AMREST HOLDINGS SE CAPITAL GROUP

Q1 2013 QUARTERLY REPORT

WROCLAW, APRIL 30th, 2013

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A. Q1 2013 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 3 months period ended on March 31st:

	3 months 2013 in thousands of PLN	3 months 2012 in thousands of PLN	3 months 2013 in thousands EUR	3 months 2012 in thousands EUR
Total sales	609 116	544 891	146 577	128 697
Profit from operations	5 031	26 640	1 211	6 292
Profit/(loss) before tax	(6 193)	9 182	(1 490)	2 169
Net profit/(loss)	(9 734)	13 320	(2 342)	3 146
Net profit/(loss) attributable to non-controlling interests	(332)	727	(80)	172
Net profit/(loss) attributable to equity holders of the parent	(9 402)	12 593	(2 262)	2 974
Net cash provided by operating activities	9 154	40 334	2 203	9 526
Net cash used in investing activities	(55 861)	(63 996)	(13 442)	(15 115)
Net cash provided/ (used in) financing activities	41 123	40 264	9 896	9 510
Net cash flow, total	(5 584)	16 602	(1 344)	3 921
Total assets	2 593 255	2 567 737	620 782	617 007
Total liabilities and provisions	1 506 455	1 573 926	360 620	378 202
Long-term liabilities	1 011 565	1 225 344	242 152	294 441
Short-term liabilities	494 890	348 582	118 468	83 762
Equity attributable to shareholders of the parent	882 929	847 518	211 359	203 652
Non-controlling interest	203 871	146 293	48 803	35 153
Total equity	1 086 800	993 811	260 162	238 805
Issued capital	714	714	171	172
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 used in calculation of diluted earnings per share	21 583 159	21 295 728	21 583 160	21 295 728
Basic earnings/(loss) per share (PLN /EUR)	(0,44)	0,59	(0,11)	0,14
Dilluted earnings/(loss) per share (PLN /EUR)	(0,44)	0,59	(0,11)	0,14
Declared or paid dividend per share*	-	-	-	-

* In year 2012 and 2013 no dividends were paid. In 2012 Group paid dividends for non-controlling shareholder of SCM Sp. z o.o.in the amount of PLN 490 thousand.

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:

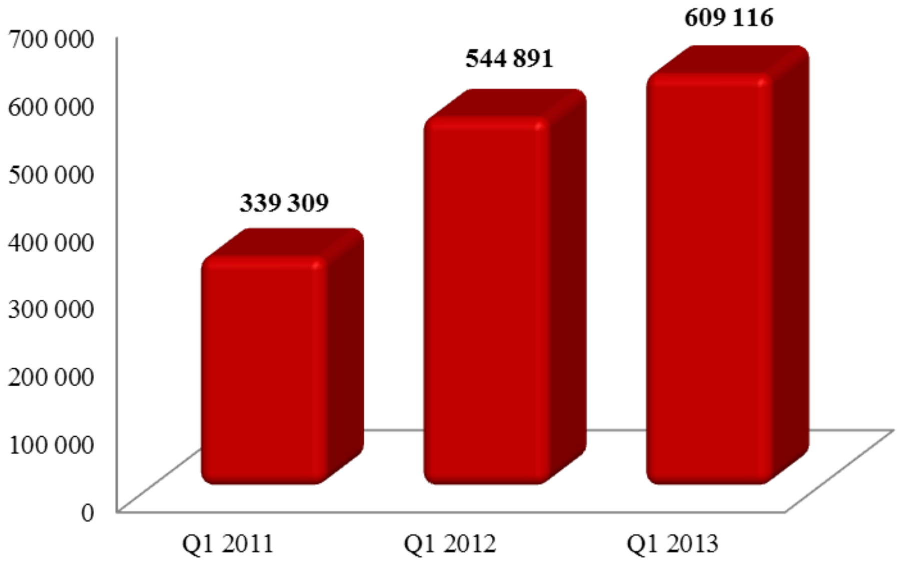
a) Significant personnel changes

Since the publication of the last consolidated annual report for the year 2012 (March 19th, 2013), there were no significant personnel changes.

b) The Company's performance

Sales of AmRest Group increased in the first quarter of 2013 by 11.8% and amounted to PLN 609 116 thousand compared to PLN 544 891 thousand in the first quarter of the last year.

Chart 1 Sales dynamic in AmRest Group for the first quarter 2013 compared to previous years (in PLN thousand)



Russian restaurants experienced significant improvement in revenues with 31.4% growth comparing to the first quarter of the previous year. The growth resulted from both improvement in the performance of the comparable stores and the fast pace of the new stores opening. During last 12 months (period from April 1st, 2012 till March 31st, 2013) AmRest opened 11 restaurants in Russia increasing its overall portfolio to 69 stores.

