Results and Important Events during the Third Quarter of 2011

- **14.2% increase in same-store sales for 22.6% growth in net consolidated sales during the third quarter of 2011**
- **An increase of 37.0% in EBITDA[(1)], totaling 326.9 million pesos with an EBITDA margin increase of 120 bps**
- **An increase of 402.2% in Net Income, totaling 85.9 million pesos during the third quarter of 2011**
- **Increase of 65 corporate units over the last 12 months, reaching 1,242 units for the total unit count, with 1,040 corporate units**
- **New agreements reached with the Starbucks Brand that extend and modify ownership options for the operations in Mexico and Argentina, and also achieving an extension to the rights for developing the Starbucks Brand in Mexico, until February 2027**
- **Master licensing and development agreements to operate Pei Wei Asian Diner restaurants in Mexico**

Mexico, D.F., October 20, 2011. Alsea, S.A.B. de C.V. (BMV: ALSEA*), the leading Quick Service Restaurant, Coffee Shops and Casual Dining operator in Latin America, reported its third quarter 2011 results today. This information is presented according to Financial Reporting Standards (NIF), and it is presented in nominal terms.

CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2011

The following table shows a condensed Income Statement in millions of pesos (except EPS). The margin for each item represents net sales, as well as the percentage change in the quarter ended September 30, 2011, in comparison with the same period of 2010:

	3Q 11	*Margin %*	*3Q 10*	*Margin %*	*Change %*
Net sales	$2,789.3	100.0%	$2,274.9	100.0%	22.6%
Gross Income	1,794.4	64.3%	1,470.8	64.7%	22.0%
EBITDA[(1)]	326.9	11.7%	238.7	10.5%	37.0%
Operating income	146.6	5.3%	74.2	3.3%	97.6%
Net Income	$85.9	3.1%	$17.1	0.8%	402.2%
EPS [(2)]	0.2906	N.A.	$0.3935	N.A.	(26.1)%

(1) EBITDA is defined as operating income before depreciation and amortization.
(2) EPS is earnings per share for the last 12 months.

Net sales increased 22.6% to 2,789.3 million pesos in the third quarter of 2011, in comparison with 2,274.9 million pesos in the same quarter of the prior year. This increase of 514.4 million pesos reflects the growth in sales of the food and beverage segments in Mexico and South America, mainly due to the 14.2% growth in same-store sales, the increase in the number of units and to a lesser extent, to the growth in the distributor's revenues from third parties.

Growth in brand sales was due to the fact that there was a net increase of 65 corporate stores in the last twelve months, as well as growth in same-store sales for the operations in Mexico and South America, mainly as a consequence of commercial strategies and sustained improvement in consumer behavior.

During the third quarter of 2011, gross income increased 323.7 million pesos to 1,794.4 million pesos, with gross margin of 64.3%, in comparison with 64.7% recorded in the same period of the previous year. The decrease of 0.4 percentage points in the gross margin is attributed to the cost generated by the start-up of operations at the sandwich- and bread-making plant, to the promotions at Burger King México to celebrate its 20th anniversary, and to a lesser extent, to the loss of margin in the value strategy launched at Domino's Pizza México. Those effects were partially offset by the appreciation of the peso against the dollar over the last twelve months, and to the business mix, in which the units with the highest sales growth are those that have a lower cost as a percentage of sales.

Operating expenses (excluding depreciation and amortization) decreased as a percentage of sales by 1.5 percentage points, decreasing from 54.2% during the third quarter of 2010, to 52.7% during the same period of 2011. That improvement can be attributed mainly to the margin from growth in same-store sales, to operating efficiencies achieved during the period, and to a lesser extent, to the increase in the number of units. These effects were partially offset by the aforementioned business mix in which the units with larger sales growth are the ones that generate higher expenses as a percentage of sales.

