INTERNATIONAL MEAL COMPANY

Earnings Release – 1Q11

International Meal Company recorded a growth of 13.9% in Net Revenue and 14.5% in Adjusted EBITDA in 1Q11.

São Paulo, May 12, 2011. International Meal Company Holdings S.A. (BM&FBovespa: IMCH3), one of the largest multi-brand companies in the food services segment in Brazil, is disclosing its results for the first quarter of 2011 (1Q11). Numbers are presented in million of *reais*, except when otherwise indicated, and pursuant to the accounting principles adopted in Brazil and the International Financial Reporting Standards (IFRS). All the comparisons refer to the same period in the previous year.

Highlights of the period

- The **Initial Public Offering** totaled **R$ 454 million**.
- Total **Net Revenue** reached **R$ 210.4 million** in **1Q11**, with a growth of **13.9%** over 1Q10.
- **Adjusted EBITDA** totaled **R$ 30.9 million** in **1Q11**, with a growth of **14.5%** in comparison to 1Q10.
- The Company ended the period with a **loss** of **R$ 14.9 million**, impacted by costs with one time charges related to **IPO** expenses in the amount of **R$ 23.2 million**, such as legal advisors and external consultants fees.
- **Net Debt / Adjusted EBITDA** ratio decreased from **4.1x in 1Q10** to **0.2x in 1Q11**.
- The **total number of stores** at the end of **1Q11** was **221,** compared to 196 in 1Q10.

IMCH3 quotation on 03.31.2011
R$ 13.62

Market Value on 03.31.2011
R$ 1.116 million
USD 684 million

Earnings Disclosure Conference Call
Friday, May 13, 2011

English
Time: 1:00pm (Brasília) / 12:00 pm (US-ET)
Telephone: + 1 (412) 317-6776

Portuguese
Time: 2:30pm (Brasília) / 1:30 pm(US-ET)
Telephone: + 55 (11) 3127-4971

Password for the conference calls: IMC

The presentation will be available at
www.internationalmealcompany.com/ri

CEO: Javier Gavilán
CFO: Julio Millán
IR Officer: Gonzalo Cardoner
IR Team:
Mariana Pimentel
Camilo Di Boscio

Contact
ri@internationalmealcompany.com
Tel.: +55 (11) 3041.9538

Management Message

The first quarter of 2011 was marked by the success of our initial public offering process, with the listing of the Company on the Novo Mercado segment of BM&FBovespa. This segment has the most demanding levels of corporate governance standards. The offering totaled a gross amount of R$454 million, at the price of R$13.50 per share, within the stipulated price range and representing a 40% float of the total capital of the Company. The primary offering strengthened the Company's capital by R$280 million, which, added to the R$180 million raised with private investors last year (though a private placement), allows us to complete our capitalization plan of almost R$460 million to finance our growth over the next five years.

Parallel to the capitalization plan, we continued to progress in our expansion, operating and human resources areas. Compared to 1Q2010, we opened in Brazil, 18 stores in airports, including in the cities of Brasília (JK) and Rio de Janeiro (Galeão), and the expansion in Porto Alegre (Salgado Filho); five (5) road stores under the "Frango Assado" brand; and 3 stores in malls under the "Viena" brand. After the closing of the quarter, we acquired the air catering service of the airports of Brasília and Goiânia, and expanded our business to another country with the opening of seven (7) restaurants in the Tocumén International Airport, in Panama.

With respects to operations, we continue to carry out our integration and centralization process of production operations in our central kitchens at Louveira (Frango Assado), São Paulo (Viena) and in the airports, incorporating the latest industrial automation technologies, and always watching to maintain quality and final presentation of our products to the end customer. We also continue to improve the quality controls of products and services through the mystery shopper and quality assurance programs, implemented in 2009; we started the international roll out of the IT platforms implemented in Brazil (SAP and Aloha); and we are vigorously working on a loss reduction program in our buffets, to contribute in the reduction of our food costs.

During the end of the last year, we incorporated a corporate Human Resources Officer to our team (Chief People Officer) with the purpose of seeking the best management, training and employee retention practices in our operations and standardizing such practices with "IMC's" identity. All these measures were adopted with the purpose of strengthening our management and operating structures in face of the strong growth challenge over the next years, in a highly competitive and demanding labor market environment, especially in Brazil.

