

AmRest Holdings SE

**Interim Condensed Separate Financial Statements
as at and for the six months ended
June 30, 2015**



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AmRest Holdings SE

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Board Member

Wroclaw, August 13, 2015

AmRest Holdings SE**Interim Condensed Separate Financial Statements as at and for the six months ended June 30, 2015.****Interim Separate Income Statement
for the 6 months ended June 30, 2015**

<i>In thousands of Polish Zloty</i>	Noty	Six months ended June 30, 2015	Six months ended June 30, 2014
Other operating income		4 505	2 045
General and administrative expenses (G&A)		(2 918)	(947)
Finance income	9	13 471	8 510
Finance cost	9	(6 399)	(8 394)
Profit/(loss) before tax		8 659	1 214
Income tax expense	10	614	(289)
Profit/(loss) for the period		9 273	925
Basic profit/(loss) per share in Polish zloty	14	0,04	0,04
Diluted profit/(loss) per share in Polish zloty	14	0,04	0,04

The Interim Separate Income Statement has to be analyzed jointly with the notes which constitute an integral part of these Interim Condensed Separate Financial Statements. Quarterly information is available in Directors' Report for the first half of the 2015.

**Interim Separate Statement of Comprehensive Income
for the 6 months ended June 30, 2015**

<i>In thousands of Polish Zloty</i>	Six months ended June 30, 2015	Six months ended June 30, 2015
Profit/(loss) for the period	9 273	925
Other comprehensive income	-	-
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income for the period	9 273	925

The Interim Separate Statement of Comprehensive Income has to be analyzed jointly with the notes which constitute an integral part of these Interim Condensed Separate Financial Statements. Quarterly information is available in Directors' Report for the for the first half of the 2015.

AmRest Holdings SE

Interim Condensed Separate Financial Statements as at and for the six months ended June 30, 2015.

**Interim Separate Statement of Financial Position
as at June 30, 2015**

<i>In thousands of Polish Zloty</i>	Note	<u>30.06.2015</u>	<u>31.12.2014</u>
Assets			
Property, plant and equipment		235	-
Other intangible assets		349	585
Investment in associates	2	899 834	873 942
Other non-current financial assets	3	194 700	232 500
Deferred tax assets	10	-	-
Total non-current assets		<u>1 095 118</u>	<u>1 107 027</u>
Trade and other receivables	5	5 002	4 089
Income tax receivables	5	2 508	889
Other current assets		228	80
Other financial assets	3	16 388	12 711
Cash and cash equivalents	8	8 701	1 964
Total current assets		<u>32 827</u>	<u>19 733</u>
Total assets		<u>1 127 945</u>	<u>1 126 760</u>
Equity			
Share capital		714	714
Reserves	7	738 079	779 346
Retained Earnings	7	64 537	31 112
Total Equity attributable to shareholders of the parent		<u>803 330</u>	<u>811 172</u>
Liabilities			
Deferred tax liabilities	10	903	271
Trade and other payables	6	40 264	34 939
Other non-current finance liabilities	4	278 993	278 775
Total non-current liabilities		<u>320 160</u>	<u>313 985</u>
Other current finance liabilities	4	-	-
Trade and other payables	6	4 455	1 603
Total current liabilities		<u>4 455</u>	<u>1 603</u>
Total liabilities		<u>324 614</u>	<u>315 588</u>
Total equity and liabilities		<u>1 127 945</u>	<u>1 126 760</u>

The Interim Separate Statement of Financial Position has to be analyzed jointly with the notes which constitute an integral part of these Interim Condensed Separate Financial Statements.

AmRest Holdings SE**Interim Condensed Separate Financial Statements as at and for the six months ended June 30, 2015.****Interim Separate Statement of Cash Flows for the 6 months ended June 30, 2015***In thousands of Polish Zloty*

	Six months ended June 30, 2015	Six months ended June 30, 2014*
Cash flows from operating activities		
Profit/(loss) before tax	8 659	1 214
Adjustments for:		
Amortization of intangible assets	80	
Interest and profit sharing, net	(7 031)	(476)
Unrealized foreign exchange differences	(368)	(254)
Change in receivables	(955)	2 667
Change in other current assets	(148)	(200)
Change in payables and other liabilities	669	(1 453)
Income taxes (paid)/returned	(365)	(830)
Interest paid	(6 178)	(8 077)
Interest received	3 287	8 357
Dividends received	6 606	
Net cash provided by operating activities	4 256	948
Cash flows from investing activities		
Proceeds from repayment of loan and interest given	37 800	11 627
Expense on loans given	-	(1 698)
Proceeds from the settlements of acquisition of subsidiary	-	-
Acquisition of subsidiaries, net of cash acquired	(16 313)	(26 240)
Acquisition of intangible assets	(165)	(50)
Net cash used in investing activities	21 322	(16 361)
Cash flows from financing activities		
Proceeds from share issuance (employees options)	8 159	1 304
Expense on acquisition of own shares (employees option)	(27 000)	(1 206)
Proceeds from bonds issuance	-	-
Repayment of loans and borrowings	-	-
Net cash provided by/(used in) financing activities	(18 841)	98
Net change in cash and cash equivalents	6 737	(15 315)
Balance sheet in cash and cash equivalents	6 737	(15 315)
Cash and cash equivalents, beginning of period	1 964	36 704
Cash and cash equivalents, end of period	8 701	21 389

The Interim Separate Cash Flow has to be analyzed jointly with the notes which constitute an integral part of these Interim Condensed Separate Financial Statements.

AmRest Holdings SE

Interim Condensed Separate Financial Statements as at and for six months ended June 30, 2015

Interim Separate Statement of Changes in Equity for the 6 months ended June 30, 2015

In thousands of Polish Zloty

	Issued capital	Reserved capital	Retained Earnings	Total Equity
As at January 1, 2014	714	791 414	71 464	863 592
Comprehensive Income				
Profit/(loss) for the period	-	-	925	925
Total Comprehensive Income	-	-	925	925
Transactions with shareholders				
Employees share option scheme – value of employee services	-	3 085	-	3 085
Profit/(loss) on the own shares transaction	-	-	(447)	(447)
Issuance of shares	-	-	227	227
Total of transactions with shareholders	-	3 085	(220)	2 865
As at June 30, 2014	714	794 499	72 169	867 382
As at January 1, 2015	714	779 346	31 112	811 172
Comprehensive Income				
Profit/(loss) for the period	-	-	9 273	9 273
Total Comprehensive Income	-	-	9 273	9 273
Transactions with shareholders				
Change in presentation of the distribution of retained earnings	-	(21 377)	21 377	-
Change in presentation on the own shares	-	(227)	227	-
Change in presentation of treasury share transaction 2012-2014	-	(2 548)	2 548	-
Employees share option scheme – value of employee services	-	(4 986)	-	(4 986)
Change in share option plan for employees	-	9 241	-	9 241
Net result on treasury share transaction	-	5 630	-	5 630
Purchase of treasury shares	-	(27 000)	-	(27 000)
Total of transactions with shareholders	-	(41 267)	24 152	(17 115)
As at June 30, 2015	714	738 079	64 537	803 330

The Interim Separate Statement of Changes in Equity has to be analyzed jointly with the notes which constitute an integral part of these Interim Condensed Separate Financial Statements.

