)**	(1,396)
Balances at the end of the period	**3,246**	7,917

(Amounts in thousands of reais - R$, unless otherwise stated)

8. Financial instruments--Continued

f) Interest rate risk

The Group has loans and debt agreements denominated in U.S. dollars (US$) and Brazilian reais (R$), indexed to LIBOR (long-term rate), Long-Term Interest Rate - TJLP (agreements with the National Bank for Economic and Social Development - BNDES), Interbank Deposit Rate - CDI and National Consumer Price Index – INPC, calculated by the Brazilian Institute of Geography and Statistics – IBGE. There is an inherent risk in these liabilities due to usual fluctuations in this market.

The Group does not have any derivative contract to mitigate this risk since Management understands that the interest rates pegged to these interest rates do not pose a significant risk.

Sensitivity analysis

In order to conduct the sensitivity analysis of the interest rate charged on existing borrowings and other obligations, the Group uses, for a probable scenario, the market rate obtained on Brazilian stock exchanges, and considers a 25% and 50% increase in such rate for Scenarios I and II, respectively. The sensitivity analysis results for a twelve-month period are as follows:

	Consolidated		
	Probable	**Scenario I**	**Scenario II**
Swap (per year) - CDI plus interest from 1.75% to 3.1% per year	14.17%	17.05%	19.93%
Estimated charges	3,382	4,071	4,759
Libor (per year) plus interest of 4.05% per year	5.52%	5.89%	6.26%
Estimated charges	3,499	3,733	3,966
TJLP (per year) plus interest of 3.8% per year	10.81%	12.56%	14.31%
Estimated charges	333	387	440

(Amounts in thousands of reais - R$, unless otherwise stated)

8. Financial instruments--Continued

g) Debt-to-equity ratio

	Parent		Consolidated	
	9/30/2017	**12/31/2016**	**9/30/2017**	**12/31/2016**
Debt (i)	**783**	11,946	**96,979**	129,279
Currency swap derivatives	**-**	(178)	**(3,246)**	(6,568)
Installment payment of business acquisitions	**-**	-	**36,308**	33,807
Installment payment of commercial rights	**-**	-	**-**	3,024
Cash and cash equivalents (financial investments)	**(2,020)**	(14,673)	**(130,020)**	(190,108)
Net debt / (net asset)	**(1,237)**	(2,905)	**21**	(30,566)
Equity (ii)	**992,817**	1,030,654	**1,000,504**	1,040,796
Net debt-to-equity ratio	**(0.001)**	(0.003)	**0.000**	(0.029)

(i) Debt is defined as short- and long-term loans, as detailed in note 17.

(ii) Equity includes the Group's total share capital and reserves, managed as capital.

9. Cash and cash equivalents

	Parent		Consolidated	
	9/30/2017	12/31/2016	**9/30/2017**	12/31/2016
Cash	**248**	412	**4.886**	6.914
Banks	**36**	72	**62,283**	77,122
Financial investments	**1,736**	14,189	**62,851**	106,072
	2,020	14,673	**130,020**	190,108

Financial investments classified as cash and cash equivalents are broken down as follows:

(Amounts in thousands of reais - R$, unless otherwise stated)

9. Cash and cash equivalents--Continued

Transactions	Average yield	Liquidity	Country	Parent 9/30/2017	Parent 12/31/2016
Bank deposit certificate	90% to 100% of CDI	Immediate	Brazil	**-**	10,905
Overnight deposits	30% to 60% of CDI	Immediate	Brazil	**1,373**	2,964
Others	90% of CDI	Immediate	Brazil	**363**	320
				1,736	14,189

Transactions	Average yield	Liquidity	Country	Consolidated 9/30/2017	Consolidated 12/31/2016
Bank deposit certificate	60% to 90% of CDI	Immediate	Brazil	**11,973**	47,812
Bank deposit certificate	101.1% to 101.5% of CDI	Immediate	Brazil	**37,006**	36,600
Overnight deposits	30% to 60% of CDI	Immediate	Brazil	**5,147**	11,669
Overnight deposits	7.41% p.a.	Immediate	Colombia	**8,362**	9,671
Others	90% of CDI	Immediate	Brazil	**363**	320
				62,851	106,072

10. Trade receivables

	Parent		Consolidated	
	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Means of payment (credit and debit cards, and meal tickets)	**1,166**	1,250	**30,009**	35,999
Trade receivables	**17,051**	13,581	**31,448**	26,446
Rebates and commercial agreements	**3,150**	3,306	**18,205**	10,852
Others	**152**	-	**867**	300
	21,519	18,137	**80,529**	73,597
Allowance for doubtful accounts	**(98)**	(236)	**(1,013)**	(1,325)
	21,421	17,901	**79,516**	72,272
Current	**20,446**	16,932	**76,606**	70,567
Noncurrent	**975**	969	**2,910**	1,705
	21,421	17,901	**79,516**	72,272

(Amounts in thousands of reais - R$, unless otherwise stated)

10. Trade receivables--Continued

The balance of 'Trade receivables' before deduction of allowance for doubtful accounts is denominated in the following local currencies of the countries where the Group operates:

	Consolidated	
	9/30/2017	12/31/2016
In Brazilian reais - R$	**56,816**	54,916
In US dollars - US$ (*)	**10,867**	9,316
In Mexican pesos - MXN$ (*)	**3,832**	616
In Colombian pesos - COP$ (*)	**9,014**	8,749
	80,529	73,597

(*) The foreign currency-denominated balances refer to trade receivables from the corresponding countries of origin; therefore, there are no foreign exchange differences between the recognized revenue and the related receivables disclosed in the statement of profit or loss.

The balance of 'Trade receivables' refers mainly to receivables from airlines.

Receivables are comprised of current and past-due receivables, as follows:

	Parent		Consolidated	
	9/30/2017	12/31/2016	**9/30/2017**	12/31/2016
Current	**19,337**	16,133	**75,438**	59,900
Past due:				
Up to 30 days	**1,417**	1,768	**3,058**	11,079
31 to 60 days	**667**	-	**679**	895
61 to 90 days	**-**	-	**228**	419
Over 90 days	**98**	236	**1,126**	1,304
Allowance for doubtful accounts	**(98)**	(236)	**(1,013)**	(1,325)
	21,421	17,901	**79,516**	72,272
Current	**20,446**	16,932	**76,606**	70,567
Noncurrent	**975**	969	**2,910**	1,705

As described in note 17, the Group pledged receivables from credit and debit card companies as collateral for borrowings. As of September 30, 2017, the balance receivable related to this collateral is R$7,010 (R$4,908 as of December 31, 2016) in consolidated and R$456 as of December 31, 2016 in parent. The terms and conditions of this transaction include mainly pledging to banks as collateral current and future receivables originating from credit and debit card sales up to the debt limit. This collateral could be enforced by banks in case of default of a borrowing.

(Amounts in thousands of reais - R$, unless otherwise stated)

10. Trade receivables--Continued

Allowance for doubtful accounts

The rollforward of the allowance for doubtful accounts is as follows:

	Parent		Consolidated	
	9/30/2017	12/31/2016	**9/30/2017**	12/31/2016
Balance at the beginning of the period/year	**(236)**	(162)	**(1,325)**	(762)
Additions	**(303)**	(288)	**(890)**	(2,674)
Reversals and write-offs	**441**	214	**1,202**	2,091
Exchange rate changes	**-**	-	**-**	20
Balance at the end of the period/year	**(98)**	(236)	**(1,013)**	(1,325)

Rebates and commercial agreements

These amounts are set in contracts or agreements and comprise amounts relating to discounts based on sales volume, joint marketing programs, freight reimbursement and other similar programs.

