Índex

Information From Company / Paid-up Capital

Number of shares (Units)	Current Quarter 06/30/2016
Paid-in Capital	
Common	166,531,600
Preferred	0
Total	**166,531,600**
Treasury shares	
Common	2,475,357
Preferred	0
Total	**2,475,357**

Individual FSs / Statements of Financial Positions - Assets

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 06/30/2016	Previous Period 12/31/2015
1	Total Assets	1,194,918	1,394,754
1.01	Total Current Assets	171,943	526,230
1.01.01	Cash and Cash Equivalents	127,308	233,996
1.01.03	Trade receivables	18,824	22,976
1.01.04	Inventories	7,333	5,626
1.01.06	Taxes recoverable	14,492	10,661
1.01.07	Prepaid Expenses	3,187	975
1.01.08	Other Current Assets	799	251,996
1.01.08.02	Assets classified as held for sale	-	251,387
1.01.08.03	Other current assets	799	609
1.01.08.03.01	Other assets and advances	799	524
1.01.08.03.02	Derivatives – “Swap”	-	85
1.02	Total Noncurrent Assets	1,022,975	868,524
1.02.01	Assets Realizable over the Long Term	48,084	32,921
1.02.01.01	Short-term investments	1,862	1,000
1.02.01.08	Receivables from Related Parties	34,362	21,592
1.02.01.09	Other Noncurrent Assets	11,860	10,329
1.02.01.09.03	Escrow Deposits	2,875	2,345
1.02.01.09.05	Other Noncurrent Assets	8,985	5,840
1.03.01.09.06	Derivatives – “Swap”	-	2,144
1.02.02	Investments	787,115	625,150
1.02.03	Property, Plant and Equipment	32,438	34,867
1.02.04	Intangible assets	155,338	175,586

Individual FSs / Statements of Financial Positions - Liabilities

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 06/30/2016	Previous Period 12/31/2015
2	Liabilities and equity	1,194,918	1,394,754
2.01	Current liabilities	54,641	48,947
2.01.01	Payroll and related taxes	11,729	16,287
2.01.02	Trade Payables	20,859	15,381
2.01.03	Taxes payable	6,559	1,060
2.01.04	Borrowings	11,318	1,029
2.01.05	Other Obligations	4,176	15,190
2.01.05.02	Others	4,176	15,190
2.01.05.02.04	Deferred revenue	3,140	3,186
2.01.05.02.06	Installment payment of acquisitions of companies	1,036	892
2.01.05.02.07	Installment payment of rights over points of sales	-	10,188
2.01.05.02.08	Other Current Liabilities	-	924
2.02	Total Noncurrent Liabilities	47,250	153,678
2.02.01	Borrowings	915	13,899
2.02.02	Other Obligations	16,959	109,266
2.02.02.01	Payable to related parties	16,959	66,819
2.02.02.02	Others	-	42,447
2.02.02.02.04	Installment payment of rights over points of sales	-	42,447
2.02.03	Deferred Taxes	23,837	23,726
2.02.03.01	Deferred income tax and social contribution	23,837	23,726
2.02.04	Provisions	4,058	4,446
2.02.04.01	Provisions For Labor, Civil and Tax Risks	4,058	4,446
2.02.06	Deferred revenue	1,481	2,341
2.02.06.02	Deferred revenue	1,481	2,341
2.03	Equity	1,093,027	1,192,129
2.03.01	Issued capital	919,852	908,256
2.03.02	Capital Reserve	245,377	214,406
2.03.02.07	Capital reserve	237,839	211,359
2.03.02.08	Reserve for stock option plan	7,538	3,047
2.03.05	Accumulated losses	-50,893	-27,667
2.03.08	Other Comprehensive Income	-21,309	97,134
2.03.08.01	Other Comprehensive Income	-21,309	24,697
2.03.08.02	Amounts recognized in other comprehensive income and accumulated in equity relating to assets held for sale	-	72,437

Individual FSs / Statements of profit or loss

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 04/01/2016 to 06/30/2016	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Previous period 04/01/2015 to 06/30/2015	Accumulated in Previous Period 01/01/2015 to 06/30/2015
3.01	Net Revenue	40,303	85,747	49,336	98,831
3.02	Cost of sales and Services	-30,967	-63,934	-42,502	-81,823
3.03	Gross Profit	9,336	21,813	6,834	17,008
3.04	Operating Income (Expenses)	-23,375	-72,310	-26,198	-42,217
3.04.01	Selling and operating expenses	-8,829	-19,676	-8,523	-16,901
3.04.02	General and Administrative Expenses	-14,426	-25,812	-12,343	-19,885
3.04.02.01	General and Administrative Expenses	-9,662	-16,572	-8,355	-12,393
3.04.02.02	Depreciation and amortization	-4,764	-9,240	-3,988	-7,492
3.04.04	Other Operating Income	-	735	2,274	2,887
3.04.05	Other Operating Expenses	-3,221	-3,738	-933	-1,355
3.04.06	Share of profit (loss) of investees	3,101	-23,819	-6,673	-6,963
3.05	Operating Profit (Loss) Before Finance Income (Costs) and Income Tax and Social Contribution	-14,039	-50,497	-19,364	-25,209
3.06	Financial Income (Costs), Net	13,580	17,029	-1,441	-5,121
3.07	Loss Before Income Tax and Social Contribution	-459	-33,468	-20,805	-30,330
3.08	Income Tax and Social Contribution	650	6,270	1,816	5,096
3.09	Loss For The Period from Continuing Operations	191	-27,198	-18,989	-25,234
3.10	Loss For The Period from Discontinued Operations	-	3,972	505	7,208
3.11	Profit (Loss) in the Period	191	-23,226	-18,484	-18,026
3.99	Earnings per Share (Reais / Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	ON	0.00116	-0.14147	-0.21879	-0.21337
3.99.02	Diluted Earnings per Share				
3.99.02.01	ON	0.00116	-0.14147	-0.21879	-0.21337

Individual FSs / Statements of Comprehensive Income

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 04/01/2016 to 06/30/2016	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Previous period 04/01/2015 to 06/30/2015	Accumulated in Previous Period 01/01/2015 to 06/30/2015
4.01	Profit (loss) for the period	191	-23,226	-18,484	-18,026
4.02	Other comprehensive income (loss)	-31,132	-36,283	-15,036	35,565
4.03	Total Comprehensive income (loss) for the period	-30,941	-59,509	-33,520	17,539

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

Account Code	Description of Account	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Accumulated in Previous Period 01/01/2015 to 06/30/2015
6.01	Net cash provided by (used in) operating activities	-8,491	-5,243
6.01.01	Cash Provided by Operating Activities	6,849	782
6.01.01.01	Loss for the period from continuing operations	-27,198	-25,234
6.01.01.02	Depreciation and Amortization	12,621	11,472
6.01.01.03	Share of profit (loss) of investees	23,819	6,963
6.01.01.04	Deferred revenue and discounts	-861	-769
6.01.01.05	Provision for (reversal of) labor, civil and tax risks	82	698
6.01.01.06	Income tax and social contribution	-6,270	-5,096
6.01.01.07	Interest on Loans	804	1,008
6.01.01.08	Write-off of Property, Plant and Equipment and Intangible Assets	5,402	529
6.01.01.09	Interest on Acquisition of Companies and Rights Over Point of Sales	2,103	3,607
6.01.01.10	Several Provisions and Others	-3,974	6,236
6.01.01.13	Share-based payment	4,491	-
6.01.01.15	Impairment of intangible assets (utilization)	-5,162	-
6.01.01.16	Exchange gains (losses)	992	1,368
6.01.02	Changes in Operating Assets and Liabilities	-14,458	-1,840
6.01.02.01	Accounts Receivable	4,368	2,400
6.01.02.02	Inventories	-1,707	3,700
6.01.02.03	Taxes	-3,568	3,305
6.01.02.04	Prepaid Expenses	-4,301	-4,742
6.01.02.05	Trade Payables	4,171	-3,149
6.01.02.07	Other Assets and Liabilities	-13,375	-3,354
6.01.02.08	Fees and sales agreements	-46	-
6.01.03	Others	-882	-4,185
6.01.03.02	Interest paid on loans	-792	-794
6.01.03.03	Interest paid on acquisitions of companies and rights over points of sales	-90	-3,391
6.02	Net Cash Used in Investing Activities	-135,796	-8,522
6.02.01	Additions to intangible assets, net of balance payable in installments	-33,085	-6,868
6.02.02	Additions to property, plant and equipment, net of balance payable in installments.	-3,822	-8,245
6.02.05	Acquisitions of companies, net of cash	-	-11,400
6.02.06	Capital increase in subsidiaries	-48,913	-
6.02.07	Loans with subsidiaries	-63,176	17,991
6.02.08	Dividends received	13,200	-
6.03	Net Cash Provided By (Used in) Financing Activities	37,599	11,637
6.03.01	Amortization of Loans	-	11,954
6.03.02	New loans	-477	-317
6.03.07	Capital increase	46,382	-
6.03.08	Treasury shares	-8,306	-

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

Account Code	Description of Account	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Accumulated in Previous Period 01/01/2015 to 06/30/2015
6.05	Increased (Decreased) in Cash and Cash Equivalents	-106,688	-2,128
6.05.01	Cash and Cash Equivalents at the beginning of the period	233,996	5,885
6.05.02	Cash and Cash Equivalents at the end of period	127,308	3,757

Individual FSs / Statements of Changes in Equity 01/01/2016 to 06/30/2016

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital Reserves. Options Granted and Shares in Treasury	Earnings Reserves	Retained Earnings (Profits or Losses Accumulated)	Other Comprehensive Income	Total Equity
5.01	Initial Balances	908,256	214,406	-	-27,667	97,134	1,192,129
5.03	Initial Adjusted Balances	908,256	214,406	-	-27,667	97,134	1,192,129
5.04	Capital increase	11,596	30,971	-	-	-	42,567
5.04.01	Capital Increase	11,596	34,786	-	-	-	46,382
5.04.04	Treasury shares acquired	-	-8,306	-	-	-	-8,306
5.04.08	Stock option plan	-	4,491	-	-	-	4,491
5.05	Total Comprehensive Income (loss)	-	-	-	-23,226	-118,443	-141,669
5.05.01	Profit in the Period	-	-	-	-23,226	-	-23,226
5.05.02	Other comprehensive income (loss)	-	-	-	-	-118,443	-118,443
5.05.02.04	Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	-36,283	-36,283
5.05.02.08	Write-off of translation adjustments in the statement of financial position of discontinued operations	-	-	-	-	-82,160	-82,160
5.07	End Balances	919,852	245,377	-	-50,893	-21,309	1,093,027

Individual FSs / Statements of Changes in Shareholders' Equity 01/01/2015 to 06/30/2015

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital Reserves, Options Granted and Shares in Treasury	Earnings Reserves	Retained Earnings (Accumulated Profits or Losses)	Other Comprehensive Income	Total Equity
5.01	Initial Balances	837,803	-	71,234	-	2,035	911,072
5.03	Initial Adjusted Balances	837,803	-	71,234	-	2,035	911,072
5.05	Total Comprehensive Income (loss)	-	-	-	-18,026	35,565	17,539
5.05.01	Profit in the Period	-	-	-	-18,026	-	-18,026
5.05.02	Other comprehensive income (loss)	-	-	-	-	35,565	35,565
5.05.02.04	Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	35,565	35,565
5.07	End Balances	837,803	-	71,234	-18,026	37,600	928,611

Individual FSs / Statements of Value Added

Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Accumulated in Previous Period 01/01/2015 to 06/30/2015
7.01	Revenues	96,632	113,337
7.01.01	Sales of Goods, Products and Services	95,950	110,542
7.01.02	Other Revenues	735	2,887
7.01.04	Allowance for Doubtful Debts	-53	-92
7.02	Input Acquired from Third Parties	-34,410	-42,708
7.02.01	Cost of Sales and Services	-23,480	-31,725
7.02.02	Materials, Electric power, outside services and other	-14,138	-13,932
7.02.04	Others	3,208	2,949
7.03	Gross Value Added	62,222	70,629
7.04	Retentions	-12,621	-11,472
7.04.01	Depreciation, Amortization and Exhaustion	-12,621	-11,472
7.05	Wealth Created by the Company	49,601	59,157
7.06	Wealth Received In Transfer	-2,382	-6,686
7.06.01	Share of profit (loss) of investees	-23,819	-6,963
7.06.02	Finance Income	22,429	1,645
7.06.03	Others	-992	-1,368
7.06.03.01	Exchange rate changes	-992	-1,368
7.07	Total Wealth For Distribution	47,219	52,471
7.08	Wealth Distributed	47,219	52,471
7.08.01	Personnel	56,479	53,432
7.08.01.01	Payroll and Related Taxes	50,777	51,016
7.08.01.04	Others	5,702	2,416
7.08.01.04.01	Management Fees	1,211	2,416
7.08.01.04.02	Share-based payment	4,491	-
7.08.02	Taxes, Fees and Contributions	3,559	6,308
7.08.03	Lenders and Lessors	14,379	17,965
7.08.03.01	Interest	2,907	4,615
7.08.03.02	Rental	11,292	12,994
7.08.03.03	Others	180	356
7.08.04	Shareholders	-27,198	-25,234
7.08.04.03	Retained Earnings (Accumulated Losses) for The Period	-27,198	-25,234

Consolidated FSs / Statements of Financial Positions - Assets

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 06/30/2016	Previous Period 12/31/2015
1	Total Assets	1,579,152	2,226,023
1.01	Current Assets	414,531	964,661
1.01.01	Cash and Cash Equivalents	261,748	289,390
1.01.03	Trade Receivable	63,261	70,586
1.01.04	Inventories	38,825	41,917
1.01.06	Taxes Recoverable	33,420	30,297
1.01.07	Prepaid Expenses	10,023	6,128
1.01.08	Other Current Assets	7,254	526,343
1.01.08.02	Assets Classified as Held for Sale	-	511,492
1.01.08.03	Others	7,254	14,851
1.01.08.03.01	Other Current Assets	2,428	1,994
1.01.08.03.02	Derivatives – “Swap”	4,826	12,857
1.02	Noncurrent Assets	1,164,621	1,261,362
1.02.01	Assets Realizable over the Long Term	45,449	43,233
1.02.01.01	Short-term investments	4,062	3,320
1.02.01.06	Deferred Income Tax and Social Contribution	619	720
1.02.01.09	Other Noncurrent Assets	40,768	39,193
1.02.01.09.03	Escrow Deposits	12,755	9,854
1.02.01.09.05	Other Noncurrent Assets	24,461	11,083
1.03.01.09.06	Derivatives – “Swap”	3,552	18,256
1.02.02	Investments	32,057	40,009
1.02.03	Property, Plant and Equipment	252,581	281,654
1.02.04	Intangible assets	834,534	896,466

Consolidated FSs / Statements of Financial Positions - Liabilities

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current Period 06/30/2016	Previous Period 12/31/2015
2	Liabilities and equity	1,579,152	2,226,023
2.01	Current liabilities	270,206	574,253
2.01.01	Payroll and related taxes	45,379	47,543
2.01.02	Trade Payables	76,940	78,723
2.01.03	Taxes payable	17,754	10,479
2.01.04	Borrowings	102,812	96,864
2.01.05	Other Obligations	27,321	80,539
2.01.05.02	Others	27,321	80,539
2.01.05.02.04	Deferred revenue	9,487	10,031
2.01.05.02.06	Installment payment of acquisitions of companies	1,214	37,604
2.01.05.02.07	Installment payment of rights over points of sales	-	10,188
2.01.05.02.08	Other Current Liabilities	16,620	22,716
2.01.07	Liabilities Directly Related to Assets Classified as Held for Sale	-	260,105
2.02	Total Noncurrent Liabilities	206,057	447,642
2.02.01	Borrowings	115,386	263,457
2.02.02	Other Obligations	17,978	114,822
2.02.02.02	Others	17,978	114,822
2.02.02.02.03	Installment Payment of Business Acquisitions	8,981	62,565
2.02.02.02.04	Installment Payment of Rights Over Points of Sales	-	42,447
2.02.02.02.05	Other Noncurrent Liabilities	8,997	9,810
2.02.03	Deferred Taxes	54,759	47,858
2.02.03.01	Deferred Income Tax and Social Contribution	54,759	47,858
2.02.04	Provisions	11,556	13,596
2.02.04.01	Provisions For Labor, Civil and Tax Risks	11,556	13,596
2.02.06	Deferred revenue	6,378	7,909
2.02.06.02	Deferred revenue	6,378	7,909
2.03	Equity	1,102,889	1,204,128
2.03.01	Issued Capital	919,852	908,256
2.03.02	Capital Reserve	245,377	214,406
2.03.02.07	Capital Reserve	237,839	211,359
2.03.02.08	Reserve for Stock Option Plan	7,538	3,047
2.03.05	Accumulated losses	-50,893	-27,667
2.03.08	Other Comprehensive Income	-21,309	97,134
2.03.08.01	Other Comprehensive Income	-21,309	24,697
2.03.08.02	Amounts recognized in other comprehensive income and accumulated in equity relating to assets held for sale	-	72,437
2.03.09	Non-Controlling Interest	9,862	11,999

Consolidated FSs / Statements of Profit or Loss

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 04/01/2016 to 06/30/2016	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Previous period 04/01/2015 to 06/30/2015	Accumulated in Previous Period 01/01/2015 to 06/30/2015
3.01	Net Revenue	387,793	776,276	400,617	767,197
3.02	Cost of Sales and Services	-264,729	-541,964	-285,845	-552,315
3.03	Gross Profit	123,064	234,312	114,772	214,882
3.04	Operating Income (Expenses)	-126,351	-246,092	-125,366	-222,268
3.04.01	Selling and Operating Expenses	-89,105	-173,978	-83,332	-153,599
3.04.02	General and Administrative Expenses	-36,164	-72,001	-43,935	-74,021
3.04.02.01	General and Administrative Expenses	-26,713	-52,935	-32,743	-53,279
3.04.02.02	Depreciation and amortization	-9,451	-19,066	-11,192	-20,742
3.04.04	Other Operating Income	1,666	4,157	4,404	8,636
3.04.05	Other Operating Expenses	-4,771	-8,490	-4,548	-6,903
3.04.06	Share of Profit (Loss) of Investees	2,023	4,220	2,045	3,619
3.05	Operating Profit (Loss) Before Finance Income (Cost) and Income Tax and Social Contribution	-3,287	-11,780	-10,594	-7,386
3.06	Finance Income (costs), Net	9,191	-12,452	-11,913	-25,520
3.07	Loss Before Income Tax and Social Contribution	5,904	-24,232	-22,507	-32,906
3.08	Income Tax and Social Contribution	-5,713	-2,966	3,518	7,672
3.09	Loss For the Period from Continuing Operations	191	-27,198	-18,989	-25,234
3.10	Loss For the Period from Discontinued Operations	-	3,972	505	7,208
3.10.01	Profit for the period from Discontinued Operations	-	3,972	505	7,208
3.11	Profit (Loss) in the Period	191	-23,226	-18,484	-18,026
3.11.01	Owners of the Company	191	-23,226	-18,484	-18,026
3.99	Earnings per Share (Reais / Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	ON	0.00116	-0.14147	-0.21879	-0.21337
3.99.02	Diluted Earnings per Share				
3.99.02.01	ON	0.00116	-0.14147	-0.21879	-0.21337

Individual FSs / Statements of Comprehensive Income

Financial Statements in Thousands of Reais

Account Code	Description of Account	Current period 04/01/2016 to 06/30/2016	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Previous period 04/01/2015 to 06/30/2015	Accumulated in Previous Period 01/01/2015 to 06/30/2015
4.01	Profit (loss) for the period	191	-23,226	-18,484	-18,026
4.02	Other comprehensive income (loss)	-32,206	-38,420	-15,036	35,565
4.03	Total Comprehensive income (loss) for the period	-32,015	-61,646	-33,520	17,539
4.03.01	Owners of the Company	-30,941	-59,509	-33,520	17,539
4.03.02	Non – Controlling interests	-1,074	-2,137	-	-

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

Account Code	Description of Account	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Accumulated in Previous Period 01/01/2015 to 06/30/2015
6.01	Net cash provided by (used in) operating activities	23,683	35,237
6.01.01	Cash Provided by Operating Activities	57,615	58,570
6.01.01.01	Loss for the period from continuing operations	-27,198	-25,234
6.01.01.02	Depreciation and Amortization	48,383	49,534
6.01.01.03	Share of profit (loss) of investees	-5,377	-4,443
6.01.01.04	Deferred revenue and discounts	-1,858	-2,027
6.01.01.05	Provision for (reversal of) labor, civil and tax risks	-1,098	2,894
6.01.01.06	Income tax and social contribution	2,966	-7,672
6.01.01.07	Interest on Loans	12,110	15,960
6.01.01.08	Write-off of Property, Plant and Equipment and Intangible Assets	10,430	329
6.01.01.09	Interest on Acquisition of Companies and Rights Over Point of Sales	3,334	7,310
6.01.01.10	Several Provisions and Others	-3,659	17,298
6.01.01.11	Amortization of Investment in Joint Venture	1,157	824
6.01.01.13	Share-based payment	4,491	-
6.01.01.15	Impairment of intangible assets (utilization)	-9,905	-
6.01.01.16	Exchange gains (losses)	23,839	3,797
6.01.02	Changes in Operating Assets and Liabilities	-15,821	2,838
6.01.02.01	Accounts Receivable	5,996	7,119
6.01.02.02	Inventories	1,237	957
6.01.02.03	Taxes	435	6,045
6.01.02.04	Prepaid Expenses	-4,791	-7,297
6.01.02.05	Trade Payables	-7,510	-5,237
6.01.02.07	Other Assets and Liabilities	-11,001	788
6.01.02.08	Fees and sales agreements	-187	463
6.01.03	Others	-18,111	-26,171
6.01.03.01	Income tax and social contribution paid	-3,143	-3,509
6.01.03.02	Interest paid on loans	-12,785	-14,711
6.01.03.03	Interest paid on acquisitions of companies and rights over points of sales	-2,183	-7,951
6.02	Net Cash Used in Investing Activities	34,181	-36,360
6.02.01	Additions to intangible assets, net of balance payable in installments	-33,217	-7,019
6.02.02	Additions to property, plant and equipment, net of balance payable in installments.	-28,790	-18,724
6.02.04	Dividends received	5,359	3,578
6.02.05	Acquisitions of companies, net of cash	-78,251	-24,925
6.02.06	Capital increase in subsidiaries	-	-6,416
6.02.08	Cash and cash equivalents from discontinuity of subsidiary	-	17,146
6.02.09	Proceeds from sale of discontinued operation, net of transferred cash	169,080	-
6.03	Net Cash Provided By (Used in) Financing Activities	-44,789	-852