As a result of the 22.0% growth in gross income and the 19.1% increase in operating expenses (excluding depreciation and amortization), EBITDA grew 37.0% to 326.9 million pesos at the close of the third quarter of 2011, compared with the 238.7 million pesos in the same period of the prior year. The increase in EBITDA of 88.2 million pesos is mainly attributable to the growth in same-store sales, to operating efficiencies achieved and to the increase in the number of units. The EBITDA margin as a percentage of sales increased 1.2 percentage points, increasing from 10.5% in the third quarter of 2010 to 11.7% during the same period of 2011.

At the end of the third quarter of 2011, operating income showed an increase of 97.6% equivalent to 72.4 million pesos, closing at 146.6 million pesos, in comparison with the 74.2 million pesos in the same period of 2010. The foregoing was mainly due to the increase of 88.2 million pesos in EBITDA, which was offset by the 15.3 million pesos increase in depreciation and amortization due to the Company's expansion plan over the last twelve months.

Consolidated net income for the quarter increased 68.8 million pesos, closing at 85.9 million pesos, compared with 17.1 million pesos in the third quarter of 2010, mainly due to the increase of 72.4 million pesos in the operating income, to the decrease of 33.9 million pesos in the all-in cost of financing as a result of a product in monetary position and to the positive variation of 5.1 million pesos in the results of associated companies. Those variations were partially offset by the negative variation of 33.9 million pesos in other expenses-net, and to the increase of 8.7 million pesos in taxes on earnings as a result of a higher income before taxes.

Earnings per share "EPS"[(2)] for the twelve months ended September 30, 2011, decreased to 0.2906 pesos, in comparison with 0.3935 pesos for the twelve months ended September 30, 2010.

RESULTS BY SEGMENT

Net sales and EBITDA are shown below by business segment in million pesos for the third quarter of 2011 and 2010.

Net Sales by Segment	*3Q 11*	*% Cont.*	*3Q 10*	*% Cont.*	*% Var.*
Food and Beverages – Mexico	$1,785.2	64.0%	$1,499.1	65.9%	19.1%
Food and Beverages – South America	683.0	24.5%	504.9	22.2%	35.3%
Distribution and Production	856.2	30.7%	734.5	32.3%	16.6%
Intercompany Operations (3)	(535.1)	(19.2)%	(463.6)	(20.4)%	15.4%
Consolidated Net Sales	**2,789.3**	**100.0%**	**2,274.9**	**100.0%**	**22.6%**

EBITDA by Segment	*3Q 11*	*% Cont.*	*Margin*	*3Q 10*	*% Cont.*	*Margin*	*% Var.*
Food and Beverages – Mexico	$238.2	72.9%	13.3%	$151.0	63.3%	10.1%	57.8%
Food and Beverages – South America	61.0	18.6%	8.9%	46.1	19.3%	9.1%	32.3%
Distribution and Production	0.0	0.0%	0.0%	23.3	9.8%	3.2%	(100)%
Others(3)	27.7	8.5%	N.A.	18.2	7.6%	N.A.	51.8%
Consolidated EBITDA	**326.9**	**100%**	**11.7%**	**238.6**	**100%**	**10.5%**	**37.0%**

(3) For the purpose of information by segment, these operations were included in each respective segment.

Food and Beverages – Mexico

Sales in the third quarter of 2011 increased 19.1% to 1,785.2 million pesos, in comparison with 1,499.1 million pesos in the same period of 2010. This variation of 286.1 million pesos is mainly attributable to the net opening of 38 corporate units from its various brands over the last twelve months and the growth in same-store sales for the different restaurant brands in Mexico.

EBITDA increased 57.8% during the third quarter of 2011 to 238.2 million pesos, compared with the 151.0 million pesos reported in the same period of the prior year. That increase is attributed to the margin generated by the increase in same-store sales of some of the brands in Mexico, and to a lesser extent to the increase in gross margin as a consequence of a lower cost of sales due to the peso's appreciation against the dollar.