The growth in sales of Western Europe and the new markets was also significant. The revenues of this division grew by 24.5% and amounted to PLN 160 916 thousand compared to PLN 129 227 thousand in 2012. The increase in sales was largely related to the consolidation of Blue

Horizon, which contributed PLN 20 673 thousand to the Group sales. Revenues generated by La Tagliatella stores in the new markets amounted to PLN 5 874 thousand. Spanish revenues increased by 4.0% to PLN 134 369 thousand.

The sales of CEE division increased by 3.3% compared to the first quarter of 2012. The improvement was mainly due to the new stores opening, with 45 new stores opened within last 12 months. Sales in comparable stores (SSS) were slightly lower than in first quarter 2012.

In first quarter 2013 EBITDA decreased to PLN 52 099 thousand compared to PLN 68 353 thousand in the previous year. The main reason for a drop in EBITDA was a PLN 13 289 thousand loss related to establishing La Tagliatella restaurants in the new markets. As previously signalized, such costs will be negatively impacting the consolidated results of the Group in the coming quarters. It results mainly from administrative and logistic expenses in markets with a low number of stores.

The additional factor behind lower EBITDA in the first quarter was weaker margins in Poland and Czech, being 9.5% and 10.5% respectively compared to 12.1% and 12.4% in first quarter 2012. Drop in margins results mostly from the above mentioned decrease in SSS caused by focusing more on the value offer which resulted in an increase in costs of food and materials category.

EBITDA in the Russian division increased to PLN 9 490 thousand compared to PLN 8 304 thousand in first quarter 2012. The decrease in margin of this segment results from the increased pace of openings – 4 stores have been opened from the beginning of the year and 11 more will be opened by year end.

Chart 2 EBITDA profit dynamic in the first quarter 2013 compared to previous years (in PLN thousand)

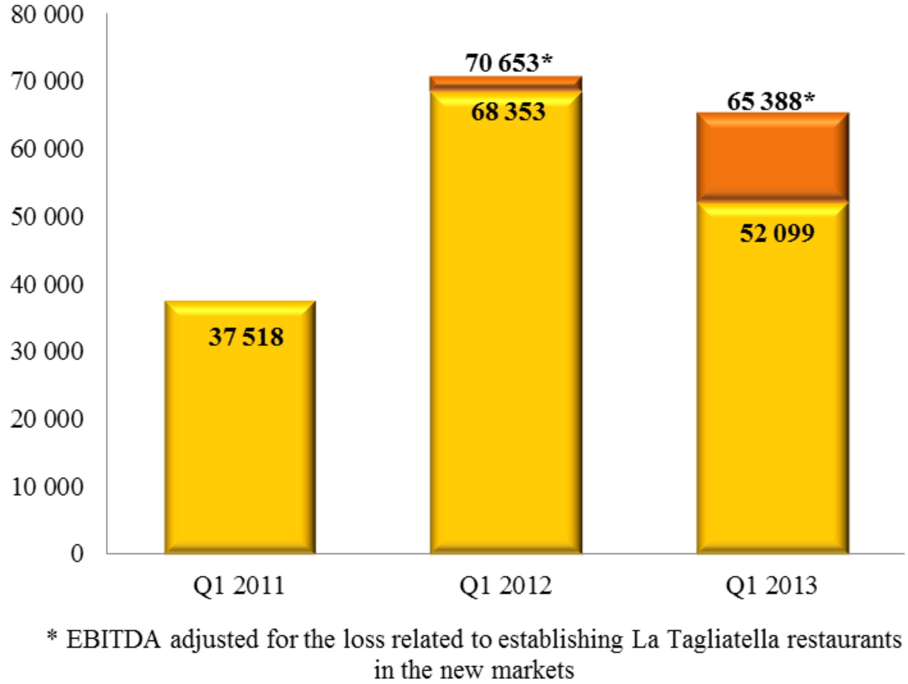


Table 1 Geographical split of revenues and EBITDA in the first quarter 2013 and 2012