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

Account Code	Description of Account	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Accumulated in Previous Period 01/01/2015 to 06/30/2015
6.03.01	Amortization of Loans	1,333	13,756
6.03.02	New loans	-84,198	-14,608
6.03.05	Capital Increase	46,382	-
6.03.08	Treasury shares	-8,306	-
6.04	Effects of exchange rate changes on cash and cash equivalents	-40,717	3,359
6.05	Increased (Decreased) in Cash and Cash Equivalents	-27,642	1,384
6.05.01	Cash and Cash Equivalents at the beginning of the period	289,390	84,820
6.05.02	Cash and Cash Equivalents at the end of period	261,748	86,204

Consolidated FSs / Statements of Changes in Equity 01/01/2016 to 06/30/2016

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital Reserves. Options Granted and Shares in Treasury	Earnings Reserves	Retained Earnings (Profits or Losses Accumulated)	Other Comprehensive Income	Equity	Participation of Non-controlling Shareholders	Consolidated Equity
5.01	Initial Balances	908,256	214,406	-	-27,667	97,134	1,192,129	11,999	1,204,128
5.03	Initial Adjusted Balances	908,256	214,406	-	-27,667	97,134	1,192,129	11,999	1,204,128
5.04	Capital Transaction Whit Partners	11,596	30,971	-	-	-	42,567	-	42,567
5.04.01	Capital Increase	11,596	34,786	-	-	-	46,382	-	46,382
5.04.04	Treasury shares acquired	-	-8,306	-	-	-	-8,306	-	-8,306
5.04.08	Stock option plan	-	4,491	-	-	-	4,491	-	4,491
5.05	Total Comprehensive Income (loss)	-	-	-	-23,226	-118,443	-141,669	-2,137	-143,806
5.05.01	Profit in the Period	-	-	-	-23,226	-	-23,226	-	-23,226
5.05.02	Other comprehensive income (loss)	-	-	-	-	-118,443	-118,443	-2,137	-120,580
5.05.02.04	Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	-36,283	-36,283	-2,137	-38,420
5.05.02.08	Write-off of translation adjustments in the statement of financial position of discontinued operations	-	-	-	-	-82,160	-82,160	-	-82,160
5.07	End Balances	919,852	245,377	-	-50,893	-21,309	1,093,027	9,862	1,102,889

Consolidated FSs / Statements of Changes in Equity 01/01/2015 to 06/30/2015

Financial Statements in Thousands of Reais

Account Code	Description of Account	Capital	Capital Reserves. Options Granted and Shares in Treasury	Earnings Reserves	Retained Earnings (Profits or Losses Accumulated)	Other Comprehensive Income	Equity	Participation of Non-controlling Shareholders	Consolidated Equity
5.01	Initial Balances	837,803	-	71,234	-	2,035	911,072	-	911,072
5.03	Initial Adjusted Balances	837,803	-	71,234	-	2,035	911,072	-	911,072
5.05	Total Comprehensive Income (loss)	-	-	-	-18,026	35,565	17,539	-	17,539
5.05.01	Profit in the Period	-	-	-	-18,026	-	-18,026	-	-18,026
5.05.02	Other comprehensive income (loss)	-	-	-	-	35,565	35,565	-	35,565
5.05.02.04	Translation adjustments in the statement of financial position of foreign subsidiaries	-	-	-	-	35,565	35,565	-	35,565
5.07	End Balances	837,803	-	71,234	-18,026	37,600	928,611	-	928,611

Consolidated FSs / Statements of Value Added

Financial Statements in Thousands of Reais

Account Code	Description of Account	Accumulated in the Current Period 01/01/2016 to 06/30/2016	Accumulated in Previous Period 01/01/2015 to 06/30/2015
7.01	Revenues	840,429	837,277
7.01.01	Sales of Goods, Products and Services	836,565	829,047
7.01.02	Other Revenues	4,157	8,636
7.01.04	Allowance for Doubtful Debts	-293	-406
7.02	Input Acquired from Third Parties	-407,173	-413,465
7.02.01	Cost of Sales and Services	-269,172	-281,687
7.02.02	Materials, Electric power, outside services and other	-81,750	-77,279
7.02.04	Others	-56,251	-54,499
7.03	Gross Value Added	433,256	423,812
7.04	Retentions	-49,540	-50,358
7.04.01	Depreciation, Amortization and Exhaustion	-49,540	-50,358
7.05	Wealth Created by the Company	383,716	373,454
7.06	Wealth Received In Transfer	11,774	9,101
7.06.01	Share of profit (loss) of investees	5,377	4,443
7.06.02	Finance Income	30,236	8,455
7.06.03	Others	-23,839	-3,797
7.06.03.01	Exchange rate changes	-23,839	-3,797
7.07	Total Wealth For Distribution	395,490	382,555
7.08	Wealth Distributed	395,490	382,555
7.08.01	Personnel	254,442	244,428
7.08.01.01	Payroll and Related Taxes	248,740	239,729
7.08.01.04	Others	5,702	4,699
7.08.01.04.01	Management Fees	1,211	4,699
7.08.01.04.02	Share-based payment	4,491	-
7.08.02	Taxes, Fees and Contributions	52,849	45,563
7.08.03	Lenders and Lessors	115,397	117,798
7.08.03.01	Interest	15,444	23,270
7.08.03.02	Rental	88,218	84,211
7.08.03.03	Others	11,735	10,317
7.08.04	Shareholders	-27,198	-25,234
7.08.04.03	Retained Earnings (Accumulated Losses) for The Period	-27,198	-25,234

2Q16 RESULTS

São Paulo, August 15, 2016 - International Meal Company Alimentação S.A. **(BM&FBOVESPA: MEAL3)**, one of the largest multi-brand companies in the Latin American food retail industry, announces its results for the **second quarter (2Q16).** 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

The information below does not include the operations in Mexico, Puerto Rico and the Dominican Republic, thus reflecting the Company's situation after the sale of those operations, completed in the early months of 2016

Zero Leverage: **R$41.7mn Net Cash Position**

Cash Flow: **100.4% EBITDA-to-Operating Cash conversion**

Net Revenue: R$387.8 million in 2Q16 **(3.2% down vs. 2Q15)**

Same-store sales (SSS): **flat vs. 2Q15**

Adjusted EBITDA: R$23.7 million in 2Q16 **(11% up vs. 2Q15 – Margin +80bps)**

MESSAGE FROM MANAGEMENT

IMC´s new management team has been in place for nearly a year, so we want to offer our view on the progress towards our strategy roadmap. We successfully executed the first strategy (deleverage the company) in 1Q16, so since the beginning of the year we have been focusing on the other three: Operational Excellence (Opex), New Revenue Growth Streams and Portfolio Rationalization. We remain confident that we are building the right foundation to deliver our financial commitments over the long haul, while taking strong actions to offset short-term adversities in Brazil – namely high inflation and lower economic activity.

Operational Excellence: We created and implemented a new pricing methodology, and advanced our menu engineering efforts. As a result, price/mix more than fully offset inflation in 2Q16 (from a 31% inflation offset in 1Q16) in Brazil. Cost savings and higher productivity delivered R$18.6M YOY improvement (vs R$9.2M in 1Q16) – still insufficient to offset the impact of lower volume (-R$23.9M in 2Q vs -R$9.9M in 1Q). We continue to expand our cost and productivity initiatives as we design and deploy the zero-based-budget (global) and an S&OP process to further streamline our operations and align goals across the company. We also reached new agreements for our top 3 airport operations, strengthening our partnerships while amending the economic terms to more accurately reflect current market dynamics. Last, we inaugurated two prototypes (pilot stores) – Viena Express (food court restaurant) and Frango Assado's Mini-Market, which we intend to roll-out when the testing period is completed (based on the ROIC achievement). Same is true for our organization development pilot at Frango Assado (optimized organizational structure, improved sense of ownership at all levels with clear goals and variable compensation linked to performance).

New Revenue Growth Streams: We are piloting Viena Delivery, and plan a soft opening (2 locations) by early 4Q16. Also, we are implementing a new strategy for alcoholic beverages. These efforts represent additional revenue sources which build on our existing infrastructure. By year end we should also expand the Olive Garden franchise, testing its strength in Malls in Brazil.

Portfolio Rationalization: In 2016, we closed 15 loss-making stores (5 in 1Q, 10 in 2Q) which had a negative contribution margin of R$3.5 million in 2015. We are also advancing on exiting our smaller brands in Malls.

All in all, we continue to be challenged by the lower volume in Brazil, but remain confident in our strategy and continue to make progress in building the foundation for future sustainable profitable growth.

New financial reporting model

IMC introduced a new earnings reporting model in 3Q15 to boost its visibility. The new format describes our earnings results broken down by segment and geographic region, as well as the effect of exchange rate changes on them clearly. Since the sale of IMC's assets in Mexico, Puerto Rico and the Dominican Republic has been completed, as mentioned above, the results of those operations have been reclassified to the discontinued operations account, thus leading to changes in the results reported in 2Q15, mainly in the Caribbean. The presentation of the Company's 2014 and 2015 results in the new format can be found on our investor relations website: ri.internationalmealcompany.com/

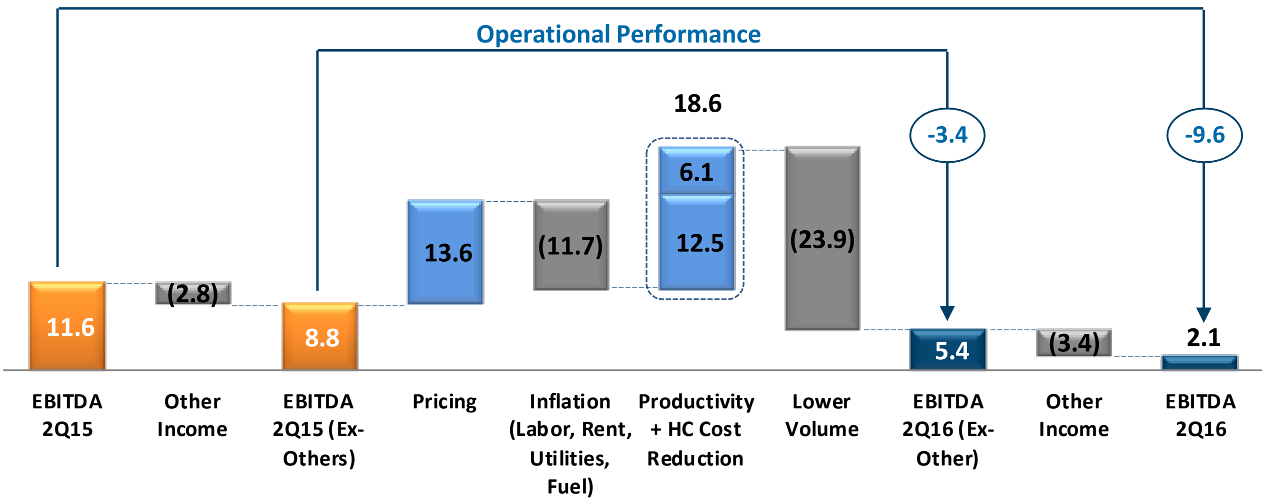
COMMENTS ABOUT IMC'S PERFORMANCE

OVERVIEW OF THE 2Q16

(in R$ million)	2Q15	2Q16	Vs. 2Q15
Brazil	**11.6**	**2.1**	**(9.6)**
Air	1.8	2.1	0.3
Roads	12.8	9.7	(3.1)
Malls	4.3	5.1	0.8
G&A	(10.2)	(11.5)	(1.3)
Other Income	2.8	(3.4)	(6.2)
United States	**15.4**	**15.5**	**0.1**
Caribbean	**3.3**	**10.5**	**7.2**
Holding	**(9.1)**	**(4.4)**	**4.7**
Adj. EBITDA	**21.3**	**23.7**	***2.4***

In 2Q16, IMC's Adjusted EBITDA grew by 11% with an 80bps margin improvement. Operational excellence efforts (efficiency, headcount and costs reduction, as well as initiatives to improve average ticket) partially mitigated Brazil´s inflation (labor, food, rent and utilities) and softer macroeconomic conditions that impacted sales volume and consumer spending. Brazil was again responsible for the negative pressure on EBITDA (-R$9.6 million YOY in 2Q16, compared to -R$13.4 million in 1Q16), deriving from lower other income, a significant deterioration in our Roads´ business (driven by lower volume), and higher expenses (offset by lower Holding expenses).

EBITDA Brazil



To offset inflation we are working on price and product mix, therefore improving our average ticket. In 2Q16 such initiatives (totaling R$13.6 million) more than offset the inflation pressure (R$11.7 million). It is important to note that this is an improvement compared to 1Q16, when pricing efforts mitigated just 31% of the inflation pressure, as a consequence of the timing improvements (as the new pricing methodology started in March) and the effectiveness of the menu engineering efforts.

To offset lower volumes we have made headcount adjustments (R$12.5 million; from R$7.6 million in 1Q16) and implemented efforts to improved productivity (R$6.1 million; from R$1.5 million in 1Q16), which offset 78% of the impact from volume reduction (R$23.9 million) in 2Q16. Such result represents a reduction from the 92% lower volume offset by headcount adjustments and productivity gains in 1Q16, as the volume pressure was higher in 2Q16 as a consequence of a worse same store sales performance across all segments in Brazil. It is important to bear in mind that the impacts from the headcount adjustment made last April will be better reflected as of 3Q16, as severance costs (~R$5 million) impacted 2Q16 results. Furthermore, we continue to execute the loss-making stores closure program (15 stores closed by June), which will continue on 2H16.

In the US, out of the R$0.1 million improvement year-on-year, R$1.8 million was related to the FX fluctuation within the months of the quarter and YoY; in US$, EBITDA fell by ~U$0.5M, or -10.7%. The operations were negatively affected by negative same store sales (-3.6%), higher pre-opening expenses and lower equity income. It is important to note that the Company is already working on initiatives to revert the downward trend in the SSS, evidenced by the positive performance in June (+0.1% total, being -0.4% in F&B and +3.9% in Retail) and July (+1.8% total, being +1.4% in F&B and +5.3% in Retail). Most relevant initiatives are: i) suggestive selling focused on the spring and summer seasons (that represent most of the years' results), ii) menu engineering; iii) group sales; and iv) stricter control over produced food (theoretical vs. actual food cost).

In the Caribbean, as we have anticipated in the 1Q16, the competitive environment was changing in both the airport and mall segments, challenging our SSS that increased by 2.7% (in constant currencies, compared to 12.7% in 1Q16). Nevertheless, the company was able to improve margins leading to a R$7.2 million improvement.

The Company also posted a reduction of R$4.7 million in holding expenses or a 110bps improvement.

Overall results in 2Q16 show an adjusted EBITDA increase of R$2.4 million (11.1% up vs. 2Q15). In April the Company concluded a headcount adjustment in the operations and headquarters that already impacted 2Q16 results, but will be more significant on 3Q16 onwards. It is important to note that besides that, IMC implemented in June two new pilot stores:

I. Viena Express (buffet style – food court restaurant), where IMC is aiming at i) increasing customers' satisfaction, ii) reducing the customers' time in line, and iii) improving drinkability and desserts ratio (drinks/desserts sold per meal). We introduced: i) a new assortment and planogram for improved drinks exposure; ii) a new assortment with new sizes and different packaging for desserts; iii) an innovative and diversified lunch menu with different cycles; iv) different menus for each day part (lunch vs. dinner); v) new categories (alcoholic beverages and take-away offering); v) a complete renewed store look and feel with a modernized brand and concept, among others.

II. Frango Assado (Roads), with a completely changed mini-market with new layout, planogram and visual merchandizing. The new concept delivers: i) layout changes to improve consumer flow in the mini-market, ii) new store furniture (100% standardized) aiming at improving visibility, iii) four new categories (hygiene and beauty, barbecue, pet and winery), iv) a "single-line" at the checkout and v) new store signage for easier area identification, among others.

It is important to note that with these pilot stores, IMC is seeking to test several new concepts and improvements that – after the testing period is completed – should be implemented in the other Frango Assado and Viena Express stores. Another important fact is that these prototypes should be scalable (acceptable ROIC) and with a short implementation period, as an example, the new Viena Express was launched 5x faster and for 35% of the cost of the last remodelled store.

At Frango Assado we are also testing the Ownership at All Levels project aiming at develop talents through the implementation of a talent management system based on specific targets for each position, talent mapping and development plans for each position profile. In this plan, we promoted an organizational structure overhaul reducing the number of positions from 21 to 13, and reducing the staff by over 5%. But more importantly we: i) set a performance evaluation system (simple and trackable) for each position; ii) extended the performance linked variable compensation to 100% of the employees (from 54% previously); iii) set training programs with a practical approach for each position; among other initiatives. This talent development project – after tested – should be implemented at all other brands/segments, with its success based on impacts over sales, direct labor costs, productivity and turnover.

Moreover, aligned with the Company's strategy to have a significant presence and a mutually beneficial partnership with a selected few top airports of the country, IMC has reached new agreements with our top three Airport partners in Brazil strengthening the partnership between the Company and the airports operators in Guarulhos, Brasilia and Confins, and amending the economic terms to reflect more accurately the current market dynamics.

I. At the Guarulhos Airport, where IMC operates with well stablished brands such as Red Lobster, Olive Garden, Margaritaville , Carl's Jr, Sports Bar, Frango Assado, Viena, among others, IMC and GRU Airport maintained the length of the contracts that expire, mostly, between 2023 and 2024. Also, IMC will operate with 25 stores (from current 29, of which 10 in Terminal 3 and 19 in Terminal 2), including the recently launched Sports Bar in the Terminal 3 and a new store to be launched soon in Terminal 2. The Company is also committed to refurbish part of the existing stores seeking to improve customers' experience and operational performance.

II. At Brasilia, where IMC not only have stores (with brands such as Viena, Red Lobster, Batata Inglesa and Frango Assado) but also a catering operation, the Company increased significantly its relevance at the airport mainly at the Air Side (restricted boarding area after security check) with new stores to be launched in the coming months. The new agreement better reflects the current market dynamics and extends all contracts (new and existing, excluding catering) to 2026. Currently IMC operates in BSB with 11 stores and after the planned closure of 3 stores and the opening of 8 new kiosks in the Air Side, the Company will have 16 stores in Brasilia increasing significantly its exposure to one of the most important airports in Latin America.

III. Regarding Confins, where IMC not only have stores (with brands such as Espresso Mineiro, Viena Snacks, Carl's Jr and Batata Inglesa) but also a catering operation; through a new agreement with BH Airport, the company was granted the exclusivity rights for a Food and Beverage offering at the new terminal's airside for 10 years, which represents an important evolution at one of the most important airports in Brazil. With this contract, IMC becomes the anchor F&B - operator at Belo Horizonte International Airport. The Company will operate at the new terminal in three different areas with a multiple concept offering: Bar, Self-Service Restaurant, Grab & Fly, and a Snack Bar, among others. Regarding the existing operations which includes the recently launched Espresso Mineiro (a full-fledged premium Coffee Shop, and the first of its kind), IMC is committed to adapting the portfolio with a refurbishment, a relocation of some existing stores, and closing of others. All the planned activities will lead to higher profitability, due to a new efficient operating model. In addition, the catering agreement will be extended for another 10 years.

Our short term focus is to reduce cost and preserve cash, while implementing process improvements and the Operational Excellence and organic growth projects to establish the foundation for future growth when market conditions improve.

CONSOLIDATED RESULTS

(in R$ million)	2Q16	2Q15	%HA	2Q16[3]	% HA[3]	2016	2015	%HA	2016[3]	% HA[3]
Net Revenue	**387.8**	**400.6**	**-3.2%**	**371.9**	**-7.2%**	**776.3**	**767.2**	**1.2%**	**732.9**	**-4.5%**
Restaurants & Others	344.2	350.4	-1.8%	328.3	-6.3%	678.2	663.7	2.2%	634.8	-4.3%
Gas Stations	43.6	50.2	-13.3%	43.6	-13.3%	98.1	103.5	-5.3%	98.1	-5.3%
Brasil	225.1	254.8	-11.7%	225.1	-11.7%	483.0	523.5	-7.7%	483.0	-7.7%
EUA	116.0	102.7	12.9%	101.9	-0.7%	193.0	161.4	19.6%	160.4	-0.6%
Caribe	46.7	43.1	8.5%	44.8	4.0%	100.2	82.3	21.7%	89.4	8.6%
Cost of Sales and Services	**(264.7)**	**(285.8)**	**-7.4%**	**(255.6)**	**-10.6%**	**(542.0)**	**(552.3)**	**-1.9%**	**(515.0)**	**-6.8%**
Direct Labor	(103.8)	(107.9)	-3.8%	(99.4)	-7.9%	(206.2)	(206.9)	-0.3%	(193.3)	-6.6%
Food	(89.3)	(100.1)	-10.8%	(86.1)	-14.0%	(182.4)	(191.5)	-4.7%	(172.9)	-9.7%
Others	(23.2)	(22.5)	3.1%	(22.3)	-0.8%	(45.3)	(41.2)	9.9%	(43.1)	4.7%
Fuel and Automotive Accessories	(34.6)	(40.9)	-15.3%	(34.6)	-15.3%	(78.7)	(84.0)	-6.3%	(78.7)	-6.3%
Depreciation & Amortization	(13.9)	(14.5)	-4.3%	(13.3)	-8.8%	(29.3)	(28.8)	1.8%	(27.0)	-6.2%
Gross Profit	**123.1**	**114.8**	**7.2%**	**116.2**	**1.3%**	**234.3**	**214.9**	**9.0%**	**217.8**	**1.4%**
Gross Margin (%)	*31.7%*	*28.6%*		*31.3%*		*30.2%*	*28.0%*		*29.7%*	
Operating Expenses[1]	**(123.3)**	**(119.7)**	**3.0%**	**(118.0)**	**-1.4%**	**(241.6)**	**(216.6)**	**11.5%**	**(225.7)**	**4.2%**
Selling and Operating	(46.2)	(40.0)	15.6%	(43.3)	8.4%	(89.7)	(73.0)	23.0%	(81.3)	11.5%
Rents of Stores	(42.9)	(43.4)	-1.0%	(41.1)	-5.2%	(84.3)	(80.6)	4.5%	(79.6)	-1.3%
Store Pre-Openings	(0.9)	(1.6)	-44.5%	(0.8)	-50.4%	(1.8)	(2.0)	-13.7%	(1.5)	-26.1%
Depreciation & Amortization	(9.5)	(11.2)	-15.5%	(9.4)	-16.4%	(19.1)	(20.7)	-8.1%	(18.5)	-11.0%
J.V. Investment Amortization	(0.5)	(0.5)	12.2%	(0.5)	-1.8%	(1.2)	(0.8)	40.5%	(0.9)	12.6%
Equity income result	2.6	2.5	1.5%	2.2	-11.6%	5.4	4.4	21.0%	4.4	-0.6%
Other revenues (expenses)	(3.1)	(0.1)	2056.6%	(3.1)	2047.9%	(4.3)	1.7	-350.1%	(4.3)	-350.0%
General & Administative	(18.4)	(16.3)	12.7%	(17.8)	8.7%	(37.4)	(30.1)	24.1%	(35.1)	16.5%
Corporate (Holding)[2]	(4.4)	(9.1)	-52.0%	(4.3)	-52.5%	(9.3)	(15.4)	-39.8%	(8.8)	-42.8%
Special Items - Write-offs	0.0	0.0	-	0.0	-	0.0	0.0	0.0%	0.0	
Special Items - Other	(3.0)	(5.7)	-46.5%	(3.0)	-46.5%	(4.5)	(5.7)	-20.8%	(4.5)	-20.8%
EBIT	**(3.3)**	**(10.6)**	**-69.0%**	**(4.8)**	**-54.6%**	**(11.8)**	**(7.4)**	**59.5%**	**(12.3)**	**66.6%**
(+) D&A and Write-offs	23.9	26.2	-8.8%	23.1	-11.9%	49.5	50.4	-1.6%	46.4	-7.8%
EBITDA	**20.6**	**15.6**	**32.1%**	**18.3**	**17.1%**	**37.8**	**43.0**	**-12.1%**	**34.1**	**-20.7%**
EBITDA Margin (%)	*5.3%*	*3.9%*	*1.4p.p.*	*4.9%*	*1p.p.*	*4.9%*	*5.6%*	*-0.7p.p.*	*4.7%*	*-0.9p.p.*
(+) Special Items - Other	3.0	5.7	-	3.0	-	4.5	5.7	-20.8%	4.5	-20.8%
Adjusted EBITDA	**23.7**	**21.3**	**11.1%**	**21.3**	**0.1%**	**42.3**	**48.6**	**-13.1%**	**38.6**	**-20.7%**
Adjusted EBITDA Margin (%)	*6.1%*	*5.3%*	*0.8p.p.*	*5.7%*	*0.4p.p.*	*5.4%*	*6.3%*	*-0.9p.p.*	*5.3%*	*-1.1p.p.*