Food and Beverages – South America

At the end of the third quarter of 2011, the Food and Beverages – South America division represented 24.5% of Alsea´s consolidated sales and was comprised of Burger King Operations in Argentina, Chile and Colombia, as well as Domino's Pizza Colombia and Starbucks Coffee Argentina, with a total of 154 units at the end of the period. This division saw a 35.3% increase in sales, totaling 683.0 million pesos, in comparison with 504.9 million pesos in the third quarter of the prior year. This positive variation of 178.1 million pesos was mainly due to the increase in same-store sales in the South America division and to the net opening of 27 units over the last 12 months.

At the end of the third quarter of 2011, EBITDA for the Food and Beverages – South America division increased 32.3% to 61.0 million pesos, in comparison with 46.1 million pesos in the same period in 2010. This increase of 14.9 million pesos was mainly attributable to the margin obtained from the growth in same-store sales, the increase in number of units, and to a lesser extent to the decrease from the effect of new businesses as a consequence of consolidation of the brands in different countries.

Distribution and Production

Net sales during the third quarter of 2011 increased 16.6% to 856.2 million pesos, in comparison with 734.5 million pesos in the same period of 2010. The foregoing is due to the growth in same-store sales of the brands in Mexico and by the increase in the number of units served over the last twelve months, supplying a total of 1,348 units as of September 30, 2011, in comparison with 1,326 units during the same period of the prior year, which was an increase of 1.7%. Sales to third parties increased 17.5% to 315.3 million pesos, mainly due to the increase in same-store sales of Burger King and Domino's Pizza Systems in Mexico.

EBITDA decreased 23.3 million pesos during the third quarter of 2011, ending the quarter with no EBITDA generation. This was mainly because in the production segment, the new sandwich- and bread-making plant is in its initial stage of operations, and has not reached its break-even point, and to a lesser extent, to the discounts given at Domino's Pizza in Mexico in support of the brand's value strategy.

NON-OPERATING RESULTS

All-In Cost of Financing

The all-in cost of financing in the third quarter of 2011 closed with a profit of 6.1 million pesos, in comparison with 27.8 million pesos of cost in the same period of the prior year. This positive variation of 33.9 million pesos can be attributed to the profit obtained from the monetary position due to the depreciation of the peso against the dollar.

Other Expenses and Products - Net

This line shows a drop of 33.9 million pesos, compared with the same period of the prior year, because during the quarter expenses were recognized in relation to elimination of taxes recoverable, the legal proceeding with Italianni's, and to a lesser extent, to the write-off of assets following the close of units. That valuation is also a consequence of the fact that during the third quarter of 2010, a profit was recognized for the sale of the minority stake in Starbucks Brazil.

Tax on earnings

Taxes on earnings of 37.9 million pesos increased 8.7 million pesos in comparison with the same quarter of the prior year. This was the result of the 77.5 million pesos increase in earnings before taxes at the close of the third quarter of 2011.

BALANCE SHEET

Store Equipment, Improvements to Leased Locations and Properties, Brand Use Rights, Goodwill and Pre-Operations

The increase of 360.1 million pesos in this line was due to the acquisition of assets and opening of new stores as a part of the expansion program over the last twelve months. These effects were partially offset by the amortization and depreciation of assets in accordance with accounting policies.

During the nine months ended September 30, 2011, Alsea made capital investments of 813.7 million pesos, of which 601.2 million pesos, equal to 73.9% of total investments, were earmarked for unit openings, equipment refurbishing, and remodeling existing stores for the different brands that the Company operates. The remaining 212.5 million pesos were earmarked for other items, notably the development and construction of the bakery facility, logistics improvement projects, the Online System for Domino's Pizza in Mexico, and software licenses, among others.

Clients

The increase of 64.7 million pesos in the Clients account is mainly due to an increase in sales, as well as the gap in recovery of DIA's portfolio. This created a variation in the number of days in the portfolio, going from 6 days in the third quarter of 2010, to 7 days during the same period of 2011.

Inventory

As of September 30, 2011, inventory had increased from 298.5 million pesos at September 30, 2010, to 360.9 million pesos. This increase of 62.4 million pesos is mainly attributable to the increase in cheese, coffee and meat inventories. Due to a purchasing opportunity that appeared in the market, the decision was made to acquire those items in advance.