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

1 Company overview and significant accounting policies

(a) Background

AmRest Holdings SE (“the Company”) was established in the Netherlands in October 2000 as a joint-stock company. On September 19, 2008, the Commercial Chamber in Amsterdam registered the change in the legal status of the Company to a European Company (Societas Europaea) and of its name to AmRest Holdings SE. On December 22, 2008, the District Court for Wrocław-Fabryczna in Wrocław, 6th Business Department registered the new registered office of AmRest in the National Court Register. The address of the Company’s new registered office is: Pl.Grunwaldzki 25-27, Wrocław (50-365), Poland. The Court also registered amendments to the Company’s Memorandum of Association related to the transfer of the registered office of AmRest to Poland.

AmRest is the first public company in Poland operating in the form of a European Company. The purpose of transforming AmRest into a European Company was to increase its operating effectiveness and reduce operating and administrative expenses. Following the fact of transfer into European Company and transfer of Company registered head office to Poland, the functional currency of AmRest holdings SE since January 1, 2009 is polish zloty (PLN).

The Company’s core activity is direct management of the following entities (“the Group”):

- AmRest Sp. z o.o. (Poland), the entity being a parent in an international group comprising of entities located in Poland, as well as in Russia (OOO AmRest) and USA (AmRest, LLC),
- AmRest s.r.o. (The Czech Republic),
- AmRest EOOD (Bulgaria),
- AmRest Acquisition Subsidiary Inc. (USA),
- AmRest HK Limited (China),
- Blue Horizon Hospitality Group PTE Ltd. (China), the entity being a parent in a group, comprising of entities located in China,
- AmRest FSVK LLC.

The principal activity of the subsidiaries is operating Kentucky Fried Chicken (“KFC”), Pizza Hut, Burger King and Starbucks restaurants through its subsidiaries in Poland, the Czech Republic (further Czech), Hungary, Russia, Serbia, Romania, Croatia, Bulgaria and Spain, on the basis of franchises granted. In Spain, France, Germany, China and The United States the Group operates its own brands La Tagliatella, Trastevere and il Pastificio. This business is based on the franchise agreements signed with non-related companies and own restaurants. It is supported by the central kitchen which produces and delivers products to the whole network of own brands. Additionally in China since December 21, 2012 the Group operates its own brands Blue Frog and KABB.

On April 27, 2005, the shares of AmRest Holdings SE were quoted for the first time on the Warsaw Stock Exchange (“GPW”).

Before April 27, 2005, the Company’s co-shareholders and entities exercising their rights from the shares held in the Company were International Restaurants Investments, LLC (“IRI”) with its registered office in the United States of America, and Kentucky Fried Chicken Poland Holdings BV (“KFC BV”) with its registered office in the Netherlands. The co-shareholders held 50% shares each and had the same proportion of voting rights before the Company was first quoted on the stock exchange. IRI was a company controlled by American Retail Concepts, Inc. with its registered office in the United States of America (“ARC”), and KFC BV was a company controlled by YUM! Brands, Inc. (“YUM!”) with its registered office in the USA.

In connection with the flotation of the Company on GPW, YUM! sold all its shares in the Company and is no more a shareholder or a related entity. Also when the Company was floated on GPW, IRI sold part of the shares held.

On April 22, 2010 share subscription agreement was signed between AmRest Holdings S.E, and WP Holdings VII B.V., following which on May 24, 2010 WP Holdings VII B.V. obtained 4 726 263 shares of the Company from new emission at emission price of PLN 65 for total value of PLN 307.2 million. At June 10, 2010 was registered by the registry court in Wrocław the increase in the share capital of the Company by the amount of EUR 47 262.63

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

(PLN 195 374.26). Additionally during 12 months from the date on which the described above emission shares were registered by the registry court proper for the Company's registered office, the WP Holdings VII B.V. will have an option to subscribe for additional shares in up to two instalments to the extent that its shareholding does not exceed 33% of the post-issuance share capital. The issuance price for the additional shares subscription was PLN 75 per share. On March 25, 2011, WP subscribed for 2 271 590 shares with the issuance price of PLN 75 per share. After decrease by all costs concern capital issue the growth was PLN 168 926 thousand.

As at June 30, 2015, WP Holdings VII B.V. was the largest shareholder of AmRest and held 31,71% of its shares and voting rights.

These Interim Condensed Separate Financial Statements were authorized by the Management Board on August 13, 2015.

(b) Representations on compliance of the financial statements with the International Financial Accounting Standards

These Interim Condensed Separate Financial Statements as at and for the six months ended 30 June 2015 have been prepared in accordance with the IAS 34 Interim Financial Reporting.

These Interim Condensed Separate Financial Statements do not include all information or disclosures which are required in the annual financial statements and they should be read together with the Separate Financial Statements as at 31 December 2014.

Accounting policies on which bases the Interim Condensed Separate Financial Statements prepared for the six months ended June 30, 2015 and Separate Financial Statements for the year ended December 31, 2014 are consistent, except standards, changes in standards and interpretations which are mandatory for reporting periods beginning after January 1, 2015.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning January 1, 2015:

- Amendments to various standards "Improvements to IFRSs (cycle 2011-2013)" resulting from the annual improvement project of IFRSs (IFRS 1, IFRS 3, IFRS 13 and IAS 40) primarily with a view to removing inconsistencies and clarifying wording - adopted by the EU on December 18, 2014 (effective for annual periods beginning on or after January 1, 2015),
- IFRIC 21 "Levies" adopted by the EU on June 13, 2014 (effective for annual periods beginning on or after June 17, 2014). The interpretation clarifies the accounting for an obligation to pay a levy that is not income tax. The obligating event that gives rise to a liability is the event identified by the legislation that triggers the obligation to pay the levy. The fact that an entity is economically compelled to continue operating in a future period, or prepares its financial statements under the going concern assumption, does not create an obligation. The same recognition principles apply in interim and annual financial statements.