The Group did not recognize any adjustment to present value since all transactions are short term and it considers the effect of these adjustments immaterial when compared with the individual and consolidated interim financial information taken as a whole.

11. Inventories

	Parent		Consolidated	
	9/30/2017	12/31/2016	**9/30/2017**	12/31/2016
Food and beverages	**2,463**	2,587	**17,853**	19,300
Fuel and vehicle accessories	**-**	-	**3,826**	4,475
Nonfood products and souvenirs for resale	**-**	-	**12,728**	6,770
Supplies and fixtures	**1,904**	1,776	**4,984**	6,001
Provision for inventory obsolescence	**(64)**	-	**(1,393)**	(1,445)
	4,303	4,363	**37,998**	35,101

As of September 30, 2017, the total cost of inventories sold disclosed in line item ‘Cost of sales and services’ was R$33,124 (R$36,586 as of September 30, 2016) in Parent and R$392,794 (R$403,471 as of September 30, 2016) in Consolidated.

(Amounts in thousands of reais - R$, unless otherwise stated)

12. Taxes recoverable

	Parent		Consolidated	
	9/30/2017	12/31/2016	**9/30/2017**	12/31/2016
Prepaid income tax and social contribution	**-**	1,317	**9,199**	8,089
Withholding income tax (IRRF) on financial investments	**4,952**	5,369	**8,655**	7,704
Taxes on revenue (PIS and COFINS)	**8,364**	8,473	**21,777**	16,668
Others	**294**	245	**1,140**	1,534
	13,610	15,404	**40,771**	33,995

13. Investments in subsidiaries and joint-venture

The list of the Company's subsidiaries and the activity in investments for the year ended December 31, 2016 are presented in the financial statements for the year then ended, disclosed on March 27, 2017. The changes occurred during the period ended September 30, 2017 are disclosed in note 3.1.

Information on subsidiaries

The activity for the nine-month period ended September 30, 2017 is as follows:

	Parent					
	Tob's	**Pimenta Verde and Niad**	**Frango Assado**	**IMC USA**	**IMC The Caribbean**	**Total**
Balance as of December 31, 2016	5,320	288,451	294,154	153,922	150,093	**891,940**
Merger activity	-	251,506	(251,506)	-	-	**-**
Share of profit (loss) of investees	(120)	1,668	7,276	13,988	18,874	**41,686**
Translation adjustments	-	-	-	(4,953)	(2,876)	**(7,829)**
Balance as of September 30, 2017	**5,200**	**541,625**	**49,924**	**162,957**	**166,091**	**925,797**

(Amounts in thousands of reais - R$, unless otherwise stated)

13. Investments in subsidiaries and joint-venture --Continued

Information on subsidiaries--Continued

The activity in investments in joint-venture, presented in the consolidated interim financial information is as follows:

	Margaritaville (Orlando)
Balance as of December 31, 2016	29,169
Share of profit (loss) of investees (*)	4,168
Dividends received	(7,844)
Translation adjustments of foreign joint venture	(625)
Balance as of September 30, 2017	**24,868**

(*) Share of profit (loss) of subsidiaries net of the amortization of investment in joint venture incurred in the nine-month period ended September 30, 2017 amounting to R$1,490. The investment is amortized because the joint venture has finite duration.

14. Property, plant and equipment

The activity in property, plant and equipment for the year ended December 31, 2016 is presented in the financial statements for the year then ended, disclosed on March 27, 2017. The activity in the nine-month period ended September 30, 2017 is as follows:

	Parent			
	Balance at 12/31/2016	**Additions (*)**	**Transfers, write-offs, and others**	**Balance at 9/30/2017**
Cost				
Machinery and equipment	23,945	-	(1,202)	**22,743**
Furniture and fixtures	8,158	-	(748)	**7,410**
Leasehold improvements	29,624	-	(1,731)	**27,893**
Computers, vehicles and other items	24,197	-	24	**24,221**
Works and construction in progress	3,641	3,568	(6,417)	**792**
Total cost	89,565	3,568	(10,074)	**83,059**
Depreciation				
Machinery and equipment	(14,947)	(2,025)	1,846	**(15,126)**
Furniture and fixtures	(5,233)	(832)	975	**(5,090)**
Leasehold improvements	(15,127)	(1,401)	1,316	**(15,212)**
Computers, vehicles and other items	(18,609)	(1,437)	710	**(19,336)**
Total depreciation	(53,916)	(5,695)	4,847	**(54,764)**
Provision for impairment of assets				
Leasehold improvements, machinery and equipment	(3,084)	-	3,035	**(49)**
Computers, vehicles and other items	(64)	-	(16)	**(80)**
Total provision	(3,148)	-	3,019	**(129)**
Total, net	32,501	(2,127)	(2,208)	**28,166**

(Amounts in thousands of reais - R$, unless otherwise stated)

14. Property, plant and equipment--Continued

	Consolidated				
	Balance at 12/31/2016	**Effects of exchange differences**	**Additions (*)**	**Transfers, write-offs, and others**	**Balance at 9/30/2017**
Cost					
Land and buildings	3,722	(24)	-	-	3,698
Machinery and equipment	161,314	(535)	1,478	4,629	166,886
Furniture and fixtures	69,083	(819)	634	1,658	70,556
Leasehold improvements	284,688	(3,303)	2,340	(1,692)	282,033
Computers, vehicles and other items	63,956	(353)	1,467	(83)	64,987
Works and construction in progress	15,807	(181)	21,841	(24,896)	12,571
Total cost	598,570	(5,215)	27,760	(20,384)	600,731
Depreciation					
Buildings	(2,028)	28	(124)	-	(2,124)
Machinery and equipment	(104,798)	415	(12,735)	2,788	(114,330)
Furniture and fixtures	(42,247)	415	(7,503)	1,273	(48,062)
Leasehold improvements	(133,483)	1,637	(23,026)	5,056	(149,816)
Computers, vehicles and other items	(49,009)	229	(4,013)	1,115	(51,678)
Total depreciation	(331,565)	2,724	(47,401)	10,232	(366,010)
Provision for impairment of assets					
Machinery and equipment	(2,126)	12	-	417	(1,697)
Furniture and fixtures	(203)	-	-		(203)
Leasehold improvements	(11,866)	-	-	9,764	(2,102)
Computers, vehicles and other items	(381)	-	-	(16)	(397)
Total provision	(14,576)	12	-	10,165	(4,399)
Total, net	252,429	(2,479)	(19,641)	13	230,322

(*) The additions to property, plant and equipment presented in the statements of cash flows include the installments paid in previous acquisitions. Accordingly, the amount of R$3,075, Parent, and R$6,496, consolidated, were added in additions to property, plant and equipment in the nine-month period ended September 30, 2017 in the statements of cash flows.