Other Current Assets

The increase in the Other Current Assets account of 42.7 million pesos at September 30, 2011, is mainly due to advances made to providers made for the South America, operations and to some funds laid out for new store sites.

Taxes Payable – Net

The increase in the account Taxes Payable – Net of Taxes Recoverable, of 79.1 million pesos at September 30, 2011, can be attributed mainly to the decrease in the VAT balances and to a higher income tax.

Deferred Income Tax

Deferred income tax increased from 531.7 million pesos at September 30, 2010, to 648.8 million pesos at September 30, 2011. This increase of 117.1 million pesos occurred mainly as a consequence of the effect of the differences in financial depreciation rates and tax rates, and to recognition of tax losses.

Providers

Providers increased from 537.5 million pesos at September 30, 2010, to 644.0 million pesos at September 30, 2011. This variation of 106.5 million pesos was created principally by a larger number of units in operation and as a consequence of better negotiating conditions.

Bank Debt and Fixed-Rate Bonds

At September 30, 2011, Alsea's total debt increased by 444.9 million pesos, closing at 1,791.7 million pesos, in comparison with 1,346.8 million pesos on the same date of the previous year. The Company's net consolidated debt compared with the third quarter of 2010 increased 242.6 million pesos, closing at 1,106.9 million pesos on September 30, 2011, compared with the 864.3 million at the same quarter of the previous year. This increase is mainly attributable to the Company's capital investment needs.

At September 30, 2011, 87.2% of the debt was long term, and on that same date 98.0% of the debt was denominated in Mexican pesos, 1.8% in Colombian pesos, and 0.2% in Chilean pesos.

The following table shows the amount of total debt in millions of pesos at September 30, 2011, as well as the maturity dates by year:

	Balance	Maturities									
	3Q 11	2011	%	2012	%	2013	%	2014	%	2015	%
Bank Debt	**$791.7**	$123.7	15.6%	$128.0	16.2%	$130.0	16.4%	$205.0	25.9%	$205.0	25.9%
Bond Debt	**$1,000.0**	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$1,000.0	100.0%	$0.0	0.0%
Total Debt	**$1,791.7**	**$123.7**	**6.9%**	**$128.0**	**7.1%**	**$130.0**	**7.3%**	**$1,205.0**	**67.2%**	**$205.0**	**11.5%**

Share Repurchase Program

At September 30, 2011, the Company had an approximate balance in the repurchase fund of 10.4 million shares for a total of approximately 126.6 million pesos, at an average price of 12.07 pesos per share. During the three months ended September 30, 2011, the Company bought a net of 4.0 million shares for approximately 45.5 million pesos.

Financial Ratios

At September 30, 2011, the covenants established in the Company's credit contracts were as follows: the net debt to EBITDA ratio for the last twelve months was 0.93x, and the twelve-month EBITDA to twelve-month interest paid ratio was 9.22x.

The Net Return on Invested Capital ("ROIC")(4) decreased from 8.7% to 7.7% over the twelve months ended September 30, 2011. The Return on Equity ("ROE")(5) for the twelve months ended September 30, 2011, was 6.1% in comparison with 8.1% for the same period in the prior year.

KEY NUMBERS

BRAND	UNITS 3Q-11
Domino´s Pizza Mexico	412
Domino´s Pizza Colombia	21
Burger King Mexico	106
Burger King Argentina	55
Burger King Chile	32
Burger King Colombia	7
Total Units QSR	**633**
Starbucks Mexico	318
Starbucks Argentina	39
Total Units Coffee Shops	**357**
Chili's Grill & Bar	32
California Pizza Kitchen	10
P.F. Chang´s China Bistro	8
Total Units Casual Dining	**50**
CORPORATE UNITS	**1,040**
Total Sub-franchisee Units(7)	167
Total Associate Units(8)	35
TOTAL UNITS	**1,242**

Financial Indicators	3Q 11	3Q 10	Variation
EBITDA(1) / Interest Paid	9.2 x	10.7 x	N.A
Net Debt / EBITDA(1)	0.9 x	0.8 x	N.A
ROIC (4)	7.7%	8.7%	(100)Bps
ROE (5)	6.1%	8.1%	(200)Bps