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

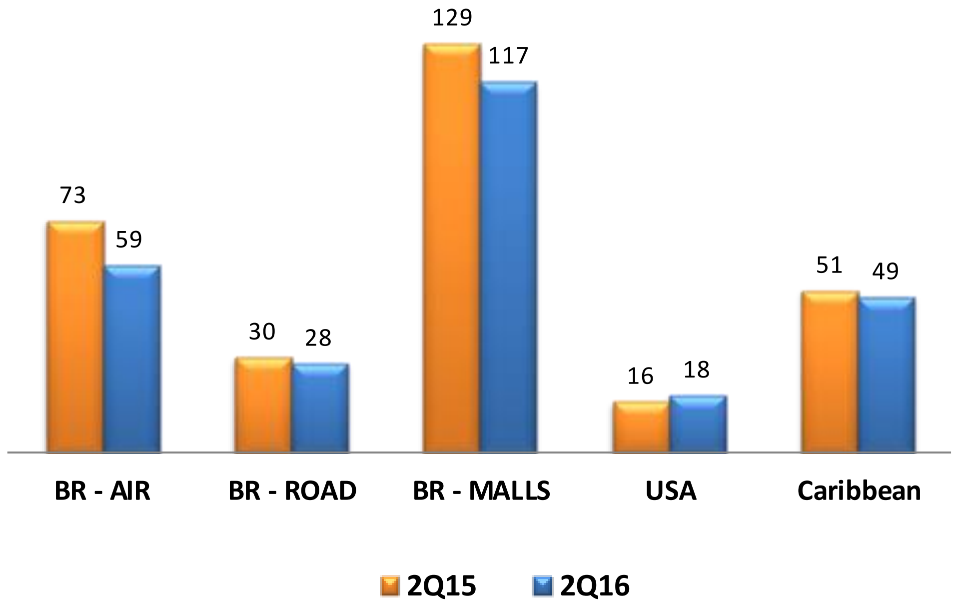
Net revenue totaled R$387.8 million in 2Q16, down 3.2% vs. 2Q15 or down 7.2% excluding the impact from the exchange rate changes. Sales were negatively affected by 28 net store closures (28 of which in Brazil), shown in the section "Number of stores". Food cost was down by 11% (a 200bps improvement) in 2Q16 as a result of operational improvements (e.g. stricter controls, mix). Net revenue totaled R$776.3 million in 1H16, a 1.2% improvement compared to 1H15.

Worth noticing, in 3Q15 the Company improved its controls and since then is more accurately allocating personnel costs and expenses. As a result, indirect labor cost is now allocated in operating expenses. For that reason and for a better comparison, labor costs should be combined with "sales and operating expenses". Labor cost and expenses, consequently totaled R$142.7 million (in constant currency), compared to R$147.9 million in 2Q15, as headcount adjustments mitigated inflationary pressures on payroll.

In 2Q16, adjusted EBITDA was R$23.7 million, up 11.1% in Brazilian reais, or 0.1% in constant currencies. EBITDA margin was 6.1% or 5.7% in constant currency, up from 5.3% in 2Q15. Main drivers of a nearly flat EBITDA in constant currencies are: a) improvement of R$1.5M in Gross Profit largely due to Opex improvements (pricing, cost reduction and productivity) mitigating inflation and lower volumes; b) R$2.2M of lower rents, driven by reduced rent expenses in Brazil as a result of the project to close loss making units combined with higher efficiency in our international operations; and partially mitigated by c) R$2.9M increase in other expenses mostly impacted by severance expenses related to the headcount restructuring promoted in April that totaled R$5.2M in the quarter. Adjusted EBITDA totaled R$42.3 million in 1H16, a 13.1% reduction compared to 1H15.

Finally, in 2Q16 the Company had R$3.0 million in special items, related to the Company's stock option plan, compared to R$5.7 million in 2Q15 (related to top management restructuring).

Number of stores



NUMBER OF STORES (end of period)	2Q16	4Q15	2Q15	YTD Var. (%)	YTD Var. (#)	YoY Var. (%)	YoY Var. (#)
Brazil	**204**	**218**	**232**	**-6.4%**	**-14**	**-12.1%**	**-28**
Airports	*59*	*62*	*73*	*-4.8%*	*-3*	*-19.2%*	*-14*
Roads	*28*	*29*	*30*	*-3.4%*	*-1*	*-6.7%*	*-2*
Shopping Malls	*117*	*127*	*129*	*-7.9%*	*-10*	*-9.3%*	*-12*
USA	**18**	**16**	**16**	**12.5%**	**2**	**12.5%**	**2**
Caribbean	**49**	**47**	**51**	**4.3%**	**2**	**-3.9%**	**-2**
Total Number of Stores	**271**	**281**	**299**	**-3.6%**	**-10**	**-9.4%**	**-28**

At the end of the quarter, the Company had 271 stores, a net reduction of 28 stores YoY. We opened 8 stores in 2016 and closed 18 – 7 of which in Airports, 1 in Roads and 10 in Shopping Malls.

Most store closures in Brazil are connected with the loss-making store closure program. In the current economic situation, stores are opened only after the execution of strict feasibility studies, and to fulfill commitments signed in the past. Besides that, we are focusing our 2016 CAPEX in the refurbishment and rebranding of existing stores in order to create a better customer experience to further promote sales.

Same-store sales (SSS)

(in R$ million)	2Q16	2Q15	HA (%)	2016	2015	HA (%)
Brazil	**219.8**	**234.7**	**-6.3%**	**472.3**	**484.6**	**-2.5%**
BR - Air	61.3	68.7	-10.9%	129.4	138.4	-6.5%
BR - Roads	98.3	104.2	-5.6%	219.4	220.3	-0.4%
BR - Roads - Restaurants	*54.8*	*57.5*	*-4.7%*	*121.4*	*121.3*	*0.0%*
BR - Roads - Gas Station	*43.6*	*46.7*	*-6.8%*	*98.0*	*98.9*	*-0.9%*
BR - Malls	60.2	61.7	-2.4%	123.5	125.9	-1.9%
USA	**111.6**	**101.7**	**9.7%**	**182.7**	**157.9**	**15.7%**
Caribbean	**45.3**	**42.2**	**7.5%**	**97.6**	**80.8**	**20.7%**
Total Same Store Sales	**376.7**	**378.5**	**-0.5%**	**752.6**	**723.3**	**4.0%**

In constant currencies (in R$ million)	2Q16	2Q15	HA (%)	2016	2015	HA (%)
Brazil	219.8	234.7	-6.3%	472.3	484.6	-2.5%
USA	98.1	101.7	-3.6%	152.3	157.9	-3.5%
Caribbean	43.3	42.2	2.7%	87.0	80.8	7.7%
Total Same Store Sales	**361.2**	**378.5**	**-4.6%**	**711.6**	**723.3**	**-1.6%**

Please check the definition of same-store sales (SSS) in the glossary.

Same store sales totaled R$376.7 million in 2Q16, down 0.5% YoY in Brazilian reais or 4.6% in constant currencies. SSS increased by 4.0% in 1H16 compared to 1H15 in Brazilian reais and it was down 1.6% in constant currencies.

In Brazil, the 6.3% decrease in same store sales was led by Brazilian airports that fell by 10.9% in 2Q16 following a sharp drop in the flow of passengers throughout Brazilian airports in late 2015 and early 2016 (-10.4%, Apr-Jun YoY) that impacted both restaurants and catering operations, that was partially mitigated by the Company's sales efforts that led to a higher average ticket compensating the lower costumer volume. Those efforts included menu engineering initiatives, as well as a new pricing policy and pricing initiatives. In addition, we revamped our operations and their respective menus to meet different demands at different day parts.

In the Road segment, SSS fell by 5.6% YoY, mostly impacted by the 4.7% lower flow of toll-paying vehicles (heavy, light and motorcycles) YoY according to *Associação Brasileira de Concessionárias de Rodovias*, or the Brazilian Association of Highway Concessionaires (ABCR), combined with increased competition due to new store openings. Those effects mitigated sales initiatives that helped increase the average ticket by 14%, including pricing, category management, new mix and planogram of products at our checkouts. We have launched a pilot-store in Caieiras with a revamped mini-market in order to test a different category management, planogram and mix, seeking to improve mini-market share of revenues. In the 2H16, at the same store, we will also refurbish the restaurant area, allowing us to test a completely new Frango Assado model that could be replicated to the remaining stores.

Same stores sales in the Malls segment fell by 2.4% in 2Q16. Industry sales continues to suffer from the softer macroeconomic scenario (market SSS -9.4% in 2Q16 vs. 2Q15 – source: IFB), however IMC was able to partially offset this negative impact through the new pricing policy, the new menu launched at Viena Express stores and initiatives designed to improve sales of beverages and desserts. We are working on a pilot-store for Viena Express launched in June to test, learn and scale a more efficient and effective operating model.

US SSS in local currency was -3.6%. However, the negative trend in both F&B and Retail is showing improvements every month, giving us confidence that the new retail assortment and new operational excellence initiatives are on the right track. Short-term initiatives to revert this trend include changing the product assortment in retail, pricing and suggestive sales. Also, US´s management team is working on mid to long-term initiatives (such as menu engineering, group sales, among others).

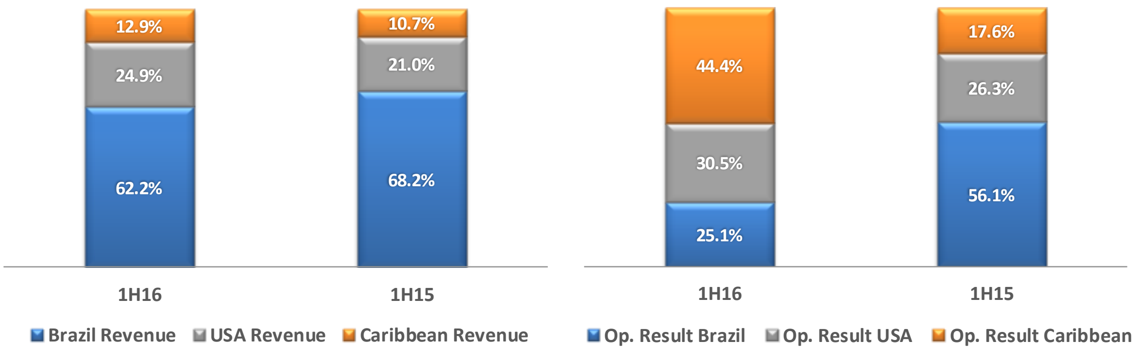
In the Caribbean, as anticipated in the 1Q16, higher competition lead to a reduction on the SSS growth pace to 2.7% compared to 12.7% in 1Q16.

RESULTS BY BUSINESS SEGMENT AND GEOGRAPHIC REGION

	Brazil	USA	Caribbean	Consolidated		Brasil	EUA	Caribbean	Consolidated		
(in R$ million)	2016	2016	2016	2016	% VA	2015	2015	2015	2015	% VA	% HA
Net Revenue	**483.0**	**193.0**	**100.2**	**776.3**	**100.0%**	**523.5**	**161.4**	**82.3**	**767.2**	**100.0%**	**1.2%**
Restaurants & Others	385.0	193.0	100.2	678.2	87.4%	419.9	161.4	82.3	663.7	86.5%	2.2%
Gas Stations	98.1	0.0	0.0	98.1	12.6%	103.5	0.0	0.0	103.5	13.5%	-5.3%
Cost of Sales and Services	**(368.4)**	**(123.4)**	**(50.1)**	**(542.0)**	**-69.8%**	**(405.7)**	**(101.4)**	**(45.2)**	**(552.3)**	**-72.0%**	**-1.9%**
Direct Labor	(125.2)	(62.6)	(18.4)	(206.2)	-26.6%	(138.4)	(51.9)	(16.6)	(206.9)	-27.0%	-0.3%
Food	(115.0)	(37.7)	(29.8)	(182.4)	-23.5%	(133.0)	(31.8)	(26.7)	(191.5)	-25.0%	-4.7%
Others	(110.8)	(12.5)	(0.8)	(124.0)	-16.0%	(114.9)	(9.6)	(0.7)	(125.2)	-16.3%	-0.9%
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	(17.4)	(10.7)	(1.2)	(29.3)	-3.8%	(19.4)	(8.1)	(1.3)	(28.8)	-3.8%	1.8%
Gross Profit	**114.6**	**69.6**	**50.1**	**234.3**	**30.2%**	**117.7**	**60.0**	**37.1**	**214.9**	**28.0%**	**9.0%**
Operating Expenses[1]	**(132.5)**	**(66.5)**	**(33.4)**	**(232.3)**	**-29.9%**	**(117.2)**	**(52.5)**	**(31.4)**	**(201.2)**	**-26.2%**	**15.5%**
Selling and Operating	(36.3)	(40.1)	(13.3)	(89.7)	-11.6%	(28.1)	(32.9)	(12.0)	(73.0)	-9.5%	23.0%
Rents of Stores	(54.5)	(19.2)	(10.5)	(84.3)	-10.9%	(55.8)	(15.8)	(9.0)	(80.6)	-10.5%	4.5%
Store Pre-Openings	(0.5)	(0.5)	(0.8)	(1.8)	-0.2%	(1.9)	(0.1)	(0.0)	(2.0)	-0.3%	-13.7%
Depreciation & Amortization	(13.4)	(0.7)	(5.0)	(19.1)	-2.5%	(16.1)	(0.4)	(4.2)	(20.7)	-2.7%	-8.1%
J.V. Investment Amortization	0.0	(1.2)	0.0	(1.2)	-0.1%	0.0	(0.8)	0.0	(0.8)	-0.1%	40.5%
Equity income result	0.0	5.4	0.0	5.4	0.7%	0.0	4.4	0.0	4.4	0.6%	21.0%
Other revenues (expenses)	(4.7)	(0.3)	0.6	(4.3)	-0.6%	4.3	0.1	(2.7)	1.7	0.2%	n/a
General & Administative	(23.1)	(9.9)	(4.4)	(37.4)	-4.8%	(19.6)	(6.9)	(3.6)	(30.1)	-3.9%	24.1%
(+) Depreciation & Amortization	30.8	12.6	6.2	49.5	6.4%	35.5	9.3	5.6	50.4	6.6%	-1.6%
Operating Income	**13.0**	**15.7**	**22.9**	**51.5**	**6.6%**	**36.0**	**16.8**	**11.3**	**64.1**	**8.4%**	**-19.6%**
Corporate (Holding)[2]				(9.3)	-1.2%				(15.4)	-2.0%	-39.8%
Special Items - Write-offs				0.0	0.0%						
Special Items - Other				(4.5)	-0.6%				(5.7)	-0.7%	-20.8%
EBIT	**(17.9)**	**3.2**	**16.7**	**(11.8)**	**-1.5%**	**0.5**	**7.5**	**5.7**	**(7.4)**	**-1.0%**	
(+) D&A and Write-offs				49.5	6.4%				50.4		-1.6%
EBITDA				**37.8**	**4.9%**				**43.0**	**5.6%**	**-12.1%**
(+) Special Items				4.5	0.6%				5.7	0.7%	-20.8%
Adjusted EBITDA				**42.3**	**5.4%**				**48.6**	**6.3%**	**-13.1%**

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

Brazilian operations accounted for 62.2% of sales in 1H16, vs. 68.2% in 1H15. The lower share of Brazilian operations in total sales is mainly due to the sales growth in the Caribbean and the positive impact of the FX rate on both Caribbean and US sales, as well as the lower revenues in Brazil due to the closure of loss-making stores, and the pressure of the macroeconomic scenario on SSS.



The geographic breakdown of operating income was also impacted by the exchange rate changes, as well as the lower margins of Brazilian operations, which accounted for 25% of the 1H16 operating income, vs. 56% in 1H15.

Results of the Brazilian Operations

(in R$ million)	2Q16	% VA	2Q15	% VA	% HA	2016	% VA	2015	% VA	% HA
Net Revenue	**225.1**	**100.0%**	**254.8**	**100.0%**	**-11.7%**	**483.0**	**100.0%**	**523.5**	**100.0%**	**-7.7%**
Restaurants & Others	181.5	80.6%	204.6	80.3%	-11.3%	385.0	79.7%	419.9	80.2%	-8.3%
Gas Stations	43.6	19.4%	50.2	19.7%	-13.3%	98.1	20.3%	103.5	19.8%	-5.3%
Cost of Sales and Services	**(172.5)**	**-76.6%**	**(202.0)**	**-79.3%**	**-14.6%**	**(368.4)**	**-76.3%**	**(405.7)**	**-77.5%**	**-9.2%**
Direct Labor	(60.8)	-27.0%	(69.0)	-27.1%	-12.0%	(125.2)	-25.9%	(138.4)	-26.4%	-9.5%
Food	(53.2)	-23.6%	(66.3)	-26.0%	-19.8%	(115.0)	-23.8%	(133.0)	-25.4%	-13.6%
Others	(15.6)	-6.9%	(16.2)	-6.4%	-3.9%	(110.8)	-22.9%	(114.9)	-21.9%	-3.6%
Fuel and Automotive Accessories	(34.6)	-15.4%	(40.9)	-16.0%	-15.3%	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(8.4)	-3.7%	(9.7)	-3.8%	-13.3%	(17.4)	-3.6%	(19.4)	-3.7%	-10.1%
Gross Profit	**52.6**	**23.4%**	**52.8**	**20.7%**	**-0.4%**	**114.6**	**23.7%**	**117.7**	**22.5%**	**-2.7%**
Operating Expenses[1]	**(65.8)**	**-29.2%**	**(59.6)**	**-23.4%**	**10.3%**	**(132.5)**	**-27.4%**	**(117.2)**	**-22.4%**	**13.0%**
Selling and Operating	(17.7)	-7.9%	(14.0)	-5.5%	26.9%	(36.3)	-7.5%	(28.1)	-5.4%	29.0%
Rents of Stores	(26.2)	-11.6%	(27.9)	-10.9%	-6.1%	(54.5)	-11.3%	(55.8)	-10.7%	-2.4%
Store Pre-Openings	(0.2)	-0.1%	(1.6)	-0.6%	-90.4%	(0.5)	-0.1%	(1.9)	-0.4%	-75.6%
Depreciation & Amortization	(6.8)	-3.0%	(8.7)	-3.4%	-22.0%	(13.4)	-2.8%	(16.1)	-3.1%	-16.7%
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)	(3.4)	-1.5%	2.8	1.1%	-220.6%	(4.7)	-1.0%	4.3	0.8%	-208.6%
General & Administative[2]	(11.5)	-5.1%	(10.2)	-4.0%	13.1%	(23.1)	-4.8%	(19.6)	-3.8%	17.7%
(+) Depreciation & Amortization	15.2	6.8%	18.4	7.2%	-17.4%	30.8	6.4%	35.5	6.8%	-13.1%
Operating Income	**2.1**	**0.9%**	**11.6**	**4.6%**	**-82.3%**	**13.0**	**2.7%**	**36.0**	**6.9%**	**-64.0%**
Expansion Capex	33.6	14.9%	5.8	2.3%	481.6%	38.8	8.0%	12.2	2.3%	218.8%
Maintenance Capex	3.2	1.4%	1.5	0.6%	106.7%	5.3	1.1%	5.3	1.0%	0.4%
Total Capex	**36.8**	**16.3%**	**7.3**	**2.9%**	**402.9%**	**44.1**	**9.1%**	**17.4**	**3.3%**	**152.9%**
Operating Inc. - Capex[3]	**(34.7)**	**n/a**	**4.3**	**37.1%**	**n/a**	**(31.1)**	**n/a**	**18.5**	**51.5%**	**n/a**

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

Brazilian operations top line was mainly impacted by the softer macroeconomic scenario, that impacted consumer confidence leading to a lower flow of passengers in Airports (-10.4%, Apr-Jun YoY), lower spending on shopping malls (market SSS -9.4% in 2Q16 YoY) and also a lower flow of vehicles in roads (-4.7% in 2Q16 YoY), all of which impacted same store sales. It is also important to note that compared to 2Q15, there was a 28 stores reduction in the Brazilian operations (-14 in airports, -2 in roads and -12 in shopping malls) in 2Q16. Those effects were partially mitigated by IMC's sales initiatives that included: i) pricing: separating the stores in regional-brand clusters setting specific prices for each specific product; ii) menu engineering: focusing on higher margin products and suggestive sales; iii) product assortment and mix; iv) up selling; v) product quality and product innovation; among others.

All in all, the revenues of Brazilian operations fell by 11.7% in 2Q16. In 1H16, net revenues totaled R$483 million, down 7.7% compared to 1H15.

In terms of costs and expenses it is important to highlight the 240 bps reduction on food cost, despite the high inflation on food items. Regarding labor cost and expenses, as mentioned before, for a fair comparison "direct labor cost" and "sales and operating expenses" should be combined, which resulted in R$78.5 million in 2Q16, compared to R$83.0 million in 2Q15, as a consequence of headcount reduction that more than compensated for the inflation pressure on payroll. It is important to note that the operating margin in Brazilian operations was largely impacted by the reduction on sales, overall cost inflation, higher other expenses (mainly impacted by severance costs related to the headcount adjustments promoted in April – important to note that the positive result in 2015 included taxes recoveries and provisions reversion) and higher rent expenses (as a % of net revenues), mainly impacted by the Airport segment.

