Third Quarter 2009 Results and Highlights

- **Revenue growth of 8.4% due to the increase of 35 corporate stores**
- **Same-store sales declined 6.1% during 3Q09, mostly due to the deceleration in consumption and effects of the swine flu outbreak in Argentina**
- **Decrease of 13.1% in EBITDA(1) during the third quarter, mostly attributable to the exchange rate depreciation and the margin loss resulting from the performance of same-store sales**
- **4.8% increase in the last twelve months with respect to total stores and 3.9% in corporate stores, totaling 1,155 and 940 stores, respectively, at the closing of the third quarter of 2009**
- **Total debt decrease of 449.1 million pesos, equivalent to 25.1%, ending the quarter at 1,341.1 million pesos as compared to 1,790.2 million pesos at the end of the fourth quarter of 2008**
- **During the moth of August, OFA obtained de VAT reimbursements, for the months of October 2006 to April 2007, still pending to collect the corresponding balances for the months of May 2007 to December 2007**

Mexico City. October 22, 2009. Today, Alsea, S.A.B. de C.V. (Mexican Stock Exchange or BMV: ALSEA*), the leading Quick Service Restaurant (QSR) and Casual Dining operator in Latin America, announced results for the third quarter of 2009. The attached results were prepared in accordance with the Mexican Financial Reporting Standards (MFRS) and are presented in nominal terms.

CONSOLIDATED RESULTS OF THE THIRD QUARTER OF 2009

The following table provides a condensed income statement, in millions of Mexican pesos (with the exception of Earnings per Share or "EPS"), the percentage of net sales that each line represents, and the change in percentage for the quarter ended September 30, 2009 when compared with the same period of 2008:

	3Q 09	*Margin %*	*3Q 08*	*Margin %*	*Change %*
Net Sales	$2,119.6	100.0%	$1,955.3	100.0%	8.4%
Gross Profit	1,334.1	62.9%	1,261.9	64.5%	5.7%
EBITDA(1)	237.2	11.2%	273.1	14.0%	(13.1)%
Operating Income	74.6	3.5%	136.5	7.0%	(45.4)%
Net Profit	69.2	3.3%	39.3	2.0%	76.0%
EPS (2)	0.0029	N.A.	0.4012	N.A.	(99.3)%

(1) Ebitda: Operating income before depreciation and amortization.
(2) EPS refers to the earnings per share of the last twelve months

Net sales increased 8.4% to 2,119.6 million pesos during 3Q09, compared to 1,955.3 million pesos in the same quarter of last year. This increase was attributable to revenue growth in our brands in Mexico and Latin America, as well as to the increase in food distribution sales made to third parties

The sales growth in our brands was due to the addition of 35 corporate stores, including the 4 stores acquired from California Pizza Kitchen in December of 2008. This was partially offset by the 6.1% decline in same-store sales, which were affected by the consumption contraction and the swine flu outbreak in Argentina.

During the third quarter de 2009, gross income increased 72.3 million pesos, to 1,334.1 million pesos, with a gross margin of 62.9% compared to 64.5% in the year-ago period. The decrease in gross margin was mostly attributable to the increase in the cost of the company's consumables due to the depreciation of the peso, which was not fully offset by the promotional strategies among our different brands.

Operating expenses (excluding depreciation and amortization) increased 1.1 percentage points as a percentage of sales, from 50.6% during the third quarter of 2008 to 51.7% in the same period of 2009. This was mainly attributable to the margin loss brought on by the decline in same-store sales; the startup of the Starbucks Coffee Argentina, Burger King Colombia and P.F. Chang's operations as well as to the increase in other expenses owing to the depreciation of the peso and, to a lesser extent, to the change in revenue mix. These effects were partially offset by the savings that resulted from the expense reduction program and to the reclassification of expenses related to the Value Added Tax (VAT) reimbursements to other expenses below the operation line.

