INTERNATIONAL MEAL COMPANY

1Q17 RESULTS

São Paulo, May 10th, 2017 - 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 **first quarter of 2017 (1Q17).** 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.

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HIGHLIGHTS

Net Revenue: R$350.7 million in 1Q17 **(9.7% down vs. 1Q16)**

Adjusted EBITDA: R$19.4 million in 1Q17 **(+4%|+40bps in constant currency)**

Zero Leverage: **R$16.2M Net Cash Position**

MESSAGE FROM MANAGEMENT

In 1Q17 the Company presented an improvement of 4% in the Adjusted EBITDA YoY with a 40bps improvement in margins in constant currency. Such result was obtained despite the pressure on revenues (-9.7% in BRL or -3.6% in constant currency). Brazilian revenues were down by 7% and operating income by 18%. In the Caribbean, operating income was up by 12% in constant currency, as a consequence of improved margins. Holding expenses were down by 34% in 1Q17, reflecting the structural changes in G&A implemented over the last quarters. In the US, lower same store sales on a seasonally weaker quarter and higher expenses on store pre-opening and rent expenses led to a 50bps margin reduction.

With regards to Operating Cash Flow (after maintenance Capex), there was a consumption of R$5.9 million, however this figure was impacted in R$5 million by taxes payments related to the capital gains from the assets sales of 2016 equivalent.

At the outset of 2017, IMC is focused on Execution and Efficiency, seeking to improve performance and in the first 100 days of the new management we have had important developments. The Zero Based Budget for April through December has been revised and implemented, reducing costs and expenses, including G&A. However, we have not just cut cost, we have also invested in and enhanced areas that needed more support that are crucial for our business and the new phase in which the company is in. Areas such as IT, Marketing and Engineering. All in all, there was a net reduction of over 200 employees in April compared to January.

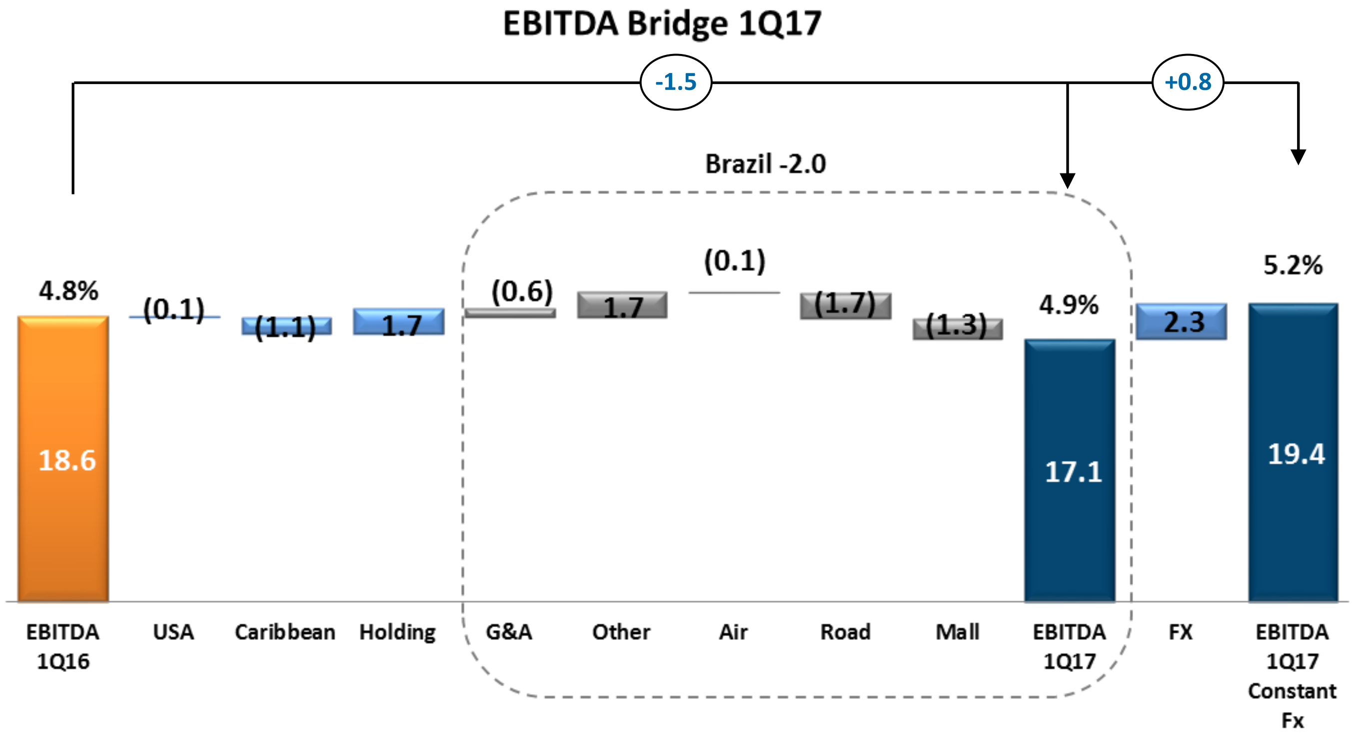
With regards to the PMO we are monitoring over 300 initiatives (180+ projects + Capex related developments) with systemic support and weekly meetings. Of the 300+ initiatives, three are especially relevant: i) Live KPI Monitoring - daily reports with important KPI's and benchmarking comparisons sent to operations – implemented in Brazil and to be rolled-out throughout May to the International operations; ii) international corporate restructuring that should allow dividend transfers from US and Caribbean to Brazil; and iii) corporate restructuring in Brazil that should boost our central kitchens efficiency with specialized production and improve tax efficiency.

Finally, regarding our international operations we continue to monitor them closely (weekly results meetings) and we are strengthening the relationship with important stakeholders, who will be key for the development of our businesses abroad.

We are taking strong actions to improve the Company's structure, processes and costs in order to have a leaner and more agile Company.

COMMENTS ABOUT IMC'S PERFORMANCE

OVERVIEW OF THE 1Q17



In 1Q17, IMC's Adjusted EBITDA was up by 4.1% with a 40bps margin improvement reaching R$19.4 million in constant currency with a 5.2% margin.

In the US, the R$0.1 million YoY reduction (or -R$0.4 million in constant currency) was related to the increase on rent, selling & operating and store pre-opening expenses, combined with the reduction on the equity income result. US results were impacted by the calendar change with Easter moving to April in 2017 from March in 2016.

In the Caribbean, the R$1.1 million reduction is related to the FX changes YoY. In constant currency the result was R$1.5 million higher as a consequence of improved margins with lower food and labor costs, leading to a 360bps improvement in margins.

The Company also posted a reduction of R$1.7 million in holding expenses or a 30bps improvement, more than offsetting the R$0.6 million increase in G&A in Brazil. The "Other Income" line in Brazil that includes provisions and tax reversions, presented a R$1.7 million improvement YoY.

Finally, the major pressure on results once again came from the Brazilian operations. Same store sales reached -3.0% in Brazil (-7.3% in 4Q16, -8.9% in 3Q16, -6.3% in 2Q16 and +1.0% in 1Q16). The biggest offender has been the Air segment whose pressure on SSS came from the reduction in passenger flow in airports and also from the reduction in the number of flights impacting the catering division as well, however, reduced rent expenses led to an improvement in margins in the segment. Road and Malls margins are still under pressure due to lower top line.