Consequently, Brazilian operations posted an operating income of R$2.1 million in 2Q16, down 82.3% YoY, with a nearly 370 bps reduction in operating margin. However, it is important to bear in mind that: i) the initiatives that the Company has implemented to improve sales and reduce costs are still being implemented and will be even more meaningful when fully matured; ii) there are several other initiatives to be implemented that shall also improve sales and efficiency; and iii) when the Brazilian economy starts to recover, the impact on margins will be even more significant due to higher sales and consequent higher operating leverage.

Results of the Brazilian Operations – AIR

(in R$ million)	2Q16	% VA	2Q15	% VA	% HA	2016	% VA	2015	% VA	% HA
Net Revenue	**64.1**	**100.0%**	**78.1**	**100.0%**	**-17.9%**	**135.6**	**100.0%**	**158.0**	**100.0%**	**-14.1%**
Restaurants & Others	64.1	100.0%	78.1	100.0%	-17.9%	135.6	100.0%	158.0	100.0%	-14.1%
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	**(45.4)**	**-70.8%**	**(60.1)**	**-77.0%**	**-24.4%**	**(94.3)**	**-69.5%**	**(118.5)**	**-75.0%**	**-20.4%**
Direct Labor	(20.2)	-31.5%	(26.7)	-34.2%	-24.3%	(41.9)	-30.9%	(53.1)	-33.6%	-21.2%
Food	(17.6)	-27.4%	(25.3)	-32.4%	-30.4%	(37.2)	-27.5%	(49.5)	-31.3%	-24.8%
Others	(5.0)	-7.7%	(5.0)	-6.5%	-1.5%	(9.7)	-7.2%	(9.7)	-6.2%	-0.3%
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	(2.6)	-4.1%	(3.1)	-3.9%	-13.8%	(5.5)	-4.1%	(6.1)	-3.9%	-9.8%
Gross Profit	**18.7**	**29.2%**	**18.0**	**23.0%**	**4.0%**	**41.3**	**30.5%**	**39.5**	**25.0%**	**4.6%**
Operating Expenses[1]	**(24.5)**	**-38.2%**	**(24.9)**	**-31.9%**	**-1.6%**	**(50.8)**	**-37.5%**	**(47.4)**	**-30.0%**	**7.2%**
Selling and Operating	(6.8)	-10.6%	(4.4)	-5.6%	54.4%	(14.3)	-10.5%	(8.7)	-5.5%	62.9%
Rents of Stores	(12.4)	-19.3%	(13.6)	-17.4%	-9.0%	(26.2)	-19.3%	(26.9)	-17.0%	-2.7%
Store Pre-Openings	(0.1)	-0.2%	(1.2)	-1.6%	-89.8%	(0.3)	-0.2%	(1.5)	-1.0%	-79.3%
Depreciation & Amortization	(5.2)	-8.2%	(5.7)	-7.3%	-7.9%	(10.1)	-7.4%	(10.2)	-6.5%	-1.4%
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)	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	7.9	12.3%	8.7	11.2%	-10.0%	15.6	11.5%	16.3	10.3%	-4.6%
Operating Income	**2.1**	**3.3%**	**1.8**	**2.4%**	**13.7%**	**6.1**	**4.5%**	**8.4**	**5.3%**	**-27.7%**
Expansion Capex	30.8	48.0%	5.5	7.0%	460.1%	33.7	24.8%	11.7	7.4%	188.7%
Maintenance Capex	0.3	0.5%	0.5	0.6%	-25.0%	0.8	0.6%	3.2	2.0%	-75.1%
Total Capex	**31.1**	**48.5%**	**6.0**	**7.6%**	**422.5%**	**34.5**	**25.4%**	**14.9**	**9.4%**	**131.4%**
Operating Inc. - Capex[3]	**(29.0)**	**n/a**	**(4.1)**	**-224.5%**	**n/a**	**(28.4)**	**n/a**	**(6.5)**	**-77.0%**	**n/a**

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

The Brazilian Airport segment operating income increased to R$2.1 million in the 2Q16, with a 90bps increase on margins mainly due to:

i) Reduction in food costs of 500bps YoY combined with a 140bps reduction in pre-opening stores expenses, which were partially mitigated by:

ii) Decrease in sales, as a consequence of the net closure of 14 stores combined with a reduction of 10.9% on SSS, as a result of the decrease in passenger flow in the airports that the Company operates (-10.4%, Abr-Jun YoY), which reduced operational leverage resulting in a:

   i. 230bps increase in labor – we must note however that in nominal terms labor expenses (“direct labor cost” combined with “selling and operating expenses”) totaled R$27.0 million compared to R$31.1 million in 2Q15, as a consequence of headcount adjustments on the operations that more than compensated the inflation pressure on payroll.

ii. 190bps increase in rents - excluding rent expense, operating margin was up by 280bps (22.5% versus 19.8% a year ago).

iii. 130bps increase in others – mainly related to utility expenses.

In 1H16, the Brazilian Airport segment operating income reached R$6.1 million, down 27.7% YoY, with a margin of 4.5% vs. 5.3% in 1H15. Excluding rent expenses, however, operating margin in 1H16 reached 23.8% compared to 22.4% in 1H15.

Moreover, aligned with the Company's strategy to have a significant presence and a mutually beneficial partnership with a selected few top airports of the country, IMC has reached new agreements with our top three Airport partners in Brazil strengthening the partnership between the Company and the airports operators in Guarulhos, Brasilia and Confins, and amending the economic terms to reflect more accurately the current market dynamics.

I. At the Guarulhos Airport, where IMC operates with well stablished brands such as Red Lobster, Olive Garden, Margaritaville , Carl's Jr, Sports Bar, Frango Assado, Viena, among others, IMC and GRU Airport maintained the length of the contracts that expire, mostly, between 2023 and 2024. Also, IMC will operate with 25 stores (from current 29, of which 10 in Terminal 3 and 19 in Terminal 2), including the recently launched Sports Bar in the Terminal 3 and a new store to be launched soon in Terminal 2. The Company is also committed to refurbish part of the existing stores seeking to improve customers' experience and operational performance.

II. At Brasilia, where IMC not only have stores (with brands such as Viena, Red Lobster, Batata Inglesa and Frango Assado) but also a catering operation, the Company increased significantly its relevance at the airport mainly at the Air Side (restricted boarding area after security check) with new stores to be launched in the coming months. The new agreement better reflects the current market dynamics and extends all contracts (new and existing, excluding catering) to 2026. Currently IMC operates in BSB with 11 stores and after the planned closure of 3 stores and the opening of 8 new kiosks in the Air Side, the Company will have 16 stores in Brasilia increasing significantly its exposure to one of the most important airports in Latin America.

III. Regarding Confins, where IMC not only have stores (with brands such as Espresso Mineiro, Viena Snacks, Carl's Jr and Batata Inglesa) but also a catering operation; through a new agreement with BH Airport, the company was granted the exclusivity rights for a Food and Beverage offering at the new terminal's airside for 10 years, which represents an important evolution at one of the most important airports in Brazil. With this contract, IMC becomes the anchor F&B - operator at Belo Horizonte International Airport. The Company will operate at the new terminal in three different areas with a multiple concept offering: Bar, Self-Service Restaurant, Grab & Fly, and a Snack Bar, among others. Regarding the existing operations which includes the recently launched Espresso Mineiro (a full-fledged premium Coffee Shop, and the first of its kind), IMC is committed to adapting the portfolio with a refurbishment, a relocation of some existing stores, and closing of others. All the planned activities will lead to higher profitability, due to a new efficient operating model. In addition, the catering agreement will be extended for another 10 years.

Results of the Brazilian Operations – ROADS

(in R$ million)	2Q16	% VA	2Q15	% VA	% HA	2016	% VA	2015	% VA	% HA
Net Revenue	**98.4**	**100.0%**	**108.3**	**100.0%**	**-9.1%**	**219.5**	**100.0%**	**225.7**	**100.0%**	**-2.8%**
Restaurants & Others	54.8	55.7%	58.0	53.6%	-5.5%	121.4	55.3%	122.2	54.1%	-0.6%
Gas Stations	43.6	44.3%	50.2	46.4%	-13.3%	98.1	44.7%	103.5	45.9%	-5.3%
Cost of Sales and Services	**(82.3)**	**-83.6%**	**(90.5)**	**-83.5%**	**-9.1%**	**(181.5)**	**-82.7%**	**(185.0)**	**-82.0%**	**-1.9%**
Direct Labor	(22.3)	-22.7%	(21.1)	-19.5%	5.6%	(45.9)	-20.9%	(43.2)	-19.1%	6.2%
Food	(16.8)	-17.1%	(19.4)	-17.9%	-13.2%	(38.7)	-17.7%	(40.2)	-17.8%	-3.7%
Others	(5.4)	-5.5%	(5.7)	-5.2%	-5.3%	(90.5)	-41.3%	(94.8)	-42.0%	-4.5%
Fuel and Automotive Accessories	(34.6)	-35.2%	(40.9)	-37.7%	-15.3%	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(3.2)	-3.2%	(3.4)	-3.2%	-7.5%	(6.4)	-2.9%	(6.8)	-3.0%	-6.7%
Gross Profit	**16.1**	**16.4%**	**17.8**	**16.5%**	**-9.5%**	**38.0**	**17.3%**	**40.7**	**18.0%**	**-6.7%**
Operating Expenses[1]	**(10.4)**	**-10.6%**	**(9.8)**	**-9.0%**	**6.4%**	**(21.3)**	**-9.7%**	**(20.2)**	**-8.9%**	**5.7%**
Selling and Operating	(5.2)	-5.3%	(4.0)	-3.7%	31.9%	(10.6)	-4.8%	(8.4)	-3.7%	26.4%
Rents of Stores	(4.3)	-4.4%	(4.5)	-4.1%	-3.0%	(9.0)	-4.1%	(9.2)	-4.1%	-1.5%
Store Pre-Openings	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(0.9)	-0.9%	(1.4)	-1.3%	-36.9%	(1.7)	-0.8%	(2.7)	-1.2%	-35.0%
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)	0.0	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	4.0	4.1%	4.8	4.4%	-15.9%	8.1	3.7%	9.5	4.2%	-14.7%
Operating Income	**9.7**	**9.9%**	**12.8**	**11.9%**	**-24.1%**	**24.7**	**11.3%**	**30.0**	**13.3%**	**-17.6%**
Expansion Capex	0.3	0.3%	0.0	0.0%	0.0%	0.3	0.1%	0.0	0.0%	0.0%
Maintenance Capex	0.4	0.4%	0.6	0.6%	-34.7%	0.5	0.2%	1.0	0.4%	-46.6%
Total Capex	**0.7**	**0.7%**	**0.6**	**0.6%**	**11.6%**	**0.8**	**0.4%**	**1.0**	**0.4%**	**-18.2%**
Operating Inc. - Capex[3]	**9.1**	**93.0%**	**12.2**	**95.3%**	**-2.2%**	**23.9**	**96.7%**	**29.0**	**96.7%**	**0.0%**

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

The Roads segment operating income decreased by R$3.1 million in the 2Q16, with a 200bps reduction on margins mainly due to:

i) Reduction on sales (-9.1% YoY), as a consequence of the net closure of 2 stores combined with a reduction of 5.6% on SSS, as a result of the macroeconomic headwinds that lead to a 4.7% reduction on traffic combined with fiercer competition in the roads where the company operates, which were partially offset by IMC's efforts to increase average ticket such as pricing and category management new mix and planogram of products at our checkouts.

ii) Inflation pressure on payroll, rent and utilities lead to an increase of expenses of 480bps, 30bps and 20bps, respectively.

iii) Those impacts were partially mitigated by higher efficiency on fuel cost (250bps reduction) and on food cost (80bps), as a result of pricing initiatives that mitigated inflationary pressure in the quarter.

In 1H16, the Brazilian Roads segment operating income reached R$24.7 million, down 17.6% YoY, with a margin of 11.3% vs. 13.3% in 1H15.

The Road segment is still a substantial cash generator for the Company; in addition, it has good prospects of achieving high operating margins by making the most of existing stores with initiatives to increase sales, mainly in the retail division. In June IMC launched a new pilot store, with a completely changed mini-market with new layout, planogram and visual merchandizing. The new concept delivers: i) layout changes to improve consumer flow in the mini-market, ii) new store furniture (100% standardized) aiming at improving visibility, iii) four new categories (hygiene and beauty, barbecue, pet and winery), iv) a "single-line" at the checkout and v) new store signage for easier area identification, among others.

It is important to note that with this pilot store, IMC is seeking to test several new concepts and improvements that – after the testing period is completed – should be gradually implemented in the other Frango Assado stores. Another important fact is that these prototypes should be scalable (acceptable ROIC) and with a short implementation period. In 2H16, IMC should also test a new food & beverage offering (restaurant, bakery and snack bar) pilot at the Frango Assado.

Results of the Brazilian Operations – Malls

(in R$ million)	2Q16	% VA	2Q15	% VA	% HA	2016	% VA	2015	% VA	% HA
Net Revenue	**62.6**	**100.0%**	**68.5**	**100.0%**	**-8.6%**	**127.9**	**100.0%**	**139.8**	**100.0%**	**-8.5%**
Restaurants & Others	62.6	100.0%	68.5	100.0%	-8.6%	127.9	100.0%	139.8	100.0%	-8.5%
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	**(44.8)**	**-71.6%**	**(51.5)**	**-75.2%**	**-12.9%**	**(92.6)**	**-72.4%**	**(102.2)**	**-73.1%**	**-9.4%**
Direct Labor	(18.3)	-29.2%	(21.2)	-31.0%	-13.9%	(37.5)	-29.3%	(42.1)	-30.1%	-10.9%
Food	(18.8)	-30.0%	(21.6)	-31.5%	-13.1%	(39.0)	-30.5%	(43.3)	-31.0%	-9.9%
Others	(5.2)	-8.3%	(5.5)	-8.0%	-4.6%	(10.5)	-8.2%	(10.4)	-7.4%	1.6%
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	(2.6)	-4.1%	(3.2)	-4.7%	-18.9%	(5.6)	-4.4%	(6.5)	-4.6%	-14.0%
Gross Profit	**17.8**	**28.4%**	**17.0**	**24.8%**	**4.5%**	**35.3**	**27.6%**	**37.5**	**26.9%**	**-6.0%**
Operating Expenses[1]	**(16.0)**	**-25.5%**	**(17.5)**	**-25.6%**	**-9.0%**	**(32.5)**	**-25.4%**	**(34.3)**	**-24.6%**	**-5.4%**
Selling and Operating	(5.7)	-9.1%	(5.6)	-8.2%	1.8%	(11.5)	-9.0%	(11.0)	-7.9%	4.1%
Rents of Stores	(9.5)	-15.2%	(9.9)	-14.4%	-3.6%	(19.3)	-15.1%	(19.7)	-14.1%	-2.3%
Store Pre-Openings	(0.0)	0.0%	(0.4)	-0.6%	-92.4%	(0.2)	-0.1%	(0.4)	-0.3%	-61.0%
Depreciation & Amortization	(0.7)	-1.2%	(1.7)	-2.5%	-57.1%	(1.6)	-1.2%	(3.2)	-2.3%	-50.4%
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)	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	3.3	5.3%	4.9	7.1%	-32.1%	7.2	5.6%	9.7	6.9%	-26.0%
Operating Income	**5.1**	**8.2%**	**4.3**	**6.3%**	**18.0%**	**10.0**	**7.8%**	**12.9**	**9.2%**	**-22.6%**
Expansion Capex	1.1	1.8%	0.0	0.0%	4426.4%	2.0	1.5%	0.1	0.0%	2806.7%
Maintenance Capex	0.8	1.3%	0.5	0.7%	69.0%	0.9	0.7%	1.0	0.7%	-11.6%
Total Capex	**1.9**	**3.0%**	**0.5**	**0.7%**	**288.4%**	**2.9**	**2.3%**	**1.1**	**0.8%**	**162.8%**
Operating Inc. - Capex[3]	**3.2**	**62.9%**	**3.9**	**88.7%**	**-25.9%**	**7.1**	**70.9%**	**11.8**	**91.4%**	**-20.5%**

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

The Malls segment operating income increased by 18.0% YoY in the 2Q16, totaling R$5.1 million with a 190bps improvement on margins mainly due to:

i) a reduction in food costs of 150bps YoY, as a result of higher efficiency, combined with:

ii) a 90bps decrease in labor expenses ("direct labor cost" combined with "selling and operating expenses") that totaled R$24.0 million compared to R$26.9 million in 2Q15, as a consequence of headcount adjustments on the operations that more than compensated the inflation pressure on payroll; which were partially mitigated by:

iii) a 8.6% decrease in sales, as a consequence of the net closure of 12 stores combined with a reduction of 2.4% on SSS, as a result of the macroeconomic headwinds that lead to a reduction on consumer spending in malls, which reduced IMC's operational leverage resulting in a:

   i. 80bps increase in rents and 30bps in other costs (mainly utilities).

IMC continues to be focused on the strategy of streamlining the Shopping Mall portfolio in Brazil. The Company is also working on closing loss-making stores. Furthermore, IMC continues to seek to improve customers' experience at Viena locations, refurbishing and rebranding some of the stores throughout 2016 in order to increase our sales and operating income. The Company launched the first pilot store for Viena Express (buffet style – food court restaurant), where IMC is aiming at i) increasing customers' satisfaction, ii) reducing the customers' time in line, and iii) improving drinkability and desserts ratio (drinks/desserts sold per meal). We introduced: i) a new assortment and planogram for improved drinks exposure; ii) a new assortment with new sizes and different packaging for desserts; iii) an innovative and diversified lunch menu with different cycles; iv) different menus for each day part (lunch vs. dinner); v) new categories (alcoholic beverages and take-away offering); v) a complete renewed store look and feel with a modernized brand and concept, among others.

With this pilot store, IMC is seeking to test several new concepts and improvements that – after the testing period is completed – should be implemented in the other Viena Express stores. Another important fact is that these prototypes should be scalable (made at replicable cost) and with a short implementation period, as an example, the new Viena Express was launched 5x faster and for less than 50% of the cost of the previously remodeled store.

In 2H16, the Company plans to launch a flagship store for Viena Delicatessen to test this new concept as well as the first Olive Garden at shopping malls in Brazil.

Results of U.S. Operations

(in US$ Million)	2Q16	% VA	2Q15	% VA	% HA	2016	% VA	2015	% VA	% HA
Net Revenue	**33.1**	**100.0%**	**33.4**	**100.0%**	**-0.8%**	**53.1**	**100.0%**	**53.4**	**100.0%**	**-0.6%**
Restaurants & Others	33.1	100.0%	33.4	100.0%	-0.8%	53.1	100.0%	53.4	100.0%	-0.6%
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	**(19.7)**	**-59.4%**	**(19.5)**	**-58.4%**	**0.9%**	**(33.7)**	**-63.5%**	**(33.8)**	**-63.3%**	**-0.2%**
Direct Labor	(9.7)	-29.4%	(9.8)	-29.3%	-0.5%	(17.1)	-32.1%	(17.4)	-32.5%	-1.6%
Food	(6.4)	-19.4%	(6.4)	-19.2%	0.0%	(10.4)	-19.5%	(10.5)	-19.7%	-1.8%
Others	(2.1)	-6.2%	(1.9)	-5.8%	6.9%	(3.4)	-6.4%	(3.2)	-6.0%	6.8%
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	(1.5)	-4.4%	(1.4)	-4.1%	7.4%	(2.9)	-5.4%	(2.7)	-5.1%	6.4%
Gross Profit	**13.5**	**40.6%**	**13.9**	**41.6%**	**-3.1%**	**19.4**	**36.5%**	**19.6**	**36.7%**	**-1.3%**
Operating Expenses[1]	**(10.7)**	**-32.4%**	**(10.5)**	**-31.5%**	**2.1%**	**(18.2)**	**-34.2%**	**(17.5)**	**-32.7%**	**4.0%**
Selling and Operating	(6.3)	-19.2%	(6.3)	-18.9%	0.8%	(11.0)	-20.6%	(11.0)	-20.5%	-0.1%
Rents of Stores	(3.4)	-10.2%	(3.5)	-10.4%	-2.6%	(5.3)	-10.0%	(5.2)	-9.8%	1.7%
Store Pre-Openings	(0.1)	-0.4%	0.0	0.0%	-2497%	(0.1)	-0.3%	(0.0)	-0.1%	224.6%
Depreciation & Amortization	(0.1)	-0.3%	(0.1)	-0.2%	28.5%	(0.2)	-0.4%	(0.1)	-0.3%	31.2%
J.V. Investment Amortization	(0.2)	-0.5%	(0.2)	-0.5%	0.0%	(0.3)	-0.6%	(0.3)	-0.5%	14.3%
Equity income result	0.7	2.2%	0.8	2.5%	-11.1%	1.5	2.8%	1.5	2.7%	0.0%
Other revenues (expenses)	(0.0)	-0.1%	0.0	0.0%	-604.9%	(0.1)	-0.1%	0.0	0.0%	-445.7%
General & Administative	(1.3)	-3.9%	(1.3)	-4.0%	-3.4%	(2.7)	-5.0%	(2.3)	-4.3%	14.7%
(+) Depreciation & Amortization	1.7	5.2%	1.6	4.8%	7.7%	3.4	6.4%	3.1	5.9%	8.2%
Operating Income	**4.4**	**13.4%**	**5.0**	**14.9%**	**-10.7%**	**4.6**	**8.7%**	**5.3**	**9.9%**	**-13.3%**
Expansion Capex	2.2	6.5%	0.6	1.7%	277.6%	3.6	6.8%	0.8	1.6%	331.5%
Maintenance Capex	0.4	1.3%	0.2	0.6%	103.5%	0.6	1.2%	0.3	0.6%	93.6%
Total Capex	**2.6**	**7.8%**	**0.8**	**2.3%**	**231.1%**	**4.2**	**8.0%**	**1.2**	**2.2%**	**264.5%**
Operating Inc. - Capex[2]	**1.9**	**41.8%**	**4.2**	**84.3%**	**-42.5%**	**0.4**	**7.7%**	**4.1**	**78.0%**	**-70.4%**

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

The operations in the United States consist basically of Margaritaville, which currently comprises 18 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.

US operations net revenues came in at US$33.1 million (R$116.0 million) in 2Q16, roughly stable YoY. The 0.8% decrease (up 12.9% in Brazilian reais) was due to lower same store sales (-3.6%), partially mitigated by the net opening of 2 restaurant.

It is important to note however that there is a positive trend in terms of same stores sales in the US for both food & beverage and retail when we analyze the monthly YoY performance:

- F&B: April -5%; May -8%, June 0%, July +1%
- Retail: April -4%; May +4%, June +4%, July +5%

Operating income reached US$4.4 million in 2Q16 compared to US$5.0 million in 2Q15, and US$4.6 million in 1H16 vs. US$5.3 million. Operating margin (13.4% in 2Q16 vs. 14.9% in 2Q15) was pressured mainly due to a 40bps increase in utilities, 30bps increase in labor expenses and 30bps reduction on equity income. It is important to note that the Company and the new CEO continue to work on initiatives to revert the downward trend in the SSS, such as changing the retail product assortment, suggestive selling that shall help the summer season (the most relevant months) as well as establishing transformational projects to improve efficiency and SSS: i) menu engineering; ii) group sales; iii) stricter control over produced food (theoretical vs. actual food cost), among others.