As a result of the 5.7% increase in gross profit and to the 8.7% increase in operating expenses, due to additional stores in operation, Ebitda dropped 13.1% to 237.2 million pesos during the period, compared to 273.1 million pesos in the third quarter of 2008. The EBITDA margin declined 2.8 percentage points, from 14.0% in 2Q08 to 11.2% in the same period of 2009.

The third quarter's operating income decreased 61.9 million pesos, mostly due to the 35.9-million-peso decrease in Ebitda and to the 26.1-million-peso increase in depreciation and amortization—as a result of our having acquired the assets related to the expansion plan.

Consolidated net income increased 29.9 million pesos, mostly due to the 48.1-million-peso positive variation in other expenses and the 21.2-million-peso decrease in the provision of income taxes and the 20.9-million-peso effect from discontinued operations recognized during the third quarter of 2008 and by the 3.5-million-peso decrease in the comprehensive cost of financing. These variations were partially offset by the 61.9-million-peso decrease in operating income.

Earnings per Share (EPA)[2] of the last twelve months ended September 30, 2009 dropped to 0.0029 pesos, compared to 0.4012 pesos of the last twelve months ended June 30, 2008.

RESULTS BY SEGMENT

The following table sets forth the net sales and Ebitda by business segment, in millions of Mexican pesos, for the third quarter of 2009 and 2008.

Net Sales by Segment	*3Q 09*	*% Cont.*	*3Q 08*	*% Cont.*	*% Change*
Food & Beverages Mexico	$1,459.6	68.9%	$1,409.1	72.1%	3.6%
Food & Beverages Latin America	376.0	17.7%	276.5	14.1%	36.0%
Distribution	756.0	35.7%	738.7	37.8%	2.3%
Intercompany Operations(3)	(472.0)	(22.3)%	(468.9)	(24.0)%	0.7%
Consolidated Sales	**$2,119.6**	**100.0%**	**$1,955.3**	**100.0%**	**8.4%**

Ebitda by Segment	*3Q 09*	*% Cont.*	*Margin*	*3Q 08*	*% Cont.*	*Margin*	*% Change*
Food & Beverages Mexico	$153.9	64.9%	10.5%	$172.8	63.3%	12.3%	(11.0)%
Food & Beverages Latin America	17.5	7.4%	4.7%	25.7	9.4%	9.3%	(31.7)%
Distribution	49.9	21.0%	6.6%	56.1	20.5%	7.6%	(10.9)%
Others(3)	15.9	6.7%	N.A.	18.6	6.8%	N.A.	(14.4)%
Consolidated Ebitda	**$237.2**	**100.0%**	**11.2%**	**$273.1**	**100.0%**	**14.0%**	**(13.1)%**

(3) For segment reporting purposes, inter-segment operations are included in each of the segment operations.

Food & Beverages Mexico

3Q09 sales increased 3.6% to 1,459.6 million pesos, compared to 1,409.1 million pesos in the same period of 2008. This increase of 50.5 million pesos is attributable to the unit expansion during the last twelve months, which was partially offset by the decrease in same-store sales.

Ebitda dropped 11.0% during the third quarter of 2009, to 153.9 million pesos, compared to 172.8 million in the year-ago period. This decline is mostly due to the increase in the cost of sales, as a result of the depreciation of the Mexican peso vis-à-vis the US dollar, and the margin loss resulting from the decrease in same-store sales. This was partially offset by the promotional strategies among our different brands, to the decrease in the cost of some raw materials and, to the savings that resulted from the expense reduction program

Food & Beverages Latin America

The Food & Beverages Latin America Division—comprising at the closing of the third quarter of 2009 the operations of Burger King in Argentina, Chile and Colombia, as well as Domino's Pizza Colombia and Starbucks Coffee Argentina—had a total of 112 stores at the closing of the third quarter. This division had a 36.0% increase in sales, totaling 376.0 million pesos, compared to 276.5 million pesos during the third quarter of the previous year. This was mostly due to the opening of 23 units during the last twelve months, which was partially offset by the decrease in same-store sales, which were impacted by the effect of the swine flu in Argentina and the consumption contraction in the different markets that we have operations.

