AMREST HOLDINGS SE CAPITAL GROUP

Q3 2016 QUARTERLY REPORT

WROCLAW, NOVEMBER 7th, 2016

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A. Q3 2016 Financial Report Additional Information

1. Selected financial information

Selected financial data, including key items of the interim consolidated financial statements as at and for the 9-month period ended on September 30th:

	9 months 2016 in thousands of PLN	9 months 2015 in thousands of PLN	9 months 2016 in thousands EUR	9 months 2015 in thousands EUR
Restaurant sales	2 992 845	2 420 866	686 774	582 294
Operating profit	200 865	156 847	46 093	37 727
Profit before tax	168 015	126 741	38 555	30 485
Net profit	139 953	118 655	32 115	28 540
Net profit attributable to non-controlling interests	1 483	516	340	124
Net profit attributable to equity holders of the parent	138 470	118 139	31 775	28 416
Cash flows from operating activities	304 693	251 523	69 919	60 498
Cash flows from investing activities	(400 334)	(220 043)	(91 865)	(52 925)
Cash flows from financing activities	92 326	(25 632)	21 186	(6 165)
Total cash flows, net	(3 315)	5 848	(761)	1 408
Total assets	3 165 758	2 727 441	734 174	643 477
Total liabilities and provisions	1 868 688	1 645 708	433 369	388 267
Long-term liabilities	1 172 765	1 205 095	271 977	284 314
Short-term liabilities	695 923	440 613	161 392	103 952
Equity attributable to shareholders of the parent	1 221 899	1 014 589	283 372	239 369
Non-controlling interests	75 171	67 144	17 433	15 841
Total equity	1 297 070	1 081 733	300 805	255 210
Share capital	714	714	166	168
Average weighted number of ordinary shares in issue	21 213 893	21 213 893	21 213 893	21 213 893
Average weighted number of ordinary shares for diluted earnings per shares	21 213 893	21 213 893	21 213 893	21 213 893
Basic earnings per share (PLN /EUR)	6.53	5.57	1.50	1.34
Diluted earnings per share (PLN /EUR)	6.53	5.57	1.50	1.34
Declared or paid dividend per share*	-	-	-	-

* In 2016 and 2015 no dividends were paid. In 2016 Group paid dividends for non-controlling shareholder of SCM Sp. z o.o.in the amount of PLN 1 078 thousand (in comparable period of 2015 PLN 980 thousand). Additionally, only in 2015, SCM s.r.o. dividend in the amount of PLN 158 thousand was paid.

Assets and liabilities are translated into the Polish zloty at exchange rates quoted for the balance sheet date by the National Bank of Poland. Income and expenses are translated at exchange rates approximated to the rates quoted for the date of a given transaction.
The above selected financial data were translated into the euro in accordance with the following policies:

- Assets and liabilities – at mid exchange rates quoted by the National Bank of Poland for a given balance-sheet date;
- Items in the income statement – at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month in a given calendar quarter.

2. The Company has not published any forecasts of financial results.

3. Other information important for the assessment of the Company's personnel, economic and financial position as well as its financial result:

a) Significant personnel changes since last periodical report

Since the publication of the last semiannual consolidated report for the first half of 2016 (August 12th, 2016), there were no changes in the composition of the Management Board or Supervisory Board.

b) The Company's performance

Sales

The revenues of AmRest Group in Q3 2016 reached PLN 1 158m vs PLN 861m year ago (increase of 34.4%). Such a significant growth resulted primarily from continued positive LFL trends across the Group, accelerated pace of new openings and acquisition of 144 Starbucks locations in Germany in May 2016. The revenues adjusted for mentioned acquisition grew by 16.8% compared to Q3 2015. Year to date sales in 2016 amounted to PLN 2 993m which represented a 23.6% increase vs last year.

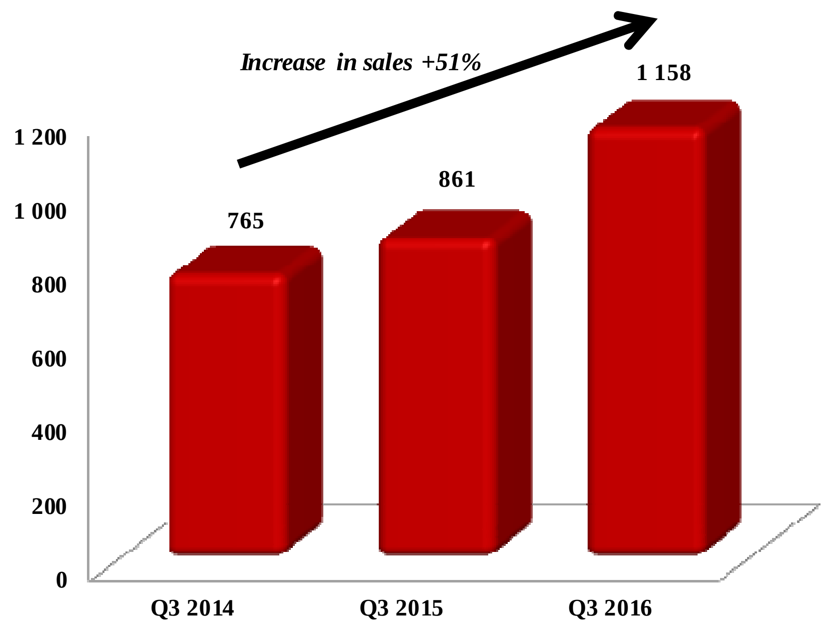
It is particularly important that double-digit sales growth was observed in all major markets of AmRest's operations. Central and Eastern Europe ("CE") noted 15.5% growth of revenues on the back of solid single-digit LFL trends in Poland and double-digit LFL growth in the Czech Republic, Hungary and Romania. Development pace also accelerated. Within last 12 months AmRest added 54 restaurants in CE, which increased total balance of restaurants in the region to 567 at the end of Q3 2016.

Revenues of Russian division grew by 27.5% in Q3 2016. For the first time since crisis a positive F/X impact on sales was observed (revenues in RUB grew by 26.9%). Double-digit LFL growth continued. The number of new openings was also significant (17 new locations opened in the last 12 months).

Revenues of Western Europe doubled over the year and amounted to PLN 376m. Such growth was a result of consolidation of Starbucks Germany revenues as well as continued solid performance of La Tagliatella in Spain (sales in Spain grew by 18.6% in Q3 2016 compared to previous year). Additionally, AmRest opened 31 new restaurants in Spain within the last 12 months.

Chinese market noted a 5.2% increase in revenues, which was driven by Blue Frog chain expansion. At the end of Q3 2016 AmRest operated 34 restaurants in China (+7 vs year ago).

Chart 1 AmRest Group's sales in Q3 2016 compared to previous years (in PLN million)



Profitability

Third quarter of 2016 witnessed record-high results of AmRest Group. EBITDA in Q3 2016 amounted to PLN 161m and was the highest in Company's history. This also represented a 30.4% growth over the year. Profitability improvement was visible in all major markets and brands of AmRest operations. Breakthrough results were achieved thanks to solid top line growth, further expansion in scale (acquisition of Starbucks Germany, introduction of Starbucks brand to Slovakia, accelerated development pace) as well as constants focus on margins enhancement. In Q3 2016 AmRest results were supported by favorable developments in commodity markets, further economies of scale in supply chain management and implementation of well-thought promo offers in particular brands. 1.2pp savings in cost of sales partially off-set the pressure on labor cost. Additional improvement came from relatively lower G&A expenses. EBITDA margin in Q3 2016 reached 13.9%. 0.4pp margin deterioration resulted mainly from consolidation of acquired German business. Going forward, a significant profitability improvement in Germany is expected.

In CE EBITDA amounted to PLN 91m in Q3 2016 and was PLN 16m higher than year ago (22% growth). The margin increased by 0.8pp and reached historically high level of 15.6%. In addition to abovementioned savings in cost of sales, division's results were supported by relatively lower maintenance expenses and leases. Consistent performance improvement has been observed in most of the brands and markets in CE. AmRest's main brand in portfolio – KFC – continued stable growth of profitability, while Starbucks for another time reached historically high EBITDA margin (in the Czech Republic and Romania by far exceeding 20%). Introduction of Starbucks to Slovakia was also greeted as great success and after first couple of months the market is already EBITDA positive.

Western Europe generated PLN 53m EBITDA in Q3 2016, however the margin has been diluted to 14% (20% in Q3 2015) as a result of consolidation of Starbucks Germany results. Meanwhile, the Spanish business again delivered solid results for the quarter. Based on the strong LFL trends, further expansion of La Tagliatella chain and focus on cost effectiveness, Q3 2016 EBITDA in Spain grew by 24.9% vs LY and margin increased to 22.8%.

The Company continued its efforts to enhance margins in Russia, despite challenging economic environment. The long-awaited improvement was visible in Q3 2016 as EBITDA margin of Russian business reached 12.6%. EBITDA grew by 66.9% compared to Q3 2015 on the back of successful negotiations with suppliers and landlords and discipline in labor cost management, additionally supported by double-digit LFL growth.

Growing scale of Chinese business combined with effective cost management translated into significantly better profitability in Q3 2016. AmRest Group continued strengthening restaurant portfolio and worked on implementation of management systems and tools that has been developed and proven in its CE business. As a result, the share of cost of sales, labor cost and G&A in sales was reduced. Additional positive impact came from favorable VAT changes. EBITDA for the quarter more than doubled compared to Q3 2015 and margin grew to 11% (vs 4.6% year ago).

Operating profit of the Group grew by 33.9% in Q3 2016 EBIT and reached PLN 91m (EBIT margin stayed at LY level of 7.9%). Net profit attributable to equity holders of the parent for the quarter amounted to PLN 62m and was PLN 3m lower than year ago (decrease resulted from US market's tax losses settlement in Q3 2015). Net debt at the end of Q3 2016 equaled PLN 939m while leverage was at 1.83.

Chart 2 AmRest Group's EBITDA in Q3 2016 compared to previous years (in PLN million)

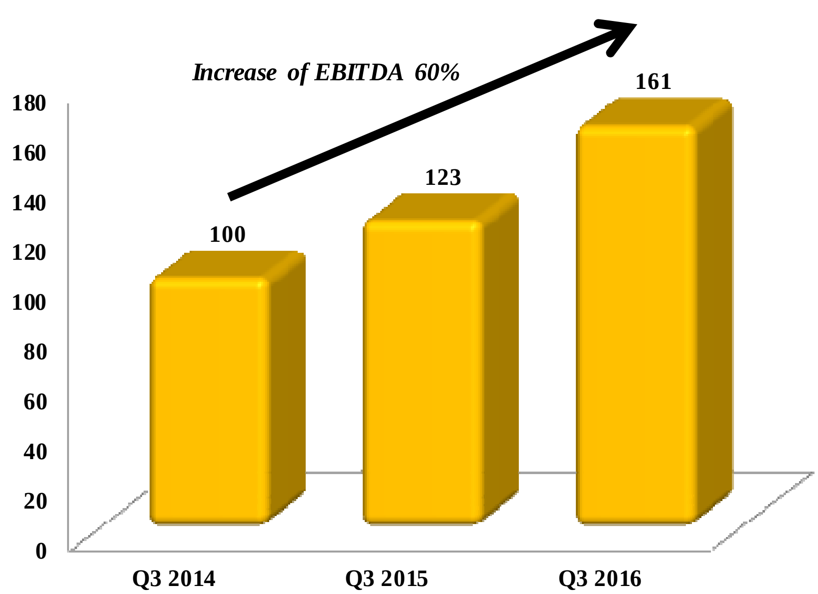


Table 1 Divisional split of revenues and EBITDA in the third quarter 2016 and 2015

PLN '000	Q3 2016			Q3 2015		
		Share	*Margin*		*Share*	*Margin*
Sales	**1 157 569**			**861 191**		
Poland	*373 248*	*32.2%*		*332 678*	*38.6%*	
Czech Republic	*123 819*	*10.7%*		*106 216*	*12.3%*	
Hungary	*54 985*	*4.8%*		*41 421*	*4.8%*	
Other CE	*34 176*	*3.0%*		*27 175*	*3.2%*	
Total CE	586 228	*50.6%*		507 490	*58.9%*	
Russia	125 207	*10.8%*		98 223	*11.4%*	
Spain	216 103	*18.7%*		182 171	*21.2%*	
Germany	155 266	*13.4%*		2 999	*0.3%*	
Other Western Europe	4 442	*0.4%*		5 168	*0.6%*	
Western Europe	375 811	*32.5%*		190 338	*22.1%*	
China	58 736	*5.1%*		55 837	*6.5%*	
Unallocated	11 587	*1.0%*		9 303	*1.1%*	
EBITDA	**160 567**		13.9%	**123 134**		14.3%
Poland	*52 246*		*14.0%*	*45 425*		*13.7%*
Czech Republic	*24 787*		*20.0%*	*18 791*		*17.7%*
Hungary	*7 809*		*14.2%*	*6 166*		*14.9%*
Other CE	*6 417*		*18.8%*	*4 411*		*16.2%*
Total CE	91 259		*15.6%*	74 793		*14.7%*
Russia	15 825		*12.6%*	9 482		*9.7%*
Spain	49 198		*22.8%*	39 395		*21.6%*
Germany	4 597		*3.0%*	(1 322)		-
Other Western Europe	(1 141)		-	(46)		-
Western Europe	52 654		*14.0%*	38 027		*20.0%*
China	6 481		*11.0%*	2 562		*4.6%*
Unallocated	(5 652)		-	(1 730)		-
Adjusted EBITDA*	**166 605**		14.4%	**129 725**		15.1%
Poland	*53 822*		*14.4%*	*46 891*		*14.1%*
Czech Republic	*25 170*		*20.3%*	*18 939*		*17.8%*
Hungary	*8 767*		*15.9%*	*6 515*		*15.7%*
Other CE	*7 053*		*20.6%*	*4 640*		*17.1%*
Total CE	94 812		*16.2%*	76 985		*15.2%*
Russia	16 306		*13.0%*	13 045		*13.3%*
Spain	50 759		*23.5%*	39 770		*21.8%*
Germany	4 599		*3.0%*	(1 322)		-
Other Western Europe	(1 141)		-	(44)		-
Western Europe	54 217		*14.4%*	38 404		*20.2%*
China	6 922		*11.8%*	3 021		*5.4%*
Unallocated	(5 652)		-	(1 730)		-
EBIT	**90 924**		7.9%	**67 921**		7.9%
Poland	*29 844*		*8.0%*	*24 906*		*7.5%*
Czech Republic	*17 470*		*14.1%*	*11 760*		*11.1%*
Hungary	*4 184*		*7.6%*	*3 573*		*8.6%*
Other CE	*2 808*		*8.2%*	*2 473*		*9.1%*
Total CE	54 306		*9.3%*	42 712		*8.4%*
Russia	8 192		*6.5%*	2 891		*2.9%*
Spain	36 745		*17.0%*	28 746		*15.8%*
Germany	(2 953)		-	(1 527)		-
Other Western Europe	(1 703)		-	(587)		-
Western Europe	32 089		*8.5%*	26 632		*14.0%*
China	2 253		*3.8%*	(1 990)		-
Unallocated	(5 916)		-	(2 324)		-