Stock Market Indicators	3Q 11	3Q 10	Variation
Book Value per Share	$4.87	$4.76	2.3%
EPS (12 months) (2)	$0.2906	$0.3935	(26.01)%
EV(6) / EBITDA(1) (12 months)	6.3 x	7.9 x	N.A.
Shares in circulation at the close of the period (million)	607.4	610.8	(0.6)%
Price per share at close	$10.12	$12.57	(19.5)%

(4) ROIC is defined as operating income after taxes (LTM) over net operating investment (total assets – cash and short-term investments – no-cost liabilities).
(5) ROE is defined as net earnings (last 12 months) over shareholders' equity.
(6) EV is defined as market value plus net debt plus minority interest, and considers the price per share at the close of each quarter.
(7) Sub-Franchisee units: Includes the 165 sub-franchises of Domino's Pizza Mexico and 2 sub- franchises of California Pizza Kitchen.
(8) Associate Units represent the operations of Starbucks Chile.

About Alsea
Alsea is the leading operator of Quick Service Restaurants, Coffee Shops and Casual Dining establishments in Latin America, operating brands with proven success, such as Domino's Pizza, Starbucks, Burger King, Chili's Grill & Bar, California Pizza Kitchen, P.F. Chang's China Bistro and Pei Wei Asian Diner. The Mexican company operates more than 1,242 units in Mexico, Argentina, Chile and Colombia. Operation of Alsea's brands is supported by its Shared Services Center, including the supply chain, real estate and development services, and administrative, financial, human resource development and technology services. Alsea has more than 22,000 employees.
For more information visit: www.alsea.com.mx

The Company's shares are traded on the Mexican Stock Exchange under the ticker ALSEA*.

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ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AT SEPTEMBER 30, 2011 AND 2010
(In thousands of nominal pesos)

	September 30, 2011	September 30, 2010
ASSETS		
Current assets:		
Cash and short-term investments	$ 684,852	$ 482,518
Clients	214,439	149,786
Other accounts and documents receivable	72,499	57,996
Inventory	360,946	298,528
Taxes recoverable	207,869	225,087
Other current assets	242,469	199,806
Current assets	1,783,074	1,413,721
Investments in shares of associated companies	25,245	17,067
Store equipment, improvements to leased locales, and property, net	3,254,159	2,886,738
Brand use rights, goodwill and pre-operations, net	947,873	955,242
Deferred Income Tax	648,850	531,712
Discontinued operations	306	88
Total Assets	**$ 6,659,507**	**$ 5,804,568**
LIABILITIES		
Short term:		
Providers	$ 644,011	$ 537,526
Taxes payable	233,238	171,382
Other accounts payable	658,572	516,881
Related parties	35,056	12,902
Bank credits	229,251	356,687
Short-term liabilities	1,800,128	1,595,378
Long term:		
Bank credits	562,500	290,150
Unsecured local bonds	1,000,000	700,000
Other long-term liabilities	73,721	63,706
Long-term liabilities	1,636,221	1,053,856
Discontinued operations	0	445
Total Liabilities	**3,436,349**	**2,649,679**
SHAREHOLDERS' EQUITY		
Minority interest	265,092	248,449
Majority interest:		
Capital stock	528,737	530,394
Net premium in share placement	1,246,840	1,241,208
Accumulated income	1,045,195	1,034,145
Income during the year	140,511	114,460
Conversion effects – foreign entities	(3,217)	(13,767)
Majority interest	2,958,066	2,906,440
Total Shareholders' Equity	**3,223,158**	**3,154,889**
Total Liabilities and Shareholders' Equity	**$ 6,659,507**	**$ 5,804,568**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010
(In thousands of nominal pesos)

