

AmRest Holdings SE
Management Board

H1 2010
Teleconference with Investors

25 August 2010



Teleconference Details

- **AmRest H1 2010 results** are included in **H1 2010 Financial Report** which is available to download from Investor Relations section at: <http://www.amrest.eu>
- The recording of this TeleConference will be available at our website within 24 hours
- The AmRest participants:
 - Henry McGovern, Chairman of the Supervisory Board
 - Piotr Boliński, Management Board Member, Finance Director
 - Wojciech Mroczyński, Management Board Member, Chief People Officer
 - Maciej Mausch, IR Manager

Scope

Achieve market dominance* through acquisitions & operating scalable (\$50+ m in annual sales), highly profitable (20%+IRR) branded QSR & CD restaurants concepts

Our unique value proposition

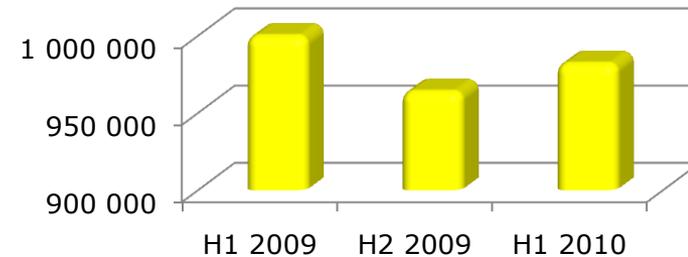
Through our „WJM“ culture we will deliver craveable taste and exceptional service at affordable prices.

*Dominance defined as clear sales leader in the country

- Consolidated EBITDA margin growth, resulting from improved cost efficiency in US and Russia; Poland still the leader - EBITDA margin 14.4%
- AmRest's total top line amounted to PLN 982.1 m in H1 2010. Sales were flat compared to H1 2009 excluding the currency effect
- Russia and US emerging from the crisis first and are showing strength. Core markets (Poland and Czech) continue to show overall consumer spending weakness
- Cash generation still strong. Further improvement of the balance sheet due to the share issue (Net Debt/EBITDA at 0.5)
- Around 50 restaurants in total will be opened in 2010. Strong focus on opening 100 new restaurants in 2011

- **Consolidated sales flat** (excluding currency effect)
- **European sales growth 1.1%** in local currencies
- **Russian SSS continues double digit growth.** The total Russian sales decline results from the company achieving closure of legacy money losing stores
- **US sales dynamics improved significantly** - nearly flat in Q2 in USD terms

**Sales
H1 2009 - H1 2010**



Sales Dynamic 2010

		Europe	USA	Group
Q1	Local currency	2.3%	-3.1%	0.1%
	PLN	0.2%	-18.8%	-7.8%
Q2	Local currency	-0.0%	-0.7%	-0.4%
	PLN	-1.5%	-4.2%	-2.5%
YTD	Local currency	1.1%	-1.9%	-0.2%
	PLN	-0.7%	-11.9%	-5.2%

Quick Service Restaurants



Casual Dining



AGREEMENT TYPE

FRANCHISE

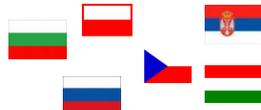
FRANCHISE

PARTNERSHIP

FRANCHISE

FRANCHISE

AMREST OPERATES IN...



No. OF AMREST RESTAURANTS

228

23

17

72

103

No. OF RESTAURANTS WORLDWIDE

13 000

11 200

14 000

12 300

2 000

- Total of **443** restaurants
- During 1H 2010 AmRest opened **15 new** restaurants, most of them in Poland
- The first Starbucks store in Hungary opened
- **Around 50 restaurants in total**, will be opened by year end and **10** contracted for Q1 2011

Financial Highlights – H1 2010

- Consolidated EBITDA at PLN 88.9 m –margin improved compared to last year by 20 basis points to 9.1% (from 8.9% in H1 2009)
 - improvements across majority of operating costs categories continued in 2Q
 - Russian business continues strong almost doubling the margin, US profit contribution also increased
 - softness of Polish and Czech markets impacts operating results of QSR brands
 - admin and non-customer costs further leveraged – G&A at PLN 51.6 m (down from PLN 55.4 m last year)
 - store portfolio further monitored (loss on the disposal of assets of PLN 2.4 m. related to store closures and disposal of freshpoint realized in 2Q)
- Consolidated net profit at PLN 23.9 m – margin flat compared to 2009
- Improved balance sheet structure with net debt reduced to PLN 86.8 m
 - capital infusion of PLN 307 m related to share issuance
 - target long-term leverage ratios remain at pre-issuance level – bank debt refinancing progresses as scheduled (planned completion in Q4 2010)
 - focus on eliminating FX volatility from consolidated results – hedging strategies deployed