	Parent		Consolidated	
Net balances	**9/30/2017**	**12/31/2016**	**9/30/2017**	**12/31/2016**
Land and buildings		-	**1,574**	1,694
Machinery and equipment	**7,617**	8,395	**50,859**	54,390
Furniture and fixtures	**2,319**	2,925	**22,291**	26,633
Leasehold improvements	**12,632**	12,016	**130,115**	139,339
Computers, vehicles and other items	**4,806**	5,524	**12,912**	14,566
Works and construction in progress	**792**	3,641	**12,571**	15,807
	28,166	32,501	**230,322**	252,429

(Amounts in thousands of reais - R$, unless otherwise stated)

14. Property, plant and equipment--Continued

Depreciation charges are allocated as follows:

	Parent		Consolidated	
	9/30/2017	**9/30/2016**	**9/30/2017**	**9/30/2016**
Allocated to cost of sales and services	**(4,674)**	(5,948)	**(41,206)**	(45,541)
Allocated to general and administrative expenses	**(1,021)**	(943)	**(6,195)**	(7,188)
Total depreciation expenses	**(5,695)**	(6,891)	**(47,401)**	(52,729)
PIS and COFINS credits on depreciation (*)	**500**	746	**1,993**	2,315
Total depreciation expenses, net of tax credits	**(5,195)**	(6,145)	**(45,408)**	(50,414)

(*) PIS and COFINS credits on items on property, plant and equipment allocated to operations.

Assets pledged as collateral

The obligations assumed under finance lease agreements are collateralized by the ownership of the leased assets by the lessor, whose carrying amount as of September 30, 2017 is R$1,413 (R$1,787 as of December 31, 2016) in Parent and in Consolidated.

15. Intangible assets

The activity in intangible assets for the year ended December 31, 2016 is presented in the financial statements for the year then ended, disclosed on March 27, 2017. The activity in intangible assets for the period ended September 30, 2017 is as follows:

		Parent		
	Balance as of 12/31/2016	**Additions (*)**	**Transfers, write-offs, and others**	**Balance as of 9/30/2017**
Cost:				
Goodwill	91,790	-	-	**91,790**
Software	15,194	-	2,614	**17,808**
Rights over trademarks	4,100	-	-	**4,100**
Commercial rights	35,558	-	(4,810)	**30,748**
Licensing rights	70,625	-	(494)	**70,131**
Leasehold rights	25,532	-	-	**25,532**
Intangibles in progress	1,865	1,070	(2,923)	**12**
Total cost	244,664	1,070	(5,613)	**240,121**
Amortization:				
Software	(13,866)	(816)	17	**(14,665)**
Commercial rights	(11,371)	(2,782)	2,085	**(12,068)**
Licensing rights	(49,426)	(3,613)	182	**(52,857)**
Leasehold rights	(19,273)	(1,482)	-	**(20,755)**
Total amortization	(93,936)	(8,693)	2,284	**(100,345)**

(Amounts in thousands of reais - R$, unless otherwise stated)

15. Intangible assets--Continued

	Parent			
	Balance at 12/31/2016	Additions	Transfers, write-offs, and others	Balance at 9/30/2017
Provision for impairment of assets				
Software	(8)	-	8	**-**
Rights over trademarks	(1,427)	-	408	**(1,019)**
Commercial rights	(3,074)	-	2,480	**(594)**
Licensing rights	(143)	-	143	**-**
Total provision	(4,652)	-	3,039	**(1,613)**
Total, net	146,076	(7,623)	(290)	**138,163**

	Consolidated					
	Balance as of 12/31/2016	PPA allocation	Additions (*)	Transfers, write-offs, and others	Effects of exchange differences	Balance as of 9/30/2017
Cost						
Goodwill	657,014	6,629	-	-	(4,373)	659,270
Software	26,728	-	114	2,702	(6)	29,538
Rights over trademarks	62,618	-	-	-	(67)	62,551
Commercial rights	122,574	-	32	(15,106)	(91)	107,409
Licensing rights	103,503	-	(30)	(495)	(96)	102,882
Leasehold rights	28,699	-	-	-	-	28,699
Non-compete agreements	2,905	-	-	-	(18)	2,887
Intangibles in progress and other assets	2,539	-	1,078	(2,470)	-	1,147
Total cost	1,006,580	6,629	1,194	(15,369)	(4,651)	994,383
Amortization						
Software	(24,156)	-	(1,249)	178	(86)	(25,313)
Commercial rights	(39,901)	-	(7,896)	5,692	35	(42,070)
Licensing rights	(69,092)	-	(4,768)	(389)	(537)	(74,786)
Leasehold rights	(19,273)	-	(1,483)	0	0	(20,756)
Non-compete agreements	(1,269)	-	(237)	0	28	(1,478)
Intangibles in progress and other assets	(343)	-	(127)	0	(25)	(495)
Total amortization	(154,034)	-	(15,760)	5,481	(585)	(164,898)
Provision for impairment of assets						
Software	(76)	-	-	13	-	(63)
Rights over trademarks	(4,261)	-	-	(24)	-	(4,285)
Commercial rights	(9,616)	-	-	9,010	-	(606)
Licensing rights	(1,819)	-	-	172	-	(1,647)
Total provision	(15,772)	-	-	9,171	-	(6,601)
Total, net	836,774	6,629	(14,566)	(717)	(5,236)	822,884

(*) The additions to intangible assets presented in the statements of cash flows include the installments paid in previous acquisitions. Accordingly, the amount of R$685, Parent, was deducted from and R$3,016, consolidated, was added to additions to intangible assets in the nine-month period ended September 30, 2017 in the statements of cash flows.

(Amounts in thousands of reais - R$, unless otherwise stated)

15. Intangible assets--Continued

	Parent		Consolidated	
Net balances in	9/30/2017	12/31/2016	9/30/2017	12/31/2016
Goodwill (a)	**91,790**	91,790	**659,270**	657,014
Software	**3,143**	1,320	**4,162**	2,496
Rights over trademarks (b)	**3,081**	2,673	**58,266**	58,357
Commercial rights (c)	**18,086**	21,113	**64,732**	73,057
Licensing rights (d)	**17,274**	21,056	**26,450**	32,592
Leasehold rights (e)	**4,777**	6,259	**7,943**	9,426
Non-compete agreements	**-**	-	**1,409**	1,636
Intangibles in progress and other assets	**12**	1,865	**652**	2,196
	138,163	146,076	**822,884**	836,774

Amortization charges on other intangible assets are recognized in line item 'General and administrative expenses', in the statement of profit or loss.

Main intangible assets

a) *Goodwill*

Allocation of goodwill to cash-generating units

Goodwill is allocated to each cash-generating unit, defined as follows:

- Shopping malls - Brazil: fast food in restaurant chains and coffee shops located in shopping malls in Brazil.
- Shopping malls - the Caribbean (Panama and Colombia): fast food in restaurant chains and coffee shops located in shopping malls in the Caribbean.
- Airports - Brazil: meals served in restaurants and coffee shops, and airline catering and other related services in Brazil.
- Airports - the Caribbean (Panama and Colombia): meals served in restaurants and coffee shops, and airline catering and other related services in the Caribbean.
- Highways - Brazil: food courts in service stations and restaurant chains located along highways, and sale of vehicle fuel.
- United States of America: meals in restaurants in captive markets in the United States of America and consumables in the retail market.

