



AmRest Q3 2015 Financial Results

Continuous profitability improvement

Wrocław, Poland, Nov 6th 2015, AmRest (WSE: EAT), the largest publicly listed restaurant group in CE, today reports financial results for the third quarter of 2015.

Key highlights:

- 22 new stores opened in Q3 2015, total number of restaurants as of Nov 6th, 2015 amounted to 880,
- Total revenues increased by 12.5% to PLN 861m (€ 207m),
- Adjusted EBITDA increased by 20% to PLN 130m^[1] (€ 31m),
- EBITDA increased by 23% to PLN 123m (€ 30m),
- Adjusted EBITDA margin at 15.1%, EBITDA margin at 14.3%,
- Net profit increased to PLN 65m^[2] (€ 16m),
- Net debt/EBITDA at 2.03.

Henry McGovern, founder of AmRest and Member of the Supervisory Board, commented:

'I am happy to see AmRest continued growth. The unique platform of seven exceptional world-class brands that we have built over last 22 years is a source of outstanding results we achieve every quarter.

Thanks to positive sales trends across all the markets we operate and our continuous work on margin enhancement we can celebrate record profitability reported in Q3 2015. Our revenues increased by 13% to PLN 861m and EBITDA for the quarter amounted to PLN 123m, representing a 23% growth over a year. EBITDA margin increased by 1.2pp to 14.3%. We also managed to double our net profit compared to last year (PLN 65m in Q3 2015).

Tailwind of favorable macro trends, dynamically growing scale and our focus on developing mature brands and markets of Western, Central and Eastern Europe bode exceptionally well for the future of our business.

In Q3 positive news kept flowing from all of the markets of AmRest operation. Solid LFL trends, great performance of new openings combined with effective cost management resulted in profitability improvement in all of our divisions. That was particularly visible in our biggest markets of Spain and Central Europe, where savings in cost of food, strong negotiations with suppliers and economies of scale in the area of overheads and preopening costs enhanced our bottom line. Additionally, our recent acquisition of Starbucks chain in

^[1] EBITDA adjusted by costs of new stores openings, costs of mergers and acquisitions, corrections in indirect taxes and the effect of SOP exercise method modification (difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan).

^[2] Attributable to AmRest's shareholders



Romania and Bulgaria positively contributed to the profitability of CE division and helped achieve 15% EBITDA margin. Purchase of highly profitable business was an important milestone in building scale and brand awareness and strengthened the presence of this brand in CE region. We expect this transaction to bring further tangible results in the future.

“Operational excellence”, being one of AmRest Core Values, is the best description of the result achieved by our Russian division. Despite challenging environment, Q3 2015 was another period of further margin improvement. EBITDA margin increased by 0.2pp to 9.7%. Effective price negotiations and cost saving initiatives supported by continued double-digit LFL growth were the key drivers of such success.

New Markets reported positive EBITDA profit for the second consecutive quarter. Successful introduction of La Tagliatella to the French market as well as further development of Blue Frog and Kabb brands in China will be the main source of value creation in New Markets.

I am convinced that the strong business foundation we have built so far will help us achieve breakthrough results in the near future.’

Outlook

Having three strong quarters behind, Management of AmRest is optimistic regarding the future. Based on the favorable macro forecast, positive LFL trends and maintained cost discipline the business is expected to increase the profitability in double-digit pace and continue enhancement of margins.

As it was previously communicated in AmRest 2.0 investment strategy, development of the AmRest will be primarily focused on strengthening the leadership position in the restaurant markets of Western and Central Europe. Strong balance sheet position together with operating cash flow generation will allow for faster growth of the business through increased number of openings and potential acquisitions in the region.

Further information

Full Q3 2015 results can be found on www.amrest.eu

The teleconference with investors will be held on Nov 6th, 2015 at 2:30pm CET, to attend the conference and for any other enquiries please contact:

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