FOR IMMEDIATE RELEASE

ARCOS DORADOS REPORTS THIRD QUARTER 2012 FINANCIAL RESULTS

On track with restaurant opening plan and achieved double-digit organic revenue growth, despite impact of weak Brazilian consumption on comparable sales

Buenos Aires, Argentina, November 2, 2012 – Arcos Dorados Holdings, Inc. (NYSE: ARCO) ("Arcos Dorados" or the "Company"), Latin America's largest restaurant chain and the world's largest McDonald's franchisee, today reported its unaudited results for the third quarter ended September 30, 2012.

To better discern underlying business trends, this release uses non-GAAP financial measures that segregate year-over-year growth into three categories: (i) currency translation, (ii) special items and (iii) organic growth. (i) Currency translation reflects the impact on growth of the appreciation or depreciation of the local currencies in which we conduct our business against the US dollar (the currency in which our financial statements are prepared). (ii) Special items include the impact of CAD related awards and other events that management does not consider part of the underlying performance of the business. (iii) Organic growth reflects the underlying growth of the business excluding the effect from currency translation and special items. Management believes organic growth better reflects the underlying growth from the ongoing activities of our business and provides improved comparability of results.

Additionally, the Company has modified the presentation of quarterly and accumulated amounts in this release, providing an analysis by geographic division. The information presented is the same as in prior releases.

Third quarter 2012 Highlights

- Revenues decreased 2.2% year-over-year to US$ 961.9 million, but increased 11.6% on an organic basis, as comparable sales growth and revenues from new stores did not fully offset a reduction in reported revenues from the impact of the depreciation of local currencies versus the US dollar
- Systemwide comparable sales increased 6.5% year-over-year. The result is in addition to a 15.7% increase in comparable sales in 3Q11

- 103 net new restaurants opened during the last 12 months, contributing US$ 47.7 million to revenues in constant currency. The full-year opening plan is on track, with outstanding restaurants under construction
- Adjusted EBITDA decreased 12.0% to US$ 83.6 million, due primarily to the 24.5% depreciation of the Brazilian currency versus the prior year period. Excluding currency translation and special items, organic Adjusted EBITDA was 7.3% lower year-over-year
- Net income amounted to US$ 32.6 million compared to US$19.6 million one year ago, when the Company incurred debt restructuring charges

"Third quarter results were impacted by continued low consumer activity in Brazil. Excluding the depreciation of local currencies versus the US dollar, we achieved double-digit organic revenue growth in addition to strong growth in the year-ago period."

"We continue to strategically expand our regional footprint and are on track to execute our full year restaurant opening plan. Next year's unit openings are expected to continue at a strong pace and will tap into the rapid population growth and the emerging middle class in our targeted markets."

"While the long-term prospects of this region remain strong, the recovery in Brazilian consumption is taking longer to materialize. In addition, we continue to experience geopolitical and macroeconomic headwinds in several of our markets. As a result, we are revising downward our full year guidance," said Woods Staton, Chairman and Chief Executive Officer of Arcos Dorados.