Above mentioned amendments to standards and interpretations were approved for use by European Commission before issuance of this financial statements. The Management Board believes that the changes and improvements will not have a material effect on the Company financial statements.

Before the issuance date of this financial statements were published by IASB numerous standards and interpretations, which have not entered into force, but some of them were approved for use by European Commission. The Company did not decide to for early adoption of any of these standards.

(c) Basis of preparation of financial statements

Because of the fact that Company has moved its seat to Poland financial statements was prepared in polish zloty (PLN), after rounding to full thousands (TPLN). Polish zloty is functional currency of the AmRest Holdings SE since January 1, 2009.

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

The Company prepares consolidated financial statements of the Group for which it acts as a parent. The consolidated and separate financial statements have to be analysed jointly in order to view a full picture of the Company's financial.

The interim separate condensed financial statements are prepared on the historical cost basis except of assets held for sale and assets stated in fair value through profit or loss, which are stated in fair values. Non-current assets held for sale are stated at the lower of the carrying amount and fair value less costs to sell.

The preparation of the IFRS financial statements requires the Management of the Company to make certain assumptions and estimates which are reflected in the accounting policy and that affect the reported amounts of assets and liabilities and reported revenues and expenses during the period. The results of the estimates and the respective assumptions being the result of experience and various factors deemed to be justified in given circumstances are the basis for assessing the values of assets or liabilities which do not result directly from other sources. The actual financial results may differ from the adopted estimates.

The estimates and the assumptions on which they are based are subject to current verification. The adjustment of accounting estimates is recognized in the period in which it was made, on condition that it only relates to that period, or in the period in which it was made, and in future periods, if it relates both to the current and future periods.

The accounting policies have been applied consistently to all periods presented in these financial statements. In reporting period the Company did not make any changes to accounting policy.

(d) Going concern assumption

Information presented below should be read together with information provided in Note 12 and 16, describing accordingly: loan and bonds liabilities and commitments and contingencies, and significant post balance sheet events after June 30, 2015.

Interim Condensed Separate Financial Statements for the period of 6 months ended June 30, 2015 were prepared in accordance with going concern assumption by the Entity in foreseeable future, what assumes realization of assets and liabilities throughout the normal terms of business operations. Interim Condensed Separate Financial Statements does not account for adjustments, which would be essential in such events. As at the date of Interim Condensed Separate Financial Statements issuance in assessment made by Management Board Entity there are no circumstances indicating threats for business going concern of the Entity and any related party in AmRest Group as well.

2 Investments in subsidiaries

The table below presents the number and value of the shares owned by the Company in its subsidiaries as at June 30, 2015 and as at December 31, 2014.

	June 30, 2015		December 31, 2014	
	Interest ownership	Value of Shares	Interest ownership	Value of Shares
AmRest Sp. z o.o. (Poland) ^(a)	100,00%	602 027	100,00%	592 448
AmRest s.r.o. (Czech Republic)	100,00%	33 573	100,00%	33 573
AmRest Acquisition Subsidiary (USA)	100,00%	146 954	100,00%	146 954
AmRest EOOD (Bulgaria) ^(b)	100,00%	14 388	100,00%	14 388

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

AmRest HK Limited (China)	83,00%	-	83,00%	-
Blue Horizon Hospitality Group PTE Ltd. (China) ^(c)	62,96%	102 810	60,18%	86 579
AmRest FSVC LLC (USA) ^(e)	100,00%	82	100%	-
Total	-	899 834	-	873 942

(a) The value of shares in AmRest Sp. z o.o. was increased by capitalized costs of the share option plan (share options granted to the employees of the subsidiaries).

(b) On January 30, 2015 resolution on share capital increase in Blue Horizon Hospitality Group PTE LTD was passed. AmRest Holdings SE made capital contribution in amount of 4 454 thousand USD. As a result, percentage engagement AmRest Holdings SE in share capital of Blue Horizon Hospitality Group PTE LTD increased from 60,18% to 62,96%.

3 Other financial assets

As at June 31, 2015 and December 31, 2014, the balances of other financial assets were as follows:

Other long-term financial assets	June 30, 2015	December 31, 2014
Loans given	194 700	232 500
Total of other long-term financial assets	194 700	232 500

Other short-term financial assets	June 30, 2015	December 31, 2014
Loans given	16 388	12 711
Total of other short-term financial assets	16 388	12 711

The Entity provided subsidiaries with the loans specified as below:

Borrower	- AmRest s.r.o.
Loan amount	- 20 500 thousands PLN
Interest rate	- WIBOR 3M + margin

The loan agreement was signed on December 16, 2013. In accordance with the agreement the interest will be calculated and paid on the quarter basis. The change of the compound interest rate will be executed on the first day of each quarter. The principal amount of the loan will be repaid till December 16, 2018.

Borrower	- AmRest Sp. z o.o.
Loan amount	- 350 000 thousands PLN

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Interest rate - 3M WIBOR + margin

The loan agreement was signed on October 18, 2010. In accordance with the agreement the interest will be paid on the quarterly basis. The change of the compound interest rate will be executed on the first day of each quarter. The principal amount of the loan with all accrued interest will be repaid till September 30, 2013.

On September 16, 2013 it was sign appendix to the loan agreement, on base which parties agreed to postpone date of repayment principal amount of the loan with all accrued interests to September 30, 2016. In the period from January to June 2015 TPLN 37 800 of principal amount of the loan was repaid..

Borrower - AmRest HK Ltd.

Loan amount - 1 000 thousands USD

Interest rate - 3M LIBOR + margin

The loan agreement was signed on November 19, 2012. In accordance with the agreement the interest will be calculated on the quarterly basis. The change of the compound interest rate will be executed on the first day of each quarter. The principal amount of the loan with all accrued interest should have been repaid till November 19, 2013.

By June 30, 2015 the principal amount of the loan with all accrued interest was not repaid.

Borrower - AmRest HK Ltd.

Loan amount - 210 thousands USD

Interest rate - 3M LIBOR + margin

The loan agreement was signed on September 5, 2013. The change of the compound interest rate will be executed every three months. The principal amount of the loan with all accrued interest was to be paid back till September 30, 2014.

By June 30, 2015 the principal amount of the loan with all accrued interest was not repaid.

Borrower - Blue Horizon Hospitality Group PTE LTD

Loan amount - 582 thousands USD

Interest rate - fixed

The loan agreement was signed on December 5, 2013. In accordance with the agreement the interest will be calculated and paid on a quarterly basis till 25-th day of the last month of the quarter. The loan was made deduction in accordance with the Agreement dated March 25, 2015.