Given the nature of the Company's business and its high operating leverage, the pressure on volumes directly affects margins. To mitigate the effect of lower sales we have taken cost out of our structure and taken actions to improve productivity. Another source of pressure on the results in Brazil derives from inflation, which has been mitigated by pricing policies and improved product mix.

Consequently, EBITDA in Brazil reached R$8.9 million, which represents a R$2.0 million reduction YoY, with an EBITDA margin of 3.7% down from 4.2% in 1Q16.

Nevertheless, we started 2017 with a higher focus on Execution and Efficiency aiming at improving performance in the short term. We are taking strong actions to improve the Company's structure, processes and costs in order to have a leaner and more agile Company.

In March we revised the Zero Based Budget for April through December, a process which was comprised of over 50 meetings with more than 70 people involved. In the process 550 expense lines were reviewed leading to a reduction in headcount of over 200 people, comparing April to January. Systemic locks were implemented to prevent expenses that were not considered in the budget.

CONSOLIDATED RESULTS

(in R$ million)	1Q17	% AV	1Q16	%VA	%HA	1Q17[3]	% HA[3]
Net Revenue	**350.7**	**100.0%**	**388.5**	**100.0%**	**-9.7%**	**374.4**	**-3.6%**
Restaurants & Others	294.2	83.9%	334.0	86.0%	-11.9%	318.0	-4.8%
Gas Stations	56.4	16.1%	54.5	14.0%	3.5%	56.4	3.5%
Brazil	238.7	68.1%	257.9	66.4%	-7.4%	238.7	-7.4%
US	68.1	19.4%	77.1	19.8%	-11.7%	380.2	393.3%
Caribbean	43.9	12.5%	53.5	13.8%	-18.0%	195.9	266.0%
Cost of Sales and Services	**(253.4)**	**-72.3%**	**(277.2)**	**-71.4%**	**-8.6%**	**(268.1)**	**-3.3%**
Direct Labor	(94.4)	-26.9%	(102.4)	-26.4%	-7.9%	(101.5)	-0.9%
Food	(79.2)	-22.6%	(93.2)	-24.0%	-15.0%	(84.4)	-9.4%
Others	(18.9)	-5.4%	(22.1)	-5.7%	-14.4%	(20.0)	-9.7%
Fuel and Automotive Accessories	(46.9)	-13.4%	(44.1)	-11.4%	6.3%	(46.9)	6.3%
Depreciation & Amortization	(14.0)	-4.0%	(15.4)	-4.0%	-9.3%	(15.4)	-0.3%
Gross Profit	**97.3**	**27.7%**	**111.2**	**28.6%**	**-12.6%**	**106.3**	**-4.5%**
Gross Margin (%)	*27.7%*		*28.6%*			*28.4%*	
Operating Expenses[1]	**(102.5)**	**-29.2%**	**(118.3)**	**-30.4%**	**-13.3%**	**(111.1)**	**-6.0%**
Selling and Operating	(40.7)	-11.6%	(43.5)	-11.2%	-6.4%	(45.5)	4.6%
Rents of Stores	(33.8)	-9.6%	(41.3)	-10.6%	-18.2%	(36.4)	-11.8%
Store Pre-Openings	(1.1)	-0.3%	(0.9)	-0.2%	27.2%	(1.1)	29.8%
Depreciation & Amortization	(7.8)	-2.2%	(9.6)	-2.5%	-18.4%	(8.3)	-14.0%
J.V. Investment Amortization	(0.5)	-0.1%	(0.6)	-0.2%	-19.4%	(0.6)	0.0%
Equity income result	2.0	0.6%	2.8	0.7%	-29.8%	2.4	-14.6%
Other revenues (expenses)	1.1	0.3%	(1.2)	-0.3%	-186.9%	1.4	-211.4%
General & Administative	(18.3)	-5.2%	(19.0)	-4.9%	-3.5%	(19.7)	3.6%
Corporate (Holding)[2]	(3.2)	-0.9%	(4.9)	-1.3%	-34.2%	(3.3)	-33.6%
Special Items - Write-offs	0.0	0.0%	0.0	0.0%	0.0%	0.0	
Special Items - Other	(1.1)		(1.5)		-21.3%	(1.2)	-20.8%
EBIT	**(6.4)**	**-1.8%**	**(8.5)**	**-2.2%**	**na**	**(6.0)**	**na**
(+) D&A and Write-offs	22.3	6.4%	25.6	6.6%	-12.9%	24.2	-5.4%
EBITDA	**15.9**	**4.5%**	**17.1**	**4.4%**	**-7.0%**	**18.2**	**6.3%**
EBITDA Margin (%)	*4.5%*		*4.4%*		*0,1p.p.*	*4.9%*	*0,5p.p.*
(+) Special Items - Other	1.1	0.3%	1.5	0.4%	-21.3%	1.2	-20.8%
Adjusted EBITDA	**17.1**	**4.9%**	**18.6**	**4.8%**	**-8.1%**	**19.4**	**4.1%**
Adjusted EBITDA Margin (%)	*4.9%*		*4.8%*		*0,1p.p.*	*5.2%*	*0,4p.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$350.7 million in 1Q17, down 9.7% vs. 1Q16 or down 3.6% in constant currencies. Sales were negatively affected by a net store closures of 13 restaurants (18 of which in Brazil), as shown in the section "Number of stores".

Direct Labor cost totaled R$101.5 million (in constant currency), compared to R$102.4 million in 1Q16, as headcount adjustments mitigated inflationary pressures on payroll, but were not sufficient to offset the impact of lower volumes in Brazil.

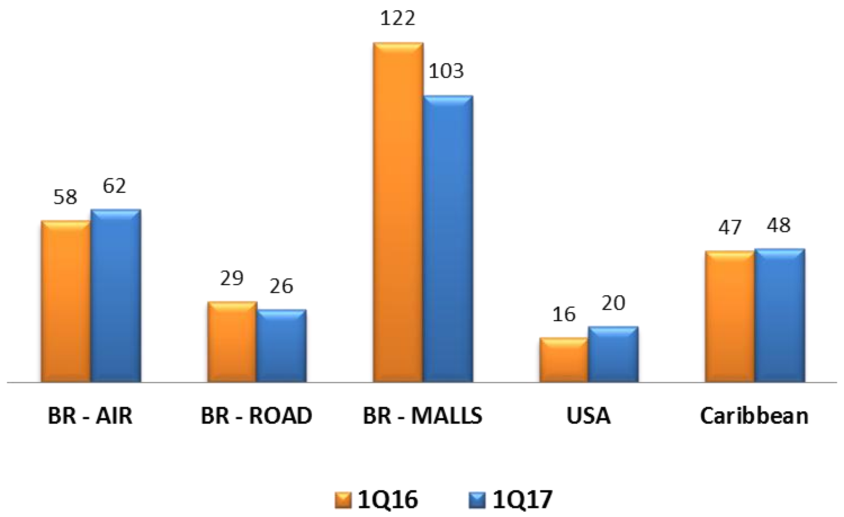
Sales and Operating expenses were R$2.0 million higher YoY (in constant currency) as a result of higher publicity and commercial expenses in general and higher operating expenses, mainly in the US.