**Adjusted EBITDA – EBITDA adjusted for new openings expenses (Start-up costs) M&A expenses all material expenses connected with successful acquisition covering professional services (legal, financial, other) directly connected with transaction, effect of SOP exercise method modification (difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan) and indirect taxes - all material adjustments for indirect taxes reported in given period but concerning prior reporting periods resulting from tax fillings adjustments. Indirect taxes are mainly VAT, land tax and other EBITDA level taxes.*

Table 2. Divisional split of revenues and EBITDA in the three quarters 2016 and 2015

In thousands of Polish zloty	Q3 2016			Q3 2015		
		Share	*Margin*		*Share*	*Margin*
Sales	**2 992 845**			**2 420 866**		
Poland	*1 031 397*	*34.5%*		*946 478*	*39.1%*	
Czech Republic	*350 457*	*11.7%*		*295 593*	*12.2%*	
Hungary	*152 072*	*5.1%*		*114 150*	*4.7%*	
Other CE	*92 535*	*3.1%*		*47 220*	*2.0%*	
Total CE	1 626 461	*54.3%*		1 403 441	*58.0%*	
Russia	330 265	*11.0%*		301 739	*12.5%*	
Spain	608 743	*20.3%*		507 022	*20.9%*	
Germany	210 767	*7.0%*		9 108	*0.4%*	
Other Western Europe	14 506	*0.5%*		17 497	*0.7%*	
Western Europe	834 016	*27.9%*		533 627	*22.0%*	
China	169 069	*5.6%*		155 964	*6.4%*	
Unallocated	33 034	*1.1%*		26 095	*1.1%*	
EBITDA	**403 732**		13.5%	**321 121**		13.3%
Poland	*138 653*		*13.4%*	*127 964*		*13.5%*
Czech Republic	*67 370*		*19.2%*	*49 187*		*16.6%*
Hungary	*22 875*		*15.0%*	*15 958*		*14.0%*
Other CE	*15 638*		*16.9%*	*5 748*		*12.2%*
Total CE	244 536		*15.0%*	198 857		*14.2%*
Russia	38 431		*11.6%*	33 940		*11.2%*
Spain	125 728		*20.7%*	105 717		*20.9%*
Germany	3 430		*1.6%*	(2 667)		-
Other Western Europe	(2 391)		-	(4 639)		-
Western Europe	126 767		*15.2%*	98 411		*18.4%*
China	10 879		*6.4%*	7 486		*4.8%*
Unallocated	(16 881)		-	(17 573)		-
Adjusted EBITDA*	**419 891**		14.0%	**345 773**		14.3%
Poland	*136 702*		*13.3%*	*131 809*		*13.9%*
Czech Republic	*68 375*		*19.5%*	*50 044*		*16.9%*
Hungary	*24 185*		*15.9%*	*16 844*		*14.8%*
Other CE	*16 594*		*17.9%*	*5 978*		*12.7%*
Total CE	245 856		*15.1%*	204 675		*14.6%*
Russia	41 349		*12.5%*	38 336		*12.7%*
Spain	129 104		*21.2%*	106 913		*21.1%*
Germany	5 600		*2.7%*	(2 667)		-
Other Western Europe	(2 391)		-	(4 639)		-
Western Europe	132 313		*15.9%*	99 607		*18.7%*
China	12 657		*7.5%*	10 430		*6.7%*
Unallocated	(12 284)		-	(7 275)		-
EBIT	**200 865**		6.7%	**156 847**		6.5%
Poland	*67 609*		*6.6%*	*64 010*		*6.8%*
Czech Republic	*46 107*		*13.2%*	*31 428*		*10.6%*
Hungary	*12 311*		*8.1%*	*8 627*		*7.6%*
Other CE	*5 893*		*6.4%*	*2 285*		*4.8%*
Total CE	131 920		*8.1%*	106 350		*7.6%*
Russia	14 980		*4.5%*	14 709		*4.9%*
Spain	85 749		*14.1%*	67 880		*13.4%*
Germany	(6 913)		-	(3 265)		-
Other Western Europe	(4 038)		-	(6 463)		-
Western Europe	74 798		*9.0%*	58 152		*10.9%*
China	(3 561)		-	(3 839)		-
Unallocated	(17 272)		-	(18 525)		-

** Adjusted EBITDA – EBITDA adjusted for new openings expenses (Start-up costs) M&A expenses all material expenses connected with successful acquisition covering professional services (legal, financial, other) directly connected with transaction, effect of SOP exercise method modification (difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan) and indirect taxes - all material adjustments for indirect taxes reported in given period but concerning prior reporting periods resulting from tax fillings adjustments. Indirect taxes are mainly VAT, land tax and other EBITDA level taxes.*

Table 3 Reconciliation of adjusted Net Profit and EBITDA in the third quarter 2016 and 2015

in thousands of PLN		9 months ended September 30, 2016	% of sales	3 months ended September 30, 2016	% of sales	9 months ended September 30, 2015	% of sales	3 months ended September 30, 2015	% of sales	Q3YTDo Q3YTD change	% of change	Q3oQ3 change	% of change
Restaurant sales		*2 802 657*	*93.6%*	*1 089 487*	*94.1%*	*2 266 574*	*93.6%*	*804 252*	*93.4%*	*536 083*	*23.7%*	*285 235*	*35.5%*
Franchise and other sales		*190 188*	*6.4%*	*68 082*	*5.9%*	*154 292*	*6.4%*	*56 939*	*6.6%*	*35 896*	*23.3%*	*11 143*	*19.6%*
Total sales		**2 992 845**		**1 157 569**		**2 420 866**		**861 191**		**571 979**		**296 378**	
Profit/(loss) for the period		**139 953**	***4.7%***	**64 791**	***5.6%***	**118 655**	***4.9%***	**65 601**	***7.6%***	**21 298**	***17.9%***	**(810)**	***(1.2%)***
+	*Finance costs*	*34 993*	*1.2%*	*13 396*	*1.2%*	*32 678*	*1.3%*	*11 040*	*1.3%*	*2 315*	*7.1%*	*2 356*	*21.3%*
-	*Finance income*	*(2 175)*	*(0.1%)*	*(1 104)*	*(0.1%)*	*(2 398)*	*(0.1%)*	*795*	*0.1%*	*223*	*(9.3%)*	*(1 899)*	*(238.9%)*
-	*Income from associates*	*32*	*0.0%*	*21*	*0.0%*	*(174)*	*0.0%*	*(79)*	*0.0%*	*206*	*(118.4%)*	*100*	*(126.6%)*
+	*Income tax expense*	*28 062*	*0.9%*	*13 820*	*1.2%*	*8 086*	*0.3%*	*(9 436)*	*(1.1%)*	*19 976*	*247.0%*	*23 256*	*(246.5%)*
+	*Depreciation and Amortisation*	*196 032*	*6.6%*	*69 756*	*6.0%*	*160 633*	*6.6%*	*55 612*	*6.5%*	*35 399*	*22.0%*	*14 144*	*25.4%*
+	*Impairment losses*	*6 835*	*0.2%*	*(113)*	*0.0%*	*3 641*	*0.2%*	*(399)*	*0.0%*	*3 194*	*87.7%*	*286*	*(71.7%)*
EBITDA		**403 732**	***13.5%***	**160 567**	***13.9%***	**321 121**	***13.3%***	**123 134**	***14.3%***	**82 611**	***25.7%***	**37 433**	***30.4%***
+	*Start-up expenses**	*14 699*	*0.5%*	*6 038*	*0.5%*	*11 536*	*0.5%*	*3 774*	*0.4%*	*3 163*	*27.4%*	*2 264*	*60.0%*
+	*M&A related expenses***	*2 168*	*0.1%*	*-*	*n/a*	*719*	*0.0%*	*-*	*n/a*	*1 449*	*201.5%*	*-*	*n/a*
+ / -	*Effect of SOP exercise method modification****	*4 597*	*0.2%*	*-*	*n/a*	*9 580*	*0.4%*	*-*	*n/a*	*4 983*	*(52.0%)*	*-*	*n/a*
+ / -	Indirect taxes adjustments****	*(5 305)*	*(0.2%)*	*-*	*n/a*	*2 817*	*0.1%*	*2 817*	*0.3%*	*(8 122)*	*(288.3%)*	*(2 817)*	*(100.0%)*
Adjusted EBITDA		**419 891**	**14.0%**	**166 605**	**14.4%**	**345 773**	**14.3%**	**129 725**	**15.1%**	**74 117**	**21.4%**	**36 880**	**28.4%**

** Start-Up expenses – all material operating expenses incurred in connection with new stores opening prior the opening.*
*** M&A expenses – all material expenses connected with successful acquisition covering professional services (legal, financial, other) directly connected with transaction.*
**** Effect of SOP exercise method modification - is a difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan*
***** Indirect taxes - all material adjustments for indirect taxes reported in given period but concerning prior reporting periods resulting from tax fillings adjustments. Indirect taxes are mainly VAT, land tax and other EBITDA level taxes.*

c) Transactions or agreements resulting in related party transactions and other significant events since issuing last financial report (August 12th, 2016)

On August 16th, 2016 AmRest informed about signing on August 15th, 2016 the Master Franchise Agreement ("MFA") and Development Agreement ("DA") (collectively: the "Agreements") with Pizza Hut Europe Sarl (US Branch) ("PH Europe"). The Agreements determine the rights and license to develop, own and operate Pizza Hut restaurants in countries of Central and Eastern Europe: Poland, Czech Republic, Hungary, Bulgaria, Serbia, Croatia, Slovakia and Slovenia.

The provisions of the Agreements apply from October 1st, 2016.

According to the MFA AmRest, as a master-franchisee, obtained the right to granting the license to the third parties to operate Pizza Hut Express and Pizza Hut Delivery restaurants (sub-franchise), while ensuring a certain share of restaurants operated directly by the Company.

The MFA was granted for initial period of 10 years with an option of further prolongations upon the fulfillment of certain terms and conditions.

The DA was concluded for a period of 5 years and will be prolonged for another 5 years on terms and conditions to be determined by the parties.

In order to facilitate the growth of scale of Pizza Hut business, PH Europe will introduce an incentive mechanism reducing certain fees incurred by AmRest under the MFA ("Reduced Fees"), provided that the Company meets certain development obligations specified in the DA.

Upon entry into force of the Agreements AmRest is required to open and operate Pizza Hut Express and Delivery restaurants in accordance with the development schedule setting the minimum number of openings in the subsequent years of the Agreements' term. If AmRest fails to meet the development obligations, PH Europe will have the right to increase the Reduced Fees and change the terms or terminate the MFA and/or DA. The Company's intention is to open about 300 Pizza Hut restaurants within 5 years.

In the opinion of the Management Board of AmRest there is a great potential for growing Pizza Hut brand in Central and Eastern Europe. Master-franchisee right will contribute to strengthening AmRest's leadership position of restaurant operator in the region and drive the value creation for AmRest's shareholders.

4. Risk factors

The Management Board of AmRest is responsible for the risk management system and the internal control system as well as for reviewing these systems for operating efficiency. These systems help identify and manage risks which may prevent the execution of the long-term objectives of AmRest. However, having these systems in place does not ensure complete elimination of the risk of fraud and violation of the law. The Management Board of AmRest performed a review, an analysis and a ranking of risks to which the Company is exposed. The main current risks and threats have been summarized in this section. AmRest reviews and improves its risk management and internal control systems on an on-going basis.

a) Factors remaining outside the Company's control

This risk is related to the effect of factors remaining outside the Company's control on AmRest's development strategy which is based on opening new restaurants. Such factors include: opportunities for finding and securing available and appropriate locations for restaurants, the ability to obtain the permits required by relevant bodies, the possibility of delays in opening new restaurants.

b) Dependency on the franchisor

AmRest manages KFC, Pizza Hut, Burger King and Starbucks (in Romania, Bulgaria, Germany and Slovakia) as a franchisee, and therefore a number of factors and decisions related to the business activities conducted by AmRest depend on the limitations or specifications imposed by the franchisors or on their consent.