Borrower - Blue Horizon Hospitality Group PTE LTD

Loan amount - 556 thousands USD

Interest rate - fixed

The loan agreement was signed on January 22, 2014. In accordance with the agreement the interest will be calculated and paid on a quarterly basis till 25-th day of the last month of the quarter. Part of the loan (186 thousand

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

USD of capital and 42 thousand. USD interest) was deducted according to an agreement dated March 25, 2015. The remaining amount has not been repaid by 30 June 2015.

Borrower	- Blue Horizon Hospitality Group PTE LTD
Loan amount	- 1 085 thousands USD
Interest rate	- fixed

The loan agreement was signed on June 24, 2014. In accordance with the agreement the interest will be calculated and paid on a quarterly basis till 25-th day of the last month of the quarter. The principal amount of the loan was to be paid back till Jun 24, 2015.

By June 30, 2015 the principal amount of the loan with all accrued interest was not repaid.

On March 25, 2015 was signed an set-off agreement. According to this agreement the new loan dated March 25, 2015 repay the loan dated December 5, 2013 in the amount of 582 thousand USD with the accrued interest until March 31, 2015 in the amount of 42 thousand USD and partially repay the loan dated January 22, 2014 in the amount of 186 thousand USD and total accrued interest in the amount of 34 thousand USD.

Borrower	- Blue Horizon Hospitality Group PTE LTD
Loan amount	- 844 thousands USD
Interest rate	- fixed

In accordance with the agreement the interest will be calculated and paid on a quarterly basis till 25-th day of the last month of the quarter. The principal amount of the loan will be repaid till March 25, 2016.

The table below presents the change of loan value during the six months period ended June 30, 2015:

As at January 1, 2015	245 211
Including:	
Short – term loans	12 711
Long – term loans	232 500
Change of loan value during the six months period ended June 30, 2015:	
Loans granted (deduct agreement)	3 161
Interest accrued	5 961
Loan and interest repayment (actual receipts)	(41 073)
Loan and interest repayment (deduct agreement)	(2 540)
Exchange rate differences	368
As at June 30, 2015	211 088
Including:	
Short – term loans	16 388
Long – term loans	194 700

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Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Loans are not secured. The fair value of the loans presented above does not differ significantly from its carrying value. The balances of loans are presented in Note 11.

4 Finance Liabilities

Borrowings from related parties

Both at December 31, 2014 and June 30, 2015 Entity did not have borrowings from related parties.

Liabilities to third parties

On December 7, 2009 AmRest Holdings SE signed with RBS Bank (Polska) S.A. and Bank Pekao S.A. agreement for bonds issuance (“5years bonds”), on the basis of which was released option program for corporate bonds of AmRest, allowing to issue bonds in total maximum value of PLN 300 million, where bonds in the value of PLN 150 million were issued already. Agreement was signed for agreed period till July 9, 2015 with period extension options till repayment of all issued bonds.

On August 22, 2012 AmRest Holdings SE signed with RBS Bank (Polska) SA and Bank Pekao SA an agreement for bonds issuance (“5years bonds”), on the basis of which was released option program for corporate bonds of AmRest.

On June 18, 2013 bonds in the amount of PLN 140 million were issued under the new agreement. The issue is part of a plan to diversify financing sources of AmRest. Bonds are issued with variable interest rate 6M WIBOR increased by a margin and are due on June 30, 2018. Interest is paid on semi-annual basis (June 30 and December 30), beginning December 30 2013. Group is required to maintain certain financial ratios (net debt/EBITDA, equity/total assets, EBITDA/interest charge) at levels agreed in the Emission Terms dated June 18, 2013. There are no additional securities on the bond issue.

On September 10th 2014 AmRest made an early redemption of bonds for the total value of PLN 131,5m. At the same time, AmRest issued 14 000 bonds in the total nominal value of PLN 140m with maturity date September 10th 2019. The bonds have a variable interest rate of 6M WIBOR increased by margin. The interest is paid semi-annually (on June 30th and December 30th). Group is required to maintain certain financial ratios (net debt/EBITDA, equity/total assets, EBITDA/interest charge) at levels agreed in the Emission Terms dated September 10, 2014. There are no additional securities on the bond issue.

On December 30th AmRest made a redemption of bonds that reached maturity date on Dec 30th 2014 with the face value of PLN 18,5m. At the end of 2014 AmRest has two bond issues outstanding: PLN 140m with maturity date June 30th 2018 and PLN 140m maturing on Sept 10th 2019.

As at June 30, 2015 the payables concerning bonds issued are PLN 278.993 thousand.

Bonds were issued for the financing of Group investment activities.

The table below presents the change of bonds liabilities value during the six months period ended June 30, 2015:

As at January 1, 2015	278 775
Interest paid	(6 178)
Interest – discounted	6 396
As at June 30, 2015	278 993
Including:	
Short – term	-
Long – term	278 993

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Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

5 Trade and other receivables

As at June 30, 2015 and December 31, 2015 Company has receivables of following characteristics:

Receivables descriptions	June 30, 2015	December 31, 2014
Receivables from related party – AmRest Sp. z o.o. cash pooling	2 796	3 117
Receivables from related party – AmRest HK Limited	51	47
Receivables from related party – AmRest s.r.o.	-	19
Receivables from related party – AmRest Sp. z o.o.	501	165
Receivables from related party – AmRest LLC	269	51
Receivables from related party – OOO AmRest	-	33
Receivables from related party – SCM Sp. z o.o.	-	119
Receivables from related party – AmRest GmbH	11	-
Receivables from related party – La Tagliatella LLC	1 318	-
Receivables from related party – Frog King & Beverage	-	11
Receivables from related party employees	18	58
Tax receivables	2 508	889
Other receivables	38	469
Total of receivables as at given date	7 510	4 978

6 Trade and other payables

As at June 30, 2015 and December 31, 2014 Company has trade and other payables of following characteristics:

Payables descriptions	June 30, 2015	December 31, 2014
Liabilities to related party – AmRest Sp. z o.o.	3 552	1
Liabilities to related party – AmRest LLC	6	90
Liabilities to related party – AmRest s.r.o.	30	-
Liabilities to related party – AmRest HK Ltd.	188	526
Liabilities to related party – La Tagliatella LLC	105	217
Liabilities to third parties	211	769
Other Liabilities	366	-
Total of payables as at given date	4 455	1 603

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Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Employee share option plan 2

In April 2005, the Group implemented Employee Option Plan which is share-based, thinking of its selected employees. The whole number of shares which are attributed to the options is determined by the Management Board, however, it may not exceed 3% of all the outstanding shares. Moreover, the number of shares purchased by employees through exercising options is limited to 200 000 per annum. In accordance with the provisions of the Plan, the Group, following approval by the Management Board, is entitled to determine, apart from other issues, the employees authorized to participate in the Plan and the number of options granted and the dates for their granting. The option exercise price will be in principle equal to the market price of the Company's shares as at the date of awarding the option, and the vesting period will be 3 to 5 years. The Employee Option Plan was approved by the Company's Management Board and the General Shareholders' Meeting.