Ebitda of the Food & Beverages Latin America Division decreased 31.7%, to 17.5 million pesos. This was mostly attributable to the startup of operations of Starbucks Coffee Argentina and Burger King Colombia, to the margin loss brought on by reduced unit sales, as well as to the results of Domino´s Colombia and to the price hike in raw materials as a result of the depreciation of the different local currencies vis-à-vis the US dollar.

Distribution

During the third quarter, net sales rose by 2.3% to 756.0 million pesos, compared to 738.7 million pesos in the same period of 2008. This is attributable to a higher number of stores served, and at September 30, 2009 a total of 1,288 units were being supplied compared to 1,247 in the same period of last year, accounting for a 3.3% increase. Third-party revenues went up 5.6% to 281.6 million pesos, and represented 13.3% of consolidated revenues.

Ebitda reached 49.9 million pesos, compared to 56.1 million pesos in the year-ago period, which accounted for an Ebitda margin of 6.6%, i.e. 1.0 percentage points less compared to the same period of last year. The decreased margin is mostly attributable to the change in our revenue mix, as well as to the redefinition to recover corporate expenses.

NON-OPERATING RESULTS

Comprehensive Cost of Financing

The comprehensive cost of financing in 3Q09 decreased to 37.1 million pesos, compared to 40.6 million pesos in the year-ago period, which is attributable to the decrease of 5.4 million pesos in the foreign exchange loss, and to the 1.1-million-peso reduction in interest paid – net, owing to the 264.5 million pesos leverage decrease. These effects were partially offset by the 3.0 million pesos increase in the loss of monetary position, due to the conversion to Mexican pesos of the Latin America operations.

Other (Income) Expenses - Net

This item presented a favorable variance of 48.1 million pesos in 3Q09 compared to the same period of 2008, mainly due to the actualization and interests obtained from the VAT reimbursements corresponding to the months of October 2006 to April 2007, which was recuperated in August. This effect was partially offset by the expenses related to the reimbursement process.

Taxes on Earnings

The tax on earnings decreased 21.2 million pesos as compared to the same period of last year, as a result of lower earnings before taxes, as well as to the recognition of deferred taxes from the operations of California Pizza Kitchen and PF Changs.

BALANCE SHEET

Store Equipment, Leasehold Improvements and Property, Trademarks, Goodwill and Pre-operatives

The 6.1-million-peso variation in this line was attributable to the depreciation and amortization of assets during the last twelve months, which was partially offset by the expansion program and the acquisitions made during the last twelve months

During the nine months ended September 30, 2009, Alsea invested a total of 396.8 million pesos, of which 351.9 million pesos, equivalent to 89% of total capex, were invested in store openings, renovation of equipment and the remodeling of the existing stores of all our brands. The remaining 44.9 million pesos were invested in other items, particularly software licenses, process enhancement projects—including the supply chain—as well as the replacement of DIA's machinery and equipment.

Inventories

The inventories increased from 258.3 million pesos as of September 30, 2008, to 305.9 million pesos as of September 30, 2009. This increase of 47.6 million pesos, which is equivalent to an increase of one day in inventories, changing from 34 to 35 days, is attributable mainly to higher cheese inventories, due to the fact that the company decided to buy cheese needs in advance, in order to take advantage of lower costs.

Recoverable Taxes - net

The 415.4-million-peso decrease in recoverable taxes – net of taxes payable, as of September 30, 2009, was mostly attributable to the VAT reimbursements obtained by Operadora de Franquicias Alsea, S.A. de C.V., ("OFA"). For the corresponding period of October 2006 to April 2007, as well as to the refund of favorable balances of the taxes on earnings, and to the wage tax credit refunds of two service providers, in March.

