



AmRest Q1 2018 Financial Results

Solid growth continued

Madrid, Spain, May 14th 2018, AmRest (WSE: EAT), the largest publicly listed restaurant group in Central Europe, today reports financial results for the first quarter of 2018.

Key highlights:

- 21 new stores opened in Q1 2018, total number of restaurants as at May 14th, 2018 is 1662,
- Total revenues increased by 30.8% to EUR 347.3 million,
- EBITDA increased by 24.4% to EUR 33.7 million,
- EBITDA margin at 9.7%,
- Net profit increased by 7.6% to EUR 5.1 million¹.

Michał Serwatka, Investor Relations and M&A Director, commented:

“We are pleased to announce the financial results of AmRest for the first quarter of 2018, which was another period of dynamic growth of the Company. The consolidated revenues of AmRest reached EUR 347m, growing by 30.8% over last year. Significant sales increase was driven by solid LFL trends in all our major markets, continued roll-out of new restaurants as well as additional revenues coming from acquired businesses. The revenues of the Group, adjusted for all major M&As in 2017 (i.e. KFC and Pizza Hut in Germany and France, KFC in Russia and Pizzaportal.pl) amounted to EUR 301m, representing a 14.4% growth over the year.

In the first quarter of 2018 the positive trends continued across the board, leading to a significant profitability improvement. The EBITDA of the Group reached EUR 33.7m and was 24.4% higher than in Q1 2017. Meanwhile, the EBITDA margin decreased by 0.5pp to 9.7%, as the businesses acquired in 2017 had a dilutive effect on the margins. In the core business (excluding 2017 acquisitions) the EBITDA margin strengthened by 0.9pp over the year. As previously communicated, AmRest continues integrating newly added businesses in Western Europe. The long-term turnaround plan assumes bringing those to the profitability levels comparable to the mature markets of AmRest.

Q1 2018 results were mainly driven by a solid performance of core business. Our restaurants in the Czech Republic continued the upward trends in both sales and profitability, with a 37.4% growth in EBITDA and close to 20% EBITDA margin in Q1 2018. In other Central European markets, we were able to partially offset the labor cost pressure, mostly through

¹ Attributable to AmRest's shareholders



the savings in cost of food. In Spain, on the back of growing scale and further improvement of operating efficiency, the EBITDA margin reached almost 21%, which was 0.6pp higher than year ago. Meanwhile, outstanding results were achieved in Russia, with the EBITDA growing by 78% to EUR 4.4m and the EBITDA margin for another time reaching a double-digit level (11.2% in Q1 2018). In Germany, we managed to reduce the EBITDA loss by EUR 2m in Q1 2018, thanks to a significant progress in integration of Starbucks chain. In a long-term perspective, we envisage our German business to have a positive impact on the results of the Group.

Continuing AmRest growth, we remain focused on realizing our 3-year vision of doubling the business through dynamic organic growth (300+ openings planned for 2018), digital innovations and potential acquisitions. While integrating recently added business, we would like to further leverage our leading position of restaurant operator as well as preferable partner for M&A transactions. As evidenced by the recent acquisition of Pizza Hut chain in Russia, our ability to accelerate the growth is very strong."

Further information

The full Q1 2018 results can be found on www.amrest.eu

The teleconference with investors will be held on May 15th, 2018 at 2:30pm CET, to attend the conference and for any other enquiries please contact:

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