Rent expenses totaled R$36.4 million, a 13.5% reduction YoY, as a consequence of the net closure of 13 stores in the period combined with new rent agreements in Brazilian Airports (a 410bps reduction in the segment YoY), which mitigated the impact from inflation – mostly in Brazil, leading to a 90bps consolidated improvement.

With regards to G&A, the R$0.7 million increase YoY (in constant currency) – mostly related to Brazilian payroll expenses. Regarding holding expenses, there was a R$1.7 million decrease (in constant currency), as a result of the first round of headcount count adjustments promoted in January, the second round of adjustments took place between end of March and early April, therefore only impacting 2Q17 results onwards.

In 1Q17, the adjusted EBITDA was R$19.4 million, 4.1% up in constant currency. EBITDA margin reached 5.2% in constant currency, a 40 bps increase YoY.

Number of stores



NUMBER OF STORES (end of period)	1Q17	1Q16	YoY Var. (%)	YoY Var. (#)
Brazil	**191**	**209**	**-8.6%**	**-18**
Air	*62*	*58*	*6.9%*	*4*
Roads	*26*	*29*	*-10.3%*	*-3*
Shopping Malls	*103*	*122*	*-15.6%*	*-19*
USA	**20**	**16**	**25.0%**	**4**
Caribbean	**48**	**47**	**2.1%**	**1**
Total Number of Stores	**259**	**272**	**-4.8%**	**-13**

At the end of the quarter, the Company had 259 stores, a net reduction of 13 stores YoY, 18 in Brazil, while 1 net opening in the Caribbean and 4 in the US in the period. Most store closures in Brazil are part of with the loss-making store closure program.

Same-store sales (SSS)

(in R$ million)	1Q17	1Q16	YoY
Brazil	**225.6**	**232.7**	**-3.0%**
BR - Air	52.7	60.7	-13.2%
BR - Roads	119.7	117.2	2.2%
BR - Roads - Restaurants	*63.3*	*65.4*	*-3.1%*
BR - Roads - Gas Station	*56.4*	*51.8*	*8.9%*
BR - Malls	53.2	54.9	-3.0%
USA	**57.1**	**74.7**	**-23.6%**
Caribbean	**40.6**	**51.3**	**-20.8%**
Total Same Store Sales	**323.4**	**358.8**	**-9.9%**

In constant currencies (in R$ million)	1Q17	1Q16	YoY
Brazil	225.6	232.7	-3.0%
USA	70.1	74.7	-6.2%
Caribbean	48.1	51.3	-6.2%
Total Same Store Sales	**343.9**	**358.8**	**-4.2%**

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

Same store sales totaled R$323.4 million in 1Q17, down 9.9% YoY in Brazilian reais or 4.2% in constant currencies.

In Brazil, the 3.0% decrease in same store sales was led by Brazilian airports that fell by 13.2% in 1Q17 following a sharp drop in the flow of passengers throughout Brazilian airports that impacted both restaurant and catering operations.

In the Road segment, SSS increased by 2.2% YoY – led by the positive performance of gas stations, offsetting the pressure on the restaurants as a consequence of the 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.

Same stores sales in the Malls segment fell by 3.0% in 1Q17. Industry sales continue to suffer from the softer macroeconomic environment. In March 2017, we opened the first Olive Garden restaurant in the Malls segments, with inspiring results thus far.

US SSS in local currency was -6.2% YoY in 1Q17, impacted by the Easter calendar change – from March in 2016 to April in 2017 – and also a supply problem with regards to retail merchandise affecting March sales.

In the Caribbean, the calendar change (Easter) also affected SSS, which were -6.2% in the quarter.

RESULTS BY BUSINESS SEGMENT AND GEOGRAPHIC REGION

(in R$ million)	1Q17	1Q17	1Q17	2016	% VA	1Q16	1Q16	1Q16	1Q16	% VA	% HA
Net Revenue	**238.7**	**68.1**	**43.9**	**350.7**	**100.0%**	**257.9**	**77.1**	**53.5**	**388.5**	**100.0%**	**-9.7%**
Restaurants & Others	182.3	68.1	43.9	294.2	83.9%	203.4	77.1	53.5	334.0	86.0%	-11.9%
Gas Stations	56.4	0.0	0.0	56.4	16.1%	54.5	0.0	0.0	54.5	14.0%	3.5%
Cost of Sales and Services	**(184.8)**	**(48.1)**	**(20.5)**	**(253.4)**	**-72.3%**	**(195.9)**	**(54.5)**	**(26.8)**	**(277.2)**	**-71.4%**	**-8.6%**
Direct Labor	(61.9)	(24.8)	(7.7)	(94.4)	-26.9%	(64.5)	(28.5)	(9.5)	(102.4)	-26.4%	-7.9%
Food	(53.6)	(13.5)	(12.1)	(79.2)	-22.6%	(61.8)	(15.2)	(16.1)	(93.2)	-24.0%	-15.0%
Others	(14.2)	(4.3)	(0.4)	(18.9)	-5.4%	(16.5)	(5.2)	(0.4)	(22.1)	-5.7%	-14.4%
Fuel and Automotive Accessories	(46.9)	0.0	0.0	(46.9)	-13.4%	(44.1)	0.0	0.0	(44.1)	-11.4%	6.3%
Depreciation & Amortization	(8.2)	(5.5)	(0.3)	(14.0)	-4.0%	(9.0)	(5.6)	(0.8)	(15.4)	-4.0%	-9.3%
Gross Profit	**53.9**	**20.0**	**23.4**	**97.3**	**27.7%**	**62.0**	**22.6**	**26.7**	**111.2**	**28.6%**	**-12.6%**
Operating Expenses[1]	**(58.7)**	**(26.1)**	**(14.4)**	**(99.3)**	**-28.3%**	**(66.7)**	**(28.9)**	**(17.8)**	**(113.4)**	**-29.2%**	**-12.4%**
Selling and Operating	(18.6)	(16.2)	(6.0)	(40.7)	-11.6%	(18.6)	(17.9)	(7.1)	(43.5)	-11.2%	-6.4%
Rents of Stores	(21.8)	(7.3)	(4.7)	(33.8)	-9.6%	(28.3)	(7.4)	(5.6)	(41.3)	-10.6%	-18.2%
Store Pre-Openings	(1.0)	(0.1)	0.0	(1.1)	-0.3%	(0.3)	(0.0)	(0.5)	(0.9)	-0.2%	27.2%
Depreciation & Amortization	(5.5)	(0.3)	(2.0)	(7.8)	-2.2%	(6.6)	(0.4)	(2.7)	(9.6)	-2.5%	-18.4%
J.V. Investment Amortization	0.0	(0.5)	0.0	(0.5)	-0.1%	0.0	(0.6)	0.0	(0.6)	-0.2%	-19.4%
Equity income result	0.0	2.0	0.0	2.0	0.6%	0.0	2.8	0.0	2.8	0.7%	-29.8%
Other revenues (expenses)	0.4	0.3	0.3	1.1	0.3%	(1.3)	(0.1)	0.2	(1.2)	-0.3%	n/a
General & Administative	(12.2)	(4.1)	(2.0)	(18.3)	-5.2%	(11.6)	(5.3)	(2.1)	(19.0)	-4.9%	-3.5%
(+) Depreciation & Amortization	13.7	6.3	2.4	22.3	6.4%	15.6	6.6	3.5	25.6	6.6%	-12.9%
Operating Income	**8.9**	**0.1**	**11.3**	**20.3**	**5.8%**	**10.9**	**0.2**	**12.4**	**23.5**	**6.1%**	**-13.5%**
Corporate (Holding)[2]				(3.2)	-0.9%				(4.9)	-1.3%	-34.2%
Special Items - Write-offs				0.0	0.0%						
Special Items - Other				(1.1)	-0.3%				(1.5)	-0.4%	-21.3%
EBIT	**(4.8)**	**(6.1)**	**9.0**	**(6.4)**	**-1.8%**	**(4.7)**	**(6.3)**	**8.9**	**(8.5)**	**-2.2%**	
(+) D&A and Write-offs				22.3	6.4%				25.6		-12.9%
EBITDA				**15.9**	**4.5%**				**17.1**	**4.4%**	**-7.0%**
(+) Special Items				1.1	0.3%				1.5	0.4%	-21.3%
Adjusted EBITDA				**17.1**	**4.9%**				**18.6**	**4.8%**	**-8.1%**