Diferred Income Taxes

The Deferred Income Tax went up from 208.4 million pesos as of September 30, 2008, to 370.0 million pesos as of September 30, 2009. This increase of 161.5 million pesos was mostly due to the recognition of tax losses, including the operations of California Pizza Kitchen and PF Changs, as well as to the effect of larger provisions for liabilities related with the increase in operations.

Discontinued Operations

The net decrease of assets minus liabilities is 53.6 million pesos, which was attributable to the adjustments made in the value of Popeyes' assets, based on the best estimate of the recoverable value of the assets that are undergoing a dissolution process, recognized in the previous quarters.

Suppliers

Suppliers increased from 207.3 million pesos as of September 30, 2008, to 437.0 million pesos as of September 30, 2009. This increase of 229.7 million pesos, is attributable mainly to the increase of 12 days in suppliers, having changed from 15 to 27 days, due to the increase of purchased cheese coupled with improved payment conditions with some of our suppliers, and to a lesser extent, the increase on stores in operation.

Debt

As of September 30, 2009, Alsea's total debt decreased 264.5 million pesos, to 1,341.1 million pesos, compared to 1,605.6 million pesos on the same date last year.

As of September 30, 2009, 50.0% of the debt was long term, compared to 52.4% in the year-earlier period. On the same date, 95.3% of the debt was denominated in Mexican pesos, 2.6% in Chilean pesos, 1.9% in Argentine pesos and 0.2% in Colombian pesos. The company's consolidated net debt—compared to the third quarter of 2008—decreased 457.0 million pesos, totaling 864.9 million pesos as of September 30, 2009, compared to 1,321.8 million pesos on the same date last year.

Share Buy-back Program

As of September 30, 2009, the company had a favorable balance of 11.5 million shares in its buy-back fund, equal to approximately 84.7 million pesos. During the three months ended September 30, 2009, the company bought back 5.9 million shares—equal to approximately 48.2 million pesos.

Financial Ratios

As of September 30, 2009, the company had complied with all the financial restrictions established in the long-term credit agreements. The Net Debt to EBITDA ratio of the last twelve months was 0.99 times, the Total Liabilities to Stockholders' Equity ratio was 0.83 times, and the EBITDA to Interests Paid ratio of the last twelve months was 5.7 times

The Return on Invested Capital ("ROIC")[(4)] decreased from 10.0% to 4.8% during the last twelve months ended September 30, 2009. The Return on Equity ("ROE")[(5)] of the last twelve months ended September 30, 2009 was (0.1)% compared to 8.4% year over year.

ALSEA

RELEVANT FIGURES

BRAND	Stores 3Q-09	Stores 3Q-08	Change	% Annual Change
Domino's Pizza Mexico	425	430	(5)	(1.2)%
Domino's Pizza Colombia	21	21	0	0.0%
Starbucks Coffee Mexico	261	241	20	8.3%
Starbucks Coffee Argentina	12	1	11	1100%
Burger King Mexico	108	111	(3)	(2.7)%
Burger King Argentina	45	35	10	28.6%
Burger King Chile	32	32	0	0.0%
Burger King Colombia	2	0	2	N.C.
Popeyes	0	10	(10)	(100.0)%
Chili's Grill & Bar	28	24	4	16.7%
California Pizza Kitchen	6	0	6	N.C.
Total Corporate	**940**	**905**	**35**	**3.9%**
Starbucks Coffee Chile	30	27	3	11.1%
Starbucks Coffee Brazil	23	14	9	64.3%
Total Associates(7)	**53**	**41**	**12**	**29.3%**
Domino's Sub-franchisees	**162**	**156**	**6**	**3.8%**
TOTAL STORES	**1,155**	**1,102**	**53**	**4.8%**

Financial Ratios	3Q-09	3Q-08	Change
Ebitda(1)/Interests paid	5.7 x	12.1 x	N.A
Net debt/Ebitda(1)	0.99 x	1.40 x	N.A
Total liabilities/Stockholders' equity	0.83 x	0.80 x	N.A
ROIC(4)	4.8%	10.0%	(520) bps
ROE(5)	(0.1)%	8.4%	(850) bps