Third quarter 2012 Results
Consolidated

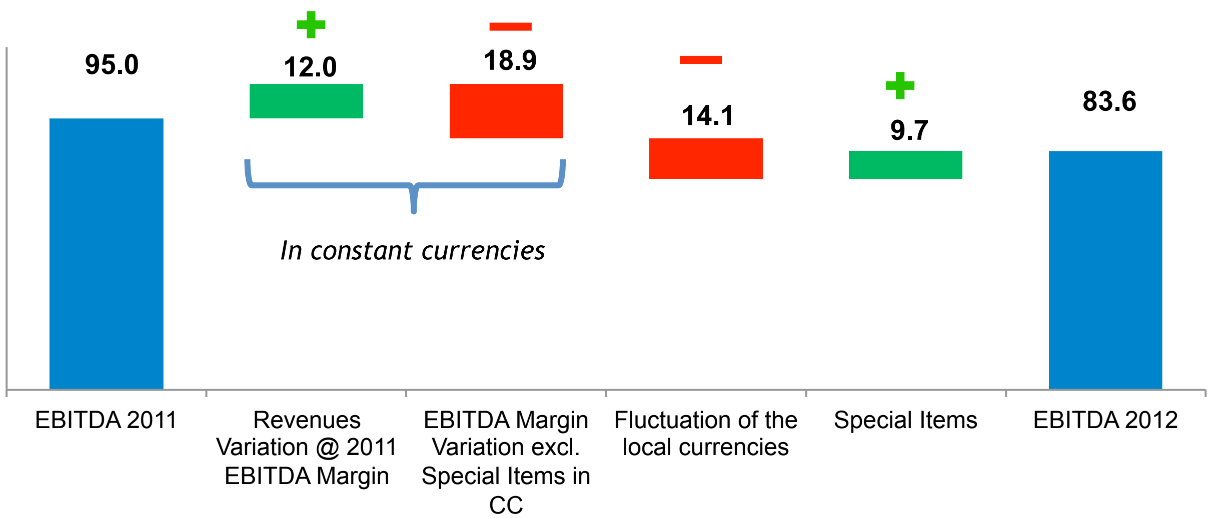
	Financial Highlights (Million US$)						
	3Q11 (a)	Special Items (b)	Currency Translation (c)	Organic Growth (d)	3Q12 (a+b+c+d)	% As Reported	% Organic
Total Restaurants	1,777				1,880		
Sales by Company-operated Restaurants	943.2	-	(130)	107.8	920.5	-2.4%	11.4%
Revenues from franchised restaurants	40.8	-	(5.5)	6.1	41.4	1.4%	14.9%
Total Revenues	984.0	-	(136.0)	113.9	961.9	-2.2%	11.6%
Comparable Sales						*6.5%*	
Adjusted EBITDA	95.0	9.7	(14.1)	(6.9)	83.6	-12.0%	-7.3%
Adjusted EBITDA Margin	*9.7%*				*8.7%*		
Net Income attributable to AD	0.0	26.3	(7.1)	(6.2)	32.6	66.5%	-31.6%
No. of shares outstanding	209,529,412				209,529,412		
EPS ($ per share)	0.09				0.16		

(3Q12 = 3Q11 + Special items + Currency translation + Organic growth)

Arcos Dorados' third quarter revenues decreased 2.2% to US$ 961.9 million, as organic revenue growth of 11.6% was offset by depreciation of local currencies, which reduced revenue when expressed in US dollars. The increase in organic revenues was driven by systemwide comparable sales growth of 6.5% and US$ 47.7 million in constant currency added by the net addition of 103 restaurants during the last 12-month period. The SLAD region delivered revenue growth during the quarter, as did NOLAD and the Caribbean division.

Systemwide comparable sales growth of 6.5% was primarily a reflection of average check growth. The result was impacted by lower regional sales of the August Happy Meal promotion.

Adjusted EBITDA
(US$ million)
Breakdown of main variations contributing to 3Q12 Adjusted EBITDA



Adjusted EBITDA for the third quarter of 2012 was US$ 83.6 million, a 12.0% decrease compared with the same period of 2011. During the quarter the Company recognized a net gain related to its CAD incentive plan of US$ 2.9 million which included (i) a charge of US$ 0.9 million from ongoing CAD accrual, which was offset by (ii) a gain of US$ 3.8 million resulting from the hedge announced in September 2012, which minimizes the impact of share price variations over results. Additionally, in the third quarter of 2011, the Company recognized a charge of US$ 8.5 million related to its CAD incentive plan.

Summary of CAD accrual effects

	3Q12	3Q11	Var. $
CAD accrual	-0.9	-8.5	7.6
Hedge	3.8	-	3.8
Net Effect in G&A	2.9	-8.5	11.4

Therefore, adjusting for special items (CAD in both periods, along with the Brazil CIDE tax charge of US$ 3.0 million and the Venezuela royalty waiver of US$ 1.2 million in 3Q12) and currency impact, organic Adjusted EBITDA decreased 7.3%. The result reflects lower Adjusted EBITDA in the Brazil division, while the remaining divisions grew.

The Adjusted EBITDA margin as a percentage of total revenues was 8.7% for the quarter, down 1 percentage point from the third quarter of 2011. The decline primarily reflects higher occupancy & other expenses and lower margins in the Brazilian division mainly due to increased US dollar denominated F&P costs that were impacted by a weaker Brazilian currency. Nevertheless the rest of the divisions posted an improvement in F&P as a percentage of sales. Additionally, margins expanded in SLAD and the Caribbean division and remained stable in NOLAD. G&A as a percentage of sales decreased compared to the year-ago period in all divisions.