As to financial results, we ended 1Q11 with net revenues of R$210.4 million, representing an increase of 13.9% compared to the same period in 2010, 7.1% of which was same stores growth. We had a loss of 3.3% in gross margin due to an exceptional increase in the fuel sales mix from 19% to 22% of the total of sales, due to agreements entered into extraordinarily with the U.S. government in Puerto Rico. This situation should be normalized throughout this year. However, we were able to maintain the Adjusted EBITDA margin at 14.7% due to continuous improvement in the absorption of operating expenses and the increase of revenues with rebates from suppliers. Finally, our Net Income recorded a loss of R$14.9 million due to Expenses with Special Items in the amount of R$23 million, which were mostly attributable to IPO expenses.

Finally, we would like to welcome our new Shareholders and thank them for their trust in the Company. We also thank our more than 8,000 employees and millions of customers who share with us, on a daily basis, one of the most important moments of their lives!

The Management

Summary of the Results and Operating Indicators

SUMMARY (in millions of Brazilian reais)	1Q11	1Q10	Var. (%) 1T11/1T10
NUMBER OF STORES (end of period)	221	196	12.8%
SAME STORES SALES (SSS[1])	183.7	171.5	7.1%
NET REVENUES	210.4	184.7	13.9%
GROSS PROFIT	60.2	58.9	2.3%
GROSS MARGIN (%)	*28.6%*	*31.9%*	*-3.3 p.p.*
OPERATIONAL EXPENSES	(40.9)	(43.3)	-5.6%
ADDED BACK DEPRECIATION & AMORTIZATION[2]	11.5	11.4	1.4%
Adjusted EBITDA[3]	30.9	27.0	14.5%
Adjusted EBITDA MARGIN (%)	*14.7%*	*14.6%*	*0.1 p.p.*
ONE TIME CHARGES	(23.2)	0.0	n/a
NET FINANCIAL EXPENSES	(6.6)	(9.1)	-27.1%
INCOME TAX	(4.4)	(5.9)	-25.3%
NET PROFIT	(14.9)	0.6	n/a
NET MARGIN (%)	*-7.1%*	*0.3%*	*-7.4 p.p.*

1 Same store sales (SSS): See definition in the Glossary.

2 For the 1Q11 the item includes R$6.6 million representing depreciation and amortization accounted as costs with products and R$5.0 million representing depreciation and amortization accounted as Operating Expenses. For the 1Q10, the item includes R$4.2 million representing depreciation and amortization accounted as costs with products and R$7.4 million accounted as Operating expenses.

3 Adjusted EBITDA: See definition in the Glossary.

Going Public

On March 9 the Company engaged in its initial public offering of shares (IPO) at BM&F Bovespa. The offering represented a free float of 40.2%, and involved, with the primary and secondary offerings, 33.6 million common shares, including the overallotment shares (greenshoe). The shares were allocated among long-term qualified institutional investors of the United States, Europe, Asia and Brazil.

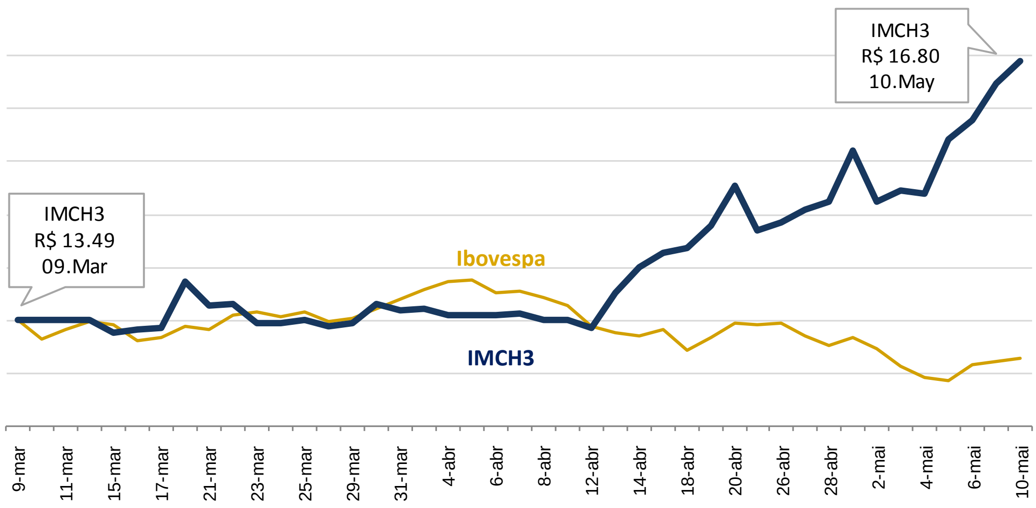
The shares were offered at a price of R$13.50 per share, corresponding to the minimum of the indicative price range. The primary portion of the base offering, net of transaction expenses, resulted in a capital contribution to the Company of approximately R$280 million.