Profit & Loss Statement H1 2010 vs. H1 2009

Thousand PLN	H1 2010		H1 2009	
Restaurant sales	982 122		1 035 493	
Restaurant expenses:				
Cost of food	-310 765	-31.6%	-330 339	-31.9%
Direct marketing expenses	-45 862	-4.7%	-46 785	-4.5%
Direct depreciation and amortization expenses	-45 135	-4.6%	-40 129	-3.9%
Payroll and employee benefits	-253 793	-25.8%	-267 828	-25.9%
Continuing franchise fees	-51 897	-5.3%	-54 379	-5.3%
Occupancy and other operating expenses	-187 460	-19.1%	-199 397	-19.3%
Total restaurant expenses	-894 912	-91.1%	-938 857	-90.7%
Gross profit on sales	87 210	8.9%	96 636	9.3%
General and administrative (G&A) expenses	-51 620	-5.3%	-55 431	-5.4%
Depreciation and amortization expense (G&A)	-4 525	-0.5%	-4 038	-0.4%
Other operating income/(expense). net	10 580	1.1%	11 451	1.1%
Gain/(loss) on the disposal of fixed assets	-2 443	-0.2%	-969	-0.1%
Impairment gain/(losses)	-1 065	-0.1%	-6 165	-0.6%
EBIT	38 137	3.9%	41 484	4.0%
EBITDA	88 862	9.1%	91 816	8.9%
Financing costs	-18 907	-1.9%	-17 683	-1.7%
Financing income	12 205	1.2%	16 213	1.6%
Share of profit of associates	18	0.0%	24	0.0%
Loss on sell of associates				-0.3%
Impairment of shares in associate	-	0.0%	-2 608	0.0%
Net profit before tax	31 453	3.2%	37 430	3.6%
Income tax expense	-6 547	-0.7%	-6 080	-0.6%
Profit/Loss from continued operations	24 906	2.5%	31 350	3.0%
Profit/Loss from discontinued operations	-1 004	-0.1%	-5 034	-0.5%
Net profit Attributable to:	23 902	2.4%	26 316	2.5%
Minority interests	-43	0.0%	854	0.1%
Shareholders of the parent	23 945	2.4%	25 462	2.5%
Net profit for the period	23 902	2.4%	26 316	2.5%



Financial Highlights by Segment

Thousand PLN	H1 2010	sales revenues share	margin (% of sales)	H1 2009	sales revenues share	margin (% of sales)
Sales	982 122			1 035 493		
Poland	366 724	37.3%		356 159	34.4%	
Czech	129 401	13.2%		140 435	13.6%	
Russia	84 907	8.6%		86 908	8.4%	
Other	36 902	3.8%		38 635	3.7%	
Total Europe	617 934	62.9%		622 137	60.1%	
US	364 188	37.1%		413 356	39.9%	
EBITDA	88 862		9.1%	91 816		8.9%
Poland	52 710		14.4%	54 754		15.4%
Czech	12 511		9.7%	15 842		11.3%
Russia	11 271		13.3%	6 596		7.6%
Other	(1 439)		-3.9%	(1 667)		-4.3%
Total Europe	70 803		11.5%	75 525		12.1%
US	18 059		5.0%	16 898		4.1%
EBIT	38 137		3.9%	41 484		4.0%
Poland	31 595		8.6%	37 380		10.5%
Czech	(37)		0.0%	1 776		1.3%
Russia	6 567		7.7%	1 626		1.9%
Other	(4 691)		-12.7%	(5 208)		-13.5%
Total Europe	33 434		5.4%	35 574		5.7%
US	8 808		2.4%	6 521		1.6%
Net Profit	23 902		2.4%	26 316		2.5%

Key Figures H1 2010 vs. H1 2009

Thousand PLN	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	H1 2009	H1 2010	TTM***
Sales	513 834	481 498	482 446	481 206	500 916	1 035 493	982 122	1 946 066
<i>Sales growth *</i>	105.7%	12.2%	-0.1%	-7.8%	-2.5%	104.0%	-5.2%	-
<i>Gross Profit (%)</i>	9.0%	9.1%	9.2%	10.1%	7.7%	9.3%	8.9%	9.0%
EBITDA	42 332	46 069	38 863	48 721	40 141	91 816	88 862	173 794
<i>EBITDA (%)</i>	8.2%	9.6%	8.1%	10.1%	8.0%	8.9%	9.1%	8.9%
EBIT	15 279	26 236	12 103	24 877	13 260	41 484	38 137	76 476
<i>EBIT (%)</i>	3.0%	5.4%	2.5%	5.2%	2.6%	4.0%	3.9%	3.9%
Net income	15 145	10 797	1 608	11 733	12 169	26 316	23 902	36 307
<i>Net income (%)</i>	2.9%	2.2%	0.3%	2.4%	2.4%	2.5%	2.4%	1.9%
Net debt	456 888	377 803	377 878	382 332	86 767	456 888	86 767	-
<i>Net debt/EBITDA**</i>	2.5	2.1	2.1	2.1	0.5	2.5	0.5	-

* the growth vs. corresponding period in the previous year

** 12-months trailing EBITDA

***trailing 12 months

Seasonality of sales:

The seasonality of sales and inventories of the AmRest Group is not significant which is typical of the whole restaurant industry. On Central and East European markets, restaurants have lower sales in the first half of the year which is mainly the result of a smaller number of days of sale in February and lower number of customers in the restaurants. The United States market is characterized by stronger first half versus second half sales performance. After a period of lower sales in the summer months and a slight revival related to the Christmas season, the first half of the year is a period of increased activity in connection with the use of holiday vouchers, promotional coupons and a high number of holidays.

Questions