Net income attributable to the Company was US$ 32.6 million in the third quarter of 2012, compared with US$ 19.6 million in the same period of 2011, on an as reported basis. The result reflects lower non-operating charges that were partially offset by lower operating income and higher income taxes.

Non-operating Results

Improved non-operating results reflected lower overall funding costs as a result of the debt restructuring process carried out during the last twelve months. This process included the issuance of *Real* denominated debt in July 2011 and April 2012, along with the settlement of the majority of derivatives related to existing US dollar denominated debt. It should be noted that the Company recognized a charge of US$ 16.6 million (including US$ 13.9 million in net interest expense) related to the debt restructuring of July, 2011.

Additionally, during the third quarter of 2011, the Company registered a foreign exchange charge of US$ 20.1 million, mainly as a result of the impact of the *Real* devaluation on intercompany debt and receivables, as explained in 3Q11. However, as a result of the *Real* denominated debt issuances of July 2011 and April 2012, the Company reduced the impact from variations of the Brazilian currency. In addition, this exchange rate did not vary significantly from June 30th to September 30th 2012, reducing the balance sheet impact. Foreign exchange charges for the third quarter of 2012 were mainly related to the Venezuelan operations.

Income tax expense for the quarter totaled US$ 11.4 million, resulting in an effective tax rate of 26.0% for the quarter. This compares to an effective tax rate of 32.3% in the year-ago period, which was impacted by non-deductible charges.

The Company reported basic earnings per share (EPS) of US$ 0.16 in the third quarter of 2012, compared to US$ 0.09 in the previous corresponding period, which included debt restructuring charges.

Brazil Division

	Financial Highlights (Million US$)						
	3Q11 (a)	Special Items (b)	Currency Translation (c)	Organic Growth (d)	3Q12 (a+b+c+d)	% As Reported	% Organic
Total Restaurants	627				691	10.2%	
Comparable Sales						*3.2%*	
Revenues	507.7	-	(109.5)	46.5	444.7	-12.4%	9.2%
Adjusted EBITDA	80.6	(3.0)	(13.2)	(14.1)	50.3	-37.6%	-17.5%

Brazil revenues declined 12.4% due to a higher average exchange rate as compared to the previous year's third quarter. Excluding currency movements, organic revenues grew 9.2%. The result was driven by systemwide comparable sales growth of 3.2% in the quarter, which was impacted by slow overall consumption in the country as economic activity takes longer to recover than expected.

The net addition of 64 restaurants during the last 12-month period contributed US$29.3 million to revenues in constant currency during the quarter.

Adjusted EBITDA decreased 37.6% in the third quarter, primarily due to currency translation. As a reference, the average exchange rate was R$1.63 in 3Q2011 and R$2.03 in 3Q2012. The mild comparable sales growth, the *Real* devaluation effect over dollar denominated costs along with higher operating expenses as a percentage of revenues negatively impacted adjusted EBITDA margins in 3Q12. These factors offset the improvement in G&A leverage. As a result, organic Adjusted EBITDA contracted 17.5%, excluding the CIDE tax on royalty payments (US$3.0 million) that was not recognized until 4Q11. This tax is ongoing and will no longer be considered a special item in 2013 for comparison purposes. In September 2012, the successful Big Mac sandwich was featured in the Value Platform offering and drove traffic going into the fourth quarter.

NOLAD

	Financial Highlights (Million US$)						
	3Q11 (a)	Special Items (b)	Currency Translation (c)	Organic Growth (d)	3Q12 (a+b+c+d)	% As Reported	% Organic
Total Restaurants	473				496	4.9%	
Comparable Sales						*1.3%*	
Revenues	93.7	-	(3.8)	8.2	98.0	4.6%	8.7%
Adjusted EBITDA	7.0	-	(0.1)	0.4	7.2	3.7%	5.2%

NOLAD's (Mexico, Panama and Costa Rica) revenues grew 4.6% or 8.7% on an organic basis, year-over-year. The increase included systemwide comparable sales growth of 1.3%, which reflected lower sales of the Happy Meal/Family business in August. Additionally, the net addition of 23 restaurants during the last 12-month period contributed US$ 6.0 million to revenues in constant currency.