After closing 1Q11, on April 4, the overallotment (greenshoe) was exercised and the stabilization period of the shares ended. The net proceeds of the transaction expenses, representing the primary portion of the overallotment, totaled R$19.5 million, which, together with the base offering, resulted in a total net contribution to the Company´s capital in the amount of R$299.3 million.

NET IPO PROCEEDS (in millions of Brazilian reais)	**Base Offer** 09.March.2011	**Greenshoe** 04.April.2011	**Total**
Primary Offer	279.8	19.5	299.3
Secondary Offer	106.1	19.5	125.6
Total offer	**385.9**	**39.0**	**424.9**

Funds raised in this initial public offering shall be allocated to the opening of new stores in our existing business, pursuant to the expansion plan of the Company, and in the rebalancing of the capital structure through the prepayment of our most expensive bank debts

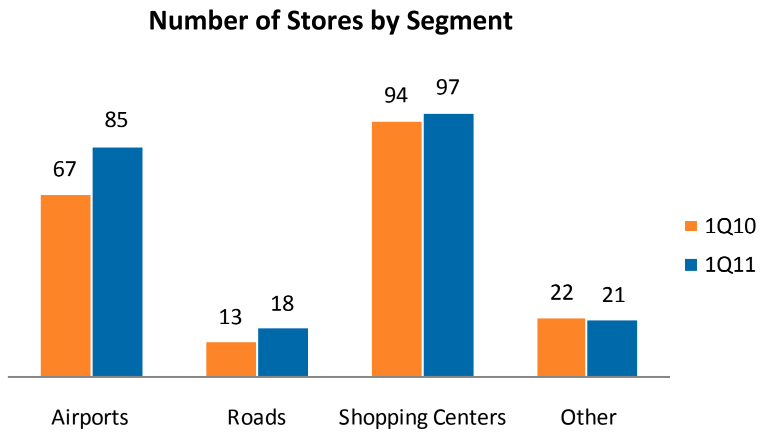
On May 10, which is the date of the closing of this report, our share price reached R$16.80, with shows an appreciation of 24.5% since the date of the IPO, and a higher performance than the BM&F Bovespa index. The market value of the Company as of today reached approximately R$1.4 billion.



Source: Bloomberg

Expansion of stores

The Company ended 1Q11 with 221 stores, compared to 196 in the 1Q10. The net increase of stores resulted from the addition of 18 stores in airports, five (5) road stores, three (3) stores in malls and the reduction of a store in other segments. In aggregate, the area of stores increased by 9.7 thousand square meters, representing an increase of 13.0% when compared to 1Q10.



After the end of 1Q11, the Company engaged in the opening of seven (7) new stores in the Tocumén International Airport, in Panama, as part of the concession agreement entered into by the Company with the airport authorities of that country. In the beginning of April, the Company acquired the Comissaria Aérea de Brasília Group, with air catering operations in the airports of Brasília and Goiânia, to strengthen our presence in these airports and establish an operations base in the Mid-Western region of Brazil.

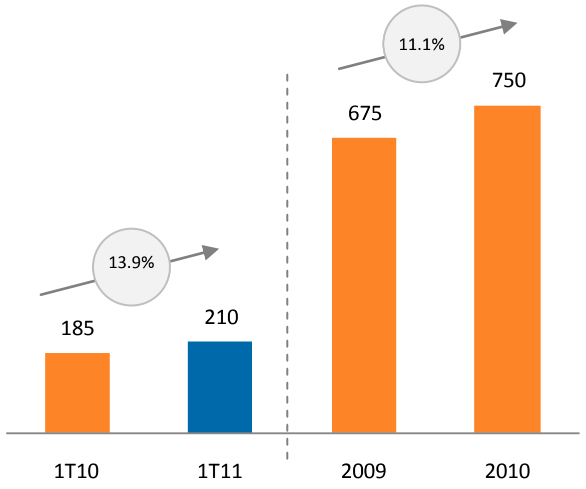
Net Revenue

NET REVENUES (in millions of Brazilian reais)	**1Q11** (consolidated)	**1Q10** (consolidated)	**Var.** (%)	**2010** (consolidated)	**2009** (combined)	**Var.** (%)
Airports	78.3	61.6	27.0%	248.1	213.2	16.3%
Roads	70.9	61.2	15.8%	251.2	219.6	14.4%
Shopping Centers	50.8	50.5	0.6%	203.9	193.9	5.2%
Other	10.4	11.3	-8.2%	46.6	47.9	-2.8%
Total net revenues	**210.4**	**184.6**	**13.9%**	**749.8**	**674.6**	**11.1%**