Results of the Caribbean Operations

(in R$ million)	2Q16	2Q15	% HA	2Q16²	% HA²	2016	2015	% HA	2016²	% HA²
Net Revenue	**46.7**	**43.1**	**8.5%**	**44.8**	**4.0%**	**100.2**	**82.3**	**21.7%**	**89.4**	**8.6%**
Restaurants & Others	46.7	43.1	8.5%	44.8	4.0%	100.2	82.3	21.7%	89.4	8.6%
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	**(23.3)**	**(23.9)**	**-2.6%**	**(22.6)**	**-5.5%**	**(50.1)**	**(45.2)**	**10.9%**	**(45.3)**	**0.2%**
Direct Labor	(8.9)	(8.9)	0.7%	(8.7)	-1.7%	(18.4)	(16.6)	11.1%	(16.9)	2.0%
Food	(13.6)	(14.1)	-3.1%	(13.2)	-6.5%	(29.8)	(26.7)	11.7%	(26.7)	0.0%
Others	(0.4)	(0.3)	8.5%	(0.4)	13.6%	(0.8)	(0.7)	14.5%	(0.8)	15.0%
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)	(0.7)	-41.0%	(0.4)	-43.9%	(1.2)	(1.3)	-10.6%	(1.0)	-25.2%
Gross Profit	**23.4**	**19.1**	**22.3%**	**22.2**	**15.8%**	**50.1**	**37.1**	**34.9%**	**44.1**	**18.8%**
Operating Expenses¹	**(15.6)**	**(18.7)**	**-16.6%**	**(14.9)**	**-20.2%**	**(33.4)**	**(31.4)**	**6.2%**	**(29.8)**	**-5.2%**
Selling and Operating	(6.2)	(6.6)	-6.2%	(6.0)	-8.5%	(13.3)	(12.0)	11.2%	(12.2)	1.9%
Rents of Stores	(4.9)	(4.8)	1.9%	(4.6)	-5.6%	(10.5)	(9.0)	17.5%	(9.0)	0.3%
Store Pre-Openings	(0.3)	(0.0)	4939.2%	(0.2)	4330.2%	(0.8)	(0.0)	3031.9%	(0.6)	2358.0%
Depreciation & Amortization	(2.3)	(2.2)	3.2%	(2.2)	0.6%	(5.0)	(4.2)	17.3%	(4.5)	6.6%
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)	0.4	(3.0)	-114.5%	0.4	-114.3%	0.6	(2.7)	-124.0%	0.6	-122.0%
General & Administative	(2.3)	(2.1)	13.4%	(2.3)	9.3%	(4.4)	(3.6)	23.0%	(4.1)	13.1%
(+) Depreciation & Amortization	2.7	2.9	-7.1%	2.6	-9.8%	6.2	5.6	10.7%	5.5	-1.0%
EBITDA	**10.5**	**3.3**	**214.4%**	**9.9**	**195.9%**	**22.9**	**11.3**	**103.1%**	**19.8**	**76.1%**
Margen EBITDA (%)	*22.4%*	*7.7%*	*14.7p.p.*	*-9.8p.p.*	*0.0%*	*22.8%*	*13.7%*	*9.1p.p.*	*-5.4p.p.*	*0.0%*
Operating Income	**10.5**	**3.3**	**214.4%**	**9.9**	**195.9%**	**22.9**	**11.3**	**103.1%**	**19.8**	**76.1%**
Expansion Capex	0.0	1.4	-98.6%	0.0	-98.6%	0.9	4.2	-78.0%	0.9	-78.9%
Maintenance Capex	0.4	0.3	55.6%	0.4	49.2%	1.6	0.6	163.8%	1.5	153.0%
Total Capex	**0.5**	**1.6**	**-72.0%**	**0.4**	**-73.2%**	**2.5**	**4.8**	**-48.2%**	**2.4**	**-50.4%**
Operating Inc. - Capex³	**10.0**	**1.7**	**44.8%**	**9.4**	**44.8%**	**20.4**	**6.4**	**31.8%**	**17.4**	**30.7%**

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

The comments regarding the Caribbean operations (Panama and Colombia), are in constant currencies (using the 2Q15 FX rate to convert the results in 2Q15 and 2Q16) to eliminate the effect of exchange rate changes. They do not consider the results from discontinued operations (Mexico, the Dominican Republic and Puerto Rico) so that continuing operations results can be compared accurately.

Net revenues reached R$44.8 million, up 4.0% YoY as a result of SSS growth of 2.7% driven by Company's effort to improve average ticket that mitigated the impact from the net closing of 2 stores.

The focus on operational excellence combined with higher operating leverage, due to higher sales, lead to a 510bps improvement in gross margins, with a 110bps reduction on labor costs and 330bps reduction on food costs. As a result gross profit reached R$22.2 million in 2Q16, up 15.8% compared to 2Q15.

Regarding operating expenses in 2Q16, the main lines reduced as a percentage of net revenues, namely: selling and operating (-180bps), rent (-100bps). Furthermore, in 2015 other revenues/expenses were impacted by fines resulting in a R$3.0 million expense compared to R$0.4 million income in 2Q16. Those impacts were partially mitigated by higher G&A expenses (+20bps) and higher store pre-opening expenses (+50bps).

All in all, operating income came at R$9.9 million in 2Q16, up 196% compared to 2Q15, with an operating margin of 22.0% up from 7.7% in 2Q15. In 1H16, operating income reached R$19.8 million, up 76% compared to 1H15.

ADJUSTED EBITDA AND ADJUSTED MARGIN

EBITDA RECONCILIATION (R$ million)	2Q16	2Q15	HA (%)	2016	2015	HA (%)
NET INCOME (LOSS) FROM CONTINUED OPERATIONS	**0.2**	**(19.0)**	**-101.0%**	**(27.2)**	**(25.2)**	**-7.8%**
(+) Income Taxes	5.7	(3.5)	-262.4%	3.0	(7.7)	-138.7%
(+) Net Financial Result	(9.2)	11.9	-177.2%	12.5	25.5	-51.2%
(+) D&A and Write-offs	23.4	25.7	-9.2%	48.4	49.5	-2.3%
(+) Amortization of Investments in Joint Venture	0.5	0.5	n.a.	1.2	0.8	n.a.
EBITDA	**20.6**	**15.6**	**32.1%**	**37.8**	**43.0**	**-12.1%**
(+) Special Items	3.0	5.7	n.a.	4.5	5.7	-20.8%
Adjusted EBITDA	**23.7**	**21.3**	**11.1%**	**42.3**	**48.6**	**-13.1%**
EBITDA / Net Revenues	*5.3%*	*3.9%*		*4.9%*	*5.6%*	
Adjusted EBITDA / Net Revenues	*6.1%*	*5.3%*		*5.4%*	*6.3%*	

* See EBITDA and Adjusted EBITDA definitions in the Glossary.

The Company's EBITDA, considering non-recurring items, reached R$23.7 million in 2Q16 a 11.1% improvement, with an adjusted EBITDA margin of 6.1% vs. 5.3% in 2Q15. The special items refer to the Company's stock option plan in 2016 and top management restructuring in 2015. In 1H16 EBITDA totaled R$42.3 million with a 5.4% margin, compared to R$48.6 million in 1H15.

FINANCIAL RESULT, INCOME TAX AND NET INCOME

The Company recorded a positive financial result of R$9.2 million, which included a non-cash positive impact of R$8.3 million due to the write-off of accrued interests as a consequence of the renegotiation of rights over point of sales payables (Brasilia Airport), excluding this impact, net financial income would total R$0.9 million, compared to a net financial expense of R$11.9 million in 2Q15.

Income taxes totaled R$5.7 million, versus a R$3.5 million credit in 2Q15.

The Company recorded a net income of R$0.2 million in 2Q16, compared to a net loss of R$19.0 million in 2Q15.

SELECTED CASH FLOW INFORMATION

OPERATING ACTIVITIES

EBITDA Reconcilation to Operating Cash Flow (R$ Million)	2Q16	2Q15	Var. (%)	2016	2015	Var. (%)
EBITDA	**20.6**	**15.6**	**32.1%**	**37.8**	**43.0**	**-12.1%**
(+/-) Other Non-Cash Impact on IS	10.4	11.6		19.9	15.6	
(+/-) Working Capital	(8.9)	7.4		(15.8)	2.8	
(-) Paid Taxes	(1.4)	(1.8)		(3.1)	(3.5)	
Operating Cashflow	**20.7**	**32.9**	**-37.0%**	**38.7**	**57.9**	**-33.2%**
Operating Cashflow / EBITDA	**100.4%**	**210.4%**		**102.4%**	**134.7%**	

Operating cash flow totaled R$20.7 million in 2Q16 (compared to R$32.9 million in 2Q15), which represents an EBITDA-to-Cash conversion rate of 100.4%.

INVESTING ACTIVITIES

Investing Activities (in R$ million)	2Q16	2Q15	HA (%)	2016	2015	HA (%)
Fixed Assets Addition	(16.1)	(8.4)	91.4%	(28.8)	(18.7)	53.8%
Intangible Assets Addition	(30.2)	(2.9)	924.7%	(33.2)	(7.0)	373.2%
(=) TOTAL CAPEX Investment	(46.3)	(11.4)	307.2%	(62.0)	(25.7)	140.9%
Payment from previous acquisitions	(0.1)	(12.9)	-99.5%	(78.3)	(24.9)	213.9%
Proceeds from Assets Sale	0.0	0.0		169.1	0.0	n/a
Total investments in the period	**(46.4)**	**(24.2)**	**91.4%**	**28.8**	**(50.7)**	**n/a**
Operating Cashflow	20.7	32.9	-37.0%	38.7	57.9	-33.2%
Operating Cashflow - CAPEX	**(25.6)**	**21.5**	**n/a**	**(23.4)**	**32.2**	**n/a**

CAPEX (in R$ million)	2Q16	2Q15	HA (%)	2016	2015	HA (%)
Expansion						
Brazilian Operations	**32.2**	**5.5**	**483.0%**	**35.9**	**11.7**	**206.3%**
Brazil - Air	*30.8*	*5.5*	*460.1%*	*33.7*	*11.7*	*188.7%*
Brazil - Roads	*0.3*	*0.0*	*-*	*0.3*	*0.0*	*-*
Brazil - Malls	*1.1*	*0.0*	*4426.4%*	*2.0*	*0.1*	*2806.7%*
USA Operations	**7.6**	**1.8**	**329.7%**	**13.1**	**2.5**	**419.3%**
Caribbean Operations	**0.0**	**1.4**	**-98.6%**	**0.9**	**4.2**	**-78.0%**
Holding	**1.5**	**0.3**	**452.4%**	**2.9**	**0.4**	**550.3%**
Total Expansion Investments	**41.2**	**8.9**	**363.0%**	**52.9**	**18.9**	**179.4%**
Maintenance						
Brazilian Operations	**1.5**	**1.5**	**-0.4%**	**2.3**	**5.3**	**-57.2%**
Brazil - Air	*0.3*	*0.5*	*-25.0%*	*0.8*	*3.2*	*-75.1%*
Brazil - Roads	*0.4*	*0.6*	*-34.7%*	*0.5*	*1.0*	*-46.6%*
Brazil - Malls	*0.8*	*0.5*	*69.0%*	*0.9*	*1.0*	*-11.6%*
USA Operations	**1.5**	**0.6**	**131.6%**	**2.3**	**1.0**	**133.0%**
Caribbean Operations	**0.4**	**0.3**	**55.6%**	**1.6**	**0.6**	**163.8%**
Holding	**1.6**	**0.0**	**-**	**3.0**	**0.0**	**-**
Total Maintenance Investments	**5.1**	**2.5**	**107.3%**	**9.2**	**6.8**	**33.7%**
Total CAPEX Investments	**46.3**	**11.4**	**307.6%**	**62.0**	**25.8**	**140.7%**

Total CAPEX increased by 4x in 2Q16 totaling R$46.3mn, mainly due to Brazil Air capital expenditures that includes payments related the renegotiation of rights over point of sales, which were already booked in the balance sheet. In 2016, total CAPEX reached R$62.0million, 141% up compared to 2015.

Concerning growth CAPEX in 2Q16, IMC invested mainly in the new stores opened at the Brazilian airports, new pilot stores in malls and roads; Miami airport, Mall of America and Jackson Memorial Hospital, in the US; and in malls in Colombia and new stores at the Panama airport.

Maintenance CAPEX in 2Q16 is mainly related to the replacement of machinery and utensils of stores and related to the Catering operations in Brazil, stores in the Caribbean and restaurants in the US.

FINANCING ACTIVITIES

The Company's financing cash flow in 2Q16 was mainly affected by loan amortizations.

FINANCING ACTIVITIES (R$ million)	2Q16	2Q15	2016	2015
Capital Contribuitions	(0.0)	0.0	46.4	0.0
Treasury Shares	(8.3)	0.0	(8.3)	0.0
New Loans	1.3	11.3	1.3	13.8
Payment of Loans	(22.3)	(13.1)	(84.2)	(14.6)
Net Cash Generated by Financing Activities	**(29.3)**	**(1.8)**	**(44.8)**	**(0.9)**

Considering payments to former owners of certain companies acquired in the past (seller finance) as debt, debt amortization totaled R$21.0 million in 2Q16.

Total debt amortization (R$ million)	2Q16	2Q15
Acquisitions, net of cash (Sellers Financing)	(0.1)	(12.9)
New Loans	1.3	11.3
Loan Amortization	(22.3)	(13.1)
Total debt amortization	**(21.0)**	**(14.7)**

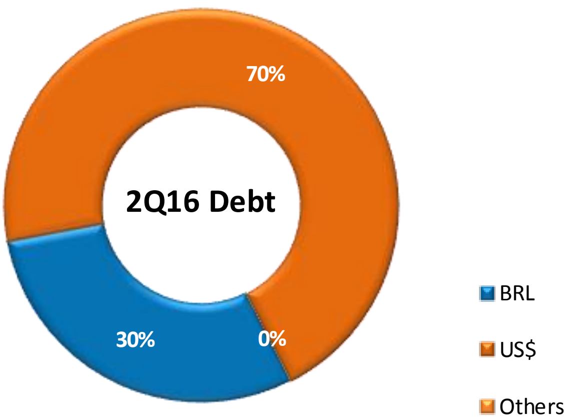
DEBT

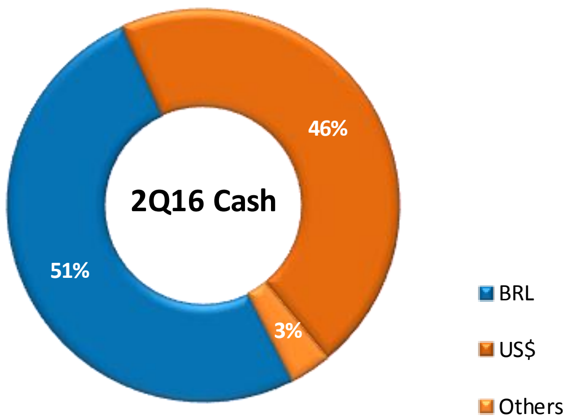
Net Debt

As a consequence of the successful implementation of the deleveraging strategy, the Company ended the first semester with a net cash position of R$41.7 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. The table below shows the debts of continuing operations. Consequently, the Company has a negative Net Debt–to–EBITDA ratio.

R$ million	2Q16	1Q16	4Q15
Debt	209.8	248.3	329.2
Financing of past acquisitions	10.2	10.7	100.2
Point of Sales rights	0.0	51.9	52.6
Total Debt	**220.0**	**310.9**	**482.0**
(-) Cash	-261.7	-336.1	-289.4
Net Debt	**(41.7)**	**(25.2)**	**192.6**

Below is the breakdown of our total debt and cash by currency in 2Q16.





CONDENSED INCOME STATEMENT

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (R$ thousand)	2Q16	2Q15	2016	2015
NET REVENUE	387,793	400,617	776,276	767,197
COST OF SALES AND SERVICES	(264,729)	(285,845)	(541,964)	(552,315)
GROSS PROFIT	123,064	114,772	234,312	214,882
OPERATING INCOME (EXPENSES)				
Commercial and operating expenses	(89,105)	(83,332)	(173,978)	(153,599)
General and administrative expenses	(26,713)	(32,743)	(52,935)	(53,279)
Depreciation and amortization	(9,451)	(11,192)	(19,066)	(20,742)
Other income (expenses)	(3,105)	(144)	(4,333)	1,733
Equity income result	2,023	2,045	4,220	3,619
Net financial expenses	9,191	(11,913)	(12,452)	(25,520)
INCOME (LOSS) BEFORE INCOME TAXES	5,904	(22,507)	(24,232)	(32,906)
Income Taxes	(5,713)	3,518	(2,966)	7,672
NET INCOME (LOSS) FOR THE QUARTER FROM CONTINUED OPERATIONS	191	(18,989)	(27,198)	(25,234)
RESULT FROM DISCONTINUED OPERATIONS	0	505	3,972	7,208
NET INCOME (LOSS) FOR THE QUARTER	191	(18,484)	(23,226)	(18,026)

CONDENSED BALANCE SHEET

CONDENSED STATEMENTS OF FINANCIAL POSITION

(R$ thousand)	6/30/2016	12/31/2015
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	261,748	289,390
Accounts receivable	63,261	70,586
Inventories	38,825	41,917
Derivatives	4,826	12,857
Other current assets	45,871	38,419
Assets from discontinued operations	0	511,492
Total current assets	414,531	964,661
NONCURRENT ASSETS		
Deferred income taxes	619	720
Derivatives	3,552	18,256
Other noncurrent assets	73,335	64,266
Property and equipment	252,581	281,654
Intangible assets	834,534	896,466
Total noncurrent assets	1,164,621	1,261,362
TOTAL ASSETS	1,579,152	2,226,023
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	76,940	78,723
Loans and financing	104,026	144,656
Salaries and payroll charges	45,379	47,543
Other current liabilities	43,861	43,226
Liabilities from Discontinued operations	0	260,105
Total current liabilities	270,206	574,253
NONCURRENT LIABILITIES		
Loans and financing	124,367	368,469
Provision for labor, civil and tax disputes	11,556	13,596
Deferred income tax liability	54,759	47,858
Other noncurrent liabilities	15,375	17,719
Total noncurrent liabilities	206,057	447,642
EQUITY		
Capital and reserves	1,165,229	1,122,662
Accumulated losses	(50,893)	(27,667)
Other comprehensive income	(21,309)	24,697
Amounts recognized in other comprehensive income and accumulated in equity related to assets held for sale	0	72,437
Total equity	1,093,027	1,192,129
Non-Controlling Interest	9,862	11,999
TOTAL LIABILITIES AND EQUITY	1,579,152	2,226,023

CASH FLOW STATEMENT

CONDENSED STATEMENTS OF CASH FLOWS (R$ thousand)	2Q16	2Q15	2016	2015
CASH FLOW FROM OPERATING ACTIVITIES				
Net income (loss) for the quarter	191	(18,989)	(27,198)	(25,234)
Depreciation and amortization	23,361	25,718	48,383	49,534
Impairment of intangible assets (using)	(6,353)	-	(9,905)	-
Investiment amortization	548	489	1,157	824
Equity income result	(2,571)	(2,534)	(5,377)	(4,443)
Provision for labor, civil and tax disputes	(2,687)	1,133	(1,098)	2,894
Income taxes	5,713	(3,518)	2,966	(7,672)
Interest expenses	5,067	11,494	15,444	23,270
Effect of exchange rate changes	(777)	1,431	23,839	3,797
Disposal of property and equipment	6,642	168	10,430	329
Deferred Revenue, Rebates	(906)	(1,089)	(1,858)	(2,027)
Expenses in payments to employees based in stock plan	3,034	-	4,491	-
Others	(252)	12,939	(3,659)	17,298
Changes in operating assets and liabilities	(8,907)	7,446	(15,821)	2,838
Cash generated from operations	22,103	34,688	41,794	61,408
Income tax paid	(1,401)	(1,836)	(3,143)	(3,509)
Interest paid	(5,382)	(11,274)	(14,968)	(22,662)
Net cash generated by (used in) operating activities	15,320	21,578	23,683	35,237
CASH FLOW FROM INVESTING ACTIVITIES				
Capital increase in subsidiaries	-	-	-	(6,416)
Acquisitions of controlling interest, net of cash	(60)	(12,860)	(78,251)	(24,925)
Dividends received	3,292	2,299	5,359	3,578
Sale of controlling interest in discontinued operations, net of cash	-	-	169,080	-
Additions to intangible assets	(30,188)	(2,946)	(33,217)	(7,019)
Additions to property and equipment	(16,129)	(8,428)	(28,790)	(18,724)
Net cash used in investing activities from continued operations	(43,085)	(21,935)	34,181	(53,506)
Net cash used in investing activities from discontinued operations	-	5,113	-	17,146
Net cash used in investing activities	(43,085)	(16,822)	34,181	(36,360)
CASH FLOW FROM FINANCING ACTIVITIES				
Capital contribuitions	(1)	-	46,382	-
Treasury shares	(8,306)	-	(8,306)	-
New loans	1,333	11,254	1,333	13,756
Payment of loans	(22,296)	(13,098)	(84,198)	(14,608)
Net cash used in financing activities	(29,270)	(1,844)	(44,789)	(852)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(17,321)	(501)	(40,717)	3,359
NET INCREASE (DECREASE) FOR THE PERIOD	(74,356)	2,411	(27,642)	1,384
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	336,104	83,793	289,390	84,820
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	261,748	86,204	261,748	86,204

APPENDIX - CURRENCY CONVERSION TABLE

	US$		COP	
	EoP	Average	EoP	Average
1Q13	2.019	1.995	0.0011	0.0011
2Q13	2.226	2.062	0.0012	0.0011
3Q13	2.235	2.285	0.0012	0.0012
4Q13	2.348	2.272	0.0012	0.0012
1Q14	2.266	2.369	0.0012	0.0012
2Q14	2.205	2.234	0.0012	0.0012
3Q14	2.438	2.276	0.0012	0.0012
4Q14	2.687	2.548	0.0011	0.0012
1Q15	3.208	2.865	0.0012	0.0012
2Q15	3.103	3.073	0.0012	0.0012
3Q15	3.973	3.540	0.0013	0.0013
4Q15	3.905	3.841	0.0012	0.0013
1Q16	3.559	3.857	0.0012	0.0012
2Q16	3.201	3.501	0.0011	0.0012

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, including 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.