Adjusted EBITDA grew 3.7% in the quarter, or 5.2% on an organic basis. F&P efficiencies stemming from improved controllable expenses provided by the MFY platform offset the mild comparable sales increase and resulted in a stable Adjusted EBITDA margin of 7.4%.

SLAD

	Financial Highlights (Million US$)						
	3Q11 (a)	Special Items (b)	Currency Translation (c)	Organic Growth (d)	3Q12 (a+b+c+d)	% As Reported	% Organic
Total Restaurants	533				556	4.3%	
Comparable Sales						*15.4%*	
Revenues	314.7	-	(19.9)	56.3	351.0	11.6%	17.9%
Adjusted EBITDA	36.3	1.2	(3.0)	8.4	43.0	18.4%	23.1%

SLAD's (Argentina, Venezuela, Colombia, Chile, Perú, Ecuador, and Uruguay) revenues grew by 11.6% and 17.9% on an organic basis compared to the third quarter of 2011. Systemwide comparable sales increased 15.4% and the net addition of 23 restaurants during the last 12-month period contributed US$ 12.0 million to revenues in constant currency in the quarter.

Adjusted EBITDA increased as temporary royalty relief in Venezuela (US$ 1.2 million), along with F&P efficiencies and G&A leverage, offset the negative impact of higher payroll costs as a percentage of sales. On an organic basis, Adjusted EBITDA rose 23.1%, while margins also improved to 12.2% in the quarter.

Caribbean Division

	Financial Highlights (Million US$)						
	3Q11 (a)	Special Items (b)	Currency Translation (c)	Organic Growth (d)	3Q12 (a+b+c+d)	% As Reported	% Organic
Total Restaurants	144				137	-4.9%	
Comparable Sales						*1.9%*	
Revenues	68.0	-	(2.8)	2.9	68.1	0.2%	4.3%
Adjusted EBITDA	1.8	-	(0.4)	2.9	4.3	143.2%	166.1%

The Caribbean division (Puerto Rico, Martinique, Guadeloupe, Aruba, Curaçao, French Guiana, Trinidad & Tobago, US Virgin Islands of St. Thomas and St. Croix) reported stable revenues, with reported growth of 0.2%. On an organic basis, revenues gained 4.3% compared to the third quarter of 2011. Systemwide comparable sales increased 1.9%, in part due to the successful roll out of the combined beverage business (CBB) earlier this year, helping to offset prevailing economic conditions.

Adjusted EBITDA grew by US$ 2.5 million and reached US$ 4.3 million for the quarter. The adjusted EBITDA margin increased to 6.3% of revenues, mainly driven by efficiencies in payroll as well as fixed cost leverage.

New Unit Development

Total Restaurants (eop)	Sept. '12	June '12	March '12	Dec '11	Sept. '11
Brazil	691	677	666	662	627
NOLAD	496	492	490	484	473
SLAD	556	553	548	547	533
Caribbean	137	136	139	147	144
TOTAL	1,880	1,858	1,843	1,840	1,777
LTM Net Openings	*103*	*91*	*86*	*85*	*64*

**Considers company-operated and franchised restaurants at period-end*

The Company continued to expand at a faster year-over-year pace for the twelve months ended September 30, 2012, adding 103 net new restaurants throughout its territories. Having commenced construction on all outstanding units, Arcos expects to achieve its full year target of 130 gross openings. More than half of the openings are located within Brazil, where fundamentals and potential for the business remain strong, as demonstrated by superior average restaurant revenues. In addition, the Company is advancing with its restaurant expansion plan for the following year and is developing a strong pipeline of attractive growth opportunities in key locations. As of the quarter end, 73% of Arcos Dorados' restaurants were Company operated.

Balance Sheet & Cash Flow Highlights

Cash and cash equivalents were US$ 244.1 million at September 30, 2012. The Company's total financial debt (including derivative instruments) was US$ 653.1 million, which included US$ 306.7 million corresponding to the accounting balance of the 2019 US Dollar Notes and R$ 675 million (equivalent to US$ 336.2 million) related to the BRL 2016 Notes issued in July, 2011, and April, 2012. Net debt was US$ 409.0 million and the solid Net Debt/Adjusted EBITDA ratio was 1.2 at September 30, 2012.