Thousand PLN	Q1 2013	Share	Margin	Q1 2012	Share	Margin
Sales	**609 116**			**544 891**		
Poland	*247 943*	*40.7%*		*243 996*	*44.8%*	
Czech Republic	*78 938*	*13.0%*		*76 726*	*14.1%*	
Other CEE	*32 953*	*5.4%*		*27 698*	*5.1%*	
Total CEE	359 834	*59.1%*		348 420	*63.9%*	
Russia	88 366	*14.5%*		67 244	*12.3%*	
Western Europe and new markets	160 916	*26.4%*		129 227	*23.7%*	
USA	-	-		-	-	
Unallocated	-	-		-	-	
EBITDA	**52 099**		***8.6%***	**68 353**		***12.5%***
Poland	*23 440*		*9.5%*	*29 584*		*12.1%*
Czech Republic	*8 292*		*10.5%*	*9 501*		*12.4%*
Other CEE	*516*		*1.6%*	*345*		*1.2%*
Total CEE	32 248		*9.0%*	39 430		*11.3%*
Russia	9 490		*10.7%*	8 304		*12.3%*
Western Europe and new markets	13 683		*8.5%*	22 983		*17.8%*
USA	-			-		-
Unallocated	(3 322)		-	(2 365)		-
Adjusted EBITDA*	**58 808**		**9.7%**	**73 041**		**13.4%**
Poland	*25 310*		*10.2%*	*31 652*		*13.0%*
Czech Republic	*9 015*		*11.4%*	*10 984*		*14.3%*
Other CEE	*763*		*2.3%*	*702*		*2.5%*
Total CEE	35 088		*9.8%*	43 338		*12.4%*
Russia	10 145		*11.5%*	9 085		*13.5%*
Western Europe and new markets	16 776		*10.4%*	22 983		*17.8%*
USA	-		-	-		-
Unallocated	(3 201)		-	(2 365)		-
EBIT	**5 031**		***0.8%***	**26 640**		***4.9%***
Poland	4 059		*1.6%*	12 224		*5.0%*
Czech Republic	*1 296*		*1.6%*	*2 446*		*3.2%*
Other CEE	*(2 068)*		*(6.3%)*	*(1 888)*		*(6.8%)*
Total CEE	*3 287*		*0.9%*	*12 782*		*3.7%*
Russia	4 146		*4.7%*	3 864		*5.7%*
Western Europe and new markets	920		*0.6%*	12 359		*9.6%*
USA	-		-	-		-
Unallocated	(3 322)		-	(2 365)		-

**Adjusted EBITDA – EBITDA adjusted for new openings expenses (Start-up costs) and M&A expenses all material expenses connected with successful acquisition covering professional services (legal, financial, other) directly connected with transaction.*

EBIT profit in first quarter 2013 amounted to PLN 5 031 thousand, compared with PLN 26 640 thousand in the previous year.

Table 2 Reconciliation of adjusted Net Profit and EBITDA in the first quarter 2013 and 2012

in thousands of PLN	**3 months ended March 31, 2013**	*% of sales*	**3 months ended March 31, 2012**	*% of sales*	**QoQ change**	**% of change**
Restaurant sales	*567 938*	*9.3%*	*505 500*	*9.3%*	*62 438*	*1.2%*
Franchise and other sales	*41 178*	*0.7%*	*39 391*	*0.7%*	*1 787*	*0.5%*
Total sales	**609 116**	*n/a*	**544 891**	n/a	**64 225**	***1.2%***
Profit/(loss) for the period	**(9 734)**	***(0.2%)***	**13 320**	***0.2%***	**(23 054)**	***(17.3%)***
+ *Finance costs from put option valuation*	*1 906*	*0.0%*	*2 312*	*0.0%*	*(406)*	*(1.8%)*
Adjusted net profit/(loss)	**(7 828)**	***(0.1%)***	**15 632**	***0.3%***	**(23 460)**	***(15.0%)***
+ *Finance costs*	*11 333*	*0.2%*	*15 416*	*0.3%*	*(4 083)*	*(2.6%)*
- *Finance income*	*(2 042)*	*0.0%*	*(254)*	*0.0%*	*(1 788)*	*70.4%*
- *Income from associates*	*27*	*0.0%*	*(16)*	*0.0%*	*43*	*(26.9%)*
+ *Income tax expense/(gain)*	*(917)*	*0.0%*	*4 051*	*0.1%*	*(4 968)*	*(12.3%)*
- *Profit/(Loss) on discontinued operations*	*4 458*	*0.1%*	*(8 189)*	*(0.2%)*	*12 647*	*(15.4%)*
+ *Depreciation and Amortisation*	*46 288*	*0.8%*	*41 480*	*0.8%*	*4 808*	*1.2%*
+ *Impairment losses*	*780*	*0.0%*	*233*	*0.0%*	*547*	*23.5%*
EBITDA	**52 099**	***0.9%***	**68 353**	***1.3%***	**(16 254)**	***(2.4%)***
+ *Start-up expenses**	*6 588*	*0.1%*	*4 688*	*0.1%*	*1 900*	*4.1%*
+ *M&A related expenses***	*121*	*0.0%*	*-*	*0.0%*	*121*	*n/a*
Adjusted EBITDA	**58 808**	**1.0%**	**73 041**	**1.3%**	**(14 233)**	**(1.9%)**

** 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.*

Despite financial costs being significantly lower compared to the previous year (PLN 11 333 thousand vs. PLN 15 416 thousand), the Group experienced a net loss amounting to PLN 9 402 thousand due to operational factors described above.