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

Results of the Brazilian Operations

(in R$ million)	1Q17	% VA	1Q16	% VA	% HA
Net Revenue	**238.7**	**100.0%**	**257.9**	**100.0%**	**-7.4%**
Restaurants & Others	182.3	76.4%	203.4	78.9%	-10.4%
Gas Stations	56.4	23.6%	54.5	21.1%	3.5%
Cost of Sales and Services	**(184.8)**	**-77.4%**	**(195.9)**	**-76.0%**	**-5.7%**
Direct Labor	(61.9)	-25.9%	(64.5)	-25.0%	-4.0%
Food	(53.6)	-22.5%	(61.8)	-24.0%	-13.3%
Others	(14.2)	-6.0%	(16.5)	-6.4%	-13.7%
Fuel and Automotive Accessories	(46.9)	-19.6%	(44.1)	-17.1%	6.3%
Depreciation & Amortization	(8.2)	-3.4%	(9.0)	-3.5%	-9.5%
Gross Profit	**53.9**	**22.6%**	**62.0**	**24.0%**	**-13.0%**
Operating Expenses[1]	**(58.7)**	**-24.6%**	**(66.7)**	**-25.9%**	**-11.9%**
Selling and Operating	(18.6)	-7.8%	(18.6)	-7.2%	0.0%
Rents of Stores	(21.8)	-9.1%	(28.3)	-11.0%	-23.0%
Store Pre-Openings	(1.0)	-0.4%	(0.3)	-0.1%	224.8%
Depreciation & Amortization	(5.5)	-2.3%	(6.6)	-2.5%	-16.2%
J.V. Investment Amortization	0.0	0.0%	0.0	0.0%	0.0%
Equity income result	0.0	0.0%	0.0	0.0%	0.0%
Other revenues (expenses)[2]	0.4	0.2%	(1.3)	-0.5%	-130.6%
General & Administative[2]	(12.2)	-5.1%	(11.6)	-4.5%	5.5%
(+) Depreciation & Amortization	13.7	5.7%	15.6	6.1%	-12.3%
Operating Income	**8.9**	**3.7%**	**10.9**	**4.2%**	**-18.4%**
Expansion Capex	8.3	3.5%	3.7	1.4%	123.8%
Maintenance Capex	4.2	1.7%	2.1	0.8%	97.1%
Total Capex	**12.4**	**5.2%**	**5.8**	**2.2%**	**114.1%**
Operating Inc. - Maintenance Capex[3]	**4.7**	**53.2%**	**8.8**	**80.6%**	**-27.4%**

[1]Before special items; [2]Not allocated in segments; [3] VA 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, lower spending in shopping malls and also a lower flow of vehicles in roads, all of which impacted same store sales. It is also important to note that compared to 1Q16, there was a net reduction of 18 restaurants in the Brazilian operations (+4 in airports, -3 in roads and -19 in shopping malls) in 1Q17. 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 7.4% in 1Q17.

In terms of costs and expenses it is important to highlight the 190 bps reduction on rent expenses, as the first positive outcome from the airport contracts renegotiations. Regarding labor cost and expenses, "direct labor cost" and "sales and operating expenses" combined resulted in R$80.5 million in 1Q17, compared to R$83.0 million in 1Q16, as a consequence of headcount reduction that more than offset the inflation pressure on payroll. With regards to G&A, the increase has been more than compensated by the reduction in holding expenses, and as of April we shall see further reduction on both G&A expenses in Brazil and Holding Expenses as a result of the headcount adjustments executed between the end of March and early April.

Consequently, Brazilian operations posted an operating income of R$8.9 million in 1Q17, down 18.4% YoY, with a nearly 50 bps reduction in operating margin.

Results of the Brazilian Operations – AIR

(in R$ million)	1Q17	% VA	1Q16	% VA	% HA
Net Revenue	**58.3**	**100.0%**	**71.5**	**100.0%**	**-18.5%**
Restaurants & Others	58.3	100.0%	71.5	100.0%	-18.5%
Gas Stations	0.0	0.0%	0.0	0.0%	0.0%
Cost of Sales and Services	**(41.4)**	**-71.1%**	**(48.9)**	**-68.4%**	**-15.3%**
Direct Labor	(19.8)	-34.0%	(21.7)	-30.3%	-8.5%
Food	(15.8)	-27.2%	(19.6)	-27.5%	-19.4%
Others	(3.4)	-5.9%	(4.7)	-6.6%	-27.5%
Fuel and Automotive Accessories	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(2.3)	-4.0%	(2.9)	-4.0%	-18.0%
Gross Profit	**16.9**	**28.9%**	**22.6**	**31.6%**	**-25.4%**
Operating Expenses[1]	**(19.3)**	**-33.1%**	**(26.3)**	**-36.8%**	**-26.7%**
Selling and Operating	(6.4)	-11.0%	(7.5)	-10.5%	-14.4%
Rents of Stores	(8.9)	-15.2%	(13.8)	-19.3%	-35.7%
Store Pre-Openings	(0.0)	-0.1%	(0.2)	-0.3%	-76.9%
Depreciation & Amortization	(4.0)	-6.8%	(4.8)	-6.8%	-17.9%
J.V. Investment Amortization	0.0	0.0%	0.0	0.0%	0.0%
Equity income result	0.0	0.0%	0.0	0.0%	0.0%
Other revenues (expenses)[2]	0.0	0.0%	0.0	0.0%	0.0%
General & Administative[2]	0.0	0.0%	0.0	0.0%	0.0%
(+) Depreciation & Amortization	6.3	10.8%	7.7	10.8%	-17.9%
Operating Income	**3.9**	**6.7%**	**4.0**	**5.6%**	**-2.6%**
Expansion Capex	4.0	6.9%	2.8	3.9%	42.7%
Maintenance Capex	0.6	1.0%	0.8	1.2%	-30.6%
Total Capex	**4.6**	**7.9%**	**3.6**	**5.1%**	**26.1%**
Operating Inc. - Maintenance Capex[3]	**3.3**	**85.3%**	**3.2**	**79.4%**	**5.9%**

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

The Brazilian Airport segment operating income reached R$3.9 million in 1Q17, down 2.6% YoY with a 110bps increase in margins mainly due to:

i) Decrease in sales, as a consequence of the of 13.2% reduction in SSS, as a result of the decrease in passenger flow in the airports that the Company operates, which impacted margins in the following ways:

   a. 420bps increase in labor – in nominal terms labor expenses ("direct labor cost" combined with "selling and operating expenses") totaled R$26.2 million compared to R$29.1 million in 1Q16, as a consequence of headcount adjustments in the operations.

ii) Those impacts were partially mitigated by:

   a. 410bps improvement or R$4.9 million reduction on rent expenses as a consequence of the renegotiated airport contracts.

   b. 30bps decrease in food expenses, as a consequence of higher efficiency and stricter controls, 70bps decrease in others and 20bps decrease in store pre-opening expenses.