Cash generated from operating activities was US$ 91.2 million in the third quarter of 2012. During the quarter, capital expenditures amounted to US$ 75.6 million.

First nine months 2012

For the nine months ended September 30, 2012, the Company's revenues grew by 3.3% (14.4% on an organic basis) to US$ 2,787.7 million. Additionally, adjusted EBITDA reached US$ 229.0 million, representing a 2.7% decrease (increase of 0.2% on an organic basis) compared to the first nine months of 2011. Results were impacted by lower results in the Brazil division, which offset improvements in SLAD and NOLAD. Despite the impact of currency and soft consumption in Brazil on revenues, G&A has stabilized and is showing leverage sequentially. Year-to-date consolidated net income amounted to US$ 70.1 million, in line with US$ 69.3 million in the first nine months of 2011. The year-to-date effective tax rate was 30.4%. Additionally, total capital expenditure amounted to US$ 171.1 million for the period, compared with US$ 182.5 million in the first nine months of 2011. As a reference, capital expenditure amounts are affected by currency variations.

Quarter Highlights & Recent Developments

Guidance 2012

Given soft comparable sales growth in October and the absence of clear signs of a recovery in consumption in the Brazilian market, the Company expects the following growth rates with respect to 2011, in constant currency and excluding the CAD related impact on results from the stock variations of 2012. (Please note CAD variation impacts have been reduced through an Equity Swap as of September, 2012):

- Revenue growth at the low end of the range of 15-17%
- Adj. EBITDA growth in the range of 3-5%; and an
- Effective tax rate for the year in the range of 31-33%.

The capital expenditures plan remains unchanged and includes 130 gross openings, with total capital expenditures for the full year of approximately US$ 300-320 million.

Board Member Appointment

Mr. Alejandro Ramírez Magaña was appointed an independent board member of the Company. Mr. Ramírez Magaña is the General Director of Cinépolis, the largest cineplex chain in Latin America and the fourth largest in the world. He recently co-chaired the 2012 Annual Meeting of the World Economic Forum and was also appointed by President Calderón as Chair of the G20's Business Summit (B20), in Mexico in June, 2012. Mr. Ramírez holds a Bachelor of Arts in Economics from Harvard University, a Masters of Sciences in Development Economics from the University of Oxford and an MBA from Harvard Business School.

He currently serves as committee advisor for the World Bank and the United Nations Development Programme (UNDP). In 2005, he was also appointed as “Young Global Leader” by the Davos World Economic Forum, in Switzerland.

With this appointment, the Company’s Board now comprises 9 members.

CAD Hedge
On September 5, 2012, the Company announced that it had entered into a Total Return Equity Swap transaction to reduce most of the impact that its stock price variation has on its income statement as a result of recognizing the compensation expense from the Long Term Incentive Plan (the CAD program). The goal of the transaction is to reduce the future volatility of Arcos Dorados’ results of operations resulting from fluctuations in its stock price.

Under the Total Return Equity Swap, the Company receives (or pays) the gains (or losses) plus dividends on a notional number of 2,272,551 of its Class A shares. The reference price for the Total Return Equity Swap is $13.7689 per share.

Dividend
On October 26, 2012, the Company paid the third installment of its 2012 Dividends. The total amount paid was US$ 12.5 million or US$ 0.0597 per share on outstanding Class A and Class B shares, to shareholders of record at October 24, 2012. Subsequent payment dates are to be determined by the Board of Directors.

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Definitions:

Systemwide comparable sales growth refers to the change, measured in constant currency, in our Company-operated and franchised restaurant sales in one period from a comparable period for restaurants that have been open for thirteen months or longer. While sales by our franchisees are not recorded as revenues by us, we believe the information is important in understanding our financial performance because these sales are the basis on which we calculate and record franchised revenues, and are indicative of the financial health of our franchisee base.

Constant currency basis refers to amounts calculated using the same exchange rate over the periods under comparison to remove the effects of currency fluctuations from this trend analysis.