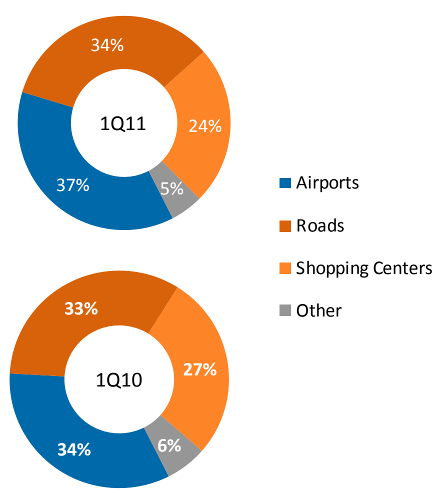
In 1Q11, Net Revenue reached R$210.4 million, representing an increase of 13.9% compared to the same period of the previous year. This growth represents an acceleration in Net Revenue growth rates, when compared to the 11.1% increase in full year 2010 vs. full year 2009. This increase is mainly due to the expansion of the operations in the airports and roads, representing 37% and 34%, respectively, of the total net revenue for the period.

In line with the Company’s strategy, the Airport and Road segments recorded, collectively, an increase of 5% in the total sales composition, from 66.5% in the 1Q10 to 70.9% in the 1Q11.

Net Revenue
(in millions of R$)



Net Revenues by Segment



Sales increase recorded in the 1Q11 were mainly due to the following factors:

i. 13% expansion in store area, when compared to 1Q10. Although the five (5) new road stores opened in the second quarter of 2010, represent 73.1% of such increase, its sales returns shall be only materialized more into the year 2011 and in 2012 due to its 2-year maturation curves; and

ii. 7.1% Increase in the same store sales (SSS), compared to 1Q10.

Same store sales increase referred to in the foregoing item ii was driven especially by sales in the airports segment, which increased by 15.7% in the period.

SAME STORE SALES (in millions of Brazilian reais)	**1Q11** (consolidated)	**1Q10** (consolidated)	**Var.** (%)
Airports	68.5	59.2	15.7%
Roads	56.7	53.1	6.6%
Shopping Centers	48.7	48.7	-0.1%
Other	9.8	10.5	-6.9%
Total same stores sales	**183.7**	**171.5**	**7.1%**

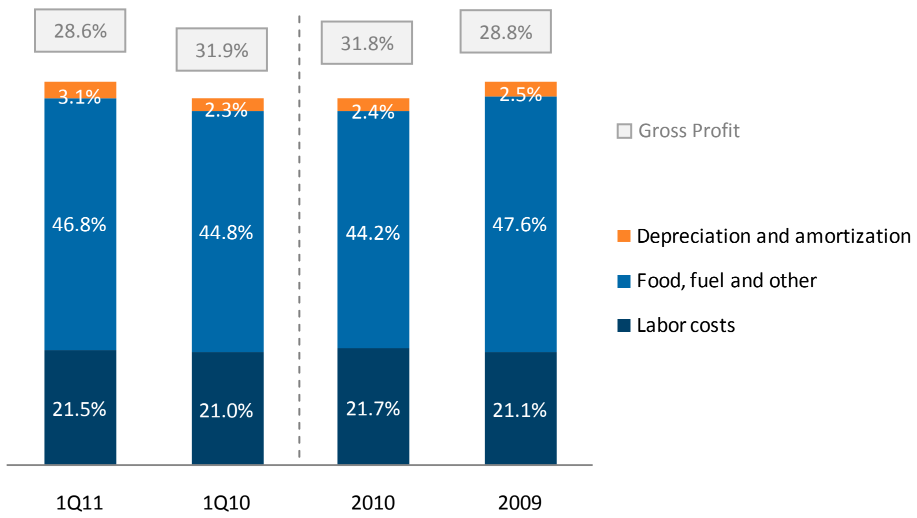
(1) See definition for same store sales in the Glossary.