Notes to the interim financial information
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

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 BM&FBOVESPA S. A. - Bolsa de Valores, Mercadorias e Futuros (“BM&FBOVESPA”) 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 June 30, 2016, the Group has operations in Brazil, Panama, Colombia, and the United States of America. As presented in the individual and consolidated financial statements for the year ended December 31, 2015, disclosed on March 22, 2016, the Group completed the sale of all its direct and indirect interests in its subsidiaries located in Mexico, Puerto Rico and the Dominican Republic on January 29 and February 26, 2016, respectively (see note 29).

1.2. Sale of investments

In order to reach a better capital structure and reduce the Company’s leverage, in the first quarter of 2016 the sale of interests in the companies located in Mexico, Puerto Rico and the Dominican Republic was completed.

a) Mexico

As detailed in note 29, on January 29, 2016 the Company completed the sale of the total direct and indirect interests in the subsidiaries located in Mexico to Taco Holding, S.A.P.I de C.V. e 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. e 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

As detailed in note 29, 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 comprises Airport Shoppes Corp., Cargo Service Corporation, Airport Aviation Service Inc., Carolina Catering Corp., Airport Catering Service Corporation e 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 the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRSs), issued by the International Accounting Standards Board (IASB), and is presented in accordance 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 certain financial instruments measured at their fair values.

As a result of the sale of the Company's total interests in the subsidiaries located in Mexico, Puerto Rico and the Republican Dominican and in conformity with CPC 31/IFRS 5 – Noncurrent Assets held for Sale and Discontinued Operations, the individual and consolidated interim financial information on the financial performance and cash flows for the three- and six-month periods ended June 30, 2016 and June 30, 2015 was disclosed considering the effects of such transaction.

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, 2015, disclosed on March 22, 2016), which, since there were no significant changes in the quarter, have not been fully included in this individual and consolidated interim financial information.

Notes to the interim financial information--Continued
June 30, 2016
(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, 2015
Acquisitions of companies – full note	Note 6
Short-term investments - noncurrent	Note 10
Investments – full note	Note 14
Trade payables	Note 17
Payroll and related taxes	Note 19
Installment payment of acquisitions of companies – full note	Note 20
Deferred revenue	Note 22
Income tax and social contribution – full note	Note 23
Operating lease – stores	Note 33
Commitments, contractual obligations and rights	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, 2015, disclosed on March 22, 2016; accordingly, they should be read together. 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, its subsidiaries and joint ventures. Control 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.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

3. Significant accounting policies--Continued

3.1. Basis of consolidation--Continued

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

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, 2015, disclosed on March 22, 2016, except for the sale of interests in the subsidiaries below, as described in note 1.b:

	6/30/2016		12/31/2015	
	Direct interest - %	**Indirect interest - %**	**Direct interest - %**	**Indirect interest - %**
Inversionistas en Restaurantes de Carnes y Cortes, S. de R.L. de C.V. (Mexico)	-	-	-	99.99
Grupo Restaurantero del Centro, S.A. de C.V. (Mexico)	-	-	-	99.99
Servicios de Personal Gastronomico IMC, S. de R.L. de C.V. (Mexico)	-	-	-	99.99
Servicios Administrativos IMC, S. de R.L. de C.V. (Mexico)	-	-	-	99.99
Airport Shoppes Corporation (Porto Rico)	-	-	-	100.00
International Meal Company D.R., S.A. (Dominican Republic)	-	-	-	99.40
Inversiones Liers, S.A. (Dominican Republic)	-	-	-	99.40
Airport Catering Services Corporation (Puerto Rico)	-	-	-	100.00
Airport Aviation Services, Inc. (Puerto Rico)	-	-	-	100.00
Carolina Catering Services Corporation (Puerto Rico)	-	-	-	100.00
Cargo Service Corporation (Puerto Rico)	-	-	-	100.00
Aeroparque Corporation (Puerto Rico)	-	-	-	100.00

3. Significant accounting policies--Continued

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 statement of profit or loss in line item "Translation adjustments in the statement of financial position of foreign subsidiaries".

4. International financial reporting standards

Except for those referred to below, the main new and revised standards, amendments and interpretations issued by the IASB and the CPC adopted, and the standards issued and not yet effective are consistent and those adopted and disclosed in note 4 to the individual and consolidated financial statements for the year ended December 31, 2015, disclosed on March 22, 2016 and, therefore, should be read together.

In 2016, the Company applied the annual improvements to IFRSs 2012-2014 Cycles, issued by the IASB, which became effective for annual periods beginning on or after January 1, 2016. The application of these improvements did not have any significant impact on the Company's disclosures or individual and consolidated interim financial information.

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, 2015, as disclosed in note 4 to the individual and consolidated financial statements for the year ended December 31, 2015, disclosed on March 22, 2016.

4. International financial reporting standards--Continued

CPC has not yet issued the standards corresponding to the revised IFRSs.

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 six-month period ended June 30, 2016 are the same as those adopted in the individual and consolidated financial statements for the year ended December 31, 2015, disclosed on March 22, 2016.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

6. Acquisitions of companies

6.1. Acquisitions in 2015

a) United States of America

Continuing the acquisition of restaurants branded Margaritaville in the United States of America started on April 1, 2014, on February 1, 2015 the Group exercised, through its subsidiary IMCMV Holdings Inc., the option to acquire the Margaritaville restaurant in Syracuse, in the United States of America. The agreed purchase price is 7.5x the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), estimated at US$4,254 thousand (R$11,325 at the date of acquisition). Considering the EBITDA generated by this restaurant at the end of the calculation period, the purchase price was adjusted to US$ 239 thousand (R$ 866). The total amount will be paid in quarterly installments, beginning June 2016, over a six-year period. The Group adjusted the temporary allocations of the purchase price, made at the date of acquisition and reflected in the financial statements for the year ended December 31, 2015, disclosed by the Company on March 22, 2016, substantially between asset lines and with not impact on the statements of profit or loss for the year, pursuant to CPC 15 (R1) / IFRS 3 – Business Combinations, as follows:

Allocation acquisition of Margaritaville Syracuse	Balance disclosed at 12/31/2015	Total adjustments	Balance at 6/30/2016
Inventories	288	-	**288**
Property, plant and equipment	1,130	-	**1,130**
Fair value of assets acquired and liabilities assumed	1,418	-	**1,418**
Consideration paid or payable	-	866	**866**
Negative goodwill to be deducted from total goodwill on acquisition of Margaritaville chain.	(1,418)	866	**(552)**

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

As defined in the purchase and sale agreement, the Group may deduct from the amount payable to eventual sellers the losses incurred on labor, social security, civil or tax disputes, the taxable events of which occurred before the acquisition date.

6. Acquisitions of companies--Continued

6.1. Acquisitions in 2015--Continued

a) United States of America--Continued

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

6.2 Cash disbursement for acquisitions

Until June 30, 2016 the Group disbursed R$78,251 (R$ 24,925 as at June 30, 2015) for payment of installments of acquisitions of companies in prior years.

7. Segment information

The information reported to the Group's chief decision maker (executive board and the chairman of each subsidiary), for the purpose of fund 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, interest, 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.
- Airports: supply of meals in restaurants and coffee shops and for airline companies (catering).
- 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.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

7. Segment information--Continued

- Others: comprise corporate costs not allocated directly to each of the business segments.

The Group's reportable segments as at June 30, 2016 and 2015 are represented by the Company's operations after the sale of equity interests in subsidiaries in Mexico, Puerto Rico and the Dominican Republic, as mentioned in note 1.b).

	Consolidated					
	Shopping malls	Airports	Highways	United States of America	Others	Total
June 30, 2016:						
Net sales revenue	**159,015**	**204,763**	**219,467**	**193,031**	**-**	**776,276**
Operating profit (loss)	**2,089**	**17,456**	**16,273**	**15,722**	**(13,780)**	**37,760**
Depreciation and amortization	**(9,479)**	**(18,182)**	**(8,085)**	**(12,566)**	**(1,228)**	**(49,540)**
Finance costs, net	**(333)**	**13,136**	**(3,553)**	**2,015**	**(23,717)**	**(12,452)**
Income tax benefit (expense)	**(6,566)**	**(4,306)**	**(3,272)**	**(767)**	**11,945**	**(2,966)**
June 30, 2015:						
Net sales revenue	168,160	211,914	225,726	161,397	-	767,197
Operating profit (loss)	10,380	14,499	22,343	16,846	(21,096)	42,972
Depreciation and amortization	(11,871)	(19,107)	(9,473)	(9,326)	(581)	(50,358)
Finance costs, net	(4,410)	(10,002)	(5,309)	(5,771)	(28)	(25,520)
Income tax benefit (expense)	6,283	4,867	(2,674)	(804)	-	7,672

As at June 30, 2016 and 2015, the total amount of the line item 'Operating profit (loss)' from other segments refers to corporate general and administrative expenses.

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

	Consolidated	
	6/30/2016	6/30/2015
Reconciliation of profit (loss):		
Operating profit (loss) from reportable segments	**51,540**	64,068
Operating profit (loss) from other segments	**(13,780)**	(21,096)
	37,760	42,972
Depreciation and amortization	**(49,540)**	(50,358)
Finance income (costs)	**(12,452)**	(25,520)
Income tax and social contribution	**(2,966)**	7,672
Loss for the period from continuing operations	**(27,198)**	(25,234)
Profit for the period from discontinued operations	**3,972**	7,208
Profit (loss) for the period	**(23,226)**	(18,026)

Notes to the interim financial information--Continued
June 30, 2016
(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	
	6/30/2016	**12/31/2015**
Shopping malls	**315,377**	411,291
Airports	**530,352**	541,168
Highways	**360,123**	410,057
United States of America	**362,039**	352,015
Assets held for sale	**-**	511,492
Subtotal	**1,567,891**	2,226,023
Assets not allocated to the segment	**11,261**	-
	1,579,152	2,226,023

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	
	6/30/2016	**6/30/2015**
Net revenue:		
Brazil	**483,018**	523,451
The Caribbean	**100,227**	82,349
United States of America	**193,031**	161,397
	776,276	767,197

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 funds 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 short-term investments, including capital and retained earnings.

The Group can change 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 methods adopted, including the criteria used to recognize revenue and expenses for each class of financial assets and financial liabilities, and equity, see the individual and consolidated financial statements for the year ended December 31, 2015, disclosed on March 22, 2016.

c) Categories of financial instruments

Management considers that the carrying amounts of financial assets and financial 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.

Notes to the interim financial information--Continued
June 30, 2016
(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	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Financial assets				
Trade receivables and receivables at amortized cost:				
Cash and cash equivalents	**127,308**	233,996	**261,748**	289,390
Short-term investments (noncurrent)	**1,862**	1,000	**4,062**	3,320
Currency swap instrument (item f)	**-**	2,229	**8,378**	31,113
Trade receivables	**18,824**	22,976	**63,261**	70,586
Receivables from related parties	**34,362**	21,592	**-**	-
	182,356	281,793	**337,449**	394,409
Financial liabilities				
Financial liabilities recognized at amortized cost:				
Trade payables	**20,859**	15,381	**76,940**	78,723
Borrowings	**12,233**	14,928	**218,198**	360,321
Payables to related parties	**16,959**	66,819	**-**	-
Installment payment of rights over points of sales	**-**	52,635	**-**	52,635
Installment payment of acquisitions of companies	**1,036**	892	**10,195**	100,169
	51,087	150,655	**305,333**	591,848

The Group's management's believes that these financial instruments, recognized in the individual and consolidated interim financial information at their amortized cost, approximate their respective fair values, except for intercompany loans. However, considering that there is no active market for these instruments, differences may arise if these amounts are settled in advance.

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.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

8. **Financial instruments**--Continued

d) Liquidity--Continued

The table below details the remaining contractual maturity of the Group's financial assets and liabilities, and the agreed repayment terms. The tables below were prepared using the undiscounted cash flows of the financial assets and financial liabilities 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 six-month period ended June 30, 2016. Contractual maturity is based on the first date the Group can be required to pay. 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 ye ars	Total
June 30, 2016:						
Trade payables	-	**(20,372)**	**(319)**	**(138)**	**(30)**	**(20,859)**
Trade receivables	-	**16,122**	**572**	**2,130**	**-**	**18,824**
Borrowings	16.65	**(97)**	**(968)**	**(11,572)**	**(1,188)**	**(13,825)**
Installment payment of acquisitions of companies	14.03	**(15)**	**(1,055)**	**-**	**-**	**(1,070)**

	Weighted average effective interest rate - %	Consolidated				
		Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 y ears	Total
June 30, 2016:						
Trade payables	-	**(67,983)**	**(2,317)**	**(6,186)**	**(454)**	**(76,940)**
Trade receivables	-	**56,155**	**3,843**	**3,263**	**-**	**63,261**
Currency swap derivatives (item f))	9.90	**-**	**-**	**5,304**	**5,181**	**10,485**
Borrowings	9.90	**(206)**	**(14,762)**	**(54,777)**	**(178,796)**	**(248,541)**
Installment payment of acquisitions of companies	10.19	**(117)**	**(1,096)**	**(4,121)**	**(6,257)**	**(11,591)**

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

8. Financial instruments--Continued

e) 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 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.

f) Currency risk

As referred to in note 16, the Group contracted 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 1.75% to 3.1% per year.

As at June 30, 2016 and 2015, due to this financial instrument, the following results were obtained:

	6/30/2016	6/30/2015
Notional amount in US dollars - US$ thousand	**32,229**	27,633
Average contracting rate - real - R$	**2,56**	2,35
Notional amount in real - R$	**82,550**	65,040
Long position (purchased)		
US dollar - US$ thousand plus interest from 4.05% to 4.81% per year	**8,378**	23,378
Short position (sold)		
CDI plus interest from 1.75% to 3.1% per year	**(627)**	(734)
Gain for the period	**7,751**	22,644

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

8. **Financial instruments**--Continued

g) Interest rate risk

The Group has loans and debt agreements denominated in U.S. dollars and Brazilian reais (R$), indexed to LIBOR (long-term rate), TJLP (agreements with National Bank for Economic and Social Development (BNDES) and CDI. 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	16.52%	20.03%	23.53%
Estimated charges	8.478	10.278	12.078
Libor (per year) plus interest of 3.6% per year	4.25%	4.41%	4.58%
Estimated charges	6.362	6.606	6.850
TJLP (per year) plus interest of 3.8% per year	11.31%	13.19%	15.06%
Estimated charges	547	638	729

Notes to the interim financial information--Continued
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8. **Financial instruments**--Continued

g) Interest rate risk--Continued

Installment payment of acquisitions of companies

	Consolidated		
	Probable	**Scenario I**	**Scenario II**
Installment payment of acquisitions of companies (per year) - CDI	14.03%	17.54%	21.05%
Estimated charges	636	795	954

h) Debt-to-equity ratio

	Parent		Consolidated	
	6/30/2016	**12/31/2015**	**6/30/2016**	**12/31/2015**
Debt (i)	**12,233**	14,928	**218,198**	360,321
Currency swap derivatives	**-**	(2,229)	**(8,378)**	(31,113)
Installment payment of acquisitions of companies	**1,036**	892	**10,195**	100,169
Installment payment of rights over points of sales	**-**	52,635	**-**	52,635
Cash and cash equivalents (short-term investments)	**(127,308)**	(233,996)	**(261,748)**	(289,390)
Net debt	**(114,039)**	(167,770)	**(41,733)**	192,622
Equity (ii)	**1,093,027**	1,192,129	**1,102,889**	1,204,128
Net debt-to-equity ratio	**(0.10)**	(0.14)	**(0.04)**	0.16

(i) Debt is defined as short- and long-term loans, as detailed in note 16.

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

Notes to the interim financial information--Continued
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9. Cash and cash equivalents

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Cash	**346**	570	**4,202**	6,851
Banks	**442**	610	**122,515**	43,052
Short-term investments	**126,520**	232,816	**135,031**	239,487
	127,308	233,996	**261,748**	289,390

Short-term investments classified as cash and cash equivalents are broken down as follows:

Transactions	Average yield	Liquidity	Country	Parent	
				6/30/2016	12/31/2015
Debentures - repurchase agreements	90% to 101.7% of CDI	Immediate	Brazil	**121,616**	231,718
Automatic investment	30% to 60% of CDI	Immediate	Brazil	**4,904**	285
Others	80% to 100% of CDI	Immediate	Brazil	**-**	813
				126,520	232,816

Transactions	Average yield	Liquidity	Country	Consolidated	
				6/30/2016	12/31/2015
Debentures - repurchase agreements	90% to 101.7% of CDI	Immediate	Brazil	**123,724**	232,718
Automatic investment	30% to 60% of CDI	Immediate	Brazil	**4,170**	3,114
Automatic investment	4.9% p.a.	Immediate	Colombia	**7,137**	3,351
Others	80% to 100% of CDI	Immediate	Brazil	**-**	304
				135,031	239,487

10. Trade receivables

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Means of payment (credit and debit cards, and meal tickets)	**1,724**	2,002	**27,678**	31,346
Trade receivables	**14,111**	18,171	**25,005**	31,279
Fees and sales agreements	**3,204**	2,965	**11,319**	8,351
Others	**-**	-	**313**	372
	19,039	23,138	**64,315**	71,348
Allowance for doubtful debts	**(215)**	(162)	**(1,054)**	(762)
	18,824	22,976	**63,261**	70,586

Notes to the interim financial information--Continued
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10. Trade receivables--Continued

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

	Consolidated	
	6/30/2016	12/31/2015
In Brazilian reais - R$	**49,229**	54,995
In US dollars - US$ (*)	**7,503**	4,733
In Mexican pesos - MXN$ (*)	**644**	1,691
In Colombian pesos - COP$ (*)	**6,939**	9,929
	64,315	71,348

(*) 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 in line item 'Trade receivables' refers mainly to receivables from airlines.

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

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Current	**15,986**	20,234	**59,319**	66,036
Past due:				
Up to 30 days	**1,524**	2,182	**2,049**	2,898
31 to 60 days	**1,136**	548	**1,250**	1,067
61 to 90 days	**178**	12	**327**	228
Over 90 days	**215**	162	**1,370**	1,119
Allowance for doubtful debts	**(215)**	(162)	**(1,054)**	(762)
	18,824	22,976	**63,261**	70,586

The Company pledged receivables from credit card companies as collateral for borrowings. As at June 30, 2016, the balance receivable related to this collateral is R$583 (R$682 at December 31, 2015) in Parent and R$4,510 (R$10,823 at December 31, 2015) in consolidated. 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 on the maturity date. This collateral could be enforced by banks in case of default on a borrowing.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

10. Trade receivables--Continued

Allowance for doubtful debts

The variations in the allowance for doubtful debts are as follows:

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Balance at the beginning of the period/year	**(162)**	(125)	**(762)**	(3,702)
Additions	**(154)**	(316)	**(740)**	(1,030)
Reversals and write-offs	**101**	279	**381**	1,021
Assets held for sale	**-**	-	**-**	2,970
Exchange rate changes	**-**	-	**67**	(21)
Balance at the end of the period/year	**(215)**	(162)	**(1,054)**	(762)

Fees and sales 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 the effect of such adjustment is considered immaterial when compared with the individual and consolidated interim financial information taken as a whole.

11. Inventories

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Food and beverages	**5,548**	3,814	**21,657**	23,853
Fuel and vehicle accessories	**-**	-	**2,906**	4,496
Nonfood products and souvenirs for resale	**-**	-	**9,197**	4,691
Supplies and fixtures	**1,785**	1,812	**5,065**	8,877
	7,333	5,626	**38,825**	41,917

As at June 30, 2016, the total cost of inventories sold disclosed in line item 'Cost of sales and services' totals R$23,480 (R$31,725 at June 30, 2015) in Parent and R$269,172 (R$281,687 at June 30, 2015) in Consolidated.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

12. Taxes recoverable

	Parent		Consolidated	
	6/30/2016	**12/31/2015**	**6/30/2016**	**12/31/2015**
Prepaid Income tax and social contribution	**-**	-	**6,890**	4,958
Withheld income tax (IRRF) on short-term investments	**6,191**	3,046	**9,422**	5,721
Taxes on revenue (PIS and COFINS)	**8,024**	7,414	**14,570**	17,308
Value Added Tax (VAT) (Colombia)	**-**	-	**1,146**	521
Others	**277**	201	**1,392**	1,789
	14,492	10,661	**33,420**	30,297

13. Investments

The list of the Company's subsidiaries and the variations in investments for the year ended December 31, 2015 are presented in the financial statements for the year then ended, disclosed on March 22, 2016. The changes occurred in the period ended June 30, 2016 are shown in the table listing the consolidated entities, in note 3.

Information on subsidiaries

The variations in investments in subsidiaries for the six-month period ended June 30, 2016 are as follows:

	Parent					
	Tob's	**Viena chain**	**Frango Assado chain**	**IMC USA/ Mexico**	**IMC Caribe**	**Total**
Balance at December 31, 2015	5,392	191,157	291,575	25,336	111,690	625,150
Reclassifications	-	-	-	105,704	145,683	251,387
Investment increase	-	-	20,012	28,901	-	48,913
Share of profit (loss) of investees	(63)	(16,466)	798	(15,762)	7,674	(23,819)
Dividends received	-	-	-	-	(13,200)	(13,200)
(Profit) loss from indirect discontinued operations	-	-	-	63,137	(46,010)	17,127
Translation adjustments	-	-	-	(47,914)	(70,529)	(118,443)
Balance at June 30, 2016	**5,329**	**174,691**	**312,385**	**159,402**	**135,308**	**787,115**

Notes to the interim financial information--Continued
June 30, 2016
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13. Investments--Continued

Information on subsidiaries--Continued

The variations in investments in joint ventures, presented in the consolidated interim financial statements, are as follows:

	Margaritaville (Orlando)
Balance at December 31, 2015	40,009
Share of profit (loss) of investees (*)	4,220
Dividends received	(5,359)
Translation adjustments of foreign joint ventures	(6,813)
Balance at June 30, 2016	**32,057**

(*) Share of profit (loss) of subsidiaries net of amortization of investment in joint venture incurred in the six-month period ended June 30, 2016 amounting to R$1,157. The investment is amortized because the joint venture has finite duration.