The duration of the franchising agreements related to the KFC, Pizza Hut and Burger King brands is 10 years. AmRest has the option of extending this period for the next 10 years provided that it meets the conditions specified in the franchising agreements and other requirements, including the payment of the related continuation fee.

Despite meeting the above-mentioned terms, there is no guarantee that after the expiry of these periods a given franchising agreement will be prolonged to the next period. In the case of KFC and Pizza Hut restaurants, the first period commenced in 2000, in the case of Burger King, the first period commenced in 2007 with the opening of the first restaurant of this brand.

Franchise agreements for Starbucks stores in Romania are valid till 2023, in Bulgaria until 2027 and in Germany until 2031.

c) Dependency on joint venture partners

AmRest opens Starbucks restaurants through joint venture Companies in Poland, the Czech Republic and Hungary, based on a partnership as part of joint venture agreements. Therefore, some decisions as part of the joint business activities will be dependent on the partners' consent.

The joint venture agreements with Starbucks were concluded for a period of 15 years with a possibility of their extension for the next 5 years upon meeting the specified conditions. Should AmRest fail to comply with the obligation to open and run the minimum specified number of cafés, Starbucks Coffee International, Inc. shall have the right to increase its share in the joint venture companies by acquiring shares from AmRest Sp. z o.o. at a price agreed between the parties based on the valuation of the joint venture companies.

d) No exclusive rights

The franchising agreements concerning the running of KFC, Pizza Hut and Burger King restaurants do not contain provisions on granting AmRest any exclusive rights on a given territory, protection or any other rights on the territory, in the area or on the market surrounding AmRest restaurants. However, in practice, due to the scale of AmRest's operations (including a well-developed distribution network), the possibility that a competitive operator (to the brands currently operated by the Company) should appear who would be able to effectively compete with the AmRest Group restaurants is relatively limited.

In the case of Starbucks restaurants, the joint venture companies are the only entities authorized to develop and run Starbucks cafés in Poland, the Czech Republic and Hungary, without exclusive rights to some institutional locations. The exclusive rights (without exclusive rights to some institutional locations) apply also to restaurants operated in Romania, Bulgaria, Germany and Slovakia.

e) Rental agreements and continuation options

Almost all AmRest restaurants operate in rented facilities. The majority of the rental contracts are long-term and they are usually concluded for at least 10 years from the date of commencing the rental (assuming that all continuation options are exercised, on specified terms, and not including contracts which are subject to periodic renewal, unless they are terminated, and contracts concluded for an indefinite period). A number of rental contracts grant AmRest the right to prolong the contract provided that the Company complies with the terms of rental. Regardless of whether the terms are complied with or not, there is no guarantee that AmRest will be able to prolong a rental contract on terms satisfactory from the point of view of business practice. If this is not possible a potential loss of important restaurant locations may have an unfavourable effect on AmRest’s operating results and its business activities.

Moreover, in certain circumstances AmRest may make a decision to close a given restaurant and terminating the relevant rental contract on cost effective terms may prove impossible. This situation may also have an adverse effect on the business activities and operating results of the Company. Closing any of the restaurants is subject to approval by the franchisor and it is not certain that such approval will be obtained.

In the case of Russian and Chinese restaurants acquired by AmRest accordingly in July 2007 and December 2012, the average term of the rental contracts is relatively shorter compared with AmRest restaurants in the remaining countries. This results from the specific nature of the Russian market.

f) Risk related to the consumption of food products

Consumer preferences may change in connection with doubts arising as to the healthful properties of chicken which is the main ingredient in KFC menu, or as a result of unfavourable information being circulated by the mass media concerning the quality of the products, diseases caused by them and damages to health as a result of eating in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks,

La Tagliatella, Blue Frog and KABB, and as a result of revealing unfavourable data prepared by the government or a given market sector concerning the products served in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and KABB, health-related issues and issues related to the functioning patterns of one or more restaurants run both by AmRest and the competition. The above-mentioned risk is limited by using the highest quality ingredients in AmRest restaurants, which come from reliable and reputable suppliers, compliance with strict quality control and hygiene standards and the use of top modern equipment and processes which ensure the absolute safety of the meals.

g) Risk related to keeping key personnel in the Company

The Issuer's success depends to some extent on the individual effort of selected employees and key members of management. The methods of remunerating and managing human resources developed by the Issuer help ensure a low rotation of the key personnel. Additionally, the career planning system supports preparing successors ready to execute tasks in key positions. The Issuer believes it will be able to replace its key personnel. Regardless of that, their loss may have a short-term adverse effect on the business activities and operating results of the Issuer.

h) Risk related to labour costs of restaurant employees and employing and keeping professional staff

Running catering activities on such a large scale as the Issuer does requires employing a large number of professionals. Excessive outflow of employees and too frequent changes in managerial positions may pose a significant risk to the stability and quality of the business activities. Due to the fact that salaries in Poland, the Czech Republic and Hungary (including in the catering sector) are still decidedly lower than in other European Union countries, there is a risk of outflow of qualified staff and thus a risk of the Company being able to ensure the appropriate staff necessary for providing the highest quality catering services. In order to avoid the risk of losing qualified staff it may be necessary to gradually increase the salary rates, which may have an adverse effect on the financial standing of the Issuer. Additional risk in employment area may be caused by fluctuations in unemployment rate.

i) Risk related to limited access to foodstuffs and the variability of their cost

The Issuer's situation is also affected by the need to ensure frequent deliveries of fresh agricultural products and foodstuffs and anticipating and responding to changes in supplies costs. The Company cannot rule out the risk related to delivery deficits or interruptions caused by factors such as unfavourable weather conditions, changes in legal regulations or withdrawing some foodstuffs from trading. Also the increased demand for certain products accompanied by limited supply may lead to difficulties in obtaining them by the Company or to price increases for those products. Both the deficits and product price increases may have an adverse effect on the Group's results, operations and financial standing. In order to mitigate this risk (among others) AmRest sp. z o. o. concluded a contract with SCM Sp. z o.o. for the provisions of services comprising intermediation and negotiating terms of delivery to restaurants, including negotiating terms of distribution agreements.

j) Risk related to developing new brands

AmRest has operated the Burger King, Starbucks, La Tagliatella, Blue Frog and KABB brands for a relatively short time. As these are new concepts for AmRest, there is a risk related to demand for the products offered and their acceptance by customers.

k) Risk related to opening restaurants in new countries

Opening or taking over restaurants operating in a new geographical and political area involves the risk of varying consumer preferences, a risk of insufficient knowledge of the market, the risk of legal restrictions arising from local regulations and the political risk of these countries.

l) Currency risk

The results of AmRest are exposed to currency risk related to transactions and translations into currencies other than the currency in which business transactions are measured in the individual Capital Group companies. The Company adjusts its currency portfolio of debt to the geographical structure of its profile of activities. Additionally, AmRest uses forward contracts to secure transaction risks on a short term basis.

m) Risk related to the current geopolitical situation in the Ukraine and Russia

Russia is one of the largest markets for AmRest. The recent geopolitical and economic turmoil witnessed in the region, in particular the developments in Ukraine, have had and may continue to have a negative impact on the Russian economy, including weakening of the Russian Ruble, higher interest rates, reduced liquidity and consumer confidence. These events, including current and future international sanctions against Russian companies and individuals and the related uncertainty and volatility of the supply chain, may have a significant impact on the Group's operations and financial position, the effect of which is difficult to predict. The future economic and regulatory situation may differ from management's expectations however it is being monitored in order to adjusts strategic intentions and operational decisions, which will minimize business risks.

n) Risk of increased financial costs

The Issuer and its subsidiaries are exposed to the significant adverse impact of interest rate fluctuations in connection with obtaining financing which bears floating interest rates and investing in assets bearing floating and fixed interest rates. The interest rates of bank loans and borrowings and issued bonds is based on floating reference rates which are updated over periods shorter than one year. Interest on financial assets with fixed interest rates is fixed over the entire period to maturity of these instruments. Additionally, the Issuer and its subsidiaries may, as part of the interest rate hedging strategy, enter into derivative and other financial contracts the valuation of which is significantly affected by the level of reference rates.

o) Liquidity risk

The Company is exposed to the risk of lack of financing at the moment of maturity of bank loans and bonds. As at September 30th, 2016, the Company had enough short-term assets, including cash and promised credit limits, to fulfil is liabilities due in the next 12 months.

p) Risk of economic slowdowns

Economic slowdown in the countries where AmRest runs its restaurants may affect the level of consumption expenditure on these markets, which in turn may affect the results of the AmRest restaurants operating on these markets.

q) Risk related to seasonality of sales

The seasonality of sales and inventories of AmRest is not significant, which is typical for the restaurant industry. On the European market restaurants record lower sales in the first half of the year, mainly due to the lower number of sale days in February and the relatively less frequent visits to restaurants.

r) Risk of computer system breakdowns and temporary breaks in serving customers in network restaurants

A potential partial or complete loss of data in connection with computer system breakdowns or damage or loss of key tangible fixed assets of the Company might result in temporary interruptions in serving customers in restaurants, which might have an adverse effect on the Group's financial results. In order to minimize this risk, the Issuer has implemented appropriate procedures in order to ensure the stability and reliability of IT systems.

5. **During the period covered by this quarterly report, the Company did not issue the sureties in respect of loans or guarantees whose value represent 10% or more of the Company's equity.**

6. **As at the date of release of this quarterly report no court arbitration or administrative proceedings whose single or aggregate value exceeds 10% of the Company's equity were pending against the Company.**

7. **During the period covered by this quarterly report, the Company did not issue, redeem and repay any debt securities.**

8. **Dividends paid during the period covered by these financial statements.**

During the period covered by these financial statements the Group has paid the dividend to non-controlling interest shareholders of SCM Sp. z o. o. in the value of PLN 1 078 thousand.

9. **Information on the activities of the AmRest Group**

AmRest Holdings SE ('the Company') was established in the Netherlands in October 2000 as a joint-stock company. On September 19th, 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 22nd, 2008. the District Court for Wroclaw - Fabryczna in Wroclaw registered the new office of AmRest in the National Court Register. The address of the Company's current registered office is: pl. Grunwaldzki 25-27, Wroclaw (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 the 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 1st, 2009 is polish zloty (PLN).

AmRest with its subsidiaries in the financial report will be called as "Group".

The Group's interim consolidated financial statements for the 9 months ended September 30, 2016 cover the Company, its subsidiaries and the Group's shares in associates.

These interim consolidated condensed financial statements were approved by the Company's Management Board on November 7, 2016.

The Group's core activity 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, Romania, Serbia, Croatia, Bulgaria, Slovakia, Germany and Spain, on the basis of franchises granted. In Spain, France, Germany and China 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.

As at the date of release of this quarterly report, that is November 7th, 2016 the Group operates 1 133 restaurants.

The Group's operations are not materially seasonal.

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

As for September 30th, 2016 the Company's largest shareholders was FCapital Dutch B.V. (the subsidiary of Finaccess Capital, S.A. de C.V) having 61.85% shares and voting rights.

The Group operates its restaurants mainly on a franchise basis. The table below shows the terms and conditions of cooperation with franchisers of particular brands operated by AmRest.

Brand	KFC, Pizza Hut	KFC, Pizza Hut	Burger King	Starbucks
Type of cooperation	franchise agreement	franchise agreement	franchise agreement	joint venture 1)/franchise agreement
Franchiser/Partner	KFC, PH Europe Sarl (US Branch)	PH Europe Sarl (US Branch)	Burger King Europe GmbH	Starbucks Coffee International. Inc./Starbucks Coffee EMEA B.V., Starbucks Manufacturing EMEA B.V.
Area covered by the agreement	Poland, Czech, Hungary, Bulgaria, Serbia, Russia, Croatia	Poland, Czech, Hungary, Slovakia, Slovenia	Poland, Czech, Bulgaria	Poland, Czech, Hungary
Term of agreement	10 years, possibility of extension for a further 10 years	10 years, possibility of extension for a further 10 years	Poland, Czech, Bulgaria – 20 years	15 years, possibility of extension for a further 5 years
Preliminary fee	USD 49.1 thousand 2)	USD 24.6 thousand 2)	USD 50 thousand	USD 25 thousand
Franchise fee	6% of sales revenues	6% of sales revenues 5)	5% of sales revenues	6% of sales revenues
Marketing costs	5% of sales revenues	5% of sales revenues 5)	5% of sales revenues 3)	amount agreed annually between the parties
Additional provisions				preliminary fees for brand development 4)

Explanations:

1) Starbucks – the AmRest Group took up 82%. and Starbucks 18% of the share capital of the newly-established joint venture companies in Poland, Czech Republic and Hungary. In the ninth year Starbucks will have an unconditional option of increasing its shares to a maximum of 50%. In the event of a disputed take-over or change of control over the Company and/or its shareholders. Starbucks will be entitled to increase its share to 100% by purchasing shares from

the Group.

2) The fee valorized at the beginning of calendar year by the inflation rate.

3) Marketing expenses for the Burger King brand are equal to 2.5% of the sales revenues over the first 2 years of operation, 2% in the 3rd year and 5% in consecutive years of operation.