Gross Profit

GROSS PROFIT (in millions of Brazilian reais)	1Q11 (consolidated)	1Q10 (consolidated)	Var. (%)	2010 (consolidated)	2009 (combined)	Var. (%)
Net revenues	210.4	184.7	13.9%	749.7	674.7	11.1%
Costs of sales and services	(150.2)	(125.7)	19.4%	(511.7)	(480.0)	6.6%
Labour costs	(45.2)	(38.7)	16.7%	(162.6)	(142.2)	14.4%
Food, fuel and other	(98.4)	(82.8)	18.8%	(331.4)	(321.1)	3.2%
Depreciation and amortization	(6.6)	(4.2)	55.3%	(17.6)	(16.8)	4.8%
Gross Profit	**60.2**	**58.9**	**2.2%**	**238.0**	**194.6**	**22.4%**
Gross margin (%)	28.6%	31.9%		31.8%	28.8%	

The Company ended 1Q11 with a Gross Profit of R$60.2 million, compared to R$58.9 million in the previous quarter. The gross margin, of 28.6% in the 1Q11, presented a decrease of 3.3 percentage points, when compared to the 1Q10. We highlight that the result for the period was impacted by factors such as: (i) the increase in the share of fuel sales in the international airport operations in the total of the Company's mix, from 19.1% in 1Q10 to 22.4% in 1Q11, with a lower contribution margin; (ii) the incorporation of new stores still under the maturation phase, especially the Frango Assado stores that opened in the second quarter of 2010, which have a maturation period of two (2) years; and (iii) the increase in the depreciation of fixed assets, due to the purchase of additional PP&E.

Cost Breakdown
(% of Net Sales)



Operating expenses

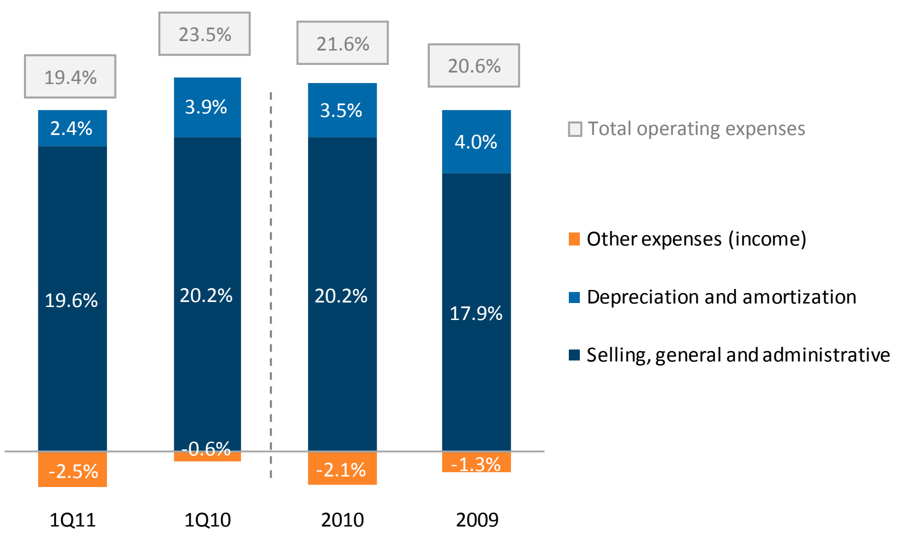
OPERATING EXPENSES (in millions of Brazilian reais)	1Q11 (consolidated)	1Q10 (consolidated)	Var. (%)	2010 (consolidated)	2009 (combined)	Var. (%)
Selling expenses	(2.0)	(2.3)	-10.6%	(9.4)	(11.5)	-18.6%
General and administrative expenses	(39.2)	(35.1)	11.8%	(141.8)	(109.5)	29.6%
Depreciation and amortization	(5.0)	(7.1)	-30.6%	(26.6)	(26.8)	-0.7%
Other income (expenses)	5.3	1.1	366.1%	15.5	8.9	73.9%
Total operating expenses before one time charges	**(40.9)**	**(43.3)**	**-5.6%**	**(162.2)**	**(138.8)**	**16.9%**
% net revenues	-19.4%	-23.5%		-21.6%	-20.6%	
One time charges	(23.2)	0.0	n/a	(16.7)	(27.6)	n/a
Total receitas (despesas) operacionais	**(64.1)**	**(43.3)**	**47.9%**	**(178.9)**	**(166.4)**	**7.5%**
% net revenues	-30.5%	-23.5%		-23.9%	-24.7%	

Total Operating Expenses in the amount of R$40.9 million in 1Q11, net from Other Income, showed a decrease of 5.6% when compared to the same period in 2010. The decrease in these expenses, from 23.5% of net revenue in 1Q10, to 19.4% in 1Q11, resulted in an expansion in the operating margin of 4.1 percentage points. This result shows a continuation of the decreasing trend, when compared to 2009 and 2010.