In January 2010, Supervisory Board of Group parent entity approved resolution confirming and systemizing total amount of shares for which may be issued options that will not exceed allowed 3% of shares in market.

In June 2011, Supervisory Board of Group parent entity approved and changed the previous note related to the number of shares purchased by employees through exercising options is limited to 100 000 per annum.

In November 2014, Supervisory Board of Group parent entity approved and changed wording of regulations by adding net cash settlement of option value. Change this resulted liability in value of PLN 30.570 thousands as at June 30, 2015 according to group policy.

Employee share option plan 3

In December, 2011, the Group implemented further Employee Option Plan which is share-based, thinking of its selected employees. The whole number of shares which are attributed to the options is determined by the Supervisory Board, however, it may not exceed 1 041 000 shares. In accordance with the provisions of the Plan, the Supervisory Board of Group, on request of the Management Board, is entitled to determine, apart from other issues, the employees authorized to participate in the Plan and the number of options granted and the dates for their granting. The option exercise price will be in principle equal to the market price of the Company's shares as at the date of preceding the day of awarding the option, and the vesting period will be 3 years. The option exercise price will increase by 11% each year. The Employee Option Plan was approved by the Company's Supervisory Board.

In November 14, 2014 were signed agreements with Management Board Members being part of this share option plan. This agreement provides minimal USD 6 million value of payment in case of reaching agreed financial strategic goals for years 2014-2016. Right to this payout is granted in three equal instalments after reaching goal for every year. Reaching goals for cumulative three years warrants full payout despite missing some of previous stage year goals. In case that as at December 31, 2016 closing price of AmRest shares is above PLN 142,- minimal payment is cancelled. In addition, selecting implementation options during the calculation of guaranteed payments for lost her right. If during the minimal payment vesting period any options are executed the liability is cancelled. As a consequence of this modification as at June 30, 2015 PLN 9.694 thousands of liabilities was recognized according to group policy.

The value of liabilities due to salaries and employee benefits as at June 30, 2015 and as at December 31, 2014. Are presented in the table below:

	June 30, 2015	December 31, 2014
Liability for Employee share option plan 2	30 570	19 174
Liability for Employee share option plan 3	9 694	15 765
	40 264	34 939

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

7 Equity

Share capital

As described in Note 1a, on April 27, 2005, the shares of AmRest Holdings SE commenced trading on the Warsaw Stock Exchange ("WSE") in Warsaw, Poland.

Holders of ordinary shares are authorized to receive dividend and have voting rights at the Group's General Shareholders' Meetings ("AGM") proportionate to their holdings.

As at June 30, 2015, the Company held 21 213 893 issued, fully paid-up shares. The Company's target capital is 500 000 shares. Nominal value of one share is 1 eurocent (0.01 euro).

Pursuant to the information available to the Company, as at the date of release of these Interim Condensed Separate Financial Statements, that is August 13, 2015, the following shareholders submitted information on holding directly or indirectly (through subsidiaries) 5% or more of the total vote at the General Shareholders Meeting of AmRest Holdings SE:

Shareholders	Shares amount	Share in Equity%	Shares amount at AGM	Share at AGM%
WP Holdings VII B.V. *	6 726 790	31.71%	6 726 790	31.71%
ING OFE	2 800 000	13,20%	4 000 000	13,20%
PZU PTE**	2 539 429	11,97%	3 012 786	11,97%
Aviva OFE	2 110 000	9.90%	2 110 000	9.90%

* WP Holdings B.V. as at July 23, 2015 informed about signing binding agreement which, if all conditions are satisfied or waived, will lead to indirect disposal of 6,726,790 of AmRest shares.

**PZU PTE S.A. manages assets which include the funds of OFE PZU "Złota Jesień" and DFE PZU

Other supplementary capital

Structure of the reserved capital is as follows:

	June 30, 2015	December 31, 2014
Share premium	788 755	788 755
Employees share option plan	35 641	35 641
Change of employees share option scheme	(30 684)	(34 939)
Non-refundable capital deposit without additional share issue, made by shareholders of the Entity before entry on GPW	6 191	6 191
Functional currency translation	(31 219)	(31 219)
Own shares recognition	144	144
Distribution of retained earnings	(1 940)	19 436
Net result on treasury share transaction	(9 345)	(876)
Own shares	(19 464)	(3 788)
Total supplementary capital	738 079	779 346

Retained earnings

Retained Earnings of Entity according to 16th resolution of Annual Shareholders Meeting dated June 10, 2011 includes also reserve fund in value of PLN 50,000 thousands for purchase of treasury shares only for share option redemption to every existing and future employee and managerial motivational stock option plans, including Management Board members of Group entities. In 2015 year (as it was disclosed in statement of changes in equity) were realized transaction on treasury shares for existing stock option plans amounting PLN 5 630 thousand.

8 Cash and cash equivalents

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Cash and cash equivalents as at June 30, 2015 and December 31, 2014 are presented in table below:

	June 30, 2015	December 31, 2014
Cash at bank	8 700	1963
Cash in hand	1	1
	8 701	1 964

Reconciliation of working capital changes as at June 30, 2015 and June 30, 2014 is presented in the table below:

Six months ended June 30, 2015	The balance sheet change	Exercise of options changes	Working capital change
Trade and other receivables	(913)	(42)	(955)
Trade and other payables	3 070	(2 401)	669

Six months ended June 30, 2014	The balance sheet change	Capital increase in subsidiary – liability	Working capital change
Trade and other receivables	3 212	(545)	2 667
Trade and other payables	(1 680)	227	(1 453)

The other differences in working capital change (receivables and liabilities) result from corporate income tax only.