4) Preliminary fees for the markets on which the Starbucks restaurants will be operated. taking into account the fee for providing services, amount to USD 400 thousand in respect of Poland. USD 275 thousand in respect of Czech and USD 275 thousand in respect of Hungary.

5) Preliminary fees and marketing costs can change after achieving selected conditions in the agreement.

Due to possessing own brands, which are the subject of franchise agreements with third parties. the Group required the determination of following accounting principles:

- generally the franchise agreement covers a 10 year period and provides an option of extension for another 10 (for agreements signed after 2006) or 5 years (for agreements signed before 2006). Some franchise agreements were signed for the period from 9 to 20 years.
- revenues of the Group consist of sales by Company operated restaurants and fees from franchisees and license are recognized when payment is rendered at the time of sale;
- fees for using own brand paid by franchisees to the Group as a 6% from the sales (continued fees) are recognized as earned;
- intangible assets, covering relationships with franchise clients. recognized during the acquisition process are amortized within the average period of the contractual relationship with franchise clients and own brand is treated as non-amortized asset due to infinite useful life.
- Own brands systematically as at the purchase date are analyzed from the point of depreciation and amortization periods. Currently:
    - La Tagliatella brand is treated as not amortized asset due to indefinite useful life.
    - Blue Frog brand is treated as amortized asset in 20-year period.

As at September 30th, 2016, the Group included the following subsidiaries:

Company name	Seat	Parent/non-controlling undertaking	Owner-ship 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.U.	100.00%	April 2011
Restauravia Grupo Empresarial S.L.	Madrid, Spain	AmRestavia S.L.U.	16.52%	April 2011
		AmRest TAG S.L.U.	83.48%	
AmRest HK Ltd	Hong Kong, China	AmRest Holdings SE	100.00%	September 2011
Blue Horizon Hospitality Group PTE Ltd	Singapore, China	AmRest Holdings SE WT Equities BHHG MJJP	62.33% 14.10% 14.10% 4.24%	December 2012
		Coralie Danks	5.23%	

Company name	Seat	Parent/non-controlling undertaking	Owner-ship interest and total vote	Date of effective control
Bigsky Hospitality Group Ltd	Hong Kong, Chiny	Blue Horizon Hospitality Group PTE Ltd	100.00%	December 2012
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 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 Coffee s.r.o.	Prague, Czech	AmRest Sp. z o.o.	82.00%	August 2007
		Starbucks Coffee International, Inc.	18.00%	
AmRest Kávézó Kft	Budapest, Hungary	AmRest Sp. z o.o.	82.00%	August 2007
		Starbucks Coffee International, Inc.	18.00%	
AmRest d.o.o.	Belgrad, 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
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
AmRest Adria 2 d.o.o.	Ljubljana, Slovenia	AmRest Sp. z o.o	100.00%	August 2012
Frog King Food&Beverage Management Ltd	Szanghai, China	Bigsky Hospitality Group Ltd	100.00%	December 2012
Blue Frog Food&Beverage Management Ltd	Szanghai, China	New Precision Ltd	100.00%	December 2012
Shanghai Kabb Western Restaurant Ltd**	Szanghai, China	Horizon Group Consultants (BVI)	97.50%	December 2012

Company name	Seat	Parent/non-controlling undertaking	Owner-ship interest and total vote	Date of effective control
		Shanghai Renzi Business Consultancy Co. Ltd	2.50%	
AmRest Skyline GMBH	Cologne,Germany	AmRestavia S.L.U.	100.00%	October 2013
Kai Zhen Food and Beverage Management (Shanghai) Ltd.	Shanghai, China	BlueFrog Food&Beverage Management Ltd	100.00%	March 2014
AmRest Cofee EOOD	Sofia, Bulgaria	AmRest Sp. z o.o.	100.00%	June 2015
AmRest Cofee S.r.l.	Bucharest, Romania	AmRest Sp. z o.o.	100.00%	June 2015
AmRest Coffee SK s.r.o.	Bratislava, Slovakia	AmRest s.r.o.	99.00%	December 2015
		AmRest Sp. z o.o.	1.00%	
AmRest Coffee Deutschland Sp. z o.o. & Co. KG	Munich, Germany	AmRest Kaffee Sp. z o.o.	85.00%	May 2016
		AmRest Capital Zrt	15.00%	
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 SAS	Lyon, France	AmRestavia S.L.U.	100.00%	March 2014
AmRest FSVC LLC	Delaware, USA	AmRest Holdings SE	100.00%	November 2014
AmRest Work Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o	100.00%	March 2012
AmRest Kaffee Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	March 2016
Supply services for restaurants operated by the Group				
SCM Sp. z o.o.	Chotomow, Poland	AmRest Sp. z o.o.	51.00%	October 2008
		R&d Sp. z o.o.	43.80%	
		Beata Cylny	5.00%	
		Zbigniew Cylny	0.20%	

* As at February 22, 2016 it was agreed to merge Tagligat S.L.U. with Pastificio Service S.L.U.

** From October 18, 2016 the company Horizon Group Consultants (BVI) owns 100% of shares in the Shanghai Kabb Western Restaurant Ltd

As at September 30th, 2016, the Group included the following affiliates consolidated with the equity method:

Company name	Seat	Core business	Parent/ non-controlling undertaking	Owner-ship interest and total Group vote	Initial investment
SCM s.r.o.	Prague, Czech	Delivery services for restaurants provided to the Group	SCM Sp. z o. o.	45.90%	March 2007

The Group's office is in Wroclaw, Poland. On September 30, 2016 the restaurants operated by the Group were located in Poland, Czech, Hungary, Slovakia, Russia, Bulgaria, Romania, Serbia, Croatia, Spain, Germany, France and China.

10. Pursuant to the information available to the Company, as at the date of release of this quarterly report, that is November 7th, 2016. 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 ("AmRest"):

Shareholder	Number of shares	% share in capital	Number of votes at the Shareholders' Meeting	% of votes
FCapital Dutch B. V.*	13 121 152	61.85%	13 121 152	61.85%
Nationale-Nederlanden OFE**	2 034 893	9.59%	2 034 893	9.59%
Aviva OFE	811 370	3.82%	811 370	3.82%
Pozostali akcjonariusze	5 246 478	24.74%	5 246 478	24.74%

* FCapital Dutch B. V. is the dominant entity of Cullinan S.à.r.l. (holding 6 394 362 AmRest shares) and the subsidiary of Finaccess Capital, S.A. de C.V.
Finaccess Capital, S.A. de C.V. is a subsidiary of Grupo Far-Luca, S.A. de C.V.
** The previous name: ING OFE

11. Changes in the shareholding structure

Changes in the shareholding with respect to the shareholders holding over 5% of votes at the General Meeting of Shareholders

Since the publication of the previous periodical report (August 12th, 2016) there were no changes in the shareholding structure of AmRest other than those described below:

On September 27th, 2016 the Management Board of AmRest informed that it received on September 26th, 2016 a notification from Powszechne Towarzystwo Emerytalne PZU S.A. acting on behalf of Otwarty Fundusz Emerytalny PZU „Złota Jesień" („OFE PZU"), that as a result of a sale transaction of 1 692 191 (one million six hundred ninety-two thousand one hundred and ninety-one) shares of the Company executed at the Warsaw Stock Exchange on September 21st, 2016 in response to the call for the sale of AmRest shares announced by FCapital Dutch B.V., OFE PZU did not hold any shares of the Company.

Prior to the transaction, OFE PZU held 1 692 191 (one million six hundred ninety-two thousand one hundred and ninety-one) AmRest shares, which constituted 7.98% of the Company's registered capital and entitled to 1 692 191 votes, i.e. 7.98% of the total number of votes at the Company's AGM.

OFE PZU also informed that:

• it did not have any subsidiaries which hold shares of AmRest,

• there was no situation referred to in article 69 paragraph 4 point 6 of Act on public offering, conditions governing the introduction of financial instruments to organized trading and public companies dated July 29th 2005,

• it did not own the financial instruments referred to in article 69b paragraph 1 item 1) and 2) of above mentioned Act.

On September 28th, 2016 the Management Board of AmRest informed that it received on September

27th, 2016 a notification from Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK („Aviva OFE"), that as a result of the response to the call to subscribe for sale of AmRest shares announced by FCapital Dutch B.V. ast the settlement on September 23rd, 2016 the sale of shares of the Company, Aviva OFE reduced its share in the total number of votes in the Company to below 5%.

Prior to the transaction (as of September 22nd, 2016) Aviva OFE held 1 811 370 AmRest shares, which constituted 8.54% of the Company's share capital and entitled to 1 811 370 votes at the General Meeting of the Company, i.e. 8.54% of the total number of votes.

After the sale transactions (as of September 23rd, 2016) Aviva OFE held 811 370 shares of the Company, representing 3.82% of share capital and entitling to 811 370 votes at the General Meeting of the Company, which constituted 3.82 % of total number of votes.

On September 28th, 2016 the Management Board of AmRest informed that it received on the same day a notification from:

a) Cullinan S.à.r.l. (hereinafter referred as the "Cullinan"),

b) FCapital Dutch, B.V. (hereinafter referred as the "FCapital"),

c) Inmobiliaria Tabga, S.A. de C.V. (hereinafter referred as the "Tabga"),

d) Finaccess Capital, S.A. de C.V. (hereinafter referred as the "Finaccess"),

e) Grupo Finaccess S.A.P.I. de C.V. (hereinafter referred as the "Grupo Finaccess"),

f) Grupo Far-Luca, S.A. de C.V. (hereinafter referred as the "Grupo Far-Luca"),

g) Carlos Fernández González (hereinafter referred as "Mr. Fernández"),

that on September 22nd, 2016 Grupo Far-Luca, as a result of an acquisition of 63.82% shares in Grupo Finaccess, indirectly acquired, through its subsidiaries Grupo Finaccess, Finaccess, Tabga and FCapital 6 726 790 shares of AmRest representing app. 31.71% of the total number of shares of the Company, which entitle to exercise 6 726 790 votes at the Company's General Meeting of Shareholders, constituting app. 31.71% of total number of votes at the Company's General Meeting of Shareholders. Consequently its dominant entity Mr. Fernández also indirectly acquired through its subsidiaries Grupo Far-Luca, Grupo Finaccess, Finaccess, Tabga and FCapital 6 726 790 shares of the Company representing app. 31.71% of the total number of shares of the Company, which entitle to exercise 6 726 790 votes at the Company's General Meeting of Shareholders, constituting app. 31.71% of total number of votes at the Company's General Meeting of Shareholders.

Furthermore, on September 23rd, 2016, as a result of the settlement of the tender offer for sale of shares in the Company announced by FCapital (the "Tender Offer")

(i) Cullinan directly acquired 6 394 362 shares of the Company representing app. 30.14% of the total number of shares of the Company, which entitle to exercise 6 394 362 votes at the Company's General Meeting of Shareholders, constituting app. 30.14% of total number of votes at the Company's General Meeting of Shareholders;

(ii) FCapital (directly dominant entity of Cullinan),

Tabga (directly dominant entity of FCapital),

Finaccess (directly dominant entity of Tabga),

Grupo Finaccess (directly dominant entity of Finaccess),

Grupo Far-Luca (directly dominant entity of Grupo Finaccess), and Mr. Fernández (directly dominant person of Grupo Far-Luca)

indirectly acquired 6 394 362 shares of the Company representing app. 30.14% of the total number of shares of the Company, which entitle to exercise 6 394 362 votes at the Company's General Meeting of Shareholders, constituting app. 30.14% of total number of votes at the Company's General Meeting of Shareholders.

As a result of the Tender Offer:

(i) Cullinan directly increased its share in the total amount of votes at the Company's General Meeting of Shareholders up to the amount of app. 30.14%, what caused crossing threshold of 30.14% of total number of votes thereat;

(ii) FCapital, Tabga, Finaccess, Grupo Finacces, Grupo Far-Luca and Mr. Fernández indirectly increased their share in the total amount of votes at the Company's General Meeting of Shareholders up to the amount of app. 61.85%, what caused crossing threshold of 61.85% of total number of votes thereat.

As a result of the settlement of the Tender Offer:

a) Cullinan directly held 6 394 362 shares of the Company representing app. 30.14% of the total number of shares of the Company, which entitle to exercise 6 394 362 votes at the Company's General Meeting of Shareholders, constituting app. 30.14% of total number of votes at the Company's General Meeting of Shareholders;

b) FCapital held 13 121 152 shares of the Company representing app. 61,85% of the total number of shares of the Company, which entitle to exercise 13 121 152 votes at the Company's General Meeting of Shareholders, constituting app. 61,85% of total number of votes at the Company's General Meeting of Shareholders, out of which:

(i) it directly held 6 726 790 shares of the Company representing app. 31.71% of the total number of shares of the Company, which entitle to exercise 6 726 790 votes at the Company's General Meeting of Shareholders, constituting app. 31.71% of total number of votes at the Company's General Meeting of Shareholders,

(ii) it indirectly (through Cullinan) held 6 394 362 shares of the Company representing app. 30.14% of the total number of shares of the Company, which entitle to exercise 6 394 362 votes at the Company's General Meeting of Shareholders, constituting app. 30.14% of total number of votes at the Company's General Meeting of Shareholders;

c) Tabga, Finaccess, Grupo Finaccess, Grupo Far-Luca and Mr. Fernández

indirectly held 13 121 152 shares of the Company representing app. 61.85% of the total number of shares of the Company, which entitle to exercise 13 121 152 votes at the Company's General Meeting of Shareholders, constituting app. 61.85% of total number of votes at the Company's General Meeting of Shareholders.