14. Property, plant and equipment

The variations in property, plant and equipment for the year ended December 31, 2015 are presented in the financial statements for the year then ended, disclosed on March 22, 2016. The variations in the six-month period ended June 30, 2016 are as follows:

	Parent				
	Balance at 12/31/2015	Additions (*)	Transfers, write-offs, and others	Use of provision for impairment of assets	Balance at 6/30/2016
Cost					
Machinery, equipment and facilities	23,267	-	(1,045)	674	**22,896**
Furniture and fixtures	8,893	-	(894)	-	**7,999**
Leasehold improvements	29,230	-	(4,776)	6,750	**31,204**
Computers, vehicles and other items	24,075	-	19	-	**24,094**
Works and construction in progress	71	3,773	(3,845)	42	**41**
Total cost	85,536	3,773	(10,541)	7,466	**86,234**
Depreciation					
Machinery, equipment and facilities	(12,508)	(1,580)	590	(199)	**(13,697)**
Furniture and fixtures	(4,634)	(582)	506	-	**(4,710)**
Leasehold improvements	(16,143)	(1,384)	2,464	(2,468)	**(17,531)**
Computers, vehicles and other items	(17,384)	(1,040)	566	-	**(17,858)**
Total depreciation	(50,669)	(4,586)	4,126	(2,667)	**(53,796)**
Total, net	34,867	(813)	(6,415)	4,799	**32,438**

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

14. Property, plant and equipment--Continued

	Consolidated					
	Balance at 12/31/2015	Effects of exchange differences	Additions (*)	Transfers, write-offs, and others	Use of provision for impairment of assets	Balance at 6/30/2016
Cost						
Land and buildings	4,222	(459)	-	-	-	**3,763**
Machinery, equipment and facilities	150,687	(4,515)	2,048	1,052	2,240	**151,512**
Furniture and fixtures	67,911	(5,345)	1,439	(402)	455	**64,058**
Leasehold improvements	275,549	(22,157)	5,693	(6,620)	10,905	**263,370**
Computers, vehicles and other items	61,085	(2,396)	1,162	452	214	**60,517**
Works and construction in progress	10,421	(2,617)	18,470	(13,262)	123	**13,135**
Total cost	569,875	(37,489)	28,812	(18,780)	13,937	**556,355**
Depreciation						
Buildings	(2,109)	236	(94)	-	-	**(1,967)**
Machinery, equipment and facilities	(92,580)	2,920	(9,086)	2,339	(1,121)	**(97,528)**
Furniture and fixtures	(36,089)	2,442	(5,149)	1,187	(354)	**(37,963)**
Leasehold improvements	(111,100)	8,941	(18,729)	5,634	(4,447)	**(119,701)**
Computers, vehicles and other items	(46,343)	1,782	(2,941)	1,091	(204)	**(46,615)**
Total depreciation	(288,221)	16,321	(35,999)	10,251	(6,126)	**(303,774)**
Total, net	281,654	(21,168)	(7,187)	(8,529)	7,811	**252,581**

(*) The additions to property, plant and equipment presented in the statements of cash flows are net of the installments to be paid in subsequent months. Accordingly, the amount of R$49, Parent, was added to and R$22, consolidated, was deducted from additions to property, plant and equipment in the six-month period ended June 30, 2016 in the statements of cash flows.

	Parent		Consolidated	
Net balances in	6/30/2016	12/31/2015	6/30/2016	3/31/2015
Land and buildings	**-**	-	**1.796**	2.113
Machinery, equipment and facilities	**9,199**	10,759	**53,984**	58,107
Furniture and fixtures	**3,289**	4,259	**26,095**	31,822
Leasehold improvements	**13,673**	13,087	**143,669**	164,449
Computers, vehicles and other items	**6,236**	6,691	**13,902**	14,742
Works and construction in progress	**41**	71	**13,135**	10,421
	32,438	34,867	**252,581**	281,654

Notes to the interim financial information--Continued
June 30, 2016
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14. Property, plant and equipment--Continued

Depreciation charges are allocated as follows:

	Parent		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Allocated to cost of sales and services	**(3,925)**	(4,180)	**(30,931)**	(29,880)
Allocated to general and administrative expenses	**(661)**	(583)	**(5,068)**	(5,703)
Total depreciation expenses	**(4,586)**	(4,763)	**(35,999)**	(35,583)
PIS and COFINS credits on depreciation (*)	**544**	200	**1,613**	1,087
Total depreciation expenses, net of tax credits	**(4,042)**	(4,563)	**(34,386)**	(34,496)

(*) 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 at June 30, 2016 is R$2,037 (R$2,410 as at December 31, 2015) in Parent and in consolidated.

15. Intangible assets

The variations in intangible assets for the year ended December 31, 2015 are presented in the financial statements for the year then ended, disclosed on March 22, 2016. The variations in the period ended June 30, 2016 are as follows:

	Parent				
	Balance at 12/31/2015	**Additions (*)**	**Transfers, write-offs, and others**	**Use of provision for impairment of assets**	**Balance at 6/30/2016**
Cost:					
Goodwill	91,790	-	-	-	**91,790**
Software	14,215	777	8	-	**15,000**
Rights over trademarks	4,100	-	-	-	**4,100**
Rights over points of sales	47,504	325	(16,946)	363	**31,246**
Licensing rights	72,133	-	-	-	**72,133**
Leasehold rights	25,532	-	-	-	**25,532**
Intangibles in progress	1,148	764	(113)	-	**1,799**
Total cost	256,422	1,866	(17,051)	363	**241,600**
Amortization:					
Software	(12,113)	(1,310)	-	-	**(13,423)**
Rights over points of sales	(6,203)	(3,769)	3,153	-	**(6,819)**
Licensing rights	(45,224)	(2,512)	-	-	**(47,736)**
Leasehold rights	(17,296)	(988)	-	-	**(18,284)**
Total amortization	(80,836)	(8,579)	3,153	-	**(86,262)**
	175,586	(6,713)	(13,898)	363	**155,338**

Notes to the interim financial information--Continued
June 30, 2016
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15. Intangible assets--Continued

	Consolidated						
	Balance at 12/31/2015	PPA allocation	Additions (*)	Transfers, write-offs, and others	Effects of exchange differences	Use of provision for impairment of assets	Balance at 6/30/2016
Cost							
Goodwill	666,850	866	-	-	(30,800)	-	**636,916**
Software	25,732	-	909	(38)	(117)	-	**26,486**
Rights over trademarks	63,947	-	-	-	(1,285)	-	**62,662**
Rights over points of sales	129,273	-	325	(21,233)	(695)	3,567	**111,237**
Licensing rights	106,984	-	-	-	(3,009)	-	**103,975**
Leasehold rights	31,264	-	-	(252)	(890)	-	**30,122**
Non-compete agreements	3,296	-	-	-	(359)	-	**2,937**
Intangibles in progress and other assets	1,926	-	764	(117)	(84)	-	**2,489**
Total cost	1,029,272	866	1,998	(21,640)	(37,239)	3,567	**976,824**
Amortization							
Software	(22,028)	-	(1,633)	75	109	-	**(23,477)**
Rights over points of sales	(28,558)	-	(7,480)	4,477	227	(1,473)	**(32,807)**
Licensing rights	(63,491)	-	(3,699)	-	928	-	**(66,262)**
Leasehold rights	(17,297)	-	(988)	-	-	-	**(18,285)**
Non-compete agreements	(1,111)	-	(159)	-	133	-	**(1,137)**
Intangibles in progress and other assets	(321)	-	(38)	-	37	-	**(322)**
Total amortization	(132,806)	-	(13,997)	4,552	1,434	(1,473)	**(142,290)**
	896,466	866	(11,999)	(17,088)	(35,805)	2,094	**834,534**

(*) The statements of cash flows for the six-month period ended June 30, 2016 include the installments paid of R$ 31,219 relating to acquisitions previously made with installment payment terms.

In 2016 the Company wrote off R$ 16,946 relating to rights over points of sale due to amendments to the airport space assignment agreement entered into with Inframerica Concessionária do Aeroporto de Brasília. In addition to the write-off, among the amendments to the contractual conditions the following stand out: (i) extension of the agreement maturity to December 31, 2026; (ii) return of 6 sales points (3 returned through April/2016); (iii) assignment of 8 new spaces by the concessionaire; (iv) payment of R$25,000 on June 30, 2016 relating to the residual balance of the right over point of sale payable.

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

15. Intangible assets--Continued

	Parent		Consolidated	
Net balances in	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Goodwill (a)	**91,790**	91,790	**636,916**	666,850
Software	**1,577**	2,102	**3,009**	3,704
Rights over trademarks (b)	**4,100**	4,100	**62,662**	63,947
Rights over points of sales (c)	**24,427**	41,301	**78,430**	100,715
Licensing rights (d)	**24,397**	26,909	**37,713**	43,493
Leasehold rights (e)	**7,248**	8,236	**11,837**	13,967
Non-compete agreements	**-**	-	**1,800**	2,185
Intangibles in progress and other assets	**1,799**	1,148	**2,167**	1,605
	155,338	175,586	**834,534**	896,466

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.
- 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 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 goodwill was allocated to the following cash-generating units:

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

15. Intangible assets--Continued

Main intangible assets--Continued

a) *Goodwill--Continued*

	Consolidated	
	6/30/2016	**12/31/2015**
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	**955**	1,071
Airports	**18,293**	20,526
	19,248	21,597
United States of America	**131,786**	159,371
	636,916	666,850

b) *Rights over trademarks*

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

c) *Rights over points of sales*

Refer to amounts paid to acquire rights over points of sales (commercial rights) and/or for the allocation of part of the prices paid for the acquisition of businesses.

d) *Licensing rights*

A portion of the price attributable to the acquisition of catering operations was allocated to the licenses to operate airline-catering services on board of aircraft, and licenses and permits to operate restaurants in certain commercial regions.

Notes to the interim financial information--Continued
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15. Intangible assets--Continued

Main intangible assets--Continued

e) *Leasehold rights*

Refers to the portion of the company 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 at June 30, 2016 there are no indications that any of the cash-generating units is impaired.

16. Borrowings

			Parent		Consolidated	
	Finance charges	Maturity	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Bank Credit Note (CCB) - Brazil (a)	CDI + spread from 1.4% to 2.05% per year	-	**-**	-	**-**	62,178
International Banking Credit Note (a)	CDI + spread from 1.75% to 3.00% per year	Quarterly up to 9/14/20	**10,385**	12,602	**59,700**	90,673
Bank Credit Note - CCB – United States of America (b)	90-day LIBOR + spread of 3.6% per year	Quarterly up to 4/01/19	**-**	-	**148,825**	196,242
BNDES	TJLP or exchange fluctuation + spread from 3.81% to 5.8% per year	Monthly until 11/15/19	**-**	-	**4,838**	6,836
Others			**1,848**	2,326	**4,835**	4,392
			12,233	14,928	**218,198**	360,321

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

16. Borrowings--Continued

Classified as:

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Current:				
Foreign currency-denominated borrowings	**10,385**	85	**98,971**	74,807
Local currency-denominated borrowings (R$)	**933**	944	**3,841**	22,057
	11,318	1,029	**102,812**	96,864
Noncurrent:				
Foreign currency-denominated borrowings	**-**	12,517	**109,554**	212,107
Local currency-denominated borrowings (R$)	**915**	1,382	**5,832**	51,350
	915	13,899	**115,386**	263,457

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 the Company's subsidiaries and a swap collateral assignment arising from sales made by the Company's subsidiaries using 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 1.75% 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).

Guarantees and commitments--Continued

(b) Loan repayable in 13 quarterly installments beginning April 2016 and collateralized by the subsidiaries of IMSMV Holdings Inc. Under this loan agreement, the Group is required to comply with certain positive and negative covenants on a consolidated basis. The financial ratios established in the loan agreement are evaluated by the financial institution semiannually beginning December 31, 2015. As at June 30, 2016, the Company was compliant with all covenants.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

16. **Borrowings**--Continued

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

	Parent	Consolidated
2017	915	37,578
2018	-	28,708
2019	-	25,315
2020 and thereafter	-	23,785
	915	115,386

17. Installment payment of acquisitions of companies

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Acquisitions of companies in Brazil	**1,036**	892	**4,534**	4,287
Acquisitions of companies in other countries	**-**	-	**5,661**	95,882
Total	**1,036**	892	**10,195**	100,169
Current	**1,036**	892	**1,214**	37,604
Noncurrent	**-**	-	**8,981**	62,565

In March 2016 the Company renegotiated the debt with the former owners of companies acquired in the past and for the advance payment it received a financial discount of R$6,922.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

18. 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. Escrow deposits were made when required by the authorities.

	Parent		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Labor and social security (a)	**2,833**	2,540	**6,867**	6,775
Tax (b)	**947**	1,628	**4,380**	6,488
Civil (c)	**278**	278	**309**	333
	4,058	4,446	**11,556**	13,596

(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 if such risks materialize.

(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 Company's legal counsel's opinion, who assessed the risk of an unfavorable outcome as probable.

The Group is party to other lawsuits involving the potential risk of losses: tax - R$15,757, labor and social security - R$20,806, and civil - R$2,850, and the Parent is also a party to lawsuits involving a possible risk of losses: tax - R$3,927, labor and social security - R$5,283, and civil - R$1,297. Based on the analysis of the related contingencies and the opinion of the Group's legal counsel, Management believes that the likelihood of an unfavorable outcome in these lawsuits is possible and no provision was recognized.

The variations in the provision for risks in the periods are as follows:

	Parent			
	Labor and social security	Tax	Civil	Total
Balance at December 31, 2014	2,331	1,749	12	4,092
Additions	1,016	169	266	1,451
Reversals	(289)	(464)	-	(753)
Uses	(730)	-	-	(730)
Balance at June 30, 2015	2,328	1,454	278	4,060
Balance at December 31, 2015	2,540	1,628	278	4,446
Additions	987	188	-	1,175
Reversals	(224)	(869)	-	(1,093)
Uses	(470)	-	-	(470)
Balance at June 30, 2016	**2,833**	**947**	**278**	**4,058**

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

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

	Consolidated			
	Labor and social security	Tax	Civil	Total
Balance at December 31, 2014	6,218	6,024	56	12,298
Additions	4,484	701	305	5,490
Reversals	(1,145)	(1,422)	(29)	(2,596)
Uses	(3,685)	(276)	-	(3,961)
Liabilities directly related to assets held for sale	(556)	-	-	(556)
Exchange rate changes	26	-	-	26
Balance at June 30, 2015	5,342	5,027	332	10,701
Balance at December 31, 2015	6,775	6,488	333	13,596
Additions	4,159	2,020	-	6,179
Reversals	(929)	(4,128)	(24)	(5,081)
Uses	(3,138)	-	-	(3,138)
Balance at June 30, 2016	**6,867**	**4,380**	**309**	**11,556**

19. 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.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

19. Income tax and social contribution--Continued

a) Deferred income tax and social contribution--Continued

As at June 30, 2016 and December 31, 2015, deferred income tax is as follows:

	Parent	
	6/30/2016	**12/31/2015**
Tax loss carryforwards	**6,570**	6,570
Temporary differences:		
Provision for labor, civil and tax risks	**1,380**	1,512
Provision for disposal of assets	**4,438**	6,583
Deferred income tax liability on amortization of goodwill of companies acquired	**(40,600)**	(40,554)
Deferred tax liability arising from fair value allocations of business combinations	**(3,859)**	(4,194)
Accrued liabilities and others	**8,234**	6,357
Total	**(23,837)**	(23,726)
Assets	**-**	-
Liabilities	**(23,837)**	(23,726)

	Consolidated	
	6/30/2016	**12/31/2015**
Tax loss carryforwards	**64,396**	64,396
Temporary differences:		
Provision for labor, civil and tax risks	**3,929**	4,821
Provision for disposal of assets	**8,709**	12,200
Accrued liabilities	**6,589**	11,071
Asset appreciation and difference between accounting and tax law depreciation rates	**23,268**	14,090
Deferred income tax liability on amortization of goodwill of companies acquired	**(141,886)**	(128,324)
Deferred tax liability arising from fair value allocations of business combinations	**(24,679)**	(30,215)
Others	**5,534**	4,823
	(54,140)	(47,138)
Assets	**619**	720
Liabilities	**(54,759)**	(47,858)

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

19. Income tax and social contribution--Continued

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:

	Consolidated
Year	
2016	3,028
2017	3,106
2018	3,752
2019 and thereafter	102,539
	112,425

Of the total income tax and social contribution asset balance, R$ 20,622 refer to the Parent and has realization estimate in a period and proportion similar to the consolidated.

As at June 30, 2016, the Group has tax loss carryforwards amounting to R$328,028 (R$309,566 at December 31, 2015) for which it recognized a deferred tax asset up to the amount that can be offset against future taxable profits. Tax loss carryforwards are distributed among the Group's subsidiaries as follows:

	Consolidated
	6/30/2016
Brazil	**324,595**
The Caribbean	**3,433**
	328,028

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

	Parent	
	6/30/2016	**6/30/2015**
Loss before income tax and social contribution from continuing operations	**(33,468)**	(30,330)
Statutory tax rate	**34%**	34%
Income tax and social contribution at statutory rate:	**11,379**	10,312
Adjustments made:		
Permanent differences (*)	**(5,111)**	(5,199)
Others	**2**	(17)
Income tax and social contribution	**6,270**	5,096
Current	**6,333**	-
Deferred	**(63)**	5,096

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

19. Income tax and social contribution--Continued

c) Reconciliation of income tax and social contribution at statutory and effective rates--Continued

	Consolidated	
	6/30/2016	**6/30/2015**
Loss before income tax and social contribution from continuing operations	**(24,232)**	(32,906)
Statutory tax rate	**34%**	34%
Income tax and social contribution at statutory rate:	**8,239**	11,188
Adjustments made:		
Permanent differences (*)	**1,619**	(4,136)
Effect on differences of statutory tax rates of foreign subsidiaries	**(266)**	992
Deferred income tax credits on tax loss carryforwards not recognized or recognized in losses of prior years	**(12,689)**	(225)
Others	**131**	(147)
Income tax and social contribution	**(2,966)**	7,672
Current	**5,043**	(1,794)
Deferred	**(8,009)**	9,466

(*) Include: (i) expenses on foreign subsidiaries' nondeductible depreciation or amortization; and (ii) other nondeductible expenses.

The Company recognized a provision for income tax and social contribution related to the portion of the taxable profit from sales of discontinued operations of R$11,945, as disclosed in note 29 d.). This amount as at June 30, 2016 is offset by R$6,333 of tax loss carryforwards of the subsidiary for the period, according to the calculation of these taxes under the prevailing tax rule.

20. Equity

Advent International Corporation ("Advent") has the Company's control through its investments in FIP – Fundo de Investimento em Participações – Brasil Empreendimentos, which holds 20.21% of the Company and in which Advent has 69.76% of the shares and through Semolina Fundo de Investimento em Participações with 23.24%, totaling 43.45% 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.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

20. **Equity**--Continued

a) Capital--Continued

Reconciliation of shares at the beginning and end of the year is as follows:

	Parent
Shareholding position as of December 31, 2014	84,482,793
Capital increase	70,453,785
Shareholding position as of December 31, 2015	154,936,578
Capital increase	11,595,022
Shareholding position as of June 30, 2016	**166,531,600**

On December 29, 2015, the period for exercising the preemptive right to subscribe shares relating to the Company's capital increase, approved at the Extraordinary General Meeting held on November 27, 2015, ended. The right was exercised upon subscription of 70,453,785 common shares out of the 100,000,000 new common shares proposed.

Accordingly, as of December 31, 2015, as a result of the capital contribution then occurred, the amounts of R$70,453 and R$211,359 were recognized as capital and capital reserve, respectively, subject to analysis by investors within the period established by regulation.

The exercise of the preemptive right resulted in uncalled capital corresponding to 29,546,215 common shares. Accordingly, those shareholders that, in the Subscription Bulletin, were eligible to subscribe uncalled capital may, from January 5 to January 11, 2016, subscribe such shares in the overallotment for the total subscription amount, corresponding to 0.4197956460 share per each subscribed share.

Out of the total uncalled capital, 11,595,022 shares were subscribed. In the first quarter of 2016, as a result of the capital contribution that occurred, the amounts of R$11,596 and R$34,787 were recognized as capital increase and capital reserve, respectively.

b) Allocation of profit

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

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

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

20. **Equity**--Continued

b) Allocation of profit--Continued

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.

c) 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 during the period 2,138,100 common shares, at the average purchase price of 3.88. The net disbursement for such buyback of shares in the period was R$ 8,306.

As of June 30, 2016, line item "Treasury shares" was broken down as follows:

	Number of shares	**Amount**	**Average price per share - R$**
Balance at the beginning of the period	337,257	4,762	14.12
Acquired	2,138,100	8,306	3.88
Balance at the end of the year	**2,475,357**	**13,068**	**5.28**

d) Other comprehensive income

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

Notes to the interim financial information--Continued
June 30, 2016
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21. 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 4,224,139 common shares, corresponding to 5% of the Company’s capital, on the abovementioned Plan approval date.

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.

On May 12, 2015, the Board of Directors approved the terms and the beneficiaries of the First Stock Option Program and granted stock options to 400,000 Company common shares to an officer. The exercise price is R$6.00 per share, subject to fluctuation of the General Market Price Index from Fundação Getúlio Vargas (IGP-M/FGV), from the grant date to the actual payment date. Subject to the condition of remaining in the Company at every 12-month period, during a 40-year period, the Beneficiaries will acquire, at every 12 months, the right to exercise the percentage rate of options set out in each Agreement, within a maximum period of up to two years after the vesting period.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

21. Share-based payment plan--Continued

On July 1, 2015, the Board of Directors approved the terms and the beneficiaries of the Second Stock Option Program and granted stock options to 2,100,000 Company common shares to three officers. The exercise price is R$6.00 per share, subject to fluctuation of the Extended National Price Index (IPCA) from the National Institute of Geography and Statistics (IBGE), from the grant date to the actual payment date. Subject to the condition of remaining in the Company at every 12-month period, during a period of 3 to 4 years, the Beneficiaries will acquire, at every 12 months, the right to exercise the percentage rate of options set out in each Agreement, within a maximum period of up to two years after the vesting period.

On August 6, 2015, the Board of Directors approved the terms and the beneficiaries of the Third Stock Option Program and granted stock options to 200,000 Company common shares to two officers. The exercise price is R$7.00 per share, subject to fluctuation of the IPCA from the IBGE, from the grant date to the actual payment date. Subject to the condition of remaining in the Company for a two-year term of office, the Beneficiaries will acquire the right to exercise the options, in the period, as follows: (a) 33% within 5 days, counted from the execution of the Agreement; (b) 33% on April 30, 2016; and (c) 34% on April 30, 2017, within a maximum period of up to two years after the vesting period. There are no other option exercise conditions.

The Board of Directors approved the terms and the beneficiaries of the Fourth Stock Option Program and granted stock options to 150,000 Company common shares to one officer. The exercise price is R$4.00 per share, subject to fluctuation of the Extended National Price Index (IPCA) from the National Institute of Geography and Statistics (IBGE), from the grant date to the actual payment date. Such grant was given to the beneficiary as of October 6, 2015. Subject to the condition of remaining in the Company for a two-year term of office, the Beneficiary will acquire the right to exercise the options, in the period, as follows: (a) 33% within 5 days, counted from the execution of the Agreement; (b) 33% on April 30, 2016; and (c) 34% on April 30, 2017, within a maximum period of up to two years after the vesting period. There are no other option exercise conditions.

On March 1, 2016, the Board of Directors approved the terms and the beneficiaries of the Fifth Stock Option Program and granted stock options to 150,000 Company common shares to one officer. The exercise price is R$4.00 per share, subject to fluctuation of the IPCA from the IBGE, from the grant date to the actual payment date. Subject to the condition of remaining in the Company at every 12-month period, during a 4-year period, the Beneficiaries will acquire, at every 12 months, the right to exercise the percentage rate of options set out in each Agreement, within a maximum period of up to two years after the vesting period.