Other Operating Income (Expenses) corresponded to revenues resulting from the negotiation of promotional funds with suppliers and exclusivity agreements, among others. This Income amounted to a total of R$5.3mm in 1Q2011, and represented an amount 4.6x higher than same quarter 2010.

During 1Q11, the Company incurred in expenses with special items, mainly related to the IPO process. These special items, which should not occur again in the remainder of the year of 2011, totaled in the amount of R$23.2 million for the period.

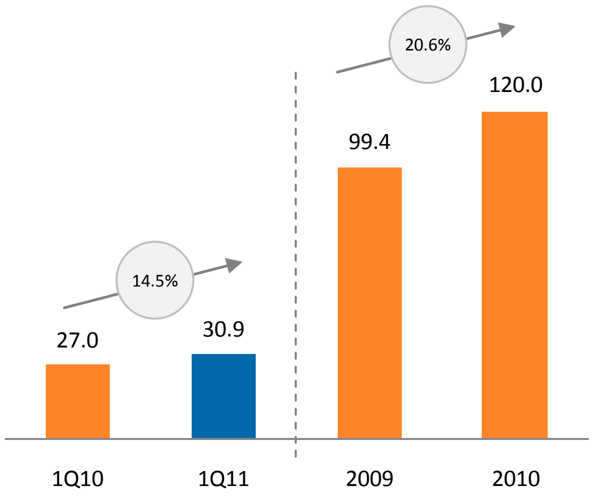
Operating Expenses Breakdown[1]
(% of Net Sales)



(1) Excludes one time charges

Adjusted EBITDA and Adjusted EBITDA Margin (%)

The Company's Adjusted EBITDA, which excludes one time charges, totaled R$ 30.9 million in 1Q11, showing an increase of 14.5% when compared to 1Q10. The Adjusted EBITDA Margin remained stable at 14.7% of Net Revenue.



1) EBITDA and Adjusted EBITDA. See definition in the Glossary.

Net Financial Expenses, Income Tax and Net Income

Net Financial Expenses of the Company totaled R$ 6.6 million in 1Q11, down from R$ 9.1 million in 1Q10. The reduction of these expenses from 4.9% to 3.1% of total net revenue represented a margin improvement of 1.8 percentage points in the period. This improvement is related mainly to adjustment of the Company's capital structure after the IPO, that resulted in a lower financing cost.

The expenses related to income tax and social contribution on net income totaled R$ 4.4 million in 1Q11, compared to R$ 5.9 million in 1Q10, which represented a reduction on Net Revenue from 3.2% to 2.1%. As a whole, the reduction in net financial expenses and in expenses related to income tax and social contribution resulted in an increase of the operating margin of 2.9%.

We ended 1Q11 with a net loss of R$ 14.9 million. As previously noted, this result was affected negatively by the Special Items expenses of R$ 23.2 million. The normalized Net Income, excluding the Special Items, represented an increase of approximately 14 times compared tp Net Income of 1Q10.

Selected Cash Flow Information

Investing activities

The main investments in Capex for the 1Q11 corresponded to additions to property, plant and equipment linked to the opening and expansion of new commercial points and to the acquisition of TOB's Lanches in January. In addition, temporary investments correspond to the investment of cash arising from the IPO in March, which is reflected in the Balance Sheet.

INVESTMENT ACTIVITIES (in millions of Brazilian reais)	**1Q11** (consolidated)	**1Q10** (consolidated)	**2010** (consolidated)	**2009** (combined)
Property and equipment	(14.5)	(4.4)	(72.9)	(31.7)
Acquisitions of controlling interest, net of cas	(10.5)		(15.5)	(3.4)
Other investments	(0.9)	(3.1)	(3.3)	(17.1)
Total Capex investments	**(25.9)**	**(7.5)**	**(91.7)**	**(52.2)**
Temporary investments	(306.9)			
Total Investments for the quarter	**(332.8)**	**(7.5)**	**(91.7)**	**(52.2)**

Financing activities

During 1Q11, our financing activities consumed R$26.0 million from our cash and cash equivalents. This use was due to the amortization of loans and financing with Banco Itaú S.A., in Brazil, and Firstbank in Puerto Rico.