Results of the Brazilian Operations – ROADS

(in R$ million)	1Q17	% VA	1Q16	% VA	% HA
Net Revenue	**119.7**	**100.0%**	**121.1**	**100.0%**	**-1.1%**
Restaurants & Others	63.3	52.9%	66.6	55.0%	-4.9%
Gas Stations	56.4	47.1%	54.5	45.0%	3.5%
Cost of Sales and Services	**(99.3)**	**-82.9%**	**(99.3)**	**-82.0%**	**0.0%**
Direct Labor	(23.6)	-19.7%	(23.6)	-19.5%	0.3%
Food	(19.7)	-16.4%	(21.9)	-18.1%	-10.3%
Others	(5.9)	-4.9%	(6.4)	-5.3%	-9.0%
Fuel and Automotive Accessories	(46.9)	-39.2%	(44.1)	-36.4%	6.3%
Depreciation & Amortization	(3.2)	-2.7%	(3.2)	-2.6%	0.6%
Gross Profit	**20.5**	**17.1%**	**21.8**	**18.0%**	**-6.3%**
Operating Expenses[1]	**(11.3)**	**-9.4%**	**(10.9)**	**-9.0%**	**3.3%**
Selling and Operating	(6.3)	-5.2%	(5.4)	-4.4%	17.2%
Rents of Stores	(4.1)	-3.4%	(4.7)	-3.9%	-13.4%
Store Pre-Openings	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(0.9)	-0.8%	(0.9)	-0.7%	8.6%
J.V. Investment Amortization	0.0	0.0%	0.0	0.0%	0.0%
Equity income result	0.0	0.0%	0.0	0.0%	0.0%
Other revenues (expenses)[2]	0.0	0.0%	0.0	0.0%	0.0%
General & Administative[2]	0.0	0.0%	0.0	0.0%	0.0%
(+) Depreciation & Amortization	4.2	3.5%	4.1	3.4%	2.3%
Operating Income	**13.3**	**11.1%**	**15.0**	**12.4%**	**-11.0%**
Expansion Capex	1.1	0.9%	0.0	0.0%	0.0%
Maintenance Capex	1.7	1.4%	0.8	0.6%	125.9%
Total Capex	**2.8**	**2.4%**	**0.8**	**0.6%**	**273.7%**
Operating Inc. - Maintenance Capex[3]	**11.6**	**87.2%**	**14.2**	**95.0%**	**-7.7%**

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

The Roads segment operating income decreased by R$1.7 million in the 1Q17, with a 120bps reduction on margins mainly due to:

i) Reduction on sales (-1.1% YoY), as a consequence of the net closure of 3 stores, mitigated by the improvement of 2.2% in SSS, mostly driven by Gas Stations SSS growth (8.9%), which pressured mix, as fuel sales have lower margins than restaurant sales.

ii) Inflation pressure on payroll and higher fuel cost that led to an increase of expenses of 110bps and 270bps, respectively.

iii) Those impacts were partially mitigated by higher efficiency on food cost (170bps reduction), on rent (50bps) and utilities (40bps).

Results of the Brazilian Operations – Malls

(in R$ million)	1Q17	% VA	1Q16	% VA	% HA
Net Revenue	**60.7**	**100.0%**	**65.3**	**100.0%**	**-7.1%**
Restaurants & Others	60.7	100.0%	65.3	100.0%	-7.1%
Gas Stations	0.0	0.0%	0.0	0.0%	0.0%
Cost of Sales and Services	**(44.1)**	**-72.7%**	**(47.8)**	**-73.2%**	**-7.7%**
Direct Labor	(18.4)	-30.3%	(19.2)	-29.4%	-4.2%
Food	(18.1)	-29.9%	(20.2)	-31.0%	-10.5%
Others	(4.9)	-8.1%	(5.3)	-8.1%	-7.1%
Fuel and Automotive Accessories	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(2.6)	-4.3%	(3.0)	-4.6%	-12.2%
Gross Profit	**16.6**	**27.3%**	**17.5**	**26.8%**	**-5.2%**
Operating Expenses[1]	**(16.3)**	**-26.9%**	**(16.5)**	**-25.3%**	**-1.4%**
Selling and Operating	(5.9)	-9.7%	(5.7)	-8.8%	2.8%
Rents of Stores	(8.8)	-14.6%	(9.8)	-15.0%	-9.8%
Store Pre-Openings	(1.0)	-1.6%	(0.1)	-0.2%	676.5%
Depreciation & Amortization	(0.6)	-1.0%	(0.9)	-1.3%	-31.3%
J.V. Investment Amortization	0.0	0.0%	0.0	0.0%	0.0%
Equity income result	0.0	0.0%	0.0	0.0%	0.0%
Other revenues (expenses)[2]	0.0	0.0%	0.0	0.0%	0.0%
General & Administative[2]	0.0	0.0%	0.0	0.0%	0.0%
(+) Depreciation & Amortization	3.2	5.3%	3.9	5.9%	-16.4%
Operating Income	**3.5**	**5.8%**	**4.8**	**7.4%**	**-27.3%**
Expansion Capex	3.1	5.1%	0.9	1.3%	259.7%
Maintenance Capex	1.9	3.1%	0.5	0.8%	253.8%
Total Capex	**5.0**	**8.2%**	**1.4**	**2.1%**	**257.4%**
Operating Inc. - Maintenance Capex[3]	**1.6**	**46.5%**	**4.3**	**89.0%**	**-42.5%**

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

The Malls segment operating income decreased by R$1.3 million YoY in the 1Q17, totaling R$3.5 million with a 160bps reduction on margins mainly due to:

i) a 7.1% decrease in sales, as a consequence of the net closure of 19 stores combined with a reduction of 3.0% in SSS, as a result of the macroeconomic headwinds that led to a reduction on consumer spending in malls.

ii) a 180bps in labor ("direct labor cost" combined with "selling and operating expenses") and 140bps in store pre-opening expenses (related to the new Olive Garden restaurant).

iii) That were mitigated by a 120bps decrease in food expenses and 40bps reduction on rent expense.

IMC continues to focus on streamlining the Shopping Mall portfolio in Brazil. The Company is also working on closing loss-making stores. Furthermore, IMC continues seeking to improve customers' experience at Viena locations. The Company launched the first pilot store for Viena Express (buffet style – food court restaurant) in June and the second in December; also in December, the Company launched a flagship store for Viena Delicatessen called Delish and two Brunella kiosks (coffee, pastries and ice-cream). Furthermore, the first Olive Garden at shopping malls in Brazil was launched in March, 2017.