9 Finance income and expenses

	Six months ended June 30, 2015	Six months ended June 30, 2014
Interest income	6 027	8 376
Other	6 606	-
Net exchange rate gains	838	134
Finance income, total	13 471	8 510
Interest expense	6 236	8 103
Other	163	291
Finance expenses, total	8 399	8 394

10 Income Tax

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

	Six months ended June 30, 2015	Six months ended June 30, 2014
Corporate income tax - current period	(1 379)	(10)
Corporate income tax - prior period	132	(432)
Change in deferred tax assets/liabilities	633	731
Income tax recognized in the income statement	(614)	289

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. After the offset, the following amounts are disclosed in the separate financial statements:

	June 30, 2015	December 31, 2014
Deferred tax asset to be recovered within 12 months	248	357
Deferred tax asset:	248	357

	June 30, 2015	December 31, 2014
Deferred tax liabilities to be used within 12 months	1 151	628
Deferred tax liabilities:	1 152	628

Temporary differences after the offset accounted for in the calculation of deferred tax relate to the following items:

	June 30, 2015	December 31, 2014
Intangible assets	(17)	(9)
Other financial assets	-	(383)
Other financial liabilities	(1 128)	(209)
Trade and other payables	30	39
Tax loss carried forwards	212	291
Deferred tax asset	-	-
Deferred tax liabilities	(903)	(271)

11 Related party transaction

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

As at June 30, 2015 the Group of which the Company is a parent consisted of the following subsidiaries (direct and indirect):

Company name	Seat	Parent/non-controlling undertaking	Ownership interest and total vote	Date of effective control
Holding activity				
AmRest Acquisition Subsidiary Inc.	Wilmington, USA	AmRest Holdings SE	100.00%	May 2007
AmRest TAG S.L.U	Madrid, Spain	AmRest Sp. z o. o.	100.00%	March 2011
AmRestavia S.L.U.	Madrid, Spain	AmRest TAG S.L.	100.00%	April 2011
Restauravia Grupo Empresarial S.L.	Madrid, Spain	AmRestavia S.L.U.	16.52%	April 2011
		AmRest TAG S.L.	83.48%	
AmRest HK Ltd	Hong Kong, China	AmRest Holdings SE	82.00%	September 2011
Blue Horizon Hospitality Group PTE Ltd	Singapore, China	Stubbs Asia Limited	18.00%	December 2012
		AmRest Holdings SE	62.96%	
		WT Equities	14.24%	
		BHHG	14.24%	
		MJJP	4.28%	
Bigsky Hospitality Group Ltd	Hong Kong, China	Coralie Danks	4.28%	December 2012
		Blue Horizon Hospitality Group PTE Ltd	100.00%	
		Blue Horizon Hospitality Group PTE Ltd	100.00%	
New Precision Ltd	Apia, Samoa	Blue Horizon Hospitality Group PTE Ltd	100.00%	December 2012
Horizon Group Consultants (BVI)	Road Town, Tortola, BVI	Blue Horizon Hospitality Group PTE Ltd	100.00%	December 2012
Restaurant activity				
AmRest Sp. z o. o.	Wroclaw, Poland	AmRest Holdings SE	100.00%	December 2000
AmRest s.r.o.	Prague, Czech	AmRest Holdings SE	100.00%	December 2000
AmRest Kft	Budapest, Hungary	AmRest Sp. z o. o.	100.00%	June 2006
AmRest Coffee Sp. z o. o.	Wroclaw, Poland	AmRest Sp. z o. o.	82.00%	March 2007
		Starbucks Coffee International, Inc.	18.00%	
		AmRest Holdings SE	100.00%	
AmRest EOOD	Sofia, Bulgaria	AmRest Holdings SE	100.00%	April 2007
OOO AmRest	Petersburg, Russia	AmRest Acquisition Subsidiary Inc.	0.88%	July 2007
		AmRest Sp. z o. o.	99.12%	
		AmRest Sp. z o. o.	82.00%	
AmRest Coffee s.r.o.	Prague, Czech	Starbucks Coffee International, Inc.	18.00%	August 2007
		AmRest Sp. z o. o.	82.00%	
		AmRest Sp. z o. o.	82.00%	
AmRest Kávézó Kft	Budapest, Hungary	Starbucks Coffee International, Inc.	18.00%	August 2007
		AmRest Sp. z o. o.	82.00%	
		AmRest Sp. z o. o.	82.00%	
AmRest d.o.o.	Belgrade, Serbia	AmRest Sp. z o. o.	60.00%	October 2007
		ProFood Invest GmbH	40.00%	
AmRest LLC	Wilmington, USA	AmRest Sp. z o. o.	100.00%	July 2008
Da Via, LLC	Kennesaw, USA	AmRestavia S.L.U.	100.00%	June 2013
La Tagliatella - Crown Farm, LLC	Gaithersburg, USA	AmRestavia S.L.U.	100.00%	June 2013
La Tagliatella - Seneca Meadows, LLC	Gaithersburg, USA	AmRestavia S.L.U.	100.00%	June 2013

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Company name	Seat	Parent/non-controlling undertaking	Ownership interest and total vote	Date of effective control
Restauravia Food S.L.U.	Madrid, Spain	Restauravia Grupo Empresarial S.L.	100.00%	April 2011
Pastificio Service S.L.U.	Lleida, Spain	Restauravia Grupo Empresarial S.L.	100.00%	April 2011
Pastificio Restaurantes S.L.U.	Lleida, Spain	Pastificio Service S.L.U.	100.00%	April 2011
Tagligat S.L.U.	Lleida, Spain	Pastificio Service S.L.U.	100.00%	April 2011
Pastificio S.L.U.	Lleida, Spain	Pastificio Service S.L.U.	100.00%	April 2011
AmRest Restaurant Management Co. Ltd	Shanghai, China	AmRest HK Ltd	100.00%	November 2012
AmRest Adria d.o.o.	Zagreb, Croatia	AmRest Sp. z o. o.	100.00%	October 2011
AmRest GmbH	Cologne, Germany	AmRestavia S.L.U.	100.00%	March 2012
AmRest SAS	Lyon, France	AmRestavia S.L.U.	100.00%	April 2012
La Tagliatella LLC*	Wilmington, USA	AmRestavia S.L.U.	100.00%	April 2012
AmRest Adria 2 d.o.o.	Ljubljana, Slovenia	AmRest Sp. z o. o	100.00%	August 2012
Frog King Food&Beverage Management Ltd	Shanghai, China	Bigsky Hospitality Group Ltd	100.00%	December 2012
Blue Frog Food&Beverage Management Ltd	Shanghai, China	New Precision Ltd	100.00%	December 2012
Shanghai Kabb Western Restaurant Ltd	Shanghai, China	Horizon Group Consultants (BVI) Shanghai Renzi Business Consultancy Co. Ltd	97.50% 2.50%	December 2012
La Tagliatella – The Promenade, LLC	Virginia, USA	AmRestavia S.L.U.	100.00%	October 2013
AmRest Skyline GMBH	Frankfurt, Germany	AmRestavia S.L.U.	100.00%	October 2013
Pizzarest S.L.U.	Lleida, Spain	Pastificio Service S.L.U.	100.00%	September 2014
AmRest Coffee EOOD	Sofia, Bulgaria	AmRest Sp. z o. o.	100.00%	June 2015
AmRest Coffee S.r.l.	Bucharest, Romania	AmRest Sp. z o. o.	100.00%	June 2015
Financial services for the Group				
AmRest Capital Zrt	Budapest, Hungary	AmRest Sp. z o. o.	100.00%	November 2011
AmRest Finance Zrt	Budapest, Hungary	AmRest Sp. z o. o.	100.00%	November 2011
La Tagliatella International Kft	Budapest, Hungary	AmRestavia S.L.U.	100.00%	November 2012
La Tagliatella Financing Kft	Budapest, Hungary	AmRestavia S.L.U.	100.00%	November 2012
La Tagliatella Asia Pacific Ltd	Hong Kong, China	AmRestavia S.L.U.	100.00%	November 2012
La Tagliatella SAS	Lyon, France	AmRestavia S.L.U.	100.00%	March 2014
AmRest F SVC LLC	Delaware, USA	AmRest Holdings SE	100.00%	November 2014
Supply services for restaurants operated by the Group				
SCM Sp. z o. o.	Chotomow, Poland	AmRest Sp. z o. o. Zbigniew Cylny Beata Szafarczyk-Cylny	51.00% 44.00% 5.00%	October 2008
Lack of business activity				
AmRest Ukraina t.o.w.	Kiev, Ukraine	AmRest Sp. z o. o.	100.00%	December 2005
AmRest Work Sp. z o. o.	Wroclaw, Poland	AmRest Sp. z o. o.	100.00%	March 2012