Notes to the interim financial information--Continued
June 30, 2016
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21. Share-based payment plan--Continued

On March 24, 2016, the programs that had the grant carried out through August 6, 2015 were amended as follows: (i) the number of shares granted in each plan was increased by 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; and (iii) end of the exercise period of all management contracts, which is now 5 years after the grant date The amendment to the original stock option plan incurred an incremental cost of R$1,528.

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 rights and obligations under the Plan and this Agreement can neither be assigned nor transferred, wholly or partially, by the Beneficiary without the Company's prior written consent.

The Plan fair value 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 'Capital reserve' in equity, as follows:

Grant date and program	YTD – on 6/30/2016	Amounts to be recorded in future periods
May 12, 2015 – First Program	**916**	1,050
July 1, 2015 – Second Program	**6,028**	6,829
August 6, 2015 – Third Program	**417**	118
October 6, 2015 – Fourth Program	**96**	32
March 1, 2016 – Fifth Program	**81**	446
Total	**7,538**	8,475

No options were exercised in the six-month period ended June 30, 2016 and, therefore, there were no variations in stock options.

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

Notes to the interim financial information--Continued
June 30, 2016
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21. Share-based payment plan--Continued

	First Program	Second Program	Third Program	Fourth Program	Fifth Program
Grant date	5/12/15	7/01/15	8/06/15	10/06/15	3/01/16
Beginning of option exercise period	5/12/16	7/01/16	8/11/15	10/10115	3/01/17
End of option exercise period	5/12/22	7/01/22	4/30/19	4/30/19	3/01/22
Risk-free interest rate	7,28%	7,21%	6,47%	6,63%	5,96%
Number of eligible managers and employees	1	3	2	1	1
Price set in the original agreement - R$	6,00	6,00	7,00	4,00	4,00
Price set in the amended agreement - R$	4,00	4,00	4,00	-	-
Index	IGP-M	IGP-M	IGP-M	IGP-M	IPCA
Number of outstanding options after amendment	600,000	3,150,000	300,000	150,000	150,000
Option fair value on grant date - R$	3,39	4,64	1,52	-	-
Option fair value on amendment date - R$	1,51	1,51	0,94	0,85	1,32
Option amount (after amendment), adjusted through June 30, 2016 (R$)	1,58	1,58	0,99	0,89	1,36

The Plan substitutes 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.

The options to be created as a result of liquidity event, as defined in the Stock Plan, and the shares already delivered within the scope of the Stock Plan will be considered for purposes of the limit of 5% of the Company’s capital.

22. Net revenue

The reconciliation of gross revenue and net revenue presented in the statement of profit or loss is as follows:

	Parent		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Gross revenue	**95,950**	110,542	**836,565**	829,047
Taxes on sales	**(9,829)**	(11,404)	**(49,883)**	(53,235)
Returns and rebates	**(374)**	(307)	**(10,406)**	(8,615)
	85,747	98,831	**776,276**	767,197

Notes to the interim financial information--Continued
June 30, 2016
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23. Selling and operating expenses

	Parent		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Payroll	**(5,009)**	(43)	**(11,896)**	(2,132)
Publicity and advertising	**(397)**	(815)	**(11,668)**	(11,073)
Rental expenses	**(10,257)**	(11,519)	**(84,256)**	(80,639)
Third-party services	**(1,306)**	(1,277)	**(17,131)**	(14,772)
Credit and debit card commissions	**(418)**	(507)	**(10,421)**	(9,854)
Royalties	**(180)**	(356)	**(11,735)**	(10,317)
Maintenance	**(21)**	(52)	**(8,147)**	(7,641)
Loogistics	**(589)**	(819)	**(2,473)**	(2,622)
Communication infrastructure	**(459)**	(418)	**(1,713)**	(1,562)
Fees and charges	**(399)**	(496)	**(5,470)**	(4,609)
Other expenses	**(641)**	(599)	**(9,068)**	(8,378)
	(19,676)	(16,901)	**(173,978)**	(153,599)

The Company reviewed its chart of accounts and made reclassifications between the personnel expenses classified as cost and as selling and operating expenses. In view of the immateriality of the balances, the reclassification was not reflected in the comparative balances. For a better analysis of the personnel expenses, see note 27 Expenses by nature.

24. General and administrative expenses

	Parent		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Payroll	**(17,624)**	(14,889)	**(31,591)**	(29,447)
Office rental	**(578)**	(644)	**(1,142)**	(1,266)
Outside party services	**(4,784)**	(2,768)	**(8,311)**	(6,849)
Travel expenses	**(519)**	(1,101)	**(1,499)**	(3,209)
Maintenance and utilities	**(852)**	(917)	**(1,430)**	(1,801)
Share-based payments	**(4,491)**	-	**(4,491)**	-
Store launchings	**(49)**	(1,863)	**(1,765)**	(2,045)
Expense recovery – apportionment among related parties	**14,059**	11,602	**-**	-
Loogistics	**(487)**	(419)	**(684)**	(780)
Communication infrastructure	**(125)**	(508)	**(454)**	(712)
Other general and administrative expenses	**(1,122)**	(886)	**(1,568)**	(7,170)
	(16,572)	(12,393)	**(52,935)**	(53,279)

Notes to the interim financial information--Continued
June 30, 2016
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25. Other operating income (expenses), net

	Parent		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Other expenses:				
Loss on disposal of property, plant and equipment	**(50)**	-	**(448)**	(98)
Provision for labor, civil and tax risks, net of reversals	**(82)**	(698)	**(1,098)**	(2,894)
Organizational restructuring	**(3,229)**	-	**(6,333)**	(203)
Write-off of escrow deposits	**-**	(657)	**-**	(1,316)
Discontinued projects	**-**	-	**-**	(349)
Other expenses	**(377)**	-	**(611)**	(2,043)
	(3,738)	(1,355)	**(8,490)**	(6,903)
Other income:				
Fees and sales agreements	**735**	-	**1,039**	1,029
Sales of fixed assets and sales points	**-**	643	**903**	1,239
Recovery of tax credits	**-**	2,174	**1,998**	6,097
Other revenues	**-**	70	**217**	271
	735	2,887	**4,157**	8,636
Total, net	**(3,003)**	1,532	**(4,333)**	1,733

26. Finance income (costs), net

	Parent		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Finance income:				
Income from short-term investments	**13,252**	210	**14,557**	848
Inflation adjustment gains	**-**	1,088	**-**	1,088
Exchange gains	**-**	-	**-**	2,429
Financial discount granted on payment of installments of acquisitions of companies	**8,383**	-	**15,305**	-
Other finance income	**794**	347	**374**	4,090
	22,429	1,645	**30,236**	8,455
Finance costs:				
Interest on borrowings	**(804)**	(1,008)	**(12,110)**	(15,960)
Interest on payables for acquisitions of companies and rights over points of sales	**(2,103)**	(3,607)	**(3,334)**	(7,310)
Exchange rate changes on translating assets of foreign subsidiaries whose functional currency is the R$	**(992)**	(1,368)	**(23,839)**	(3,797)
Inflation adjustment, interest and banking fees	**(950)**	(783)	**(2,153)**	(6,600)
Others	**(551)**	-	**(1,252)**	(308)
	(5,400)	(6,766)	**(42,688)**	(33,975)
Total, net	**17,029**	(5,121)	**(12,452)**	(25,520)

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

27. Expenses by nature

	Parent		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Inventory costs	**(23,480)**	(31,725)	**(269,172)**	(281,687)
Personnel expenses	**(56,479)**	(53,432)	**(254,442)**	(244,428)
Selling expenses	**(397)**	(815)	**(11,668)**	(11,073)
Outside services	**(6,106)**	(4,260)	**(25,640)**	(21,859)
Operating expenses	**(20,794)**	(23,995)	**(164,100)**	(156,933)
Depreciation and amortization	**(12,621)**	(11,472)	**(48,383)**	(49,534)
Expense recovery – related parties	**14,059**	11,602	**-**	-
Amortization of investment in joint venture	**-**	-	**(1,157)**	(824)
Share of profit (loss) of investees	**(23,819)**	(6,963)	**5,377**	4,443
Other income and expenses	**(3,604)**	(4,512)	**(14,538)**	(14,421)
	(133,241)	(125,572)	**(783,723)**	(776,316)
Classified as:				
Cost of sales and services	**(63,934)**	(81,823)	**(541,964)**	(552,315)
Selling and operating expenses	**(19,676)**	(16,901)	**(173,978)**	(153,599)
General and administrative expenses	**(16,572)**	(12,393)	**(52,935)**	(53,279)
Depreciation and amortization	**(9,240)**	(7,492)	**(19,066)**	(20,742)
Share of profit (loss) of investees	**(23,819)**	(6,963)	**4,220**	3,619
	(133,241)	(125,572)	**(783,723)**	(776,316)

28. 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		Consolidated	
	6/30/2016	**6/30/2015**	**6/30/2016**	**6/30/2015**
Subsidiaries				
Tob's	**-**	610	**-**	610
Servecom	**-**	-	**-**	32
IMC Alimentação S.A	**-**	-	**2,522**	-
Frango Assado chain	**398**	4,663	**6,615**	6,002
Viena chain	**2,124**	9,352	**16,437**	14,348
Subtotal	**2,522**	14,625	**25,574**	20,992

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

28. Related parties--Continued

b) Assets

	Parent	
	6/30/2016	**12/31/2015**
Viena chain	**34,362**	21,592
	34,362	21,592

c) Liabilities

	Parent	
	6/30/2016	**12/31/2015**
Tob's	**1,341**	1,503
Frango Assado	**648**	39,990
Panama	**14,938**	25,263
Mexico	**32**	63
	16,959	66,819

The guarantees provided by Group companies for own or related-party financing are disclosed in Note 16.

Compensation of key management personnel

For the six-month period ended June 30, 2016, key management compensation totaled R$5,702 (R$2,416 at June 30, 2015) in the parent, out of which R$4,491 related to the share-based payment plan, and R$5,702 (R$4,699 at June 30, 2015) in consolidated, out of which R$ 4,491 related to the share-based payment plan, as disclosed in note 21,. This amount was recorded in line item “General and administrative expenses”. Management does not have post-retirement benefits or other long-germ benefits.

29. Discontinued operations

Mexico

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. e Distribuidora de Alimentos TH, S.A. de C.V.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

29. Discontinued operations--Continued

Mexico--Continued

The sale comprised the companies 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.

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

The results of the discontinued operations, included in the statement of profit or loss, is presented below. The comparative profit or loss and cash flows from discontinued operations have been restated in order to include these operations classified as discontinued in the current year.

a) *Loss for the period from discontinued operations*

	6/30/2016		
Statements of profit or loss from discounted operations	**Puerto Rico**	**Dominican Republic**	**Total**
Net revenue	**19,984**	**4,240**	**24,224**
Cost of sales and services	**(11,823)**	**(1,619)**	**(13,442)**
Gross profit	**8,161**	**2,621**	**10,782**
Operating income (expenses)			
Selling and operating expenses	**(3,446)**	**(1,319)**	**(4,765)**
General and administrative expenses	**(1,668)**	**(288)**	**(1,956)**
Depreciation and amortization	**(1,664)**	**(151)**	**(1,815)**
Other operating income, net	**128**	**116**	**244**
Finance income (costs), net	**(587)**	**(21)**	**(608)**
Profit before income tax and social contribution	**924**	**958**	**1,882**
Income tax and social contribution	**(20)**	**-**	**(20)**
Profit for the period from discontinued operations	**904**	**958**	**1,862**

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

29. **Discontinued operations**--Continued

Puerto Rico and Dominican Republic--Continued

a) *Loss for the period from discontinued operations*--Continued

	6/30/2015			
Statements of profit or loss from discounted operations	**Mexico**	**Puerto Rico**	**Dominican Republic**	**Total**
Net revenue	73,330	88,115	16,072	177,517
Cost of sales and services	(40,097)	(56,573)	(7,099)	(103,769)
Gross profit	33,233	31,542	8,973	73,748
Operating income (expenses)				
Selling and operating expenses	(23,757)	(15,372)	(5,814)	(44,943)
General and administrative expenses	(4,563)	(5,943)	(1,152)	(11,658)
Depreciation and amortization	(2,154)	(7,653)	(741)	(10,548)
Other operating income (expenses), net	887	4,292	485	5,664
Finance income (costs), net	(899)	(2,465)	(47)	(3,411)
Profit before income tax and social contribution	2,747	4,401	1,704	8,852
Income tax and social contribution	(508)	(1,136)	-	(1,644)
Profit for the period from discontinued operations	2,239	3,265	1,704	7,208

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

29. Discontinued operations--Continued

Puerto Rico and Dominican Republic--Continued

b) *Cash flow from discontinued operations*

	6/30/2016		
Statement of cash flows from discontinued operations	**Puerto Rico**	**Dominican Republic**	**Total**
Profit for the period	**904**	**958**	**1,862**
Depreciation and amortization	**1,884**	**210**	**2,094**
Income tax and social contribution	**20**	**-**	**20**
Interest on borrowings	**499**	**-**	**499**
Interest on acquisitions of companies and rights over points of sales	**78**	**-**	**78**
Several provisions and others	**(417)**	**96**	**(321)**
	2,968	**1,264**	**4,232**
Changes in operating assets and liabilities:			
Trade receivables	**(976)**	**(167)**	**(1,143)**
Inventories	**861**	**206**	**1,067**
Trade payables	**1,447**	**673**	**2,120**
Other assets and liabilities	**2,463**	**(3,338)**	**(875)**
Net cash provided by (used in) operating activities	**6,763**	**(1,362)**	**5,401**
Interest paid on borrowings	**(499)**	**-**	**(499)**
Interest paid on acquisitions of companies and rights over points of sales	**(78)**	**-**	**(78)**
Net cash provided by (used in) operating activities	**6,186**	**(1,362)**	**4,824**
Cash flows from investing activities			
Additions to property, plant and equipment, net of balance payable in installments	**(463)**	**-**	**(463)**
Net cash used in investing activities	**(463)**	**-**	**(463)**
Cash flows from financing activities			
Repayment of borrowings	**(3,206)**	**-**	**(3,206)**
Net cash provided by financing activities	**(3,206)**	**-**	**(3,206)**
Effect of exchange rate changes on cash and cash equivalents	**181**	**(73)**	**108**
Net change in the period	**2,698**	**(1,435)**	**1,263**
Cash and cash equivalents at the beginning of the period	**4,510**	**12,289**	**16,799**
Cash and cash equivalents at the end of the period	**7,208**	**10,854**	**18,062**

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

29. Discontinued operations--Continued

Puerto Rico and Dominican Republic--Continued

b) *Cash flow from discontinued operations*--Continued

Statements of profit or loss from discounted operations	6/30/2015 Mexico	Puerto Rico	Dominican Republic	Total
Profit for the period	2,239	3,264	1,705	7,208
Depreciation and amortization	4,895	8,819	1,198	14,912
Income tax and social contribution	508	1,136	-	1,644
Interest on borrowings	1,749	2,221	-	3,970
Interest on acquisition of companies and rights over points of sales	-	239	-	239
Several provisions and others	(1,031)	(4,589)	49	(5,571)
	8,360	11,090	2,952	22,402
Changes in operating assets and liabilities:				
Trade receivables	3,143	4,030	787	7,960
Inventories	381	468	655	1,504
Trade payables	(745)	(5,084)	(84)	(5,913)
Other assets and liabilities	(1,693)	2,879	(948)	238
Net cash provided by operating activities	9,446	13,383	3,362	26,191
Income tax and social contribution paid	(443)	(478)	-	(921)
Interest paid on borrowings	(2,811)	(2,086)	-	(4,897)
Interest paid on acquisitions of companies and rights over points of sales	-	(345)	-	(345)
Net cash provided by operating activities	6,192	10,474	3,362	20,028
Cash flows from investing activities				
Acquisitions of companies, net of cash	-	(720)	-	(720)
Additions to property, plant and equipment, net of balance payable in installments	(1,075)	(1,017)	-	(2,092)
Net cash used in investing activities	(1,075)	(1,737)	-	(2,812)
Cash flow from financing activities				
Capital increase	-	6,416	-	6,416
New borrowings	-	112	-	112
Repayment of borrowings	(3,903)	(4,577)	-	(8,480)
Net cash provided by(used in) financing activities	(3,903)	1,951	-	(1,952)
Effect of exchange rate changes on cash and cash equivalents	1,390	558	(66)	1,882
Net change in the year	2,604	11,246	3,296	17,146
Cash and cash equivalents at the beginning of the period	13,712	5,718	2,491	21,921
Cash and cash equivalents at the end of the period	16,316	16,964	5,787	39,067

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

29. Discontinued operations--Continued

Puerto Rico and Dominican Republic--Continued

c) *Gain (loss) on sale of discontinued operations*

	Mexico	Puerto Rico and the Dominican Republic	Costs of transaction recognized at the Parent	Total
Sales value	167,102	190,907	-	358,009
Cost of net assets of discontinued operations	(114,046)	(287,348)	-	(401,394)
Other transaction costs	(17,905)	(5,605)	(1,210)	(24,720)
Write-off of translation adjustments in other comprehensive income	27,986	54,174	-	82,160
Gain (loss) on sale of discontinued operations	63,137	(47,872)	(1,210)	14,055
Income tax and social contribution (*)	-	-	(11,945)	(11,945)
Net gain (loss) on sale of discontinued operations	63,137	(47,872)	(13,155)	2,110

(*) Income Tax and Social Contribution in Brazil on gain on sale of investment in Mexico.

d) *Reconciliation of profit (loss), net of transactions*

	Mexico	Puerto Rico and the Dominican Republic	Costs of transaction recognized at the Parent	Total
Operating gain				
Profit (loss) from discontinued operations	-	1,882	-	1,882
Income tax and social contribution	-	(20)	-	(20)
Net profit (loss) from discontinued operation	-	1,862	-	1,862
Gain (loss) on sale of discontinued operations	63,137	(47,872)	(1,210)	14,055
Income tax and social contribution (*)	-	-	(11,945)	(11,945)
Net gain (loss) on sale of discontinued operations	63,137	(47,872)	(13,155)	2,110
Net profit (loss) from discontinued operation	63,137	(46,010)	(13,155)	3,972

(*) Income Tax and Social Contribution in Brazil on gain on sale of investment in Mexico.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

30. 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 at June 30, 2016, insurance coverage is as follows:

	Consolidated
Civil liability	35,332
Sundry risks - inventories and property, plant and equipment	735,893
Vehicles	69,155
Others	23,201
	863,581

31. Supplemental information to the statements of cash flows

The Group's management defines as cash and cash equivalents amounts maintained for the purpose of meeting short-term commitments and not for investment or any other purposes. Short-term investments can be immediately converted into a known cash amount and are not subject to significant changes in value. As at June 30, 2016 and December 31, 2015, the balances forming this line item are broken down as shown in note 9.

The additions to property, plant and equipment and intangible assets presented in the statements of cash flows are net of the installments to be paid in subsequent months. Thus, of the additions to property, plant and equipment made in the six-month period ended June 30, 2016, R$49 in Parent were added and R$22 in consolidated were deducted. Of the additions to intangible assets made in the same period the amount of R$31,219 in Parent and consolidated was added.

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 issued in the period.

Notes to the interim financial information--Continued
June 30, 2016
(Amounts in thousands of reais - R$, unless otherwise stated)

32. Earnings (loss) per share--Continued

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:

	Parent and Consolidated	
	6/30/2016	**6/30/2015**
Basic and diluted numerator		
Loss for the period attributable to Company's shareholders used to calculate total basic and diluted earnings per share	**(27,198)**	(25,234)
Profit for the period from discontinued operations	**3,972**	7,208
Loss used to calculate basic and diluted earnings per share from continuing operations	**(23,226)**	(18,026)
Available shares:		
Basic and diluted denominator (thousands of shares)	**164,174**	84,483
Weighted average number of stock options granted	**-**	-
Weighted average number of available shares	**164,174**	84,483
Basic and diluted loss per share - R$	**(0.14147)**	(0.21337)
Basic and diluted loss per share from continuing operations – R$.	**(0.16567)**	(0.29869)
Basic and diluted earnings per share from discontinued operations – R$	**0.02419**	0.08532

33. Events after the reporting period

On July 1, 2016, the Group, through its subsidiary IMCMV Holdings Inc., signed an amendment to the loan agreement with Citibank, N.A., due to the advance payment of principal and interest in the amount of US$ 21,154 thousand (R$68,323 at the transaction date). Moreover, the payment term of the remaining amount was renegotiated and will be paid in quarterly installments through 2021 and the spread was changed from 3.6% p.a. to 4.0% p.a.

At the Extraordinary General Meeting held on July 22, 2016, the Company's Board of Directors approved the adjustment of R$ 4,762 in the Company's capital, amount corresponding to the treasury shares of International Meal Company Holdings S.A, Group's parent company until December 1, 2014, when it was merged into International Meal Company Alimentação S.A.

34. Authorization of the individual and consolidated interim financial information

The meeting of the Board of Directors held on August 15, 2016 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
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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

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of International Meal Company Alimentação S.A. ("Company"), contained in the Quarterly Information Form (ITR) for the quarter ended June 30, 2016, which comprise the balance sheet as at June 30, 2016 and the related statements of income and comprehensive income for the three and six-month periods then ended, and of changes in equity and cash flows for the six-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.

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Conclusion on the 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 six-month period ended June 30, 2016, 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.

Audit of prior year financial statements and review of prior year interim financial information by other independent auditors

The audit of the individual and consolidated balance sheet as of December 31, 2015 and the review of individual and consolidated financial information for the three and six-month periods ended June 30, 2015, presented for comparison purposes, were conducted by other independent auditors, who issued an unqualified opinion and review thereon dated March 21, 2016 and August 6, 2015, respectively. As part of our review of individual and consolidated interim financial information for the period ended June 30, 2016, we have reviewed the adjustments to the corresponding prior year figures in the individual and consolidated statements of income and cash flows for the six-month period ended June 30, 2015 made for presentation of discontinued operations, as disclosed in Note 29, and nothing has come to our attention that would lead us to believe that such adjustments have not been made fairly, in all material respects. We have not been engaged to audit, review or apply any other procedures to the information referring to the individual and consolidated balance sheet as at December 31, 2015 and to any other individual and consolidated interim financial information for the period ended June 30, 2015. Accordingly, we do not express an opinion or any other form of assurance on the referred to balance sheet and quarterly financial information taken as a whole.

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São Paulo, August 15, 2016.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/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 June 30, 2016.

São Paulo, August 15, 2016.

Jaime Cohen Szulc
Chief Executive Officer

José Agote
Chief Financial Officer

Samir Moysés Gilio Ferreira
Chief Controller

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 June 30, 2016.

São Paulo, August 15, 2016.

Jaime Cohen Szulc
Chief Executive Officer

José Agote
Chief Financial Officer

Samir Moysés Gilio Ferreira
Chief Controller