Prior to acquisition of shares in Grupo Finaccess, Grupo Far-Luca did not hold directly or indirectly any shares of the Company and Mr. Fernández indirectly (through Grupo Finaccess, FCapital, Tabga and Finaccess) held 6 726 790 shares of the Company representing app. 31.71% of the total number of shares of the Company, which entitle to exercise 6 726 790 votes at the Company's General Meeting of Shareholders, constituting app. 31.71% of total number of votes at the Company's General Meeting of Shareholders.

Cullinan notified that it did not have any controlled entities.

FCapital further notified that its controlled entities, other than Cullinan, did not hold any shares of the

Company.

Tabga, Finaccess, Grupo Finaccess, Grupo Far-Luca and Mr. Fernández further notified that, with respect of each of them, their controlled entities, other than Cullinan and FCapital, did not hold any shares of the Company.

Additionally, Cullinan, FCapital, Tabga, Finaccess, Grupo Finaccess, Grupo Far-Luca and Mr. Fernández informed that, with respect of each of them, there were no persons or entities referred to in Article 87 section 1 point 3 c) of the Act on public offering, conditions governing the introduction of financial instruments to organized trading and public companies dated July 29th 2005.

Furthermore, Cullinan, FCapital, Tabga, Finaccess, Grupo Finaccess, Grupo Far-Luca and Mr. Fernández informed that, with respect of each of them, they did not hold, acquire or dispose any instruments referred to in Article 69b section 1 of the above mentioned Act on public offering.

Full content of the notification from the shareholder was included in regulatory announcement RB 133/2016 dated September 28th, 2016.

On November 7th, 2016 the Management Board of AmRest informed that it received on the same day a notification that the business name of one of AmRest shareholders, Cullinan S.à.r.l., a company organized under the laws of the Grand Duchy of the Luxembourg, with its registered office in Luxembourg, L-8308 Capellen, 75, Parc d'Activités, registered with the Luxembourgish Commercial Registry (Registre de Commerce et des Sociétés) under number B195486, was changed on November 3rd, 2016 into FCapital Lux S.a.r.l.

On September 29th, 2016 the Management Board of AmRest informed that it received on the same day a notification from Nationale-Nederlanden Otwarty Fundusz Emerytalny („Nationale-Nederlanden"), that as a result of the response to the call to subscribe for sale of AmRest shares announced by FCapital Dutch B.V., Nationale-Nederlanden sold shares of the Company and thereby reduced its shareholding in AmRest to less than 10% of votes at the General Meeting of Shareholders. The settlement date of the transaction was September 23rd, 2016.

Prior to the transaction (as of September 22nd, 2016) Nationale-Nederlanden held 2 284 893 (two million two hundred eighty-four thousand eight hundred ninety-three) AmRest shares, which constituted 10.77% of the Company's share capital and entitled to 2 284 893 (two million two hundred eighty-four thousand eight hundred ninety-three) votes at the General Meeting of the Company, i.e. 10.77% of the total number of votes.

After the sale transactions (as of September 23rd, 2016) Nationale-Nederlanden held 2 034 893 (two million thirty-four thousand eight hundred ninety-three) shares of the Company, representing 9.59% of share capital and entitling to 2 034 893 (two million thirty-four thousand eight hundred ninety-three) votes at the General Meeting of the Company, which constituted 9.59% of total number of votes.

Changes in the number of shares held by members of AmRest Management and Supervisory Boards

During the period since the publication of the previous periodical report (August 12th, 2016) following changes occurred with respect to AmRest shares and stock options held by the members of the Management and Supervisory Boards of AmRest.

According to the best knowledge of AmRest, there are four members of Management Board, who owned in this reporting period the Issuer's shares: Mr. Jacek Trybuchowski, Mrs. Oksana Staniszewska, Mr. Olgierd Danielewicz and Mr. Mark Chandler.

As at August 12th, 2016 Mr. Jacek Trybuchowski held 1 678 shares of the Company with a total nominal value of EUR 16.78. On September 30th, 2016 he held 9 033 AmRest shares with a total nominal value of EUR 90.33. On the date of publication of this report Mr. Trybuchowski holds 28 343 shares of the Company with a total nominal value of EUR 283.43

As at August 12th, 2016 Mrs. Oksana Staniszewska held 2 020 shares of the Company with a total nominal value of EUR 20.20. On September 30th, 2016 (and simultaneously on the date of publication of this report) she holds the same amount of the Company's shares.

As at August 12th, 2016 Mr. Olgierd Danielewicz held 4 800 shares of the Company with a total nominal value of EUR 48.00. On September 30th, 2016 (and simultaneously on the date of publication of this report) he holds 10 957 AmRest shares with a total nominal value of EUR 109.57

As at August 12th, 2016 Mr. Mark Chandler did not hold any shares of the Company. On September 30th, 2016 (and simultaneously on the date of publication of this report) he holds 10 032 AmRest shares with a total nominal value of EUR 100.32,

Pursuant to the information available to the Company, the only Supervisory Board members, who own the Issuer's shares are Mr. Henry McGovern and Mr. Steven Kent Winegar.

As at August 12th, 2016 Mr. Henry McGovern held (personally and through closely related entities) 838 056 shares of the Company with a total nominal value of EUR 8 380.56. On September 30th, 2016 (and simultaneously on the date of publication of this report) he holds (together with closely related entities) the same amount of the Company's shares.

As at August 12th, 2016 Mr. Steven Kent Winegar held (indirectly by a closely related person) 404 000 shares of the Company with a total nominal value of EUR 4 040.00. On September 30th, 2016 (and simultaneously on the date of publication of this report) he holds (indirectly by a closely related person) the same amount of the Company's shares.

Transactions on AmRest shares executed by persons having access to confidential information since issuing last financial report (August 12th, 2016)

On August 24th, 2016 AmRest informed that it received on the same day a notice from Mr. Olgierd Danielewicz - a member of the Company's Management Board, about a sale of 4 800 AmRest shares at the average price of PLN 252.57 per share executed on August 23rd, 2016. The transactions were executed at the Warsaw Stock Exchange.

On September 15th, 2016 AmRest informed that it received on the same day a notice from Mr. Olgierd Danielewicz - a member of the Company's Management Board, about a purchase of 10 957 AmRest executed on September 13th, 2016. The shares were transferred free of charge as a result of exercising AmRest management options. The transaction was executed outside the regulated marked.

On September 16th, 2016 AmRest informed that it received on the same day a notice from Mr. Wojciech Mroczyński - a member of the Company's Management Board, about a purchase of 2 473 AmRest executed on September 15th, 2016. The shares were transferred free of charge as a result of exercising AmRest management options. The transaction was executed outside the regulated marked.

On September 22nd, 2016 AmRest informed that it received on September 21st, 2016 a notice from Mr. Jacek Trybuchowski - a member of the Company's Management Board, about a purchase of 7 355 AmRest at the price of PLN 92.60 per share executed on September 20th, 2016. The transaction was executed outside the regulated marked as a result of exercising AmRest management options.

On September 22nd, 2016 AmRest informed that it received on the same day a notice from Mr. Mark Chandler - a member of the Company's Management Board, about a purchase of 11 032 AmRest at the price of PLN 92.60 per share executed on September 20th, 2016. The transaction was executed outside the regulated marked as a result of exercising AmRest management options.

On September 23rd, 2016 AmRest informed that it received on the same day a notice from Mr. Wojciech Mroczyński - a member of the Company's Management Board, about a sale of 2 473 AmRest executed on September 21st, 2016 at the price of PLN 255.00 per share. The transaction was executed at the Warsaw Stock Exchange.

On September 26th, 2016 AmRest informed that it received on the same day a notice from Mrs. Renata Danielewicz, being a person closely associated with Mr. Olgierd Danielewicz – a member of the Company's Management Board, about a purchase of 2 574 AmRest shares executed on September 23rd, 2016. The shares were transferred free of charge as a result of exercising AmRest management options. The transaction was executed outside the regulated marked.

On September 30th, 2016 AmRest informed that it received on the same day a notice from Mr. Mark Chandler - a member of the Company's Management Board, about a sale of 1 000 AmRest shares at the price of PLN 255.00 per share executed on September 26th, 2016. The transaction was executed at the Warsaw Stock Exchange.

On October 19th, 2016 AmRest informed that it received on the same day a notice from Mr. Jacek Trybuchowski - a member of the Company's Management Board, about a purchase of 19 310 AmRest at the price of PLN 92.60 per share executed on October 18th, 2016. The transaction was executed outside the regulated marked as a result of exercising AmRest management options.

Transactions on AmRest shares concluded for the purpose of executing the management option plan are presented in table below.

The buyback is based on Resolution No. 7 of the Annual General Meeting of AmRest of May 19th, 2015 on the authorization of Company's Management Board to acquire Company's own shares and the establishment of a reserve capital for the acquisition of own shares.

In the period between issuing last financial report (August 12th, 2016) and the day of publication of this report AmRest purchased a total of 68 088 own shares for a total price of PLN 16 553 082.43. During the same period, the Company disposed a total of 59 907 own shares to entitled participants of the stock options plans.

conclusion date	settlement date	purchase/ sale	number of purchased/ sold shares	average purchase / sale price of shares	Nominal value of shares [EUR]	% of the share capital of the Company	number of votes at GSM	total number of shares	total number of votes at GSM	% of the total number of votes in the Company
12.08.2016	17.08.2016	P	1 999	249.80	0.01	0.0094%	1 999	37 997	37 997	0.1791%
16.08.2016	18.08.2016	P	2 500	250.00	0.01	0.0118%	2 500	40 497	40 497	0.1909%
07.09.2016	09.09.2016	P	100	250.00	0.01	0.0005%	100	40 597	40 597	0.1914%

conclusion date	settlement date	purchase/ sale	number of purchased/ sold shares	average purchase / sale price of shares	Nominal value of shares [EUR]	% of the share capital of the Company	number of votes at GSM	total number of shares	total number of votes at GSM	% of the total number of votes in the Company
09.09.2016	09.09.2016	S	27	0.00	0.01	0.0001%	27	40 570	40 570	0.1912%
12.09.2016	12.09.2016	S	103	0.00	0.01	0.0005%	103	40 467	40 467	0.1908%
13.09.2016	13.09.2016	S	11 686	0.00	0.01	0.0551%	11 686	28 781	28 781	0.1357%
14.09.2016	14.09.2016	S	280	0.00	0.01	0.0013%	280	28 501	28 501	0.1344%
15.09.2016	15.09.2016	S	2 473	0.00	0.01	0.0117%	2 473	26 028	26 028	0.1227%
16.09.2016	16.09.2016	S	1 046	0.00	0.01	0.0049%	1 046	24 982	24 982	0.1178%
19.09.2016	19.09.2016	S	2 245	0.00	0.01	0.0106%	2 245	22 737	22 737	0.1072%
20.09.2016	20.09.2016	S	521	0.00	0.01	0.0891%	18 908	3 829	3 829	0.0180%
			18 387	92.60	0.01					
22.09.2016	26.09.2016	P	1 200	254.04	0.01	0.0057%	1 200	5 029	5 029	0.0237%
23.09.2016	23.09.2016	S	3 829	0.00	0.01	0.0180%	3 829	1 200	1 200	0.0057%
23.09.2016	27.09.2016	P	2 200	257.05	0.01	0.0104%	2 200	3 400	3 400	0.0160%
26.09.2016	28.09.2016	P	2 200	257.41	0.01	0.0104%	2 200	5 600	5 600	0.0264%
27.09.2016	29.09.2016	P	2 127	251.15	0.01	0.0100%	2 127	7 727	7 727	0.0364%
28.09.2016	30.09.2016	P	1 995	251.95	0.01	0.0094%	1 995	9 722	9 722	0.0458%
29.09.2016	03.10.2016	P	2 200	251.82	0.01	0.0104%	2 200	11 922	11 922	0.0562%
30.09.2016	04.10.2016	P	3 090	245.32	0.01	0.0146%	3 090	15 012	15 012	0.0708%
03.10.2016	05.10.2016	P	2 000	234.81	0.01	0.0094%	2 000	17 012	17 012	0.0802%
04.10.2016	06.10.2016	P	2 100	243.97	0.01	0.0099%	2 100	19 112	19 112	0.0901%
05.10.2016	07.10.2016	P	2 600	239.97	0.01	0.0123%	2 600	21 712	21 712	0.1023%
06.10.2016	10.10.2016	P	1 362	232.91	0.01	0.0064%	1 362	23 074	23 074	0.1088%
07.10.2016	11.10.2016	P	2 000	229.73	0.01	0.0094%	2 000	25 074	25 074	0.1182%
10.10.2016	12.10.2016	P	898	227.97	0.01	0.0042%	898	25 972	25 972	0.1224%
11.10.2016	13.10.2016	P	850	229.54	0.01	0.0040%	850	26 822	26 822	0.1264%
12.10.2016	14.10.2016	P	203	228.08	0.01	0.0010%	203	27 025	27 025	0.1274%
13.10.2016	17.10.2016	P	2 153	227.23	0.01	0.0101%	2 153	29 178	29 178	0.1375%
14.10.2016	18.10.2016	P	2 000	229.51	0.01	0.0094%	2 000	31 178	31 178	0.1470%
17.10.2016	19.10.2016	P	1 700	229.81	0.01	0.0080%	1 700	32 878	32 878	0.1550%
18.10.2016	18.10.2016	S	19 310	92.60	0.01	0.0910%	19 310	13 568	13 568	0.0640%
18.10.2016	20.10.2016	P	2 000	233.34	0.01	0.0094%	2 000	15 568	15 568	0.0734%
19.10.2016	21.10.2016	P	1 757	234.19	0.01	0.0083%	1 757	17 325	17 325	0.0817%
20.10.2016	24.10.2016	P	2 246	238.70	0.01	0.0106%	2 246	19 571	19 571	0.0923%
21.10.2016	25.10.2016	P	2 468	240.51	0.01	0.0116%	2 468	22 039	22 039	0.1039%
24.10.2016	26.10.2016	P	2 608	248.99	0.01	0.0123%	2 608	24 647	24 647	0.1162%
25.10.2016	27.10.2016	P	2 850	247.65	0.01	0.0134%	2 850	27 497	27 497	0.1296%
26.10.2016	28.10.2016	P	2 621	246.68	0.01	0.0124%	2 621	30 118	30 118	0.1420%
27.10.2016	31.10.2016	P	3 001	247.70	0.01	0.0141%	3 001	33 119	33 119	0.1561%
28.10.2016	02.11.2016	P	510	245.38	0.01	0.0024%	510	33 629	33 629	0.1585%
31.10.2016	03.11.2016	P	249	248.45	0.01	0.0012%	249	33 878	33 878	0.1597%
02.11.2016	04.11.2016	P	2 274	249.05	0.01	0.0107%	2 274	36 152	36 152	0.1704%