* On July 29, 2015 it was agreed to liquidate this entity.

Related party transaction

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Loans granted to related entities	June 30, 2015	December 31, 2014
AmRest Sp. z o.o.	176 611	212 000
AmRest s.r.o.	20 500	20 500
AmRest HK Ltd.	5 030	4 597
Blue Horizon Hospitality Group PTE LTD	8 947	8 114
	211 088	245 211

Trade and other receivables from related entities	June 30, 2015	December 31, 2014
AmRest LLC	269	51
OOO AmRest	-	33
AmRest s.r.o.	-	19
AmRest Sp. z o.o.	3 297	3 282
AmRest GmbH	11	-
AmRest HK Ltd.	51	47
Frog King & Beverage	-	11
SCM Sp. z o.o.	-	119
La Tagliatella LLC	1 318	-
Related parties employees	18	58
	4 964	3 620

Trade and other payables to related entities	June 30, 2015	December 31, 2014
La Tagliatella LLC	105	217
AmRest Sp. z o.o.	3 552	1
AmRest LLC	6	90
AmRest s.r.o.	30	-
AmRest HK Ltd.	188	526
	3 881	834

Other operating income - Expenses charged to related entities	Six months ended June 30, 2015	Six months ended June 30, 2014
Frog King & Beverage	10	-
AmRest Sp. z o.o.	2 828	1 601
AmRest Coffee Sp. z o.o.	-	68
AmRest s.r.o.	165	64
AmRest LLC	210	31
La Tagliatella LLC	1 279	-
AmRest GmbH	13	-
AmRest HK Limited	-	41
Restauravia Grupo Empresarial S.L.	-	286
	4 505	2 091

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

General and administrative expenses – related entities	Six months ended June 30, 2015	Six months ended June 30, 2014
AmRest Sp. z o.o.	8	21
AmRest s.r.o.	-	1
AmRest KFT	-	7
La Tagliatella LLC	1 311	-
AmRest LLC	47	73
AmRest HK Ltd.	20	-
AmRest Coffee Sp. z o.o.	-	1
	1 386	103

Financial income form related entities	Six months ended June 30, 2015	Six months ended June 30, 2014
AmRest Sp. z o.o. – interest	5 196	6 760
AmRest s.r.o. – interest	493	580
AmRest s.r.o. – dividend	6 606	-
AmRest HK Ltd. – interest	94	77
Blue Horizon Hospitality Group Pte - interest	236	82
	12 625	7 499

Transactions with the management/ Management Board, Supervisory Board

	Six months ended June 30, 2015	Six months ended June 30, 2014
Remuneration of the Management and Supervisory Boards paid by the Company's subsidiaries	3 393	2 476
Total remuneration of the Management Board and Supervisory Board	3 393	2 476

The Group's key employees also participate in an employee share option plan. The costs relating to the employee option plan in respect of management amounted to PLN 1 664 thousand and PLN 2 036 thousand respectively in the 6 month period ended June 30, 2015 and June 30, 2014.

	June 30, 2015	June 30, 2014
Number of options awarded	819 148	680 750
Number of available options	289 148	138 650
Fair value of options as at the moment of awarding	PLN 24 361 551	17 147 090

As at June 30, 2015 and as at June 30, 2014 there were no liabilities to former employees.

12 Loans and bonds liabilities and commitments and contingencies

On September 10th, 2013 a Credit Agreement („the Agreement”) between AmRest, AmRest Sp. z o.o and AmRest s.r.o. – jointly „the Borrowers” and Bank Polska Kasa Opieki S.A., Bank Zachodni WBK S.A., Rabobank Polska S.A. and ING Bank Śląski Polska S.A. – jointly „the Lenders” was signed. AmRest Poland and AmRest Czech are 100% subsidiaries of AmRest.

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements

(in PLN thousands unless stated otherwise)

Based on the Agreement the Lenders granted to the Borrowers a credit facility in the approximated amount of EUR 250 million. The facility shall be fully repaid by September 10th, 2018 and is dedicated for repayment of the obligations under the credit agreement signed October 11th, 2010 along with further annexes, financing development activities of AmRest and working capital management. The facility consists of four tranches: Tranche A, EUR 150 million, Tranche B, PLN 140 million, Tranche C, CZK 400 million and Tranche D granted as a revolving credit facility, PLN 200 million. All Borrowers bear joint liability for any obligations resulting from the Agreement. Additionally, the following members of the group are guarantors of the facility: OOO AmRest, AmRest TAG S.L., AmRestavia S.L., Restauravia Grupo Empresarial S.L., Restauravia Food S.L.U., Pastificio Service S.L.U, AmRest Finance Zrt and AmRest Capital Zrt.