Results of U.S. Operations

(in US$ Million)	1Q17	% VA	1Q16	% VA	% HA
Net Revenue	**21.7**	**100.0%**	**20.0**	**100.0%**	**8.5%**
Restaurants & Others	21.7	100.0%	20.0	100.0%	8.5%
Gas Stations	0.0	0.0%	0.0	0.0%	0.0%
Cost of Sales and Services	**(15.3)**	**-70.6%**	**(14.1)**	**-70.4%**	**8.9%**
Direct Labor	(7.9)	-36.4%	(7.3)	-36.8%	7.3%
Food	(4.3)	-19.8%	(3.9)	-19.7%	9.3%
Others	(1.4)	-6.4%	(1.3)	-6.7%	2.3%
Fuel and Automotive Accessories	0.0	0.0%	0.0	0.0%	0.0%
Depreciation & Amortization	(1.7)	-8.0%	(1.4)	-7.2%	21.8%
Gross Profit	**6.4**	**29.4%**	**5.9**	**29.6%**	**7.6%**
Operating Expenses[1]	**(8.3)**	**-38.3%**	**(7.5)**	**-37.3%**	**11.5%**
Selling and Operating	(5.1)	-23.7%	(4.6)	-23.1%	11.7%
Rents of Stores	(2.3)	-10.7%	(1.9)	-9.6%	20.8%
Store Pre-Openings	(0.0)	-0.2%	(0.0)	-0.1%	225.4%
Depreciation & Amortization	(0.1)	-0.4%	(0.1)	-0.5%	-0.9%
J.V. Investment Amortization	(0.2)	-0.7%	(0.2)	-0.8%	0.0%
Equity income result	0.6	2.9%	0.7	3.7%	-14.0%
Other revenues (expenses)	0.1	0.5%	(0.0)	-0.1%	-464.7%
General & Administative	(1.3)	-6.0%	(1.4)	-6.8%	-5.0%
(+) Depreciation & Amortization	2.0	9.2%	1.7	8.4%	18.5%
Operating Income	**0.1**	**0.3%**	**0.2**	**0.8%**	**-63.6%**
Expansion Capex	0.3	1.5%	1.4	7.2%	-77.4%
Maintenance Capex	0.1	0.4%	0.2	1.1%	-56.8%
Total Capex	**0.4**	**1.9%**	**1.7**	**8.3%**	**-74.8%**
Operating Inc. - Maintenance Capex[2]	**(0.0)**	**n.a.**	**(0.1)**	**n.a.**	**n.a.**

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

The operations in the United States consist mainly of Margaritaville and currently has 20 restaurants. The comments below (as well as the table above) are in local currency (US$) to provide a better understanding of the region's results eliminating the impact of FX. It is important to note that the restaurants in the US are located mostly in summer destinations, therefore, most of the profitability is concentrated in the second and third quarters.

Net revenues came in at US$21.7 million in 1Q17, up 8.5% YoY despite lower same store sales (-6.2%), that were offset by the net opening of 4 restaurants.

Margins (-50bps, in US$) were impacted by higher rent and selling and operating expenses, that were mitigated by improved labor and G&A and other (utilities) expenses.

Results of the Caribbean Operations

(in R$ million)	1Q17	1Q16	% HA	1Q17[2]	% HA[2]
Net Revenue	**43.9**	**53.5**	**-18.0%**	**52.0**	**-2.8%**
Restaurants & Others	43.9	53.5	-18.0%	52.0	-2.8%
Gas Stations	0.0	0.0	0.0%	0.0	0.0%
Cost of Sales and Services	**(20.5)**	**(26.8)**	**-23.6%**	**(24.0)**	**-10.5%**
Direct Labor	(7.7)	(9.5)	-18.2%	(9.0)	-4.8%
Food	(12.1)	(16.1)	-25.4%	(14.2)	-12.1%
Others	(0.4)	(0.4)	-10.5%	(0.4)	-0.3%
Fuel and Automotive Accessories	0.0	0.0	0.0%	0.0	0.0%
Depreciation & Amortization	(0.3)	(0.8)	-59.1%	(0.4)	-51.7%
Gross Profit	**23.4**	**26.7**	**-12.4%**	**28.0**	**5.0%**
Operating Expenses[1]	**(14.4)**	**(17.8)**	**-18.9%**	**(16.9)**	**-4.9%**
Selling and Operating	(6.0)	(7.1)	-15.7%	(7.0)	-1.4%
Rents of Stores	(4.7)	(5.6)	-16.1%	(5.7)	1.4%
Store Pre-Openings	0.0	(0.5)	-100.0%	0.0	-100.0%
Depreciation & Amortization	(2.0)	(2.7)	-23.7%	(2.4)	-10.5%
J.V. Investment Amortization	0.0	0.0	0.0%	0.0	0.0%
Equity income result	0.0	0.0	0.0%	0.0	0.0%
Other revenues (expenses)	0.3	0.2	57.3%	0.5	161.1%
General & Administative	(2.0)	(2.1)	-3.3%	(2.3)	12.8%
(+) Depreciation & Amortization	2.4	3.5	-31.8%	2.8	-19.9%
Operating Income	**11.3**	**12.4**	**-8.6%**	**13.9**	**12.3%**
Expansion Capex	0.4	0.9	-54.1%	0.5	-45.6%
Maintenance Capex	1.2	1.1	3.4%	1.4	22.6%
Total Capex	**1.6**	**2.0**	**-22.4%**	**1.9**	**-8.0%**
Operating Inc. - Maintenance Capex[3]	**10.2**	**11.3**	**-9.8%**	**12.5**	**11.2%**

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

The comments regarding the Caribbean operations (Panama and Colombia), are in Reais and in Reais in constant currencies (using the 1Q16 FX rate to convert the results in 1Q16 and 1Q17) to eliminate the effect of exchange rate changes. They do not consider the results from discontinued operations (Mexico, the Dominican Republic and Puerto Rico).

Net revenues reached R$52.0 million, down 2.8% YoY.

The focus on operational excellence combined with costs reduction, led to a 400bps improvement in gross margins, with a 40bps reduction in labor cost and 290bps reduction in food cost. As a result, gross profit reached R$28.0 million in 1Q17, up 5.0% compared to 1Q16.

Regarding operating expenses in 1Q17, there was a reduction in: store pre-opening expenses (-100bps) and other (-60bps). Those impacts were partially mitigated by higher G&A expenses (+60bps), selling and operating (+20bps) and higher rent expenses (+50bps).

Operating income came in at R$13.9 million in 1Q17, up 12.3% compared to 1Q16, with an operating margin of 26.7% up from 23.1% in 1Q16.

ADJUSTED EBITDA AND ADJUSTED MARGIN

EBITDA RECONCILIATION (R$ million)	1Q17	1Q16	HA (%)
NET INCOME (LOSS) FROM CONTINUED OPERATIONS	**(17.1)**	**(27.4)**	**n.a.**
(+) Income Taxes	10.1	(2.7)	n.a.
(+) Net Financial Result	0.6	21.6	-97.1%
(+) D&A and Write-offs	21.8	25.0	-12.8%
(+) Amortization of Investments in Joint Venture	0.5	0.6	n.a.
EBITDA	**15.9**	**17.1**	**-7.0%**
(+) Special Items	1.1	1.5	-21.3%
Adjusted EBITDA	**17.1**	**18.6**	**-8.1%**
EBITDA / Net Revenues	*4.5%*	*4.4%*	
Adjusted EBITDA / Net Revenues	*4.9%*	*4.8%*	

* See EBITDA and Adjusted EBITDA definitions in the Glossary.

