



AmRest 2016 Financial Results

Strengthening leadership position

Wrocław, Poland, Mar 16th 2017, AmRest (WSE: EAT), the largest publicly listed restaurant group in CE, today reports 2016 financial results.

Key highlights:

- 146 new stores opened in 2016, total number of restaurants as of Mar 16th, 2017 at 1 194,
- Total revenues increased by 26% to PLN 4 207m (€ 964m),
- EBITDA increased by 27% to PLN 556m (€ 127m),
- EBITDA margin at 13.2%,
- Net profit at PLN 191m^[2] (€ 44m),
- Net debt/EBITDA at 1.81.

Wojciech Mroczyński, Member of Management Board of AmRest, commented:

'It is a great pleasure for us to conclude another successful year in AmRest history. Similar to previous periods, we delivered on 20%+ EBITDA growth promise, which is in line with our 'AmRest 2.0' vision. In the meantime, we accelerated our topline growth. The revenues of AmRest Group increased by 26% in 2016 to PLN 4 207m. Our growth was supported by maintained strong LFL trends across the board, record-high number of new openings and successful acquisitions in Germany.

Continuous and predictable financial improvement has been the main feature of AmRest for the past few years. Positive consumer's trends on most of our markets, further growth of scale and operating excellence contributed to our breakthrough results. EBITDA for 2016 reached all-time high of PLN 556m (+27% vs 2015), while EBITDA margin amounted to 13.2%. it is worth mentioning that the margin improvement was observed across all our major markets.

In 2016 AmRest focused on strengthening leadership position in CE and Spain. In total, 119 new restaurants were opened in these two regions (vs 76 year ago). EBITDA growth was also spectacular (+17% and +23% respectively). Going forward, we will continue our scale expansion and profitability improvement in these markets. Positive news also came from Russia and China. In 2016 we observed signs of stabilization of macro environment and stable growth of our business. Positive LFL trends and strengthened margins (EBITDA margin +0.9pp vs 2015) encourage us to increase scale of investment in Russia. We also significantly

^[2] Attributable to AmRest's shareholders



improved operating results of Blue Frog in China. Successful opening of 8 new restaurants along with doubled profitability (EBITDA grew from PLN 8m to PLN 15m) confirm our belief in the uniqueness of Blue Frog brand.

Breakthrough results achieved in 2016 proves that our leadership position brings growth opportunities. Opening 146 new restaurants not only shows a great momentum of AmRest but also makes us top restaurant developer in Europe. Successful roll-out of a new fast casual format of Pizza Hut Express and our commitment to grow Pizza Hut Delivery business has resulted in signing a Master Franchise Agreement with Yum! to develop these two formats in CE. It is an important growth milestone for us and we would like this agreement to be extended to other markets in Europe.

On M&A side, last year brought two important acquisitions in Germany (Starbucks chain and part of KFC business). Adding 159 locations in Germany made this one of our key markets. Looking at the growth opportunities in this country, we believe these two additions will support our value growth in the future.

Starbucks acquisition in Germany adds up to our long-term strategy of strengthening the position of this brand in AmRest portfolio. After successful launch of Starbucks in Czech Republic, Poland and Hungary, in 2015 bought a highly profitable and prospective business in Romania and Bulgaria. A year later we opened two stores in Slovakia. Significant profitability improvement of Starbucks reflects achieved benefits of scale. We see a similar roll-up potential for KFC and Pizza Hut across Europe as already evidenced by our acquisitions of KFC Germany and Pizza Hut France.

Looking ahead, AmRest will continue strengthening its leadership position in Europe through accelerated organic growth and potential M&A opportunities that could enhance current portfolio of brands. Additionally, we will invest in digital platforms and mobile applications, enhancing communication and relationship with our clients.'

Further information

The full 2016 results can be found on www.amrest.eu

The teleconference with investors will be held on Mar 17th, 2017 at 2:30pm CET, to attend the conference and for any other enquiries please contact:

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