Condensed Balance Sheet

CONDENSED STATEMENTS OF FINANCIAL POSITION

(in thousands of Brazilian reais)	3/31/2011	12/31/2010		3/31/2011	12/31/2010
ASSETS			LIABILITIES AND EQUITY		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	42,945	139,971	Trade accounts payable	49,682	48,793
Temporary investments	306,881		Loans and financing	66,813	82,956
Accounts receivable	38,728	33,433	Salaries and payroll charges	31,167	26,791
Inventories	15,787	18,246	Other current liabilities	12,761	11,384
Other current assets	19,401	12,925	Total current liabilities	160,423	169,924
Total current assets	423,742	204,575			
			NONCURRENT LIABILITIES		
NONCURRENT ASSETS			Loans and financing	304,510	323,910
Deferred income taxes	26,182	16,616	Provision for labor, civil and tax disputes	21,877	25,255
Other noncurrent assets	16,544	11,289	Deferred income tax liability	87,011	74,868
Property and equipment	177,785	170,743	Other noncurrent liabilities	6,597	6,808
Intangible assets	718,886	712,285	Total noncurrent liabilities	419,995	430,841
Total noncurrent assets	939,397	910,933			
			EQUITY		
			Capital	817,750	535,404
			Retained earnings	(36,021)	(21,145)
			Other comprehensive loss	992	484
			Total equity	782,721	514,743
TOTAL ASSETS	1,363,139	1,115,508	TOTAL LIABILITIES AND EQUITY	1,363,139	1,115,508

Condensed Statement of Income

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (in thousands of Brazilian reais)	**1Q11** (consolidated)	**1Q10** (consolidated)	**2010** (consolidated)	**2009** (combined)
NET REVENUE				
Streets	70,882	61,185	251,166	219,628
Shopping malls	78,256	61,611	248,059	213,222
Airports	50,840	50,525	203,905	193,869
Roads	10,404	11,338	46,581	47,947
Total net revenue	210,382	184,659	749,711	674,666
CUSTOS DE VENDAS E SERVIÇOS	(150,140)	(125,743)	(511,606)	(480,035)
GROSS PROFIT	60,242	58,916	238,105	194,631
OPERATING INCOME (EXPENSES)				
Commercial, operating and administrative expenses	(66,025)	(44,457)	(194,446)	(175,335)
Net financial expenses	(6,621)	(9,088)	(36,654)	(47,065)
Other income (expenses)	1,934	1,137	15,540	8,935
INCOME (LOSS) BEFORE INCOME TAXES	(10,470)	6,508	22,545	(18,834)
Income Taxes	(4,406)	(5,901)	(14,672)	(13,852)
NET INCOME (LOSS) FOR THE QUARTER	(14,876)	607	7,873	(32,686)

Condensed Statement of Cash Flows

CONDENSED STATEMENTS OF CASH FLOWS (in thousands of Brazilian reais)	1Q11 (consolidated)	1Q10 (consolidated)	2010 (consolidated)	2009 (combined)
CASH FLOW FROM OPERATING ACTIVITIES				
Net income (loss) for the quarter	(14,876)	607	7,873	(32,686)
Depreciation and amortization	11,520	11,365	56,735	79,440
Provision for labor, civil and tax disputes	(3,668)	(5,487)	(14,926)	(17,473)
Provision for bonus to management and employees	9,787	0	0	0
Income taxes	4,406	4,483	14,672	13,852
Interest expenses	9,339	7,302	40,653	43,099
Disposal of property and equipment	135	355	14,268	13,278
Other	689	(388)	(1,844)	1,131
Changes in operating assets and liabilities	(16,550)	(1,548)	(22,171)	6,796
Cash generated from operations	782	16,689	95,260	107,437
Income tax paid	(686)	0	(11,735)	0
Interest paid	(17,619)	(12,816)	(40,191)	(51,050)
Net cash provided by (used in) operating activities	(17,523)	3,873	43,334	56,387
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisitions of controlling interest, net of cash	(10,500)	0	(15,500)	(3,359)
Temporary investments	(306,881)	0		
Additions to intangible assets	(940)	(3,116)	(3,328)	(17,076)
Additions to property and equipment	(14,546)	(4,381)	(72,895)	(31,735)
Net cash used in investing activities	(332,867)	(7,497)	(91,723)	(52,170)
CASH FLOW FROM FINANCING ACTIVITIES				
Capital contribuitions	279,799	0	183,389	0
New loans (bank)	0	0	0	10,100
Payment of loans	(25,963)	(4,955)	(32,935)	(33,684)
Net cash used in financing activities	253,836	(4,955)	150,454	(23,584)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(472)	992	(2,065)	2,855
NET INCREASE (DECREASE) FOR THE QUARTER	(97,026)	(7,587)	100,000	(16,512)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF QUARTER	139,971	39,971	39,971	56,483
CASH AND CASH EQUIVALENTS AT THE END OF QUARTER	42,945	32,384	139,971	39,971

Glossary

Net opening of stores: The references to “net opening of store”, “net closing of store” or similar expressions correspond to the sum of opening and reopening of stores less the closing of stores in each year.