The Company's Adjusted EBITDA, excluding non-recurring items, reached R$17.1 million in 1Q17, with an adjusted EBITDA margin of 4.9% vs. 4.8% in 1Q16. The special items refer to the stock option plan.

FINANCIAL RESULT, INCOME TAX AND NET INCOME

The Company recorded a net financial expense of R$0.6 million, compared to a net financial expense of R$21.6 million in 1Q16, as a result of the deleveraging processes that started in 1Q16.

Income taxes totaled R$10.1 million, versus a tax recovery of R$2.7 million in 1Q16.

The Company recorded a net loss of R$17.1 million in 1Q17, compared to a net loss of R$27.4 million in 1Q16.

SELECTED CASH FLOW INFORMATION

OPERATING ACTIVITIES

EBITDA Reconcilation to Operating Cash Flow (R$ Million)	1Q17	1Q16	Var. (%)
Adjusted EBITDA	**17.1**	**18.6**	**-8.1%**
Special Items	**(1.1)**	**(1.5)**	**n.a.**
(+/-) Other Non-Cash Impact on IS	13.9	9.5	
(+/-) Working Capital	(22.9)	(6.9)	
Operating Cash Before Taxes and Interest	**7.0**	**19.7**	**-64.6%**
(-) Paid Taxes	(7.0)	(1.7)	
(-) Maintenance Capex	(5.9)	(4.0)	
Net Cash Generated by Operating Activities	**(5.9)**	**13.9**	**n.a.**
Operating Net Cash/EBITDA	**-34.6%**	**74.8%**	**n.a.**

Operating cash flow totaled -R$5.9 million in 1Q17 (compared to +R$13.9 million in 1Q16), mostly impacted by higher taxes paid (related to 2016's assets sales ~R$5M).

INVESTING ACTIVITIES

Investing Activities (in R$ million)	1Q17	1Q16	HA (%)
Fixed Assets Addition	(15.7)	(12.7)	24.3%
Intangible Assets Addition	(0.0)	(3.0)	n.a.
(=) TOTAL CAPEX Investment	(15.8)	(15.7)	0.6%
Payment from previous acquisitions	(0.1)	(78.2)	n.a.
Proceeds from Assets Sale	0.0	169.1	n.a.
Total investments in the period	**(15.9)**	**75.2**	**n.a.**

CAPEX (in R$ million)	1Q17	1Q16	HA (%)
Expansion			
Brazilian Operations	**8.3**	**3.7**	**123.8%**
Brazil - Air	*4.0*	*2.8*	*42.7%*
Brazil - Roads	*1.1*	*0.0*	*-*
Brazil - Malls	*3.1*	*0.9*	*259.7%*
USA Operations	**1.0**	**5.6**	**-81.6%**
Caribbean Operations	**0.4**	**0.9**	**-54.1%**
Holding	**0.2**	**1.5**	**-86.1%**
Total Expansion Investments	**9.9**	**11.6**	**-15.0%**
Maintenance			
Brazilian Operations	**4.2**	**2.1**	**97.1%**
Brazil - Air	*0.6*	*0.8*	*-30.6%*
Brazil - Roads	*1.7*	*0.8*	*125.9%*
Brazil - Malls	*1.9*	*0.5*	*253.8%*
USA Operations	**0.3**	**0.8**	**-64.8%**
Caribbean Operations	**1.2**	**1.1**	**na**
Holding	**0.3**	**0.0**	**-**
Total Maintenance Investments	**5.9**	**4.0**	**45.5%**
Total CAPEX Investments	**15.8**	**15.7**	**0.6%**

Regarding Expansion CAPEX, in 1Q17 IMC invested mainly in the new stores opened at the Brazilian airports and new stores in malls; Miami airport and Jackson Memorial Hospital, in the US; and in malls in Colombia.

FINANCING ACTIVITIES

The Company's financing cash flow in 1Q17 was mainly affected by loan amortizations.

FINANCING ACTIVITIES (R$ million)	1Q17	1Q16
Capital Contribuitions	0.0	46.4
Capital Contribuitions - minority interest	0.0	0.0
Treasury Shares	1.8	0.0
New Loans	(0.0)	0.0
Payment of Loans	(18.2)	(61.9)
Net Cash Generated by Financing Activities	**(16.5)**	**(15.5)**

Considering payments to former owners of companies acquired in the past (seller finance) as debt, debt amortization totaled R$18.4 million in 1Q17.

Total debt amortization (R$ million)	1Q17	1Q16
Acquisitions, net of cash (Sellers Financing)	(0.1)	(78.2)
New Loans	0.0	0.0
Loan Amortization	(18.2)	(61.9)
Total debt amortization	**(18.4)**	**(140.1)**

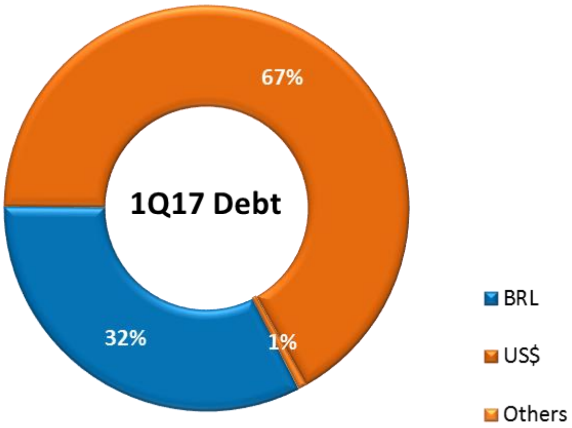
DEBT

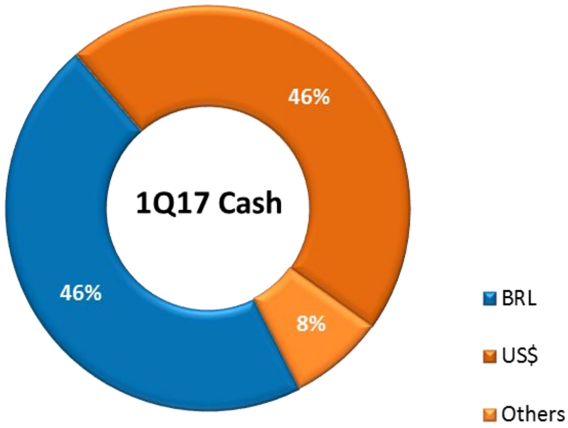
Net Debt

The Company ended the first quarter with a net cash position of R$16.2 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.

R$ million	1Q17	1Q16
Debt	105.0	248.3
Financing of past acquisitions	33.4	10.7
Point of Sales rights	3.1	51.9
Total Debt	**141.4**	**310.9**
(-) Cash	-157.6	-336.1
Net Debt	**(16.2)**	**(25.2)**

Below is the breakdown of our total debt and cash by currency in 1Q17.