About Arcos Dorados

Arcos Dorados is the world's largest McDonald's franchisee in terms of systemwide sales and number of restaurants, operating the largest quick service restaurant ("QSR") chain in Latin America and the Caribbean. It has the exclusive right to own, operate and grant franchises of McDonald's restaurants in 20 Latin American and Caribbean countries and territories, including Argentina, Aruba, Brazil, Chile, Colombia, Costa Rica, Curaçao, Ecuador, French Guyana, Guadeloupe, Martinique, Mexico, Panama, Peru, Puerto Rico, St. Croix, St. Thomas, Trinidad & Tobago, Uruguay and Venezuela. The Company operates or franchises 1,840 McDonald's-branded restaurants with over 90,000 employees serving approximately 4.3 million customers a day, as of December 2011. Recognized as one of the best companies to work for in Latin America, Arcos Dorados is traded on the New York Stock Exchange (NYSE: ARCO). To learn more about the Company, please visit the Investors section of our website: www.arcosdorados.com

Cautionary Statement on Forward-Looking Statements

This press release contains forward-looking statements. The forward-looking statements contained herein include statements about the Company's business prospects, its ability to attract customers, its affordable platform, its expectation for revenue generation and its outlook for 2012. These statements are subject to the general risks inherent in Arcos Dorados' business. These expectations may or may not be realized. Some of these expectations may be based upon assumptions or judgments that prove to be incorrect. In addition, Arcos Dorados' business and operations involve numerous risks and uncertainties, many of which are beyond the control of Arcos Dorados, which could result in Arcos Dorados' expectations not being realized or otherwise materially affect the financial condition, results of operations and cash flows of Arcos Dorados. Additional information relating to the uncertainties affecting Arcos Dorados' business is contained in its filings with the Securities and Exchange Commission. The forward-looking statements are made only as of the date hereof, and Arcos Dorados does not undertake any obligation to (and expressly disclaims any obligation to) update any forward-looking statements to reflect events or circumstances after the date such statements were made, or to reflect the occurrence of unanticipated events.

Use of Non-GAAP Financial Measures

In addition to financial measures prepared in accordance with the general accepted accounting principles (GAAP), within this press release and the accompanying tables, we use a financial measure titled 'Adjusted EBITDA'. We use Adjusted EBITDA to facilitate operating performance comparisons from period to period. Adjusted EBITDA is defined as our operating income plus depreciation and amortization plus/minus the following losses/gains included within other operating expenses, net and within general and administrative expenses in our statement of income: compensation expense related to a special award granted to our chief executive officer, incremental compensation expense related to our 2008 long-term incentive plan, gains from sale of property and equipment, write-off of property and equipment, contract termination losses, and impairment of long-lived assets and goodwill, and stock-based compensation and bonuses incurred in connection with the Company's initial public listing.

Third quarter 2012 Consolidated Results (Unaudited)
(In thousands of U.S. dollars, except per share data)

	For Three-Months ended September 30,	
	2012	**2011**
REVENUES		
Sales by Company-operated restaurants	920,513	943,166
Revenues from franchised restaurants	41,394	40,837
Total Revenues	**961,907**	**984,003**
OPERATING COSTS AND EXPENSES		
Company-operated restaurant expenses:		
Food and paper	(323,061)	(328,173)
Payroll and employee benefits	(186,320)	(189,371)
Occupancy and other operating expenses	(250,436)	(242,345)
Royalty fees	(45,662)	(45,732)
Franchised restaurants - occupancy expenses	(13,348)	(13,252)
General and administrative expenses	(76,614)	(89,403)
Other operating expenses, net	(6,410)	(1,466)
Total operating costs and expenses	**(901,851)**	**(909,742)**
Operating income	**60,056**	**74,261**
Net interest expense	(13,812)	(27,996)
Gain from derivative instruments	289	4,675
Foreign currency exchange results	(1,960)	(20,909)
Other non-operating expenses, net	(463)	(725)
Income before income taxes	**44,110**	**29,306**
Income tax expense	(11,449)	(9,476)
Net income	**32,661**	**19,830**
Less: Net income attributable to non-controlling interests	(53)	(248)
Net income attributable to Arcos Dorados Holdings Inc.	**32,608**	**19,582**
Earnings per share information ($ per share):		
Basic net income per common share attributable to Arcos Dorados Holdings Inc.	**$ 0.16**	**$ 0.09**
Weighted-average number of common shares outstanding-Basic	209,529,412	209,529,412
Adjusted EBITDA Reconciliation		
Operating income	60,056	74,261
Depreciation and amortization	22,568	18,089
Other operating items excluded from EBITDA computation	987	2,662
Adjusted EBITDA	**83,611**	**95,012**
Adjusted EBITDA Margin as % of total revenues	**8.7%**	**9.7%**