Stock ratios	3Q-09	3Q-08	Change
Book Value per share	$4.77	$4.81	(0.8)%
EPS (ttm)(2)	$0.0029	$0.4012	(99.3)%
EV(6)/Ebitda(1) (ttm)	7.3 x	6.2 x	N.A.
Shares outstanding at closing of period (millions)	606.5	618.7	(2.0)%
Float	34.0%	35.9%	(190) bps
Stock price as of end of quarter	$8.73	$8.16	7.0%

(4) ROIC is defined as operating income after taxes (ttm) divided by operating investment, net (total assets – cash and temporary investments – non-interest bearing liabilities).
(5) ROE is defined as net income (ttm) divided by stockholders' equity.
(6) EV is defined as market value plus net debt plus minority interest, and considers the price per share at the closing of each quarter.
(7) Associated stores are defined as any operation that is recognized by means of the equity method.

This press bulletin contains certain forward-looking information relating to the company's results and outlooks. However, the actual results may vary materially from said estimates. The information with respect to future events contained in this bulletin should be read jointly with the risk summary included in the Annual Report. Said information, as well as future reports made by the company or any of its representatives—either orally or in writing—may be materially different from the actual results. These forecasts and estimates, which were prepared referring to a specific date, must not be taken as a fact. The company is in no way responsible for updating or revising these forecasts and estimates, either as a result of new information, future events or other related events.

Alsea's shares are traded on the Mexican Stock Exchange under the ticker symbol ALSEA*.

Diego Gaxiola Cuevas
Corporate Finance Director
Teléfono: (5255) 5241-7100 / 7152
ri@alsea.com.mx

ALSEA

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2009 AND 2008
(Thousands of Mexican pesos in nominal terms)

	September 30, 2009	September 30, 2008
ASSETS		
Current Assets:		
Cash and temporary investments	$ 476,210	$ 283,714
Clients	118,051	59,725
Other accounts and notes receivable	53,976	88,031
Inventories	305,875	258,288
Recoverable taxes	337,120	694,624
Other current assets	117,391	102,610
Total current assets	1,408,623	1,486,992
Investment in shares of associated companies	30,231	26,418
Store equipment, leasehold improvements and property, net	2,912,811	3,021,777
Trademark rights, goodwill and pre-operatives, net	985,668	882,816
Deferred income taxes	369,950	208,449
Discontinued operations	6,337	83,748
Total assets	**$ 5,713,620**	**$ 5,710,200**
LIABILITIES		
Short-term liabilities:		
Suppliers	$ 437,001	$ 207,252
Taxes payable	105,825	47,975
Other accounts payable	612,325	538,405
Related parties	17,129	26,723
Bank loans	670,619	763,514
Short-term liabilities	1,842,899	1,583,869
Long-term liabilities:		
Bank loans	670,457	842,049
Other long-term liabilities	78,290	80,089
Long-term liabilities	748,747	922,138
Discontinued operations	867	24,689
Total liabilities	**2,592,513**	**2,530,696**
STOCKHOLDERS' EQUITY		
Minority interest	228,073	206,509
Majority interest:		
Capital stock	528,287	534,413
Net premium in placement of shares	1,236,069	1,228,881
Retained earnings	1,156,776	1,107,770
Earnings for the fiscal year	(20,781)	106,230
Cumulative translation effect from foreign entities	(7,317)	(4,299)
Majority stockholders' equity	2,893,034	2,972,995
Total stockholders' equity	**3,121,107**	**3,179,504**
Sum of liabilities and stockholders' equity	**$ 5,713,620**	**$ 5,710,200**

ALSEA

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Thousands of Mexican pesos in nominal terms)