Company: International Meal Company Holdings S.A. or IMC.

EBITDA: The Company calculates EBITDA as net income, before income tax and social contribution, financial income (expenses) and depreciation and amortization. EBITDA is not a financial performance measurement according to the accounting practices adopted in Brazil (BR GAAP) or IFRS, and should not be considered as an alternative to net income, as indicator of the operating performance, as alternative to operating cash flow, or as indicator of liquidity. EBITDA does not have a standard meaning and our definition of EBITDA may not be comparable to the definitions of EBITDA used by other companies. Since our calculation of EBITDA does not consider the income and social contribution taxes, the financial income (expenses), depreciation and amortization, EBITDA works as an indicator of our general financial performance, which is not affected by changes in the income tax and social contribution rates, fluctuations in interest rates or in depreciation and amortization levels. As consequence, we believe EBITDA works as a significant comparative tool to periodically measure, our operating performance, as well as basis for certain administrative decisions. We believe that EBITDA allows a better understanding not only of our financial performance, but also of our payment capacity of interest and principal of our debt to incur more debt to finance our capital expenditures and working capital. However, since EBITDA does not consider certain costs inherent to our business, which might, significantly affect our profits, such as finance expenses, taxes, depreciation, capital expenditures and other related charges, EBITDA presents limitations which affect its use as indicator of our profitability.

Adjusted EBITDA: The Adjusted EBITDA reflects EBITDA, adjusted to exclude the effects of transactions considered by the Company management, as not representative of the ordinary course of business. We use the adjusted EBITDA as a tool to measure and evaluate our performance focused on the continuity of our operations, and we believe that the adjusted EBITDA is a useful tool for the investor, because it enables a more comprehensive comparative analysis of the past and current information on the results of our management.

The Adjusted EBITDA is not a financial performance measure calculated in accordance with IFRS or BR GAAP, and should not be considered an alternative to net income, as indicator of operating performance, as alternative to operating cash flow, or as indicator of liquidity. EBITDA does not have a standard meaning and our definition of EBITDA may not be comparable to the definitions of EBITDA used by other companies. However, since the Adjusted EBITDA does not consider certain costs inherent to our business, which might, significantly affect our profits, such as finance expenses, taxes, depreciation, capital expenditures and other related charges, EBITDA presents limitations which affect its use as indicator of our profitability.

Sales in same stores (SSS): corresponds to sales in stores that kept operations in comparable periods, including the stores that were temporarily closed. If a store is included in the calculation of Sales of comparable stores for only a part of the compared periods, then this store will be included in the calculation of the portion related to the other period. Some of the reasons our retail food stores may be temporarily closed include refurbishment or remodeling, rebuilding, road construction and natural disasters. When there is a variation in the area of a store included in the Sales of comparable stores, the store is excluded from the Sales of comparable stores. The variation in same store Sales is a measurement used in the retail market as indication of the performance of strategies and commercial initiatives implemented, and also represent the trends of local economy and of the consumers. Our sales are recorded and analyzed based on the functional currency of ach country in which we operate. For such, since our financial information is translated and stated at Reais, the Brazilian currency, using the average exchange rates of the compared periods, the Sales amounts in a same store may present certain distortions resulting from the exchange variation of the currency of the country in which this same store is located. Same Stores Sales is not a measurement of the financial performance according to the accounting practices adopted in Brazil (BR GAAP) or international accounting standards (IFRS), and should not be considered as an alternative to net income, as an operating indicator, operating cash flow or as indicator of liquidity. Same store sales do not have a standard meaning in the market, and our definition may not be the same definition of same store sales used by other companies.

Management Note

Combined financial statements: IMC Group started its operating activities in November 2006, via acquisition of the restaurants network La Mansión, in Mexico. The Company was incorporated in Brazil only on June 15, 2007, with the purpose of holding the assets in the retail meal sector of IMC Group in Brazil. As a result of a significant corporate restructuting completed in September and October 2009, we show our combined activities in Brazil, Puerto Rico, Dominican Republic and Mexico.

Considering the different corporate restructuring that occurred in 2009, we prepared combined financial statements of the IMC Group, based on the historical financial statements for the period in which the combined companies started having common control and management. Accordingly, for better comparison and analysis of the readers, the financial information related to 2009 which was included in this performance comment, was extracted from the mentioned combined financial statements for 2009.