The balance sheet total as of March 31st, 2013 was PLN 2 593 255 thousand and increased by 1.8% in comparison to the end of 2012. The ratio of net debt to trailing twelve month EBITDA stood at 2.3 as the end of March.

c) Transactions or agreements resulting in related party transactions and other significant events since issuing last financial report (March 19th, 2013)

On March 25th, 2013 the Management Board of AmRest Holdings SE ("AmRest") signed a resolution regarding the share capital increase in AmRest Sp. z o. o. (“AmRest Poland”), a 100 % subsidiary of AmRest. AmRest contributed in kind to AmRest Poland with 99.9586 % stake in AmRest Finance Zrt with its seat in Budapest, Hungary (“AmRest Finance”) e.g. 11 683 shares in AmRest Finance of the total value of PLN 525 735 000. The share capital of AmRest Poland was increased from the amount PLN 124 015 000 to the amount of PLN 649 750 000. The capital increase resulted from the establishment of new shares of AmRest Poland in the amount of 525 735 with the nominal value of PLN 1 000 per share and with the total nominal value of PLN 525 735 000, which were taken up by AmRest. The adoption of above-mentioned resolution was associated with improvement in cash flow management in AmRest.

On April 23rd, 2013 the Management Board of AmRest Holdings SE ("AmRest") informed about signing next appendix to the shareholders agreement of AmRest TAG S.L. The amendment extended from 11 to 13 months the period when minority shareholders of AmRest TAG S.L. ("Minority Shareholders") have the right to exercise put option and sell their shares in case of AmRest stock price drops below PLN 65. The details of the put option mechanism can be found in the Company's Consolidated 2012 Financial Report. The amendment resulted from the ongoing discussions with the Minority Shareholders to change the mechanism of the option to purchase and sale of minority stake in AmRest TAG S.L.

4. Risk factors

The Management Board of AmRest is responsible for the risk management system and internal control system as well as for the system of reviewing those systems in terms of operating effectiveness. The systems help in the identification and management of risks which could prevent AmRest from realizing its long-term goals. Nevertheless, the existence of the systems does not allow for the total elimination of the risk of fraud and illicit actions. The Management Board of AmRest reviewed, analyzed and ranked the risks to which the Company is exposed. The current basic risks and threats have been summarized in this section. AmRest reviews and enhances its risk management systems and internal control systems on a current basis.

a) Factors remaining outside the Company's control

The risk is related to the impacts of factors outside the Company's control on AmRest's development strategy which is based on opening new restaurants. The factors include: possibilities of finding and ensuring available and appropriate restaurant locations, possibilities of obtaining the permits required by appropriate authorities on time, possibility of delays in opening new restaurants.

b) Dependency on the franchisors

AmRest manages KFC, Pizza Hut and Burger King 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 franchisor 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.

c) Dependency on joint venture partners

AmRest will open Starbucks restaurants by establishing *Joint Venture* Companies in Poland, the

Czech Republic and Hungary on partnership terms, under joint venture agreements. Therefore, some decisions under jointly run operations will depend on the partners' consent.

The *Joint Venture* Agreements with Starbucks were concluded for a period of 15 years, with an option to extend them for a further 5 years after meeting specific terms and conditions. In the event that AmRest does not meet the obligation relating to opening and operating a minimum number of cafés, Starbucks Coffee International, Inc. will have a right to increase its share in the *Joint Venture* Companies by repurchasing shares of AmRest Sp. z o. o. at a price agreed by the parties on the basis of a valuation of the *Joint Venture* Companies.

d) Lack of exclusivity

Franchise agreements relating to operating KFC, Pizza Hut and Burger King restaurants do not include provisions on awarding AmRest any exclusivity clauses on a given territory, protection or any other rights on the premises, area, or market surrounding AmRest restaurants. In practice, however, in connection with the scale of operations of AmRest (among other things, an extensive distribution network), the possibility of a competitive operator appearing (in respect of the brands currently operated by the Company), which could effectively compete with AmRest Group restaurants is relatively limited.

In respect of Starbucks, *Joint Venture* companies will be the only entities entitled to develop and run Starbucks cafés in Poland, the Czech Republic and Hungary, without exclusivity rights to some of the institutional locations.

e) Rental agreements and their extension

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 restaurants acquired by AmRest in July 2007, 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 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, KABB and Stubb's, 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, KABB and Stubb's, 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 associated with the withdrawal of persons occupying key positions

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 associated with salaries of restaurant workers, recruitment and maintenance of professional staff

Running catering activities on as large a 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.

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 the development of New brands

AmRest has operated the Burger King, Starbucks, La Tagliatella, Blue Frog, KABB and Stubb's 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) Foreign Exchange 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.

m) 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.

n) Risk of the 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.

o) Risk of 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.

p) Risk of failure of a computer system and temporary suspension of the customer service provided by 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.**

The Group hasn't paid dividend to non-controlling interest shareholders of SCM Sp. z o. o. In 2012 has paid in the value of PLN 490 thousands.

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 1, 2009 is polish zloty (PLN).

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

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, Serbia, Croatia, Bulgaria and Spain, on the basis of franchises granted. In Spain, France, Germany, India, China and The United States of America (further USA) the Group operates its own brands La Tagliatella, Trastevere and il Pastificcio. 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 April 30th, 2013 the Group operates 682 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').