First Nine Months 2012 Consolidated Results (Unaudited)
(In thousands of U.S. dollars, except per share data)

	For Nine-Months ended September 30,	
	2012	**2011**
REVENUES		
Sales by Company-operated restaurants	2,669,229	2,586,560
Revenues from franchised restaurants	118,488	112,589
Total Revenues	**2,787,717**	**2,699,149**
OPERATING COSTS AND EXPENSES		
Company-operated restaurant expenses:		
Food and paper	(935,808)	(908,343)
Payroll and employee benefits	(555,026)	(517,077)
Occupancy and other operating expenses	(725,371)	(684,999)
Royalty fees	(132,599)	(125,687)
Franchised restaurants - occupancy expenses	(41,197)	(37,645)
General and administrative expenses	(229,205)	(253,848)
Other expenses, net	(11,966)	(604)
Total operating costs and expenses	**(2,631,172)**	**(2,528,203)**
Operating income	**156,545**	**170,946**
Net interest expense	(39,751)	(48,195)
Loss from derivative instruments	(1,037)	(7,550)
Foreign currency exchange results	(13,071)	(19,045)
Other non-operating expenses, net	(1,723)	(1,908)
Income before income taxes	**100,963**	**94,248**
Income tax expense	(30,672)	(24,422)
Net income	**70,291**	**69,826**
Less: Net income attributable to non-controlling interests	(180)	(519)
Net income attributable to Arcos Dorados Holdings Inc.	**70,111**	**69,307**
Earnings per share information ($ per share):		
Basic net income per common share attributable to Arcos Dorados Holdings Inc.	**$ 0.33**	**$ 0.32**
Weighted-average number of common shares outstanding-Basic	209,529,412	217,405,469
Adjusted EBITDA Reconciliation		
Operating income	156,545	170,946
Depreciation and amortization	65,306	49,212
Other operating items excluded from EBITDA computation	7,103	15,048
Adjusted EBITDA	**228,954**	**235,206**
Adjusted EBITDA Margin as % of total revenues	**8.2%**	**8.7%**

Third quarter and First nine months 2012 Results by Division (Unaudited)
(In thousands of U.S. dollars)

	Three-Months ended September 30, 2012	Three-Months ended September 30, 2011	% Incr. / (Decr.)	Constant Curr. Incr/(Decr) %	Nine-Months ended September 30, 2012	Nine-Months ended September 30, 2011	% Incr. / (Decr.)	Constant Curr. Incr/(Decr) %
Revenues								
Brazil	444,742	507,683	-12.4%	9.2%	1,314,454	1,399,746	-6.1%	10.5%
Caribbean	68,091	67,963	0.2%	4.3%	203,547	200,019	1.8%	4.8%
NOLAD	98,027	93,681	4.6%	8.7%	282,513	265,424	6.4%	12.5%
SLAD	351,047	314,676	11.6%	17.9%	987,203	833,960	18.4%	23.8%
TOTAL	**961,907**	**984,003**	**-2.2%**	**11.6%**	**2,787,717**	**2,699,149**	**3.3%**	**14.4%**
Operating Income								
Brazil	39,002	63,468	-38.5%	-23.3%	123,656	175,097	-29.4%	-17.5%
Caribbean	989	(1,475)	-167.1%	-189.6%	(3,324)	(937)	-254.7%	-199.8%
NOLAD	713	316	125.6%	52.8%	(1,989)	(5,857)	66.0%	44.7%
SLAD	36,067	29,967	20.4%	29.2%	84,471	63,677	32.7%	40.6%
Corporate and Other	(16,715)	(18,015)	-7.2%	6.9%	(46,269)	(61,034)	24.2%	13.4%
TOTAL	**60,056**	**74,261**	**-19.1%**	**-5.8%**	**156,545**	**170,946**	**-8.4%**	**2.4%**
Adjusted EBITDA								
Brazil	50,342	80,625	-37.6%	-22.1%	158,636	209,191	-24.2%	-11.3%
Caribbean	4,285	1,762	143.2%	166.1%	8,690	8,044	8.0%	16.6%
NOLAD	7,217	6,961	3.7%	5.2%	17,647	14,829	19.0%	20.5%
SLAD	42,985	36,296	18.4%	26.6%	104,929	79,229	32.4%	39.7%
Corporate and Other	(21,218)	(30,632)	-30.7%	-22.4%	(60,948)	(76,087)	19.9%	11.2%
TOTAL	**83,611**	**95,012**	**-12.0%**	**2.1%**	**228,954**	**235,206**	**-2.7%**	**8.8%**