conclusion date	settlement date	purchase/ sale	number of purchased/ sold shares	average purchase / sale price of shares	Nominal value of shares [EUR]	% of the share capital of the Company	number of votes at GSM	total number of shares	total number of votes at GSM	% of the total number of votes in the Company
03.11.2016	07.11.2016	P	3 000	247.75	0.01	0.0141%	3 000	39 152	39 152	0.1846%
04.11.2016	08.11.2016	P	2 889	243.52	0.01	0.0136%	2 889	42 041	42 041	0.1982%
07.11.2016	09.11.2016	P	2 138	232.72	0.01	0.0101%	2 138	44 179	44 179	0.2083%

B. Interim Consolidated Financial Statements for the quarter ended September 30th, 2016

1. Statement on the Accounts' Compliance with International Financial Reporting Standards

These consolidated interim financial statements were prepared in accordance with the International Financial Reporting Standards (the "IFRS") and their interpretations adopted by the International Accounting Standards Board (the "IASB") in the form approved for application on the territory of the European Union by virtue of the IFRS Regulation (the European Commission 1606/2002).

2. Seasonality of Production and Markets

In the case of the AmRest Group, the seasonality of sales and inventories is not significant, which is typical to the restaurant business.

The restaurants record the lowest sales in the first quarter of the year, which is attributable primarily to fewer operating days in February and fewer people dining out. The next quarter in terms of sales is the second quarter, in which the restaurants achieve better results thanks to improving weather and a positive effect of the beginning of the holiday season in June. The highest sales are achieved at the end of the third and at the beginning of the fourth quarter. Very good performance in the third quarter is attributable to the increased tourist traffic. Autumn is traditionally a season when people tend to dine out more frequently, which translates into higher sales. An important time in the last three months of the year is the pre-Christmas period, when particularly high sales are reported by the restaurants situated in shopping centers.

3. Form of Presentation of the Consolidated Financial Statements and Type and Value of Changes in the Applied Estimates

Amounts in these consolidated interim financial statements are presented in the Polish zloty (PLN), rounded off to full thousands. These financial statements were prepared based on the historical cost convention, except financial assets and liabilities (including derivative instruments) which are subject to measurement at fair value through profit or loss.

The preparation of financial statements in compliance with the International Financial Reporting Standards requires the Management Board to make certain assumptions, judgments and estimates, which are reflected in the applied accounting policies and affect the value of assets and liabilities, revenues and expenses disclosed in these financial statements. The estimates and the related assumptions, which are made on the basis of experience and various factors deemed relevant in given circumstances, are the basis for valuation of the assets and liabilities which do not directly result from other sources. Actual results may differ from the estimates.

Estimates and their underlying assumptions are reviewed on an on-going basis. Any adjustments of the accounting estimates are recognized in the period in which the adjustments were made, on condition that they concern this period only, or in the period in which they were made and in the future periods, if they concern both the current and future periods.

The most significant estimates and assumptions concern the valuation of property, plant and equipment, intangible assets, including goodwill, revaluation allowances for accounts receivable and inventories, and adjustment to the valuation of deferred tax assets. During the period covered by these financial statements, there were no material changes in the value of estimates disclosed in the previous reporting periods.

The accounting policies have been applied consistently in all periods presented in these consolidated financial statements. The accounting policies were applied consistently by all members of the Group.

4. Adjustments

Comparable data were restated as a consequence of following adjustments:

Fair value of acquired net assets of S.C. Marinopoulos Coffee Company III S.r.l. (currently AmRest Coffee S.r.l.) was presented in annual consolidated financial statements for the year ended December 31, 2015 in value of PLN 48.240 thousands and, due to the adjustments in purchase price allocation process, was adjusted by PLN 2.287 thousand. This adjustment consisted of decreased value of current assets by PLN 1.609 thousand (RON 1.708 thousand), increased provisions by PLN 565 thousand (RON 600 thousand) and increased current liabilities by PLN 113 thousand (RON 120 thousand) .

Below are presented schedules reconciling effect of mentioned above adjustments and reconciliations between data published for the year ended December 31, 2015 and reported in current period statements as data for the year ended December 31, 2015.

Consolidated annual statement of financial position as at December 31, 2015

In thousands of Polish zloty	**According to the published financial statement**	***Adjustment***	**After adjustments**
Assets			
Property, plant and equipment	1 060 019		1 060 019
Goodwill	583 091	2 287	585 378
Other intangible assets	574 109		574 109
Investment property	22 152		22 152
Investments in associates	828		828
Other non-current assets	51 801		51 801
Deferred tax assets	33 352		33 352
Total non-current assets	**2 325 352**	**2 287**	**2 327 639**
Inventories	64 346	(796)	63 550
Trade and other receivables	92 090	(161)	91 929
Corporate income tax receivables	5 458		5 458
Other current assets	44 007	(652)	43 355
Cash and cash equivalents	317 871		317 871
Total current assets	**523 772**	**(1 609)**	**522 163**
Total assets	**2 849 124**	**678**	**2 849 802**
Equity			
Share capital	714		714
Reserves	678 306		678 306
Retained earnings	464 456		464 456

Translation reserve	(110 447)		(110 447)
Equity attributable to shareholders of the parent	**1 033 029**	**-**	**1 033 029**
Non-controlling interests	**71 045**	**-**	**71 045**
Total equity	**1 104 074**	**-**	**1 104 074**
Liabilities			
Interest-bearing loans and borrowings	1 035 946		1 035 946
Finance lease liabilities	7 921		7 921
Employee benefit liability	26 677		26 677
Provisions	3 680	565	4 245
Deferred tax liability	90 492		90 492
Other non-current liabilities	14 901		14 901
Total non-current liabilities	**1 179 617**	**565**	**1 180 182**
Interest-bearing loans and borrowings	89 418		89 418
Finance lease liabilities	1 323		1 323
Trade and other accounts payable	461 774		461 774
Income tax liabilities	12 918	113	13 031
Total current liabilities	**565 433**	**113**	**565 546**
Total liabilities	**1 745 050**	**678**	**1 745 728**
Total equity and liabilities	**2 849 124**	**678**	**2 849 802**

5. Segment Reporting

Operating Segments

AmRest as a Group of dynamic developing entities running operations at many markets and various restaurant business segments is under constant analysis of Executive Committee. This Committee is also constantly reviewing the way how business is analysed and adjust it accordingly to changing Group Structure as a consequence of strategic decisions. Operating segments are set on the basis of management reports used by Executive Committee during making strategic decisions. Executive Committee verifies group performance while deciding of owned resources allocations in breakdown of AmRest Group for divisions.

Due to the acquisition of a company operating Starbucks coffeehouses in Germany and effect of Group management structure changes initialised on the turn of 2015 and 2016, Group has revised names and a way of reporting segment aggregation continuously based on geographical criterium. The approach is current valid solution for strategic analysis and capital allocation decision making process by Executive Committee. As for the balance sheet date Executive Committee defines segments in presented below layout.

Segment	**Description**
Central and Eastern Europe (CEE)	Poland, Czech, Hungary, Bulgaria, Croatia, Romania, Slovakia and Serbia.
Western Europe	KFC and La Tagliatella restaurant operations in Spain, France and Germany, together with supply chain and franchise activity in Spain. Starbucks operation in Germany.
China	Blue Frog and KABB restaurants in China.
Russia	KFC and Pizza Hut activity in Russia.

Unallocated	Consolidation adjustments, asset and liability balances non-allocated to segments (covering borrowings and lease liabilities) and transactions of SCM sp. z o.o., AmRest Holdings SE and subsidiary located in the Ukraine and following companies AmRest Capital Zrt, AmRest Finance Zrt and AmRest Finance S.L. and financial costs and incomes, share profit of associates, income tax, net income from continued operation, total net income.

The data relating to operating segments for the 9 months ended September 30, 2016 and for the comparative period ended September 30, 2015 are presented below (comparable period for balance sheet data is December 31, 2015).

	CEE	***Western Europe***	**Russia**	**China**	**Unallocated**	**Total**
Nine months ended September 30th, 2016						
Revenue from external customers	1 626 461	834 016	330 265	169 069	33 034	2 992 845
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	131 920	74 798	14 980	(3 561)	(17 272)	200 865
Finance income	-	-	-	-	2 175	2 175
Finance costs	-	-	-	-	(34 993)	(34 993)
Share of profits of associates	-	-	-	-	(32)	(32)
Income tax	-	-	-	-	(28 062)	(28 062)
Deferred tax assets	26 212	6 754	-	597	7 843	41 406
Gain for the period	-	-	-	-	139 953	139 953
Segment assets	1 059 774	1 476 927	313 803	194 252	120 205	3 164 961
Investments in associates	-	-	-	-	797	797
Total assets	1 059 774	1 476 927	313 803	194 252	121 002	3 165 758
Goodwill	35 057	529 566	85 840	90 298	911	741 672
Segment liabilities	250 687	184 209	32 155	28 038	1 373 599	1 868 688
Depreciation	98 618	40 268	19 821	12 386	577	171 670
Amortization	13 283	8 936	1 040	895	208	24 362
Capital investment	152 506	149 539	38 369	13 033	1 189	354 636
Impairment of fixed assets	1 151	2 729	2 795	1 159	-	7 834
Impairment of trade receivables	(756)	-	(205)	-	(392)	(1 353)
Impairment of inventories	-	36	-	-	-	36
Impairment of other assets	320	-	-	-	(2)	318
Three months ended September 30th, 2016						
Revenue from external customers	586 228	375 811	125 207	58 736	11 587	1 157 569
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	54 306	32 089	8 192	2 253	(5 916)	90 924
Finance income	-	-	-	-	1 104	1 104
Finance costs	-	-	-	-	(13 396)	(13 396)
Share of profits of associates	-	-	-	-	(21)	(21)
Income tax	-	-	-	-	(13 820)	(13 820)

	CEE	Western Europe	Russia	China	Unallocated	Total
Deferred tax assets	26 212	6 754	-	597	7 843	41 406
Gain for the period	-	-	-	-	64 791	64 791
Segment assets	1 059 774	1 476 927	313 803	194 252	120 205	3 164 961
Investments in associates	-	-	-	-	797	797
Total assets	1 059 774	1 476 927	313 803	194 252	121 002	3 165 758
Goodwill	35 057	529 566	85 840	90 298	911	741 672
Segment liabilities	250 687	184 209	32 155	28 038	1 373 599	1 868 688
Depreciation	32 616	16 892	7 249	3 935	198	60 890
Amortization	4 448	3 673	384	293	68	8 866
Capital investment	61 200	19 719	8 205	3 879	(2 946)	90 057
Impairment of trade receivables	(111)	-	-	-	-	(111)
Impairment of other assets	-	-	-	-	(2)	(2)
Nine months ended September 30th, 2015 *(balance sheet data as at December 31st, 2015)*						
Revenue from external customers	1 403 441	533 627	301 739	155 964	26 095	2 420 866
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	106 350	58 152	14 709	(3 839)	(18 525)	156 847
Finance income	-	-	-	-	2 398	2 398
Finance costs	-	-	-	-	(32 678)	(32 678)
Share of profits of associates	-	-	-	-	174	174
Income tax	-	-	-	-	(8 086)	(8 086)
Deferred tax assets	23 521	2 100	-	-	7 731	33 352
Gain for the period	-	-	-	-	118 655	118 655
Segment assets	1 119 490	1 205 213	245 451	208 819	70 001	2 848 974
Investments in associates	-	-	-	-	828	828
Total assets	1 119 490	1 205 213	245 451	208 819	70 829	2 849 802
Goodwill	34 243	381 752	74 423	94 049	911	585 378
Segment liabilities	320 942	106 738	20 109	35 050	1 262 889	1 745 728
Depreciation	86 700	24 916	18 429	10 190	391	140 626
Amortization	6 151	11 660	1 214	841	141	20 007
Capital investment	91 711	34 953	26 957	17 443	793	171 857
Impairment of fixed assets	(670)	4 122	(399)	-	-	3 053
Impairment of trade receivables	342	-	(13)	-	421	750
Impairment of inventories	(16)	-	-	67	-	51
Impairment of other assets	-	(439)	-	227	(1)	(213)
Three months ended September 30th, 2015 *(balance sheet data as at December 31st, 2015)*						
Revenue from external customers	507 490	190 338	98 223	55 837	9 303	861 191

	CEE	*Western Europe*	Russia	China	Unallocated	Total
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	42 712	26 632	2 891	(1 990)	(2 324)	67 921
Finance income	-	-	-	-	(795)	(795)
Finance costs	-	-	-	-	(11 040)	(11 040)
Share of profits of associates	-	-	-	-	79	79
Income tax	-	-	-	-	9 436	9 436
Deferred tax assets	23 521	2 100	-	-	7 731	33 352
Gain for the period	-	-	-	-	65 601	65 601
Segment assets	1 119 490	1 205 213	245 451	208 819	70 001	2 848 974
Investments in associates	-	-	-	-	828	828
Total assets	1 119 490	1 205 213	245 451	208 819	70 829	2 849 802
Goodwill	34 243	381 752	74 423	94 049	911	585 378
Segment liabilities	320 942	106 738	20 109	35 050	1 262 889	1 745 728
Depreciation	30 115	6 067	5 974	4 274	148	46 578
Amortization	1 946	6 138	624	280	46	9 034
Capital investment	26 015	17 758	11 975	7 697	297	63 742
Impairment of fixed assets	(4)	-	-	-	-	(4)
Impairment of trade receivables	25	-	(7)	-	401	419
Impairment of inventories	(1)	(1)	-	1	-	(1)
Impairment of other assets	-	(809)	-	(3)	(1)	(813)

Value of assets and liabilities and results of given reporting segments have been established on the basis of Group accounting policies, compliant with policies applied for preparation of this financial statements.