The loan is provided at a variable interest rate. AmRest is required to maintain liquidity ratios (net debt/EBITDA, equity/total assets, EBITDA/interest) at agreed levels. In particular net debt/EBITDA ratio is to be held at below 3.5 level and AmRest is required not to distribute dividend payments if the mentioned ratio exceeds 3.0.

The effective interest rates are similar to the market rates for specific borrowings. Therefore, the fair value of the liabilities presented above does not differ significantly from their carrying amounts.

The status of the guarantees offered by the Entity as at June 30, 2015 are as follows:

	Guarantee site	Guarantee mechanism	Maximum amount
Warranty of the lease restaurant in USA	AmRest Holdings SE warrants AmRest LLC to GLL Perimeter Place, L.P.	Rent payment due, future charges to the end of the contract, incurred cost and accrued interest	According to the guarantee mechanism
Warranty of the lease restaurant in Germany	AmRest Holdings SE warrants AmRest GmbH to Berliner Immobilien Gesellschaft GbR	Rent payment due, future charges to the end of the contract, incurred cost and accrued interest	According to the guarantee mechanism

13 Financial instruments

The Company is exposed to a variety of financial risks: market risk (including currency and interest rate risk) and - to a limited extent - credit risk. The risk management program implemented by the Company is based on the assumption of the unpredictability of the financial markets and is used to maximally limit the impact of negative factors on the Company's financial results.

Risk management is carried out based on procedures approved by the Management Board.

Credit risk

Financial instruments that are exposed to the credit risk include cash and cash equivalents, receivables and loans. The Company invests cash and cash equivalents in highly reliable financial institutions. There is no significant concentration of credit risk in respect of trade and other receivables due to their level as at balance sheet date. As at June 30, 2014 maximum amount exposed to credit risk was PLN 269 156 thousand and consist of the intercompany receivables from loan granted to related party (Note 3). The Company did not recognize impairment of assets listed above as well as not did create any write-offs.

Interest rate risk

The loan granted to the subsidiary (Note 3) was based on a floating interest rate. As at June 31, 2014, the Company did not hedge against changes in cash flows resulting from interest rate fluctuations which have an impact on the results. The fair value of that instruments, does not differ significantly from its carrying value.

Foreign currency risk

The Company is exposed to the foreign currency risk mainly due to the receivables and payables valuation denominated in currencies other than functional currency of the Company. The exposure to foreign currency cash flow risk is not hedged as there is no impact on cash flows.

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Liquidity risk

The Company does not provide any operating activities except of holding activity, which results in no need of constant access to the financing and control over timely liability payments. For the purpose of financing of investment activities of the Group, the Company issued bonds (Note 4) for the amount of PLN 290 million (nominal value). Details of this bonds is presented in Note 4.

Capital risk

The Entity manages capital risk to protect its ability to continue in operation, so as to enable it to realize returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce its cost.

The Entity monitors capital using the gearing ratio. The ratio is calculated as net debt to the value of capital involved. Net debt is calculated as the sum of borrowings (comprising loans and advances, and finance lease liabilities) net of cash and cash equivalents.

The gearing ratios at June 30, 2015 and December 31, 2014 were as follows:

	June 30, 2015	December 31, 2014
Bonds obligations and other liabilities	324 615	315 588
Less: cash and cash equivalent	(8 701)	(1 964)
Net debt	315 914	313 624
Total equity	803 330	811 172
Capital involved	1 119 244	1 124 796
	29%	28%

Recent volatility in global and country financial markets

Management is unable to reliably estimate the effects on the Company's financial position of any further deterioration in the liquidity of the financial markets and the increased volatility in the currency and equity markets. Management believes it is taking all the necessary measures to support the sustainability and growth of the Group's business in the current circumstances.

14 Earnings per share

The basic and diluted earnings per ordinary share for the six months period of 2015 and 2014 was calculated as follows:

	Six months ended June 30, 2015	Six months ended June 30, 2014
Profit/(loss) for the period	9 273	925
Weighted average number of ordinary shares in issue	21 213 893	21 213 893
Impact of share options awarded in 2005	-	11 122
Impact of share options awarded in 2006	-	8 894
Impact of share options awarded in 2007	-	-
Impact of share options awarded in 2008	-	3 028
Impact of share options awarded in 2009	-	28 593
Impact of share options awarded in 2010	-	16 786
Impact of share options awarded in 2011	-	117 864

AmRest Holdings SE

Notes to the Interim Condensed Separate Financial Statements (in PLN thousands unless stated otherwise)

Impact of share options awarded in 2012	-	9 000
Impact of share options awarded in 2013	-	-
Impact of share options awarded in 2014	-	-
Impact of share options awarded in 2015	-	-
Weighted average number of ordinary shares in issue	21 213 893	21 409 180
Profit/(loss) per ordinary share		
Basic earnings per ordinary share	0,04	0,04
Diluted earnings per ordinary share	0,04	0,04

15 Collateral on borrowings

The loans incurred by the Company do not account for collateral set up on fixed assets and other assets owned by the Company. The Borrowers (AmRest Holding SE, AmRest Sp. z o.o. and AmRest s.r.o.) are jointly and severally responsible for paying the liabilities resulting from credit agreements. Additionally, Group companies – OOO AmRest, AmRest TAG S.L.U., AmRestavia S.L.U., Restauravia Grupo Empresarial S.L., Restauravia Food S.L.U., Pastificio Service S.L.U., AmRest Finance Zrt and AmRest Capital Zrt – granted guarantees to the financing banks. These companies guarantee that the Borrowers will discharge their obligations following from the credit agreement until the loan is repaid, i.e. September 10th, 2018.

16 Events after the balance sheet date

WP Holdings VII B.V. informs on July 23rd, 2015 about entering into a binding agreement that, if all conditions are satisfied or waived, will lead to indirect disposal of 6,726,790 of AmRest shares.

On July 29th, 2015 a resolution dissolving TAG USA was adopted.

On August 12th, 2015 Extraordinary Shareholders Meeting adopted resolutions:

- to revoke Mr. Per Steen Breimyr and Mr. Peter A. Bassi from Supervisory Board of the Company
- to appoint Mrs. Zofia Dzik and Mr. Krzysztof A. Rozen as a members of the Company's Supervisory Board.

On August 12th, 2015 Company has received from Mr. Amr Kromfol and Mr. Joseph P. Landy resignation letters from Supervisory Board of the Company, conditional upon and with effect as of the moment when Warburg Pincus Group will cease to hold directly or indirectly any shares of AmRest Holdings SE.

On August 12th, 2015 Company has received notice from WP Holdings B.V. requesting Management Board to call Extraordinary Shareholders Meeting for 7th September 2015, with proposed key agenda point on changes in Supervisory Board.