The carrying amount of the goodwill was allocated to the following cash-generating units:

(Amounts in thousands of reais - R$, unless otherwise stated)

15. Intangible assets--Continued

Main intangible assets--Continued

a) *Goodwill--Continued*

	Consolidated	
	9/30/2017	12/31/2016
Brazil:		
Shopping malls	**187,905**	187,905
Airports	**91,790**	91,790
Highways	**206,187**	206,187
	485,882	485,882
The Caribbean:		
Shopping malls	**944**	944
Airports	**17,971**	18,093
	18,915	19,037
United States of America	**154,473**	152,095
	659,270	657,014

b) *Rights over trademarks*

Refers to those trademarks identified in the acquisitions made, including Viena, Frango Assado, Batata Inglesa, Brunella, Rede J&C Delicias (the Caribbean).

c) *Commercial rights*

Refer to amounts paid to acquire commercial rights and/or acquired in business combinations.

d) *Licensing rights*

A portion of the price attributable to the acquisition of catering operations was allocated to the licenses and permits to operate airline-catering services and restaurants in certain airports.

(Amounts in thousands of reais - R$, unless otherwise stated)

15. Intangible assets--Continued

Main intangible assets--Continued

e) *Leasehold rights*

Refers to the portion of the purchase price allocated to lease agreements entered into with airport authorities (leasehold rights) and/or airport managers for the lease of space in the airports to operate restaurants, snack bars, coffee shops, and other similar retail outlets.

Impairment testing for assets with indefinite useful lives

Assets with indefinite useful lives are tested for impairment annually or whenever there are indications that some of the cash-generating units might be impaired. Management concluded that as of September 30, 2017 there are no indications that any of the cash-generating units is impaired.

16. Trade payables

	Parent		Consolidated	
	9/30/2017	12/31/2016	**9/30/2017**	12/31/2016
Product suppliers	**7,133**	8,395	**40,228**	51,910
Service providers	**15,975**	15,897	**28,273**	33,514
Suppliers - others	**-**	3,258	**312**	391
Total	**23,108**	27,550	**68,813**	85,815

17. Borrowings

			Parent		Consolidated	
	Financial charges	**Maturity**	**9/30/2017**	12/31/2016	**9/30/2017**	12/31/2016
CCB international swap - Brazil (a)	CDI + spread from 2.35% to 3.00% p.a.	Quarterly up to 9/14/20	**-**	10,391	**27,145**	49,641
Bank Credit Note - CCB – United States of America (b)	120-day LIBOR + spread of 4.05% p.a.	Semi-annual up to 9/21/22	**-**	-	**63,360**	71,186
BNDES	TJLP or exchange rate change + spread from 3.81% to 5.8% p.a.	Monthly up to 11/15/19	**-**	-	**3,078**	4,173
Others			**783**	1,555	**3,396**	4,279
			783	11,946	**96,979**	129,279

(Amounts in thousands of reais - R$, unless otherwise stated)

17. **Borrowings**--Continued

Classified as:

	Parent		Consolidated	
	9/30/2017	**12/31/2016**	**9/30/2017**	**12/31/2016**
Current:				
Foreign currency-denominated borrowings	**-**	10,391	**31,061**	49,418
Local currency-denominated borrowings (R$)	**508**	1,104	**2,408**	3,569
	508	11,495	**33,469**	52,987
Noncurrent:				
Foreign currency-denominated borrowings	**-**	-	**59,444**	71,412
Local currency-denominated borrowings (R$)	**275**	451	**4,066**	4,880
	275	451	**63,510**	76,292

Guarantees and commitments

(a) US-dollar denominated loan subject to 4.05% to 4.81% interest per year plus exchange fluctuation. This loan is backed by the co-obligated guarantors represented by certain subsidiaries of the Company, a swap collateral assignment and liens on debit and credit rights arising from sales made by the Company's subsidiaries using debit and credit cards. The agreement contains certain covenants that require the compliance with the net debt-to-EBITDA ratio and the debt service coverage ratio, annually calculated based on the financial statements. The Group conducts swap transactions to exchange US dollar-denominated payables at fixed interest rates for the Brazilian real (R$) pegged to 100% of the CDI plus spread from 2.35% to 3.0% per year. The Group conducts swap transactions with the same counterparty. These transactions are classified as derivatives, as described in note 8.f).

(b) Borrowing payable in 10 semiannual installments beginning March 2018 and collateralized by the Company and certain Company's subsidiaries. Under this borrowing agreement, the Group is required to comply with certain positive and negative covenants on a consolidated basis. The financial ratios established in the agreement are evaluated by the financial institution semiannually and consist basically of net debt-to-EBITDA ratios.

(Amounts in thousands of reais - R$, unless otherwise stated)

17. Borrowings--Continued

The maturities of the portion recorded in noncurrent liabilities are as follows:

	Parent	Consolidated
2018	128	22,661
2019	147	15,505
2020	-	12,672
2021 and thereafter	-	12,672
	275	63,510

18. Installment payment of business acquisitions

	Consolidated	
	9/30/2017	12/31/2016
Business acquisitions in Brazil	-	3,630
Business acquisitions in other countries	36,308	30,177
Total	36,308	33,807
Current	4,490	5,786
Noncurrent	31,818	28,021

19. Provision for labor, civil and tax risks

The Group is a party to tax, labor and social security, and civil proceedings. The Group filed appeals against claims filed with courts. Judicial deposits were made when required by the authorities.

	Parent		Consolidated	
	9/30/2017	12/31/2016	**9/30/2017**	12/31/2016
Labor and social security (a)	**5,880**	6,950	**15,168**	20,347
Tax (b)	**-**	-	**212**	309
Civil (c)	**501**	303	**1,729**	6,341
	6,381	7,253	**17,109**	26,997

(a) Provision recognized to cover labor and social security risks arising from labor relationships established in the normal course of its businesses. Based on the legal counsel's opinion, the Group recorded a provision to cover probable losses if such risks materialize.

(b) The Group is exposed to risks related to challenges by tax authorities (federal, state and municipal) and, based on the opinion of its legal counsel, recognized a provision to cover probable losses for such risks.

(c) The Group is a party to civil and various other lawsuits, such as, claim of economic imbalance or claims filed by suppliers / manufacturers, related to quality discounts. Management recognized a provision for these lawsuits based on the opinion of the Company's legal counsel, who assessed the risk of an unfavorable outcome as probable.

(Amounts in thousands of reais - R$, unless otherwise stated)

19. Provision for labor, civil and tax risks--Continued

The Group is a party to tax and civil lawsuits that, according to the opinion of its legal counsel, involve possible risk of losses amounting to R$2,628 in Parent and R$21,974 in Consolidated. No provision for these lawsuits was recognized since the likelihood of loss is not probable. For labor claims, a provision was recognized considering the Group's history of losses.

Among the main lawsuits classified as possible loss we highlight the infringement notices issued against the subsidiary Comercial Frango Assado in November 2012, relating to the requirement of PIS and COFINS tax credit for the period from January to December 2009. The amount involved is R$5,816. The lawsuit is under discussion at the administrative level.