Before April 27th, 2005, the Company's co-shareholders and entities exercising their rights from the shares held in the Company were International Restaurants Investments, LLC ('IRI') with its registered office in the United States of America, and Kentucky Fried Chicken Poland Holdings

BV ('KFC BV') with its registered office in the Netherlands. The co-shareholders held 50% shares each and had the same proportion of voting rights before the Company was quoted on the stock exchange for the first time.

IRI was a company controlled by American Retail Concepts, Inc. with its registered office in the United States of America ('ARC'), and KFC BV was a company controlled by YUM! Brands, Inc. ('YUM!') with its registered office in the USA.

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

On April 22nd, 2010 share subscription agreement was signed between AmRest Holdings S.E, and WP Holdings VII B.V.("WP"), following which on May 24th, 2010 WP Holdings VII B.V. obtained 4 726 263 shares of the Company from new emission at emission price of PLN 65 for total value of PLN 307.2 million. At June 10th, 2010 was registered by the registry court in Wroclaw the increase in the share capital of the Company by the amount of EUR 47 262.63 (PLN 195 374.26). Additionally during 12 months from the date on which the described above emission shares were registered by the registry court proper for the Company's registered office, the WP Holdings VII B.V. will have an option to subscribe for additional shares in up to two installments to the extent that its shareholding does not exceed 33% of the post-issuance share capital. The issuance price for the additional shares subscription was PLN 75 per share. After decrease by all costs concern capital issue the growth was PLN 168 926 thousand.

As for March 31st, 2013 the Company's largest shareholders was WP Holdings VII B.V. having 32.9999% 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	Burger King	Starbucks
Type of cooperation	franchise agreement	franchise agreement	joint venture[1)]/franchise agreement
Franchiser/Partner	YUM! Restaurants International Switzerland	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, Bulgaria	Poland, Czech, Hungary
Term of agreement	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 46.9 thousand[2)]	USD 50 thousand	USD 25 thousand
Franchise fee	6% of sales revenues	5% of sales revenues	6% of sales revenues
Marketing costs	5% of sales revenues	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.

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 March 31st 2013, 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.	Madrid, Spain	AmRest Sp. z o.o.	76.27%	March 2011
		Steven Winegar	20.46%	
		Maria Elena Pato	1.69%	
		David Gorgues Carnice	0.85%	
		Other	0.73%	

Company name	Seat	Parent/non-controlling undertaking	Owner-ship interest and total vote	Date of effective control
AmRestavia S.L.U.	Madrid, Spain	AmRest TAG S.L.	100.00%	April 2011
Restauravia Grupo Empresarial S.L.	Madrid, Spain	AmRestavia S.L.U.	16.52%	April 2011
		AmRest TAG S.L.	83.48%	
AmRest Services Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	April 2011
AmRest Services Sp. z o.o. SKA	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	November 2012
AmRest Restaurant Management Co. Ltd	Szanghai, China	AmRest HK Ltd	100.00%	November 2012
Blue Horizon Hospitality Group PTE Ltd	Singapour, China	AmRest Holdings SE	51.20%	December 2012
		WT Equities	19.50%	
		BHHG	19.50%	
		MJJP	4.90%	
		Coralie Danks	4.90%	
	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 Services Sp. z o.o. SKA	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 HK Ltd	Hong Kong, China	AmRest Holdings SE	78.80%	September 2011
		Stubbs Asia Limited	21.20%	
AmRest Restaurants (India) Private Ltd	Bombai, India	Restauravia Grupo Empresarial S.L.	100.00%	October 2011

Company name	Seat	Parent/non-controlling undertaking	Owner-ship interest and total vote	Date of effective control
AmRest Adria d.o.o.	Zagreb, Croatia	AmRest Sp. z o.o.	100.00%	October 2011
AmRest GmbH	Munich, Germany	AmRestavia S.L.U.	100.00%	March 2012
AmRest SAS	Paris, France	AmRestavia S.L.U.	100.00%	April 2012
La Tagliatella LLC	Wilmington, USA	AmRestavia S.L.U.	100.00%	April 2012
AmRest Adria 2 d.o.o.	Ljubljana, Slovenia	AmRest Sp. z o.o.	100.00%	August 2012
La Tagliatella Asia Pacific LLC	Hong Kong, China	Restauravia Grupo Empresarial S.L.	100.00%	November 2012
Bigsky Hospitality Group Ltd	Hong Kong, China	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, British Virgin Islands	Blue Horizon Hospitality Group PTE Ltd	100.00%	December 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
		Shanghai Renzi Business Consultancy Co. Ltd	2.50%	
		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 Holdings SE	99.96%	November 2011
		AmRest Sp. z o.o.	0.04%	
AmRest Finance S.L.	Madrid, Spain	AmRest Holdings SE	100.00%	December 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 International Kft LLC	Atlanta, USA	La Tagliatella International Kft	100.00%	March 2013
		Owner of the building ,where the office surface is placed		
Bécsi út.13. Kft	Budapest, Hungary	AmRest Kft	100.00%	April 2007
		Delivery services for restaurants operated by the Group		
SCM Sp. z o.o.	Chotomow, Poland	AmRest Sp. z o.o.	51.00%	October 2008
		Zbigniew Cylny	44.00%	
		Beata Szafarczyk-Cylny	5.00%	
		Lack of running activity		
AmRest Ukraina t.o.w.	Kiev, Ukraine	AmRest Sp. z o.o.	100.00%	December 2005
AmRest Work Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	March 2012