	Three months ended September 30,				Nine months ended September 30,			
	2011		2010		2011		2010	
Net sales	**$** 2,789,319	100%	**$** 2,274,925	100%	**$** 7,784,381	100%	**$** 6,537,440	100%
Cost of sales	994,895	35.7%	804,157	35.3%	2,727,575	35.0%	2,290,062	35.0%
Gross Income	**1,794,424**	**64.3%**	**1,470,768**	**64.7%**	**5,056,806**	**65.0%**	**4,247,378**	**65.0%**
Operating expenses	1,469,226	52.7%	1,233,247	54.2%	4,155,252	53.4%	3,532,616	54.0%
Depreciation and amortization	178,636	6.4%	163,342	7.2%	536,494	6.9%	490,490	7.5%
Operating income	**146,562**	**5.3%**	**74,179**	**3.3%**	**365,060**	**4.7%**	**224,272**	**3.4%**
Other (expenses) products – net	30,396	1.1%	(3,519)	(0.2)%	44,453	0.6%	(61,267)	(0.9)%
All-in cost of financing:								
Interest paid – net	24,873	0.9%	23,678	1.0%	84,548	1.1%	67,857	1.0%
Exchange rate (profit) loss	(30,944)	(1.1)%	3,529	0.2%	(6,321)	(0.1)%	14,039	0.2%
Result by monetary position	0	0.0%	617	0.0%	0	0.0%	4,045	0.1%
	(6,071)	(0.2)%	27,824	1.2%	78,227	1.0%	85,941	1.3%
Share in the results of associated companies	1,611	0.1%	(3,534)	(0.2)%	4,838	0.1%	1,913	0.0%
Income before taxes	**123,848**	**4.4%**	**46,340**	**2.0%**	**247,218**	**3.2%**	**201,511**	**3.1%**
Tax on earnings	37,899	1.4%	29,224	1.3%	88,355	1.1%	77,300	1.2%
Income before discontinued operations	85,949	3.1%	17,116	0.8%	158,863	2.0%	124,211	1.9%
Discontinued operations	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Consolidated net income	**85,949**	**3.1%**	**17,116**	**0.8%**	**158,863**	**2.0%**	**124,211**	**1.9%**
Minority interest	5,441	0.2%	698	0.0%	18,352	1.8%	9,751	0.1%
Majority net income	$ **80,508**	**2.9%**	$ **16,418**	**0.7%**	$ **144,511**	**0.2%**	$ **114,460**	**1.8%**

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011 AND 2010
(In thousands of nominal pesos)

	September 30, 2011	September 30, 2010
Operating activities:		
Consolidated result before income taxes	**$ 247,218**	**$ 201,511**
Income from investments:		
Depreciation and amortization of brands	541,715	493,951
Income or loss on sales of fixed assets	19,347	19,830
Other entries	9,288	(1,140)
Total	**817,568**	**714,152**
Clients	(7,215)	13,656
Inventory	(8,508)	35,647
Providers	(66,537)	(26,159)
Taxes payable	(135,305)	(97,182)
Other assets and other liabilities	124,504	(115,789)
Total	**(93,061)**	**(189,827)**
Net cash flow from operations	**724,507**	**524,325**
Investment activities		
Store equipment, improvements to leased locales, and property	(608,968)	(332,736)
Brand use rights, goodwill and pre-operations, net	(204,693)	(132,747)
Investments in shares of subsidiaries and associated companies	(4,462)	(8,406)
Divestment of associate, net	0	16,372
Net cash flow from investment activities	**(818,123)**	**(457,517)**
Cash receivable from financing activities	**(93,616)**	**66,808**
Financing activities		
Bank credits and loan payments, net	(105,773)	(355,266)
Unsecured local bonds	300,000	400,000
Dividend Decree	(122,648)	(245,958)
Minority interest, net	1,100	14,924
Sale (repurchase) of shares	45,463	130,376
Net cash flow from financing activities	**118,142**	**(55,924)**
Increase (decrease) net of cash	**24,526**	**10,884**
Adjustments to cash flow due to exchange rate variations	20,123	8,420
Cash at the beginning of the period	640,203	463,214
Cash at the end of the period	**$ 684,852**	**$ 482,518**