The activity in the provision for risks in the periods is as follows:

	Parent			
	Labor and social security	Tax	Civil	Total
Balance as of December 31, 2015	2,540	1,628	278	4,446
Additions	1,269	227	-	1,496
Reversals	(224)	(869)	-	(1,093)
Uses	(789)	-	(1)	(790)
Balance as of September 30, 2016	2,796	986	277	4,059
Balance as of December 31, 2016	6,950	-	303	7,253
Additions	604	-	412	1,016
Reversals	-	-	(203)	(203)
Uses	(1,674)	-	(11)	(1,685)
Balance as oft September 30, 2017	**5,880**	**-**	**501**	**6,381**

	Consolidated			
	Labor and social security	Tax	Civil	Total
Balance as oft December 31, 2015	6,775	6,488	333	13,596
Additions	5,681	2,207	349	8,237
Reversals	(929)	(4,144)	(24)	(5,097)
Uses	(4,831)	-	-	(4,831)
Additions related to discontinued operations	-	-	5,663	5,663
Balance as of September 30, 2016	6,696	4,551	6,321	17,568
Balance as oft December 31, 2016	**20,347**	**309**	**6,341**	**26,997**
Additions	**1,170**	**-**	**567**	**1,737**
Reversals	**-**	**-**	**(224)**	**(224)**
Uses of provisions for risks associated to discontinued operations	**-**	**-**	**(4,523)**	**(4,523)**
Uses	**(6,349)**	**(97)**	**(432)**	**(6,878)**
Balance as of September 30, 2017	**15,168**	**212**	**1,729**	**17,109**

(Amounts in thousands of reais - R$, unless otherwise stated)

19. Provision for labor, civil and tax risks--Continued

Based on a decision issued by the Supreme Federal Court (STF) on March 15, 2017, of general repercussion, the ICMS (state VAT) must be excluded from the PIS and COFINS tax base. The Company filed a lawsuit in prior years claiming for the right to such exclusion, but paid normally the PIS and COFINS taxes. However, some specific decisions of the STF are still pending, including the analysis and definition of the application of the decision and its effects. The Company is performing a detailed analysis to determine the best estimate of the respective credits for disclosure purposes, in accordance with item 89 of CPC 25.

20. Income tax and social contribution

a) Deferred income tax and social contribution

Deferred income tax and social contribution arise from recognized tax loss carryforwards and temporary differences. These tax credits are recorded in noncurrent assets and noncurrent liabilities, based on expected future earnings, as per the prevailing tax law.

As of September 30, 2017 and December 31, 2016, deferred income tax is as follows:

	Parent	
	9/30/2017	**12/31/2016**
Tax loss carryforwards	**6,348**	615
Temporary differences:		
Provision for labor, civil and tax risks	**2,170**	2,466
Provision for disposal of assets	**598**	5,766
Deferred income tax liability on amortization of goodwill of companies acquired	**(40,715)**	(40,646)
Deferred tax liability arising from fair value allocation of business combinations	**(5,137)**	(3,522)
Accrued liabilities and others	**9,977**	11,399
Total	**(26,759)**	(23,922)
Assets	**-**	-
Liabilities	**(26,759)**	(23,922)

(Amounts in thousands of reais - R$, unless otherwise stated)

20. Income tax and social contribution--Continued

a) Deferred income tax and social contribution--Continued

	Consolidated	
	9/30/2017	**12/31/2016**
Tax loss carryforwards	**72,128**	61,902
Temporary differences:		
Provision for labor, civil and tax risks	**5,442**	7,246
Provision for disposal of assets	**4,224**	14,342
Accrued liabilities	**12,432**	12,088
Asset appreciation and difference between accounting and tax law depreciation rates	**19,462**	19,709
Deferred income tax liability on amortization of goodwill of companies acquired and merged and/or derived from fair value allocation of business combinations	**(184,790)**	(177,174)
Others	**(1,534)**	(56)
	(72,636)	(61,943)
Assets	**3,432**	626
Liabilities	**(76,068)**	(62,569)

b) Realization of deferred income tax and social contribution

Based on the history of realization of assets and liabilities that gave rise to the balance of deferred income tax and social contribution, as well as the projected profit or loss for the next years, the realization schedule was estimated as follows:

	Parent	Consolidated
Year		
2017	10,271	38,659
2018	1,233	18,353
2019	-	18,889
2020	1,650	14,626
2021 and thereafter	1,651	23,161
	14,805	113,688

As of September 30, 2017, the Group has tax loss carryforwards amounting to R$294,962 (R$290,092 as of December 31, 2016) for which it recognized a deferred tax asset up to the amount that can be offset against future taxable profits.

(Amounts in thousands of reais - R$, unless otherwise stated)

20. Income tax and social contribution--Continued

b) Reconciliation of income tax and social contribution at statutory and effective rates

	Parent	
	9/30/2017	**9/30/2016**
Profit (loss) before income tax and social contribution from continuing operations	**22,457**	(21,930)
Statutory tax rate	**34%**	34%
Income tax and social contribution benefit (expense) at statutory rate	**(7,635)**	7,457
Adjustments made:		
Permanent differences (*)	**(1,347)**	201
Share of profit (loss) of investees	**14,173**	(1,115)
Deferred income tax credits on tax loss carryforwards not recognized or recognized on losses/bases of prior years	**(8,006)**	-
Other permanent differences	**(22)**	111
Income tax and social contribution	**(2,837)**	6,654
Current	**-**	6,719
Deferred	**(2,837)**	(65)

	Consolidated	
	9/30/2017	**9/30/2016**
Profit (loss) before income tax and social contribution from continuing operations	**37,257**	(7,943)
Statutory tax rate	**34%**	34%
Income tax and social contribution benefit (expense) at statutory rate	**(12,667)**	2,701
Adjustments made:		
Permanent differences (*)	**2,749**	1,211
Effect on differences of statutory tax rates of foreign subsidiaries	**(272)**	(489)
Deferred income tax credits on tax loss carryforwards not recognized or recognized on losses/bases of prior years	**(3,809)**	(9,813)
Others	**(3,638)**	(943)
Income tax and social contribution	**(17,637)**	(7,333)
Current	**(9,239)**	1,475
Deferred	**(8,398)**	(8,808)

(*) Include: (a) expenses on foreign subsidiaries' nondeductible depreciation or amortization expenses; (b) share of profit (loss) of investees expenses; and (ii) other nondeductible expenses.

21. Equity

Advent International Corporation ("Advent") holds the Company's control through its investments in FIP – Fundo de Investimento em Participações – Brasil Empreendimentos, which holds 20.2% of the Company and in which Advent has 69.76% of the shares, and through Semolina Fundo de Investimento em Participações with 23.2%, totaling 43.4% of the Company's interest.

a) Capital

The Company is authorized to increase capital by up to 40,584,077 common shares without par value.

As of September 30, 2017 the Company's capital is comprised of 166,531,600 shares that represent an amount of R$876,281. As of December 31, 2016, the Company's capital was comprised of 166,531,600 shares that represented an amount of R$924,614.

In the first quarter of 2016, the amounts of R$11,596 and R$34,786 were recognized as capital increase and capital reserve, respectively, as a result of the capital contribution related to the subscription of 11,595,022 common shares.

At the Extraordinary General Meeting held on July 22, 2016, the Company's Board of Directors approved the adjustment of R$ 4,762 to the Company's capital, amount corresponding to 337,257 treasury shares of International Meal Company Holdings S.A, Group's parent until December 1, 2014, when it was merged into International Meal Company Alimentação S.A. As a result, the Company's capital is currently R$ 924,614 divided into 166,531,600 shares.

At the Extraordinary General Meeting held on June 12, 2017, the Company's Board of Directors approved the reduction of the Company's capital by R$48,333, without reduction in the number of shares, which was carried out on September 21, 2017.

b) Capital reserve

In 2017, the Company's Board of Directors approved the utilization of the capital reserve to absorb the balance of accumulated losses as of December 31, 2016 in the amount of R$104,097.