As at March 31st, 2013, the Group included the following affiliates, consolidated with the equity method:

Company	Seat	Core business	Parent/ non-controlling undertaking	Ownership interest and total vote	Initial investment
SCM s.r.o.	Prague, Czech	Delivery services for restaurants operated by the Group	SCM Sp. z o.o.	45.90%	March 2007
BTW Sp. z o. o.	Warsaw, Poland	Commercial activity	SCM Sp. z o.o.	25.50%	March 2012

The Group's office is in Wroclaw, Poland. At March 31st, 2013 the restaurants operated by the Group are located in Poland, the Czech Republic, Hungary, Russia, Bulgaria, Serbia, Croatia, the United States of America, Spain, Germany, France, China and India.

10. Pursuant to the information available to the Company, as at the date of release of this quarterly report, that is April 30th, 2013, 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
WP Holdings VII B.V.	6 997 853	32.99%	6 997 853	32.99%
ING OFE	4 100 000	19.33%	4 100 000	19.33%
PZU PTE*	2 779 734	13.10%	2 779 734	13.10%
AVIVA OFE	1 600 000	7.54%	1 600 000	7.54%
Free float	5 736 306	27.04%	5 736 306	27.04%

* PTE PZU SA manages assets which include funds belonging to OFE PZU "Złota Jesień" and DFE PZU

11. Changes in the shareholding structure

Pursuant to the information available to the Company no changes occurred with respect to AmRest shares and stock options held by the members of the Management and Supervisory Boards of AmRest after the publication of the previous periodical report (March 19th, 2013).

B. Interim Consolidated Financial Statements for the quarter ended March 31st, 2013

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. Recognition of put option liability

According to terms of the agreement AmRest owns “Call Option” to purchase total or part of AmRest TAG shares from non-controlling interest shareholders. AmRest has the right to realize Call option after 3 and to 6 years from the date of finalizing the agreement on May 1st and December 1st each year within this period. Non-controlling shareholders have the right to “Put Option” to sell total or part of shares. Put option can be realized after 3 and to 6 years from the date of finalizing the agreement. Additionally the Put Option may be exercised at any time in the following cases: death of Mr. Steven Kent Winegar, formal initiation of the listing process of AmRest TAG’s shares on a security exchange, AmRest’s stock market price per share falls below 65 PLN. The price of both options will be equal 8.2 times of the EBITDA value for last 12 months, adjusted by net debt value on the day of option realization.

In the Group’s consolidated interim financial statement as at March 31st, 2013, liability relates to Put option valuation was presented in the amount of PLN 195 420 thousand (EUR 46 780 thousand). As at the date of the Group Restauravia Grupo Empresarial S.L. purchase the liability was equal to PLN 160 093 thousand (EUR 40 681 thousand). According to Group AmRest policy the valuation income of the Put option in the value of PLN 4 132 thousand related to foreign exchange is presented in the comprehensive statement and in the statement of changes in consolidated equity.

Key managers of the Spanish market participate in motivation program which bases on exceeding goals of the business growth. As at March 31st, 2013 the Group recognized liability concerning the program in amount of PLN 8 610 thousand (EUR 2 061 thousand) including costs for the period of 3 months ending March 31st, 2013 in value of PLN 964 thousand (EUR 232 thousand).

5. Segment Reporting

Operating Segments

Operating segments were 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 for each restaurant in entire AmRest Group except Western Europe. Because most of the criteria for aggregation of operating segments are met (individually not exceed set in IFRS8 materiality thresholds) Group presents them in reportable segment by geographical split in which Group operations are realized.

Entrance to the Western Europe market by acquisition of Spanish Group had significant impact on the management and control method of the Group activity which was the reason of the change in aggregation of operating segments compared to previous years. Western Europe and new La Tagliatella markets as segment created as a consequence of acquisition in 2011 year are subject to integration, during which financial results are periodically monitored on aggregated basis, that are verified in more details according to business needs. Additionally in 2012 to Western Europe segment were added new markets (France, Germany, USA, India and Hong Kong).

Effect of acquisition on Chinese market was presented in below table in Western Europe and markets segment (excluding results of Blue Horizon from the purchase date, because of their insignificant value in 2012). Due to the integration process the Group didn't achieve the final management mechanism of a purchased company analysis which would enable to define the final split and allocation to the reporting segment.