CONDENSED INCOME STATEMENT

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (R$ thousand)	1Q17	1Q16
NET REVENUE	350,663	388,483
COST OF SALES AND SERVICES	(253,386)	(277,235)
GROSS PROFIT	97,277	111,248
OPERATING INCOME (EXPENSES)		
Commercial and operating expenses	(74,541)	(84,873)
General and administrative expenses	(23,810)	(26,222)
Depreciation and amortization	(7,843)	(9,615)
Impairment	0	0
Other income (expenses)	1,067	(1,228)
Equity income result	1,480	2,197
Net financial expenses	(627)	(21,643)
INCOME (LOSS) BEFORE INCOME TAXES	(6,997)	(30,136)
Income Taxes	(10,084)	2,747
NET INCOME (LOSS) FOR THE QUARTER FROM CONTINUED OPERATIONS	(17,081)	(27,389)
RESULT FROM DISCONTINUED OPERATIONS	0	3,972
NET INCOME (LOSS) FOR THE QUARTER	(17,081)	(23,417)

CONDENSED BALANCE SHEET

CONDENSED STATEMENTS OF FINANCIAL POSITION (R$ thousand)	3/31/2017	12/31/2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	157,619	190,108
Accounts receivable	68,432	70,567
Inventories	32,260	35,101
Derivatives	3,505	5,169
Other current assets	50,609	48,038
Assets from discontinued operations	0	0
Total current assets	312,425	348,983
NONCURRENT ASSETS		
Deferred income taxes	268	626
Derivatives	1,752	1,399
Other noncurrent assets	62,244	63,197
Property and equipment	242,412	252,429
Intangible assets	826,159	836,774
Total noncurrent assets	1,132,835	1,154,425
TOTAL ASSETS	1,445,260	1,503,408
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	65,670	85,815
Loans and financing	52,883	61,797
Salaries and payroll charges	64,471	63,976
Other current liabilities	29,211	37,005
Liabilities from Discontinued operations	0	0
Total current liabilities	212,235	248,593
NONCURRENT LIABILITIES		
Loans and financing	93,774	104,313
Provision for labor, civil and tax disputes	25,307	26,997
Deferred income tax liability	71,341	62,569
Other noncurrent liabilities	22,125	20,140
Total noncurrent liabilities	212,547	214,019
EQUITY		
Capital and reserves	1,155,711	1,152,775
Accumulated losses	(121,178)	(104,097)
Other comprehensive income	(23,841)	(18,024)
Amounts recognized in other comprehensive income and accumulated in equity related to assets held for sale	0	0
Total equity	1,010,692	1,030,654
Non-Controlling Interest	9,786	10,142
TOTAL LIABILITIES AND EQUITY	1,445,260	1,503,408

CASH FLOW STATEMENT

CONDENSED STATEMENTS OF CASH FLOWS (R$ thousand)	1Q17	1Q16
CASH FLOW FROM OPERATING ACTIVITIES		
Net income (loss) for the quarter	(17,081)	(27,389)
Depreciation and amortization	21,824	25,022
Impairment of intangible assets (using)	(19,578)	(3,552)
Impairment of intangible assets (provision)	-	-
Investiment amortization	491	609
Equity income result	(1,970)	(2,806)
Provision for labor, civil and tax disputes	667	1,589
Income taxes	10,084	(2,747)
Interest expenses	3,312	10,377
Effect of exchange rate changes	(311)	24,616
Disposal of property and equipment	20,129	3,788
Deferred Revenue, Rebates	1,136	(952)
Expenses in payments to employees based in stock plan	1,105	1,457
Others	10,046	(3,407)
Changes in operating assets and liabilities	(22,539)	(6,914)
Cash generated from operations	7,315	19,691
Income tax paid	(6,990)	(1,742)
Interest paid	(171)	(9,586)
Net cash generated by (used in) operating activities	154	8,363
CASH FLOW FROM INVESTING ACTIVITIES		
Capital increase in subsidiaries	-	-
Acquisitions of controlling interest, net of cash	(114)	(78,191)
Dividends received	1,797	2,067
Sale of controlling interest in discontinued operations, net of cash	-	169,080
Additions to intangible assets	(47)	(3,029)
Additions to property and equipment	(15,734)	(12,661)
Net cash used in investing activities from continued operations	(14,098)	77,266
Net cash used in investing activities from discontinued operations	-	-
Net cash used in investing activities	(14,098)	77,266
CASH FLOW FROM FINANCING ACTIVITIES		
Capital contribuitions	-	46,383
Capital contribuitions from minority interest	-	-
Treasury shares	1,831	-
New loans	-	-
Payment of loans	(18,243)	(61,902)
Net cash used in financing activities	(16,412)	(15,519)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1,783)	(23,396)
NET INCREASE (DECREASE) FOR THE PERIOD	(32,139)	46,714
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	190,108	289,390
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	157,969	336,104

INTERNATIONAL MEAL COMPANY

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	3.210	3.501	0.0011	0.0012
3Q16	3.246	3.246	0.0011	0.0011
4Q16	3.298	3.285	0.0011	0.0011
1Q17	3.168	3.145	0.0011	0.0011

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

<u>Net store openings:</u> 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.

<u>Company:</u> International Meal Company Alimentação S.A. or IMCASA.

<u>EBITDA:</u> 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.

<u>Adjusted EBITDA:</u> 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.

<u>Same-store sales (SSS):</u> corresponds to the sales of stores that have maintained operations in comparable periods, excluding stores that were temporarily closed. If a store is included in the calculation of comparable store sales for only a part of one of the periods compared, then this store will be included in the calculation of the corresponding portion of another period. Some of the reasons for the temporary closure of the Company’s stores include renovation or remodeling, rebuilding, road construction and natural disasters. When there is a variation in the area of a store included in comparable store sales, said store is excluded from the comparable store sales. The variations in same-store sales is a measure used in the retail market as an indicator of the performance of the implemented business strategies and initiatives, and also represent the trends of the local economy and consumers. The Company’s sales are recorded and analyzed based on the functional currency of each country where the Company operates. Therefore, as the Company’s financial information is converted and demonstrated in reais (R$), Brazilian currency, using average exchange rates of the periods compared, the values of same-store sales may present gains or losses resulting from the exchange rate of the currency of the country where that same store is located. Same-store sales are not a measure of financial performance according to the accounting practices adopted in Brazil (BR GAAP) or IFRS. Same-store sales do not have a standardized meaning in the market, and the Company's definition may not be the same definition of same-store sales in used by other companies.

DISCLAIMER

This report contains forward-looking information. Such information does not refer to historical facts only, but reflect IMC's management's wishes and expectations. The words "anticipates", "wants", "expects", "forecasts", "intends", "plans", "predicts", "projects", "aims" and the like are intended to identify statements that necessarily involve known and unknown risks. Known risks include uncertainties not limited to the impact of price and product competitiveness, acceptance of products on the market, product transitions from the Company and its competitors, regulatory approval, currency, currency fluctuations, supply and production hurdles and changes in product sales, among other risks. This report also contains information prepared by the Company only for information and reference purposes; therefore, it has not been audited. This report is up-to-date, and IMC has no obligation to update it with new information and/or future events. There may some minor differences between the financial information presented in the charts and graphs in this release and that in the Audited Financial Statements due to rounding. Any and all non-accounting information or information arising from non-accounting figures, in addition to comparable historical information, has not been reviewed by the independent auditors.