21. Equity--Continued

c) Allocation of profit

A portion of 5% of the profit shall be deducted to recognize the legal reserve, which cannot exceed 20% of the capital.

Shareholders are entitled to a noncumulative annual dividend of at least 25% of the profit, in conformity with Article 202 of Law 6404/76.

The remaining balance, after deducting legal costs, shall be allocated as decided by the Annual Shareholders' Meeting, in conformity with applicable legislation.

In conformity with applicable legal provisions and as decided by the Annual Shareholders' Meeting, the Company may pay to its shareholders interest on capital which may be deducted from the mandatory minimum dividend.

d) Treasury shares

On March 28, 2016, the Company's Board of Directors approved the "Program to Buy Back" shares effective for up to one year and for a volume of up to 9,049,066 common shares in order to generate value for the shareholders through an appropriate management of the Company's capital structure, and for any exercise of options under the Company's Stock Option Plan.

Accordingly, the Company acquired 4,262,743 common shares during the year 2016, at the average purchase price of 4.46. The net disbursement for such buyback of shares in the period was R$ 19,017.

On September 22, 2016, treasury shares decreased by R$ 425 due to the exercise of 100,000 stock options by beneficiaries of the share-based payment plan.

On May 18, 2017, the Company's Board of Directors approved the new "Program to Buy Back" shares effective until May 17, 2018 and for a volume of up to 5,169,159 common shares in order to generate value for the shareholders. Thus, in the second quarter of 2017, the Company acquired 1,500,000 common shares at the average price of R$ 5.40. The amount disbursed was R$ 8,106.

(Amounts in thousands of reais - R$, unless otherwise stated)

21. **Equity**--Continued

The activity in treasury shares in the nine-month period of 2017 was as follows:

	Number of shares	Amount	Average price per share - R$
Balance as of December 31, 2016	4,500,000	23,354	5.19
(+) Treasury shares acquired	1,500,000	8,106	5.40
	6,000,000	31,460	5.24
(-) Stock options exercised	(850,000)	(4,457)	5.24
Balance as of September 30, 2017	**5,150,000**	**27,003**	5.24

e) Other comprehensive income (loss)

Refer to differences arising on translating foreign currency-denominated profit or loss calculated on the equity of foreign subsidiaries.

22. Share-based payment plan

Under the Stock Option Plan ("Plan"), approved at the Extraordinary General Meeting held on April 30, 2015, the Company's and its subsidiaries' management and employees ("Beneficiaries") are eligible to receive share options for common shares issued by the Company ("Option").

The granting of Options must meet the maximum limit of 8,326,580 common shares, corresponding to 5% of the Company's capital.

The Plan will be managed by the Company's Board of Directors or, at its discretion, by the Compensation Committee ("Committee"), and, where applicable, they will have full powers to, subject to the terms and conditions of the Plan and, in the case of the Committee, the guidelines of the Company's Board of Directors, organize and manage the Plan and the stock option agreements within its scope.

The Board of Directors or the Committee, where appropriate, will define: (a) the Beneficiaries; (b) the total number of Company's shares subject to grant; (c) the division of grant in lots, if applicable; (d) the exercise price; (e) possible restrictions on the shares received through the exercise of the option; and (f) possible provisions on penalties, in conformity with the general guidelines set forth in the Plan, and will determine the terms and conditions of each option in a Stock Option Agreement ("Agreement"), to be entered into among the Company and each Beneficiary. The Agreement will define the number and class of shares which the Beneficiary will be entitled to acquire or subscribe upon exercise of the option and any other terms and conditions, in conformity with the general guidelines set forth in the Plan.

(Amounts in thousands of reais - R$, unless otherwise stated)

22. Share-based payment plan--Continued

The exercise price is updated monthly by the fluctuation of the Extended Consumer Price Index (IPCA) or the variation of the General Market Price Index from Fundação Getúlio Vargas (IGP-M/FGV) from the grant date.

Subject to the condition of remaining in the Company, at every 12 months the Beneficiaries will acquire the right to exercise the percentage of vested options set out in each Agreement, within a maximum period of up to two years after the vesting period.

The options will be exercised through the issuance of new shares and/or disposal of treasury shares held by the Company, based on the option to be adopted by the Board of Directors or Committee.

The position of the granted options outstanding as of September 30, 2017 is as follows:

Exercise of grant	Number of shares				Fair value of the option[1]	Exercise price[1]	
	Granted	Not exercised due to withdrawal[3]	Exercised[3]	Outstanding		On grant	Updated
2015	2,700,000	(1,508,000)	(792,000)	400,000	4.32 [4]	4.00 [5]	4.18
2016 [2]	3,900,000	(1,067,000)	(83,000)	2,750,000	1.50	4.00	4.00
2017	2,775,000	(400,000)	(75,000)	2,300,000	3.27	5.13	5.03
	9,375,000	**(2,975,000)**	**(950,000)**	**5,450,000**			

(1) Amounts expressed in R$.
(2) On March 24, 2016, the programs that had the grant carried out in 2015 were amended as follows: (i) the number of shares granted in each plan was increased by approximately 50%; (ii) the exercised price was set at R$4.00 per share, subject to the variation of the Extended National Price Index - IPCA of the National Institute of Geography and Statistics - IBGE, from January 1, 2016 to the actual payment date; The amendment to the original stock option plan generated an incremental cost of R$1,528.
(3) As set out in the grant agreement, the beneficiaries who resigned and/or are terminated from the Company lose the right to exercise the non-vested options.
(4) Corresponds to the fair value of the stock option plan at the grant date, without the impact of the clauses amended in 2016.
(5) Exercise price set in amendment of March 24, 2016.

(Amounts in thousands of reais - R$, unless otherwise stated)

22. Share-based payment plan--Continued

The activity in granted options outstanding as of September 30, 2017 is as follows:

	Consolidated
Number of options outstanding as of December 31, 2016	**4,325,000**
(+) Options granted in 2017	2,775,000
(-) Not exercised due to withdrawal:	
2017 grant	(400,000)
2016 grant	(200,000)
2015 grant	(200,000)
(-) Exercised:	
2015 grant	(725,000)
2016 grant	(50,000)
2017 grant	(75,000)
Number of options outstanding as of September 30, 2017	**5,450,000**

The fair value of the options was calculated on the grant date of each plan and based on the "Black & Scholes" pricing model. The effects were reflected in line item 'General and administrative expenses' in the statement of profit or loss, and in line item 'Reserve for stock option plan' in equity, as follows:

Exercise of grant	As of 9/30/2017	Amounts to be recorded in future periods[1]
2015	**4,756**	393
2016[2]	**2,398**	1,826
2017	**1,396**	6,397
Total	**8,550**	8,616

(1) The weighted average of the remaining contractual period is 26 months.

(2) On March 24, 2016, the programs that had the grant carried out in 2015 were amended as follows: (i) the number of shares granted in each plan was increased by approximately 50%; (ii) the exercise price was set at R$4.00 per share, subject to the variation of the Extended National Price Index - IPCA of the National Institute of Geography and Statistics - IBGE, from January 1, 2016 to the actual payment date; The amendment to the original stock option plan generated an incremental cost of R$1,528.