Goodwill was allocated to given reporting segments.

6. Changes in Future and Contingent Liabilities

As in the previous reporting period, the Company's future liabilities are derived from the Franchise Agreements and Development Agreement.

Group restaurants are operated in accordance with franchise agreements with YUM! and subsidiaries of YUM!, Burger King Europe GmbH, Starbucks Coffee International.Inc.

The franchise agreements typically require that the Group pays an initial, non-refundable fee upon the opening of each new restaurant, pays continuing fees of 6% percent of revenues and commit 5% percent of revenue to advertising as specified in the relevant agreement. In addition, at the conclusion of the initial term of the franchise agreement, the Group may renew the franchise agreement, subject to a renewal fee.

The initial, non-refundable fees constitute in substance rights to use Pizza Hut and KFC trademarks and are included in 'intangible assets' and amortized over the period of the agreement (usually ten years). Continuing fees are expensed as incurred. Renewal fees are amortized over the renewal period when a renewal agreement becomes effective.

The initial fees paid are approximately USD 49,1 thousand per restaurant and renewal fees are 50% of the initial fees, adjusted to reflect changes in the US Consumer Price Index during the term of the relevant franchise.

The most significant conditions relating to franchise agreements that are concluded with Burger King are as follows:

- The license is granted for 20 years period commencing from the date the franchised restaurant opens for business.The initial franchise fee is USD 50 thousand;
- Franchisee must pay monthly continuing fees to the franchisor equal to 5% of the Gross Sales of the Burger King restaurant operated by Franchisee;
- Franchisee must pay monthly continuing advertising and sales promotion fees equal to 5% of the Gross Sales of the Burger King restaurant operated by franchisee.

The key fees and costs to be borne by the Group relating to agreements with Starbucks Coffee International. Inc. will be as follows:

- The development and service fees for initial operation support equal to an amount USD 950 thousand;
- The initial franchise fee of USD 25 thousand for each Starbucks store;
- The continuing licensing and service fee equal to 6% of sales revenues of each Starbucks store;
- A local marketing spend obligation is to be mutually agreed annually.

Interim consolidated income statement
for the 9 months and the quarter ended September 30th, 2016

in thousands of Polish zloty	**9 months ended September 30, 2016**	**3 months ended September 30, 2016**	**9 months ended September 30, 2015**	**3 months ended September 30, 2015**
Continuing operations				
Restaurant sales	2 802 657	1 089 487	2 266 574	804 252
Franchise and other sales	190 188	68 082	154 292	56 939
Total sales	2 992 845	1 157 569	2 420 866	861 191
Company operated restaurant expenses:				
Food and material	(843 053)	(319 330)	(705 138)	(248 051)
Payroll and employee benefits	(645 344)	(255 390)	(502 257)	(175 896)
Royalties	(139 600)	(55 510)	(111 152)	(39 500)
Occupancy and other operating expenses	(848 515)	(325 701)	(681 239)	(240 896)
Franchise and other expenses	(122 602)	(43 469)	(102 728)	(38 498)
General and administrative (G&A) expenses	(202 648)	(71 817)	(169 867)	(54 618)
Impairment losses	(6 835)	113	(3 641)	399
Other operating income	16 617	4 459	12 003	3 790
Total operating costs and losses	(2 791 980)	(1 066 645)	(2 264 019)	(793 270)
Profit from operations	**200 865**	**90 924**	**156 847**	**67 921**
Finance costs	(34 993)	(13 396)	(32 678)	(11 040)
Finance income	2 175	1 104	2 398	(795)
Income from associates	(32)	(21)	174	79
Profit before tax	**168 015**	**78 611**	**126 741**	**56 165**
Income tax	(28 062)	(13 820)	(8 086)	9 436
Profit for the period	**139 953**	**64 791**	**118 655**	**65 601**
Profit attributable to:				
Non-controlling interests	1 483	2 340	516	439
Equity holders of the parent	138 470	62 451	118 139	65 162
Profit for the period	**139 953**	**64 791**	**118 655**	**65 601**
Basic earnings per share in Polish zloty	6.53	2.94	5.57	3.07
Diluted earnings per share in Polish zloty	6.53	2.94	5.57	3.07

Interim consolidated statement of comprehensive income
for the 9 months and the quarter ended September 30th, 2016

in thousands of Polish zloty	9 months ended September 30, 2016	3 months ended September 30, 2016	9 months ended September 30, 2015	3 months ended September 30, 2015
Net profit	**139 953**	**64 791**	**118 655**	**65 601**
Other comprehensive incomes:				
Exchanges differences on translation of foreign operations	40 129	(46 508)	27 482	5 936
Net investment hedges	(2 478)	22 037	2 959	(6 630)
Income tax concerning net investment hedges	471	(4 187)	(562)	1 260
Total items that may be reclassified subsequently to profit or loss	38 122	(28 658)	29 879	566
Total items that will not be reclassified to income statement	-	-	-	-
Other comprehensive income for the period. net of	**38 122**	**(28 658)**	**29 879**	**566**
Total comprehensive income for the period	**178 075**	**36 133**	**148 534**	**66 167**
Attributable to:				
Shareholders of the parent	178 799	36 077	144 668	66 841
Non-controlling interests	(724)	56	3 866	(674)

Interim consolidated statement of financial position as at September 30th, 2016 and December 31st 2015

In thousands of Polish zloty	30.09.2016	31.12.2015 (after adjustment)*
Assets		
Property, plant and equipment	1 223 237	1 060 019
Goodwill	741 672	585 378
Other intangible assets	584 219	574 109
Investment property	22 152	22 152
Investments in associates	797	828
Other non-current assets	55 212	51 801
Deferred tax assets	41 406	33 352
Total non-current assets	**2 668 695**	**2 327 639**
Inventories	73 827	63 550
Trade and other receivables	64 057	91 929
Corporate income tax receivables	8 737	5 458
Other current assets	39 596	43 355
Cash and cash equivalents	310 846	317 871
Total current assets	**497 063**	**522 163**
Total assets	**3 165 758**	**2 849 802**
Equity		
Share capital	714	714
Reserves	686 370	678 306
Retained earnings	602 926	464 456
Translation reserve	(68 111)	(110 447)
Equity attributable to shareholders of the parent	**1 221 899**	**1 033 029**
Non-controlling interests	**75 171**	**71 045**
Total equity	**1 297 070**	**1 104 074**
Liabilities		
Interest-bearing loans and borrowings	1 021 418	1 035 946
Finance lease liabilities	7 411	7 921
Employee benefit liability	16 985	26 677
Provisions	12 816	4 245
Deferred tax liability	101 754	90 492
Other non-current liabilities	12 381	14 901
Total non-current liabilities	**1 172 765**	**1 180 182**
Interest-bearing loans and borrowings	219 809	89 418
Finance lease liabilities	1 507	1 323
Trade and other accounts payable	454 514	461 774
Income tax liabilities	20 093	13 031
Total current liabilities	**695 923**	**565 546**
Total liabilities	**1 868 688**	**1 745 728**
Total equity and liabilities	**3 165 758**	**2 849 802**

** The adjustment resulted from final purchase price allocation process of S.C. Marinopoulos Coffee Company III S.r.l. (currently AmRest Coffee S.r.l.) described in note 4).*

Interim consolidated statement of cash flows for the 9 months ended September 30th, 2016

in thousands of Polish zloty	9 months ended September 30, 2016	9 months ended September 30, 2015
Cash flows from operating activities		
Profit before tax from continued operations	168 015	126 741
Adjustments for:		
Share (profit)/loss of associates	32	(174)
Amortization	24 362	20 007
Depreciation	171 670	140 626
Interest expense, net	25 414	25 149
Unrealized foreign exchange (gain)/loss	1 839	442
(Gain)/loss on disposal of fixed assets	1 006	(2 566)
Impairment of property, plant and equipment and intangibles	7 833	3 053
Share based payments expenses	14 826	15 942
Working capital changes:		
(Increase)/decrease in receivables	31 657	12 018
(Increase)/decrease in inventories	(3 123)	(2 803)
(Increase)/decrease in other assets	(2 368)	(9 806)
Increase/(decrease) in payables and other liabilities	(85 747)	(27 638)
Increase/(decrease) in other provisions and employee benefits	(10 488)	(14 888)
Income taxes (paid)/returned	(21 405)	(19 210)
Interest paid	(24 435)	(24 480)
Interest received	1 926	2 301
Dividend received from affiliates	-	158
Other	3 679	6 651
Net cash provided by operating activities	**304 693**	**251 523**
Cash flows from investing activities		
Proceeds related to the acquisition of subsidiaries	14 330	-
Payments for acquisition of subsidiaries	(155 147)	(64 025)
Proceeds from transactions with non-controlling interests	5 928	-
Acquisition of property, plant and equipment	(253 439)	(151 685)
Acquisition of intangible assets	(12 006)	(6 071)
Proceeds from investment loans and borrowings	-	1 738
Net cash used in investing activities	**(400 334)**	**(220 043)**
Cash flows from financing activities		
Expense on acquisition of treasury shares (employees options)	(19 671)	(29 993)
Proceeds from share transfers (employees options)	6 584	8 203
Payment of cash-settled stock-based awards	(3 841)	(7 016)
Proceeds from loans and borrowings	197 707	6 499
Repayment of borrowings	(86 973)	(1 698)
Dividend paid for non-controlling interests holders	(1 078)	(980)
Repayment of finance lease liabilities	(402)	(647)
Net cash provided by financing activities	**92 326**	**(25 632)**
Net change in cash and cash equivalents	**(3 315)**	**5 848**
Effect of foreign exchange rate movements	(3 710)	(543)
Balance sheet change of cash and cash equivalents	(7 025)	5 305
Cash and cash equivalents, beginning of period	317 871	257 171
Cash and cash equivalents, end of period	**310 846**	**262 476**

Interim consolidated statement of changes in equity for the 9 months ended September 30th , 2016

in thousands of Polish zloty	Issued capital	Reserved capital: Treasury shares	Reserved capital: Other reserved capital	Retained Earnings	Cumulative translation adjustments	**Total equity attributable to equity holders of the parent**	Non-controlling interest	**Total Equity**
As at 01.01.2015	**714**	**(4 014)**	**696 638**	**304 420**	**(86 216)**	**911 542**	**64 100**	**975 642**
COMPREHENSIVE INCOME								
Income/(loss) for the period	-	-	-	118 139	-	**118 139**	516	**118 655**
Currency translation differences	-	-	-	-	24 132	**24 132**	3 350	**27 482**
Net investment hedges valuation	-	-	2 959	-	-	**2 959**	-	**2 959**
Deferred tax related to net investment hedges	-	-	(562)	-	-	**(562)**	-	**(562)**
Total Comprehensive Income	**-**	**-**	**2 397**	**118 139**	**24 132**	**144 668**	**3 866**	**148 534**
TRANSACTION WITH NON-CONTROLLING INTERESTS								
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	(822)	**(822)**
Total transactions with non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**(822)**	**(822)**
TRANSACTION WITH SHAREHOLDERS								
Purchase of treasury shares	-	(29 993)	-	-	-	(29 993)	-	(29 993)
Proceeds from treasury shares	-	21 439	(21 439)	-	-	-	-	-
Employee stock option plan – value of employee services	-	-	15 942	-	-	15 942	-	15 942
Employee stock option plan – value of exercised options	-	-	(25 437)	-	-	(25 437)	-	(25 437)
Employee stock option plan – valuation of cash liability	-	-	(2 133)	-	-	(2 133)	-	(2 133)
Total transactions with equity holders	**-**	**(8 554)**	**(33 067)**	**-**	**-**	**(41 621)**	**-**	**(41 621)**
As at 30.09.2015	**714**	**(12 568)**	**665 968**	**422 559**	**(62 084)**	**1 014 589**	**67 144**	**1 081 733**
As at 01.01.2016	**714**	**(21 212)**	**699 518**	**464 456**	**(110 447)**	**1 033 029**	**71 045**	**1 104 074**
COMPREHENSIVE INCOME								
Income/(loss) for the period	-	-	-	138 470	-	**138 470**	1 483	**139 953**
Currency translation differences	-	-	-	-	42 336	**42 336**	(2 207)	**40 129**
Net investment hedges valuation	-	-	(2 478)	-	-	**(2 478)**	-	**(2 478)**
Deferred tax related to net investment hedges	-	-	471	-	-	**471**	-	**471)**
Total Comprehensive Income	**-**	**-**	**(2 007)**	**138 470**	**42 336**	**178 799**	**(724)**	**178 075**
TRANSACTION WITH NON-CONTROLLING INTERESTS								
Equity attributable to non-controlling interests	-	-	-	-	-	-	5 928	**5 928**
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	(1 078)	**(1 078)**
Total transactions with non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**4 850**	**4 850**
TRANSACTION WITH SHAREHOLDERS								
Purchase of treasury shares	-	(19 671)	-	-	-	(19 671)	-	(19 671)
Treasury shares disposal	-	37 084	(37 084)	-	-	-	-	-
Employee stock option plan – value of employee benefits exercised in the period	-	-	11 767	-	-	11 767	-	11 767
Employee stock option plan – proceeds from employees for transferred shares	-	-	6 584	-	-	6 584	-	6 584
Employee stock option plan – value of unexercised employee benefits	-	-	9 831	-	-	9 831	-	9 831
Change of deferred tax related to unexercised employee benefits	-	-	1 560	-	-	1 560	-	1 560
Total transactions with equity holders	**-**	17 413	(7 342)	**-**	**-**	**10 071**	**-**	**10 071**
As at 30.09.2016	**714**	**(3 799)**	**690 169**	**602 926**	**(68 111)**	**1 221 899**	**75 171**	**1 297 070**