Below are presented data relating to operating segments for the three-month period ended March 31st, 2013 and for the comparative period ended March 31st, 2012.

	CEE	*USA**	*Western Europe and new markets*	*Russia*	*Unallocated*	*Total*
Three months ended March 31st, 2013						
Revenue from external customers	359 834	-	160 916	88 366	-	609 116
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	3 287	-	920	4 146	(3 322)	5 031
Finance income	-	-	-	-	2 042	2 042
Finance costs	-	-	-	-	(13 239)	(13 239)
Share of profits of associates	(27)	-	-	-	-	(27)
Income tax	-	-	-	-	917	917
Deferred tax assets	20 938	-	1 427	-	-	22 365
Loss for the period from continuing operations	-	-	-	-	(5 276)	(5 276)
Loss for the period from discontinuing operations	-	(4 458)	-	-	-	(4 458)
Loss for the period	-	(4 458)	-	-	(5 276)	(9 734)
Segment assets	858 016	-	1 323 567	340 350	70 915	2 592 848
Investments in associates	407	-	-	-	-	407
Total assets	858 423	-	1 323 567	340 350	70 915	2 593 255
Goodwill	23 741	-	456 514	147 999	-	628 254
Segment liabilities	167 478	-	316 578	33 273	989 532	1 506 861
Depreciation	26 315	-	9 692	4 893	-	40 900
Amortization	2 162	-	2 950	276	-	5 388
Capital investment	22 725	-	23 256	12 660	228	58 869

Impairment of fixed assets	(213)	-	-	-	-	(213)
Impairment of trade receivables	570	-	121	-	-	691
Impairment of inventories	(1)	-	-	175	-	174
Impairment of other assets	128	-	-	-	-	128
Three months ended March 31st, 2012						
Revenue from external customers	348 420	-	129 227	67 244	-	544 891
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	12 782	-	12 359	3 864	(2 365)	26 640
Finance income	-	-	-	-	254	254
Finance costs	-	-	-	-	(17 728)	(17 728)
Share of profits of associates	16	-	-	-	-	16
Income tax	-	-	-	-	(4 051)	(4 051)
Deferred tax assets	20 375	3 191	8 019	181	-	31 766
Profit for the period from continuing operations	-	-	-	-	5 131	5 131
Profit for the period from discontinuing operations	-	8 819	-	-	-	8 819
Profit for the period	-	8 819	-	-	5 131	13 320
Segment assets	825 025	289 294	1 108 660	287 325	57 022	2 567 326
Investments in associates	411	-	-	-	-	411
Total assets	825 436	289 294	1 108 660	287 325	57 022	2 567 737
Goodwill	25 243	137 396	401 981	151 066	-	715 686
Segment liabilities	142 765	55 151	268 529	24 103	1 083 378	1 573 926
Depreciation	24 197	-	6 631	4 517	-	35 345
Amortization	2 032	-	3 993	110	-	6 135
Capital investment	25 489	4 078	18 913	16 185	-	64 665
Impairment of fixed assets	(49)	-	-	-	-	(49)
Impairment of trade receivables	469	-	-	(187)	-	282

** significant assets concerning USA segment were classified as assets held for sale and its results for the period from January 1st, 2013 to March 31st, 2013 and comparable period were classified as discontinued according to IFRS 5.*

The "CEE" column relates to companies located in Poland, Czech, Bulgaria, Serbia, Slovenia, Croatia and Hungary.

The "Western Europe and new markets" column applies to companies located in Spain, France, Germany, USA, India and Hong Kong. In Western Europe and new markets can be identified following activities: operating franchised KFC restaurants, operating proprietary brands restaurants and franchise and other activity.

The "Unallocated" column relates to asset and liability balances non-allocated to segments (covering borrowings and lease liabilities) and transactions of 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.

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 46.9 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.

7. Adjustments

Comparable data were restated as a consequence of following adjustments:

I. Group classified operations of Applebee's brands as discontinued. It results together with IFRS5 requirements in presentation of income statement for year 2012 in modified form after deduction of appropriate income statement elements regarding Applebee's brands.

Below is presented schedule reconciling effect of mentioned above adjustment and reconciliations between data published for period of 3 months ended March 31st, 2012 and presented in below report as comparatives.