(Amounts in thousands of reais - R$, unless otherwise stated)

22. Share-based payment plan--Continued

In determining the fair value of stock options, the following economic assumptions were used:

	Weighted average
Expected life of the option (1)	**3.9 years**
Volatility (2)	**45.5%**
Risk-free rate (3)	**6.3%**

(1) Represents the period in which it is believed that the options will be exercised and was determined based on the assumption that the beneficiaries will exercise their options within the limit of maturity;
(2) The estimated volatility took into consideration the weighing of the history of trading of Company shares.
(3) The Company used as risk-free interest rate the reference rate of BM&F available at the calculation date and with maturity equivalent to the option term.

The Plan substituted IMCHSA Stock Plan approved at the Extraordinary General Meeting held on February 15, 2011 and adopted by the Company as a result of the merger of IMCHSA into the Company, as approved at the Company's Extraordinary General Meeting held on December 1, 2014 (“Stock Plan ”), subject, however, to the effectiveness of and compliance by the Company with all terms and conditions in the Stock Option Agreements entered into within the scope of the Stock Plan, as approved at such Extraordinary General Meeting.

23. Net revenue

	Parent		Consolidated	
	9/30/2017	**9/30/2016**	**9/30/2017**	**9/30/2016**
Gross revenue	**125,279**	139,622	**1,209,824**	1,266,739
Taxes on sales	**(12,066)**	(14,134)	**(65,977)**	(73,631)
Returns and rebates	**(226)**	(541)	**(16,247)**	(15,666)
	112,987	124,947	**1,127,600**	1,177,442

(Amounts in thousands of reais - R$, unless otherwise stated)

24. Selling and operating expenses

	Parent		Consolidated	
	9/30/2017	**9/30/2016**	**9/30/2017**	**9/30/2016**
Payroll	**(6,276)**	(7,248)	**(16,055)**	(17,174)
Publicity and advertising	**(539)**	(618)	**(17,780)**	(18,018)
Rental expenses	**(7,456)**	(13,517)	**(112,876)**	(125,219)
Third party services	**(1,861)**	(2,030)	**(24,907)**	(26,170)
Credit and debit card commissions	**(366)**	(597)	**(14,734)**	(15,702)
Royalties	**(81)**	(252)	**(16,597)**	(18,268)
Maintenance	**(169)**	(30)	**(10,033)**	(11,715)
Logistics	**(620)**	(850)	**(3,020)**	(3,612)
Communication infrastructure	**(477)**	(641)	**(2,413)**	(2,492)
Fees and charges	**(378)**	(551)	**(8,780)**	(8,370)
Other expenses	**(809)**	(1,020)	**(13,573)**	(13,922)
	(19,032)	(27,354)	**(240,768)**	(260,662)

25. General and administrative expenses

	Parent		Consolidated	
	9/30/2017	**9/30/2016**	**9/30/2017**	**9/30/2016**
Payroll	**(26,538)**	(28,962)	**(44,291)**	(47,041)
Office rental	**(669)**	(841)	**(1,263)**	(1,660)
Third party services	**(4,924)**	(7,399)	**(8,932)**	(12,364)
Travel expenses	**(634)**	(607)	**(1,758)**	(1,940)
Maintenance and utilities	**(1,149)**	(1,265)	**(2,191)**	(2,126)
Share-based payments	**(3,180)**	(5,654)	**(3,180)**	(5,654)
Store launchings	**(36)**	(73)	**(2,391)**	(5,030)
Expense recovery – apportionment among related parties	**22,375**	21,484	**-**	-
Logistics	**(767)**	(760)	**(1,048)**	(1,058)
Infrastructure and communication	**(166)**	(205)	**(600)**	(707)
Other general and administrative expenses	**(1,058)**	(2,314)	**(2,111)**	(3,179)
Total	**(16,746)**	(26,596)	**(67,765)**	(80,759)

(Amounts in thousands of reais - R$, unless otherwise stated)

26. Other operating income (expenses), net

	Parent		Consolidated	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Other expenses:				
Write-off of fixed assets	**(2)**	(53)	**(102)**	(599)
Provision for labor, civil and tax risks, net of reversals	**(813)**	(403)	**(1,513)**	(3,140)
Organizational restructuring	**-**	(3,229)	**-**	(6,333)
Other expenses	**(2,047)**	(184)	**(1,488)**	(830)
	(2,862)	(3,869)	**(3,103)**	(10,902)
Other income:				
Fees and sales agreements	**1,801**	1,676	**4,368**	2,340
Sales of fixed assets and commercial rights	**82**	33	**1,183**	1,961
Recovery of tax credits	**490**	1,248	**12,781**	8,759
Other income	**1,830**	-	**2,210**	330
	4,203	2,957	**20,922**	13,390
Total, net	**1,341**	(912)	**17,819**	2,488

27. Finance income (expense), net

	Parent		Consolidated	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Finance income:				
Income from financial investments	**467**	17,590	**5,755**	17,880
Exchange gains	**276**	-	**446**	-
Financial discount granted on payment of installments of business acquisitions	**-**	8,383	**42**	15,305
Other finance income	**236**	943	**1,993**	863
	979	26,916	**8,236**	34,048
Finance expense:				
Interest on borrowings	**(686)**	(1,270)	**(8,607)**	(15,600)
Interest on business acquisitions and acquisitions of commercial rights	**-**	(2,300)	**(1,385)**	(4,112)
Exchange losses	**-**	(1,494)	**-**	(24,175)
Inflation adjustment, interest and banking fees	**(1,908)**	(1,260)	**(3,304)**	(2,867)
Others		(749)	**(653)**	(624)
	(2,594)	(7,073)	**(13,949)**	(47,378)
Total, net	**(1,615)**	19,843	**(5,713)**	(13,330)

(Amounts in thousands of reais - R$, unless otherwise stated)

28. Expenses by nature

	Parent		Consolidated	
	9/30/2017	**9/30/2016**	**9/30/2017**	**9/30/2016**
Inventory costs	**(33,124)**	(36,586)	**(392,794)**	(403,471)
Personnel expenses	**(76,717)**	(84,803)	**(360,068)**	(380,787)
Selling expenses	**(539)**	(618)	**(17,780)**	(18,018)
Third party services	**(6,789)**	(9,469)	**(34,015)**	(39,463)
Operating expenses	**(19,147)**	(28,643)	**(219,563)**	(244,879)
Depreciation and amortization	**(13,888)**	(17,869)	**(61,168)**	(70,236)
Expense recovery – related parties	**22,375**	21,484	**-**	-
Amortization of investment in joint venture		-	**(1,490)**	(1,663)
Share of profit (loss) of investees	**41,686**	(3,278)	**5,658**	6,821
Other expenses	**(4,113)**	(6,026)	**(21,229)**	(22,847)
	(90,256)	(165,808)	**(1,102,449)**	(1,174,543)
Classified as:				
Cost of sales and services	**(86,450)**	(95,913)	**(776,129)**	(811,270)
Selling and operating expenses	**(19,032)**	(27,354)	**(240,768)**	(260,662)
General and administrative expenses	**(16,746)**	(26,596)	**(67,765)**	(80,759)
Depreciation and amortization	**(9,714)**	(12,667)	**(21,955)**	(27,010)
Share of profit (loss) of investees	**41,686**	(3,278)	**4,168**	5,158
	(90,256)	(165,808)	**(1,102,449)**	(1,174,543)