7. Earnings per Ordinary Share

The basic and diluted earnings per ordinary share were computed as follows:

	9 months ended September 30, 2016	**3 months ended September 30, 2016**	**9 months ended September 30, 2015**	**3 months ended September 30, 2015**
Net profit attributable to shareholders of the parent (*in thousands of PLN)*	138 470	62 451	118 139	65 162
Weighted average number of ordinary shares in issue	21 213 893	21 213 893	21 213 893	21 213 893
Weighted average number of ordinary shares for diluted earnings per share	21 213 893	21 213 893	21 213 893	21 213 893
Basic earnings per ordinary share (PLN)	6.53	2.94	5.57	3.07
Diluted earnings per ordinary share (PLN)	6.53	2.94	5.57	3.07

As at December 1, 2014 year has expired AmRest Holdings S.E. Management Board right to issue new shares up to value of EUR 5 thousand as authorized capital (according to paragraph 4.1 of Company articles of association). Right was granted by shareholders AGM resolution number 13 on June 10, 2011 year. As at September 30, 2016 Company has no availability to issue new shares to settle employee option plans. Settlements of employee options plans are available through treasury stocks in a secondary market or in cash.

8. Subsequent events

In regards to the motion of shareholder CULLINAN, S.À.R.L. of Capellen of 28th October 2016, the Management Board of AmRest Holdings SE convened the Extraordinary General Meeting of AmRest to be held on 24th November 2016 with key agenda point on changes in Supervisory Board.

C. Interim Stand-Alone Financial Statements for the quarter ended September 30th, 2016

1. Selected financial information

Selected financial data including key items of the stand-alone financial statements as at and for 9 months ended on September 30th, 2016 and September 30th, 2015:

	9 months 2016 in thousands PLN	9 months 2015 in thousands PLN	9 months 2016 in thousands EUR	9 months 2015 in thousands EUR
Total sales	-	-	-	-
Profit/(loss) from operations	16 484	(5 560)	3 823	(1 312)
Profit before tax	36 649	835	8 499	197
Net profit	36 675	871	8 505	205
Net cash provided by operating activities	(17 627)	12 708	(4 088)	2 998
Net cash used in investing activities	17 747	42 826	4 116	10 104
Net cash provided/ (used in) financing activities	22 906	(21 790)	5 312	(5 141)
Net cash flow, total	23 026	33 744	5 340	7 961
Total assets	1 144 182	1 132 891	265 348	267 280
Total liabilities and provisions	296 963	321 207	68 869	75 781
Long-term liabilities	290 317	317 206	67 328	74 837
Short-term liabilities	6 646	4 001	1 541	944
Total equity	847 219	811 684	196 479	191 498
Issued capital	714	714	166	168

* no dividends were paid in 2016 and in 2015

Assets and liabilities are translated into the Polish zloty at exchange rates quoted for the balance-sheet date by the National Bank of Poland. Income and expenses are translated at exchange rates approximated to the rates quoted for the date of a given transaction.

The selected financial data were translated into the euro in accordance with the following policies:

- Assets and liabilities – at mid exchange rates quoted by the National Bank of Poland for a given balance-sheet date;
- Items in the income statement – at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month in a given calendar quarter.

Interim stand-alone income statement
for the quarter ended September 30th, 2016

in thousands of Polish Zloty	9 months ended September 30, 2016	3 months ended September 30, 2016	9 months ended September 30, 2015	3 months ended September 30, 2015
General and administrative expenses	(1 422)	(642)	(3 799)	(902)
Other operating cost	(1 961)	(55)	(3 040)	(6 245)
Other operating income	19 867	4 118	1 279	-
Finance income	29 304	24 303	16 150	2 679
Finance costs	(9 139)	(3 276)	(9 755)	(3 356)
Net profit/(loss) before tax	**36 649**	**24 488**	**835**	**(7 824)**
Income tax	26	94	36	(578)
Net profit/(loss) for the period	**36 675**	**24 542**	**871**	**(8 402)**

Interim stand-alone statement of comprehensive income
for the quarter ended September 30th, 2016

in thousands of Polish Zloty	9 months ended September 30, 2016	3 months ended September 30, 2016	9 months ended September 30, 2015	3 months ended September 30, 2015
Net profit/(loss)	36 675	24 542	871	(8 402)
Other comprehensive incomes:				
Other comprehensive incomes net	-	-	-	-
Total comprehensive incomes	**36 675**	**24 542**	**871**	**(8 402)**

Interim stand-alone statement of financial position as of September 30th, 2016 and December 31st, 2015

in thousands of Polish Zloty	**30.09.2016**	**31.12.2015**
Assets		
Other intangible assets	369	551
Investments in associates	893 159	890 852
Other non-current financial assets	174 200	174 200
Deferred tax assets	300	-
Total non-current assets	**1 068 028**	**1 065 603**
Trade and other receivables	30 715	16 718
Income tax receivables	-	744
Other current assets	164	144
Other current financial assets	8 237	8 019
Cash and cash equivalents	37 038	14 012
Total current assets	**76 154**	**39 637**
Total assets	**1 144 182**	**1 105 240**
Equity		
Issued capital	714	714
Reserves	753 919	744 103
Retained earnings	92 586	55 911
Total equity	**847 219**	**800 728**
Liabilities		
Deferred tax liabilities	-	327
Trade and other payables	10 915	21 629
Other non-current financial liabilities	279 402	279 157
Total non-current liabilities	**290 317**	**301 113**
Other current financial liabilities	2 905	-
Trade and other accounts payable	3 147	3 399
Liabilities from income tax	594	-
Total current liabilities	**6 646**	**3 399**
Total liabilities	**296 963**	**304 512**
Total equity and liabilities	**1 144 182**	**1 105 240**

Interim stand-alone statement of cash flows
for 9 months ended September 30th, 2016

in thousands of Polish Zloty

	9 months ended September 30, 2016	9 months ended September 30, 2015
Cash flows from operating activities		
Profit before tax	**36 649**	**835**
Adjustments:		
Amortization of intangible assets	199	124
Financial expense and income, net	(20 395)	(9 677)
Unrealized foreign exchange (gain)/loss	99	(141)
(Increase)/decrease in receivables	(16 200)	7 572
Increase/(decrease) in liabilities	(246)	6 217
The result on employee options	(19 861)	-
Change in other assets	(20)	(491)
Income tax paid / (returned)	737	(365)
Interest paid	(5 819)	(6 178)
Interest received	7 052	8 206
Other	178	-
Net cash provided by operating activities	**(17 627)**	**6 102**
Cash flows from investing activities		
Expense on investments in related parties	(3 980)	(16 313)
Proceeds from repayment of loans	-	59 430
Dividends received from subsidiaries	21 750	6 606
Acquisition of intangible assets	(23)	(291)
Net cash used in investing activities	**17 747**	**49 432**
Cash flows from financing activities		
Proceeds from shares transfer (employee options)	42 577	8 203
Expense on acquisition of treasury shares (employee options)	(19 671)	(29 993)
Net cash used in financing activities	**22 906**	**(21 790)**
Total net cash flows	**23 026**	**33 744**
Net change in cash and cash equivalents	23 026	33 744
Cash and cash equivalents, beginning of period	14 012	1 964
Cash and cash equivalents, end of period	**37 038**	**35 708**

Interim stand-alone statement of changes in equity for 9 months ended September 30th, 2016

in thousands of Polish Zloty	Issued capital	Own shares	Share premium	Retained Earnings	**Total Equity**
As at 01.01.2015	**714**	**(4 014)**	**783 360**	**31 112**	**811 172**
Comprehensive Income					
Income for the period	-	-	-	871	**871**
Total Comprehensive Income	**-**	**-**	**-**	**871**	**871**
Transaction with non-controlling shareholders	**-**	**-**	**-**	**-**	**-**
Transaction with shareholders					
Change in presentation of the distribution of retained earnings	-	-	(21 377)	21 377	**-**
Change in presentation on the treasury shares	-	-	(227)	227	**-**
Change in presentation of treasury share transactions 2012-2014	-	-	(2 548)	2 548	**-**
Change in stock option plan for employees	-	-	8 195	-	**8 195**
Change in presentation of the opening balance on the own shares		21 439	-	-	**21 439**
Net result on treasury share transaction	-	(29 993)	-	-	**(29 993)**
Total transaction with shareholders	**-**	**(8 554)**	**(15 957)**	**24 152**	**(359)**
As at 30.09.2015	**714**	**(12 568)**	**767 403**	**56 135**	**811 684**
As at 01.01.2016	**714**	**(21 212)**	**765 315**	**55 911**	**800 728**
Comprehensive Income					
Income for the period	-	-	-	36 675	**36 675**
Total Comprehensive Income	**-**	**-**	**-**	**36 675**	**36 675**
Transaction with non-controlling shareholders	**-**	**-**	**-**	**-**	**-**
Transaction with shareholders					
Change in share option plan for employees	-	-	(7 597)	-	**(7 597)**
Transfer of treasury shares	-	37 084	-	-	**37 084**
Purchase of treasury shares	-	(19 671)	-	-	**(19 671)**
Total transaction with shareholders	**-**	**17 413**	**(7 597)**	**-**	**9 816**
As at 30.09.2016	**714**	**(3 799)**	**757 718**	**92 586**	**847 219**

2. Selected information to the stand-alone financial statements

These interim financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union and issued by the International Accounting Standards Board. As at September 30th, 2016 there are no differences with regards to policies adopted by the Group and the International Financial Reporting Standards. The accounting policies used in the preparation of the stand-alone financial statements are consistent with those used in the annual financial statements for the year ended December 31st, 2015, except for the new accounting standards adopted as of January 1st, 2016.

The interim financial statements are presented in Polish zloty (PLN) which is the functional currency of AmRest Holdings SE since January 1st 2009.

3. Investments in subsidiaries

Details of investments in subsidiaries as at September 30th, 2016 and December 31st, 2015:

Name	September 30, 2016		December 31, 2015	
	Share in initial capital	Value of shares	Share in initial capital	Value of shares
AmRest Sp. z o. o (Poland) (a)	100.00 %	590 090	100.00 %	591 764
AmRest Acquisition Subsidiary Inc. (USA)	100.00 %	146 960	100.00 %	146 954
Blue Horizon Hospitality Group PTE Ltd. (China)	62.33 %	102 811	62.33 %	102 811
AmRest s.r.o. (Czech Republic)	100.00 %	33 573	100.00 %	33 573
AmRest FSVC LLC(b)	100.00 %	5 337	100.00%	1 362
AmRest EOOD (Bulgaria)	100.00 %	14 388	100.00 %	14 388
Total	**-**	**893 159**	**-**	**890 852**

(a) Value of shares in AmRest Sp. z o. o. was adjusted by the value of recognized costs in connection to valuation of employee stock option plan (shares were issued to employees of subsidiaries).

(b) On June 15, 2016 resolution on share capital increase in AmRest FSVC LLC D was passed. AmRest Holdings SE made capital contribution in amount of USD 165 thousand. On August 22, 2016 resolution on share capital increase in AmRest FSVC LLC D was passed. AmRest Holdings SE made capital contribution in amount of USD 100 thousand.

Signatures of Board Members

____

Drew O’Malley
AmRest Holdings SE
Board Member

____

Wojciech Mroczyński
AmRest Holdings SE
Board Member

____

Mark Chandler
AmRest Holdings SE
Board Member

____

Jacek Trybuchowski
AmRest Holdings SE
Board Member

____

Oksana Staniszewska
AmRest Holdings SE
Board Member

____

Olgierd Danielewicz
AmRest Holdings SE
Board Member

Wroclaw, November 7th, 2016