Average Exchange Rate per Quarter

	Brazil	Mexico	Argentina
3Q12	2.03	13.15	4.61
3Q11	1.63	12.30	4.17

Local $ per 1 US$

Summarized Consolidated Balance Sheet
(In thousands of U.S. dollars)

	As of, September 30, 2012 (Unaudited)	As of, December 31, 2011
ASSETS		
Current assets		
Cash and cash equivalents	244,137	176,301
Accounts and notes receivable, net	84,616	93,862
Other current assets (1)	306,910	318,451
Total current assets	**635,663**	**588,614**
Non-current assets		
Property and equipment, net	1,098,845	1,023,180
Net intangible assets and goodwill	60,268	58,419
Deferred income taxes	118,004	142,848
Other non-current assets (2)	63,426	62,345
Total non-current assets	**1,340,543**	**1,286,792**
Total assets	**1,976,206**	**1,875,406**
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	154,975	184,113
Taxes payable (3)	122,043	138,989
Accrued payroll and other liabilities	242,809	183,549
Other current liabilities (4)	29,293	35,030
Provision for contingencies	135	41,959
Financial debt (5)	2,141	5,652
Total current liabilities	**551,396**	**589,292**
Non-current liabilities		
Accrued payroll and other liabilities	45,513	52,065
Provision for contingencies	17,998	23,077
Financial debt (5)	656,215	526,693
Deferred income taxes	3,956	4,650
Total non-current liabilities	**723,682**	**606,485**
Total liabilities	**1,275,078**	**1,195,777**
Equity		
Class A shares of common stock	351,654	351,654
Class B shares of common stock	132,915	132,915
Additional paid-in capital	15,196	5,734
Retained earnings	356,540	336,707
Accumulated other comprehensive loss	(156,275)	(148,389)
Total Arcos Dorados Holdings Inc shareholders' equity	**700,030**	**678,621**
Non-controlling interest in subsidiaries	1,098	1,008
Total Equity	**701,128**	**679,629**
Total liabilities and equity	**1,976,206**	**1,875,406**

(1) Includes "Other receivables", "Inventories", "Prepaid expenses and other current assets", "Derivative instruments", "Deferred income taxes" and "McDonald’s Corporation’s indemnification for contingencies ".
(2) Includes "Miscellaneous", "Collateral deposits" and "McDonald´s Corporation´ indemnification for contingencies".
(3) Includes "Income taxes payable" and "Other taxes payable".
(4) Includes "Royalties payable to McDonald´s Corporation" and "Interest payable".
(5) Includes "Short-term debt", "Long-term debt" and "Derivative instruments"

Consolidated Financial Ratios
(In thousands of U.S. dollars, except ratios)

	As of September 30, 2012 (Unaudited)	As of December 31, 2011
Cash & cash equivalents	244,137	176,301
Total Financial Debt (i)	653,093	532,345
Net Financial Debt (ii)	408,956	356,044
Total Financial Debt / LTM Adjusted EBITDA ratio	2.0	1.6
Net Financial Debt / LTM Adjusted EBITDA ratio	1.2	1.0

(i) Total financial debt includes short-term debt, long-term debt and derivative instruments (including the asset portion of derivatives amounting to $5,263 as a reduction of financial debt)
(ii) Total financial debt less cash and cash equivalents