29. Related parties

The subsidiaries conduct intragroup purchases and apportion intragroup expenses, relating to services contracted, employees' salary and others, which have been fully eliminated in the preparation of the consolidated financial statements. Intragroup purchase transactions are carried out under conditions established between the parties: The transactions between the Company and its related parties are as follows:

a) Transactions recognized in the statement of profit or loss

	Parent	
	9/30/2017	**9/30/2016**
Sales transactions		
Viena Chain	**1,864**	527
Frango Assado Chain	**192**	2,838
	2,056	3,365

	Parent	
	9/30/2017	**9/30/2016**
Reimbursement of Expenses		
Viena Chain	**14,348**	12,942
Frango Assado Chain	**8,027**	8,542
	22,375	21,484

(Amounts in thousands of reais - R$, unless otherwise stated)

29. Related parties--Continued

b) Assets

	Parent	
	9/30/2017	**12/31/2016**
Viena Chain	**-**	11,081
Frango Assado Chain	**-**	584
USA	**-**	808
	-	12,473

c) Liabilities

	Parent	
	9/30/2017	**12/31/2016**
Tob's	**1,245**	1,272
Panama	**32,178**	15,521
Viena Chain	**44,059**	-
Frango Assado Chain	**575**	-
	78,057	16,793

The guarantees provided by Group companies for own or related-party financing are disclosed in Note 17.

30. Compensation of key management personnel

For the nine-month period ended September 30, 2017, key management compensation totaled R$7,133 (R$8,553 as of September 30, 2016) in Parent and Consolidated, out of which R$3,180 (R$5,654 as of September 30, 2016) related to the share-based payment plan. This amount was recorded in line item "General and administrative expenses". Management does not have post-retirement benefits or other long-term benefits.

(Amounts in thousands of reais - R$, unless otherwise stated)

31. Insurance

The Group has an insurance policy that considers principally risk of concentration and its materiality, providing insurance coverage considered sufficient in light of the type of business and according to advice from insurance brokers.

As of September 30, 2017, insurance coverage is as follows:

	Consolidated
Civil liability	49,736
Sundry risks - inventories and property, plant and equipment	728,171
Vehicles	69,660
Others	79,369
	926,936

32. Earnings (loss) per share

Basic

Basic earnings (loss) per share are calculated by dividing profit (loss) for the period by the weighted average number of common shares in the period.

Diluted

Diluted earnings (loss) per share is calculated by adjusting the weighted average number of outstanding common shares, considering the conversion of all potential common shares that would result in dilution.

The table below shows the calculation of earnings (loss) per share pursuant to CPC 41/IAS 33-Earnings per Share:

(Amounts in thousands of reais - R$, unless otherwise stated)

32. Earnings (loss) per share--Continued

	Parent and Consolidated	
	9/30/2017	**9/30/2016**
Basic and diluted numerator		
Profit (loss) used to calculate basic and diluted earnings per share from continuing operations	**19,620**	(15,276)
Profit for the period from discontinued operations	**-**	3,972
Profit (loss) for the period attributable to Company's shareholders used to calculate total basic and diluted earnings (loss) per share	**19,620**	(11,304)
Outstanding shares:		
Basic denominator (thousands of shares)	**161,436**	164,082
Diluted denominator	**2,283**	-
Weighted average number of available shares	**163,719**	164,082
Earnings (loss) per share – R$		
Basic	**0.12153**	(0.06889)
Diluted	**0.11984**	0.06889)
Earnings (loss) per share from continuing operations – R$		
Basic	**0.12153**	(0.06889)
Diluted	**0.11984**	0.06889)
Earnings per share from discontinued operations – R$		
Basic	**-**	0.02421
Diluted	**-**	0.02421

33. Events after the reporting period

On October 2, 2017, the Group, through its subsidiary IMCMV Airport Shoppes S.A.S., entered into a borrowing agreement with Bancolombia S.A. in the amount of PCO 15,000,000 thousand (R$16,080 at the transaction date) with interest indexed to IBR 6-months and a term of 60 months plus spread of 3.7% p.a. , payable in 10 semiannual installments beginning in April 2018.

On October 12, the Group, through its subsidiary International Meal Company Panamá S.A., entered into a borrowing agreement with Bancolombia Puerto Rico International Inc. in the amount of USD 20,000 thousand (R$63,380), with interest indexed to Libor 180 days plus spread of 3.4% p.a. and a term of 60 months, payable in 10 semiannual installments beginning in April 2018.

34. Authorization of the individual and consolidated interim financial information

The meeting of the Board of Directors held on October 25, 2017 approved and authorized for disclosure this individual and quarterly interim financial information.

Comments on the business projections

There are no comments to be reported

Other relevant information

There is no relevant information to be disclosure.

São Paulo Corporate Towers
Av. Presidente Juscelino Kubitschek, 1.909
Vila Nova Conceição
04543-011 - São Paulo – SP - Brasil

Tel: +55 11 2573-3000
ey.com.br

A free translation from Portuguese into English of Independent Auditor's Report on Review of Quarterly Financial Information

Independent auditor's report on review of quarterly financial information

The Shareholders and Management
International Meal Company Alimentação S.A.
São Paulo – SP – Brazil

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of International Meal Company Alimentação S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2017, which comprise the balance sheet as at September 30, 2017 and the related statements of income and comprehensive income for the three and nine-month periods then ended, and of changes in equity and cash flows for the nine-month period then ended, including other explanatory information.

Management is responsible for the preparation of individual and consolidated interim financial information in accordance with Accounting Pronouncement CPC 21 (R1) - *Demonstração Intermediária* and International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this information in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade*) and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

São Paulo Corporate Towers
Av. Presidente Juscelino Kubitschek, 1.909
Vila Nova Conceição
04543-011 - São Paulo - SP - Brasil

Tel: +55 11 2573-3000
ey.com.br

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, applicable to the preparation of quarterly financial information (ITR), consistently with the rules issued by the CVM.

Other matters

Statements of value added

We have also reviewed the individual and consolidated statements of value added for the nine-month period ended September 30, 2017, prepared under the responsibility of the Company's management, the presentation of which in the interim financial information is required by the rules issued by the CVM applicable to preparation of Quarterly Financial Information (ITR), and considered as supplementary information under IFRS – International Financial Reporting Standards, which does not require the presentation of the statement of value added. These statements have been subject to the same review procedures previously described and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in a manner consistent with the overall individual and consolidated interim financial information.

São Paulo, October 25, 2017.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Antonio Humberto Barros dos Santos
Accountant CRC-1SP161745/O-3

Opinion of the supervisory board or equivalent institute

Not applicable

Declaration of the supervisory board about the interim financial statements

In accordance with section VI of article 25 of CVM Instruction 480, of December 7, 2009, the Board states that in the reviewed, discussed and agreed with the Company's Interim Financial Information Form (ITR), for the quarter ended September 30, 2017.

São Paulo, October 25, 2017.

Newton Maia Salomão Alves
Chief Executive Officer

José Agote
Chief Financial Officer

Declaration of the supervisory board about the independent auditors' report

In accordance with section V of article 25 of CVM Instruction 480, of December 7, 2009, the Board states that in the reviewed, discussed and agreed with the Independent Auditors' Report on the Company's Interim Financial Information Form (ITR), for the quarter ended September 30, 2017.

São Paulo, October 25, 2017.

Newton Maia Salomão Alves
Chief Executive Officer

José Agote
Chief Financial Officer