	Three months ended September 30				Nine months ended September 30			
	2009		2008		2009		2008	
Net sales	$ 2,119,593	100%	$ 1,955,348	100%	$ 6,276,420	100%	$ 5,696,797	100%
Cost of sales	785,446	37.1%	693,465	35.5%	2,350,077	37.4%	2,032,423	35.7%
Gross profit	1,334,147	62.9%	1,261,883	64.5%	3,926,343	62.6%	3,664,374	64.3%
Operating expenses	1,096,914	51.7%	988,781	50.6%	3,325,334	53.0%	2,901,859	50.9%
Depreciation and amortization	162,682	7.7%	136,617	7.0%	504,453	8.0%	409,322	7.2%
Operating income	74,552	3.5%	136,485	7.0%	96,556	1.5%	353,193	6.2%
Other (income) expenses - net	(44,598)	(2.1)%	3,484	0.2%	(32,283)	(0.5)%	17,408	0.3%
Comprehensive cost of financing:								
Interests paid - net	27,869	1.3%	28,927	1.5%	94,287	1.5%	71,798	1.3%
Exchange (gain) loss -net	6,271	0.3%	11,663	0.6%	5,688	0.1%	44,578	0.8%
Loss (gain) on monetary position	2,993	0.1%	0	0.0%	1,768	0.0%	0	0.0%
	37,133	1.8%	40,590	2.1%	101,743	1.6%	116,376	2.0%
Participation in the results of associated companies	(2,551)	(0.1)%	(751)	0.0%	(5,948)	(0.1)%	(3,496)	(0.1)%
Earnings before taxes	79,465	3.7%	91,660	4.7%	21,148	0.3%	215,913	3.8%
Tax on earnings	10,225	0.5%	31,459	1.6%	16,029	0.3%	78,561	1.4%
Earnings before discontinued operations	69,240	3.3%	60,201	3.1%	5,119	0.1%	137,352	2.4%
Discontinued operations	0	0.0%	(20,867)	(1.1)%	(31,866)	(0.5)%	(20,866)	(0.4)%
Consolidated net income	69,240	3.3%	39,334	2.0%	(26,747)	(0.4)%	116,486	2.0%
Minority interest	4,813	0.2%	4,837	0.2%	(5,965)	(0.1)%	10,256	0.2%
Majority net interest	$ 64,427	3.0%	$ 34,497	1.8%	$ (20,781)	(0.3)%	$ 106,230	1.9%

ALSEA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Thousands of Mexican pesos in nominal terms)

		September 30 2009		September 30 2008
Operating activities:				
Consolidated result before taxes on earnings	$	**21,148**	$	**215,913**
Items related to investment activities:				
Depreciation and amortization of brands		504,453		409,322
Gain or loss in sale of fixed assets		46,713		17,452
Other items		5,122		0
Total		**577,436**		642,687
Clients		20,462		154,251
Inventories		55,649		(21,529)
Suppliers		(99,728)		(286,200)
Taxes payable		(194,265)		(288,249)
Other assets and other liabilities		386,156		100,891
Total		**168,274**		**(340,836)**
Funds provided by operating activities		**745,710**		**301,851**
Investing activities				
Store equipment, leasehold improvements and properties		(102,680)		(465,705)
Trademarks, goodwill and pre-operatives		(299,750)		(219,673)
Investment in shares of subsidiaries and associated companies		(1,347)		(3,545)
Effect of selling subsidiary		6,951		(10,306)
Funds used in investing activities		0		(27,781)
		(396,826)		**(727,010)**
Funds provided by financing activities				
		348,884		**(425,159)**
Financing activities				
Payment of debt and loans, net				
Minority interest, net		(449,102)		568,528
Share buy-back		1,317		61,645
Funds used in financing activities		(77,489)		(120,939)
		(525,274)		**509,234**
Increase (decrease) in cash				
Cash flow adjustments owing to exchange rate variations		**(176,390)**		**84,075**
Cash at the beginning of the period		(9,263)		(9,688)
		661,863		209,327
Cash at the end of the period				
Operating activities:	**$**	**476,210**	**$**	**283,714**