Interim Consolidated Income Statement for the 3 months ended March 31st, 2012

in thousands of Polish Zloty	**According to published financial statement for the 3 months ended March 31st, 2012***	**Adjustment I**	**After adjustments**
Continuing operations			
Restaurant sales	505 500	-	505 500
Franchise and other sales	39 391	-	39 391
Total sales	544 891	-	544 891
Direct operating restaurant expenses:			
Food and material	(159 285)	-	(159 285)
Payroll and employee benefits	(112 902)	-	(112 902)
Royalties	(27 277)	-	(27 277)
Occupancy and other operating expenses	(150 144)	-	(150 144)
Franchise and other expenses	(35 498)	-	(35 498)
General and administrative expenses (G&A)	(36 392)	(1 787)	(38 179)
Impairment losses	(233)	-	(233)
Other operating income	5 267	-	5 267
Total operating costs and losses	(516 464)	(1 787)	(518 251)
Profit from operations	**28 427**	**(1 787)**	**26 640**
Finance costs	(15 416)	-	(15 416)
Cost from put option valuation	(2 312)	-	(2 312)
Finance income	254	-	254
Income from associates	16	-	16
Profit before tax	**10 969**	**-**	**9 182**

in thousands of Polish Zloty	**According to published financial statement for the 3 months ended March 31st, 2012***	**Adjustment I**	**After adjustments**
Income tax	(4 051)	-	(4 051)
Profit/(loss) for the period from continuing operations	**6 918**	**(1 787)**	**5 131**
Discontinued operations			
Profit on discontinued operations	6 402	1 787	8 189
Profit for the period	**13 320**	**-**	**13 320**
Profit attributable to:			
Non-controlling interests	727	-	727
Equity holders of the parent	12 593	-	12 593
Profit for the period	**13 320**	**-**	**13 320**

** Adjustments are the result of change in presentation of income statement presented in consolidated condensed interim financial statements as at and for six months ended June 30, 2012,where is presented the change reconciliation effect in financial statement for three months ended March 31, 2012.*

Interim consolidated income statement for the quarter ended March 31st

in thousands of Polish zloty	3 months ended March 31, 2013	3 months ended March 31, 2012*
Continuing operations		
Restaurant sales	567 938	505 500
Franchise and other sales	41 178	39 391
Total sales	609 116	544 891
Company operated restaurant expenses:		
Food and material	(185 387)	(159 285)
Payroll and employee benefits	(128 327)	(112 902)
Royalties	(29 097)	(27 277)
Occupancy and other operating expenses	(183 850)	(150 144)
Franchise and other expenses	(28 982)	(35 498)
General and administrative (G&A) expenses	(49 922)	(38 179)
Impairment losses	(780)	(233)
Other operating income	2 260	5 267
Total operating costs and losses	(604 085)	(518 251)
Profit from operations	**5 031**	**26 640**
Finance costs	(11 333)	(15 416)
Cost from put option valuation	(1 906)	(2 312)
Finance income	2 042	254
Income from associates	(27)	16
Profit/(loss) before tax	**(6 193)**	**9 182**
Income tax	917	(4 051)
Profit/(loss) for the period from continuing operations	**(5 276)**	**5 131**
Discontinued operations		
Profit/(loss) on discontinued operations	(4 458)	8 189
Profit/(loss) for the period	**(9 734)**	**13 320**
Profit/(loss) attributable to:		
Non-controlling interests	(332)	727
Equity holders of the parent	(9 402)	12 593
Profit/(loss) for the period	**(9 734)**	**13 320**
Basic earnings/(loss) per share in Polish zloty	(0.44)	0.59
Diluted earnings/(loss) per share in Polish zloty	(0.44)	0.59
Continuing operations		
Basic earnings/(loss) per share in Polish zloty	(0.23)	0.21
Diluted earnings/(loss) per share in Polish zloty	(0.23)	0.21
Discontinued operations		
Basic earnings/(loss) per share in Polish zloty	(0.21)	0.38
Diluted earnings/(loss) per share in Polish zloty	(0.21)	0.38

** Adjustments are the result of change in presentation of income statement presented in point B.7*

Interim consolidated statement of comprehensive income
For the quarter ended March 31st

in thousands of Polish zloty	**3 months ended March 31, 2013**	**3 months ended March 31, 2012***
Net profit/(loss)	**(9 734)**	**13 320**
Other comprehensive incomes:		
Exchanges differences on translation of foreign operations	35 215	(56 924)
Net investment hedges	(4 134)	16 284
Valuation of put option liability	(9 444)	14 169
Income tax concerning net investment hedges	1 794	(2 692)
Other comprehensive income for the period, net of tax	**23 431**	**(29 163)**
Total comprehensive income for the period	**13 697**	**(15 843)**
Attributable to:		
Shareholders of the parent	8 273	(7 099)
Non-controlling interests	5 424	(8 744)

* *Adjustments are the result of change in presentation of statement of comprehensive income presented in consolidated condensed interim financial statements as at and for six months ended June 30, 2012, where is presented the change reconciliation effect in financial statement for three months ended March 31,2012.*

Interim consolidated statement of financial position as at March 31st, 2013 and December 31st 2012

In thousands of Polish zloty	**31.03.2013**	**31.12.2012***
Assets		
Property, plant and equipment	983 486	960 841
Goodwill	628 254	611 527
Other intangible assets	531 865	522 082
Investment property	22 152	22 152
Investments in associates	407	434
Leasing receivables	107	163
Other non-current assets	43 559	42 338
Deferred tax assets	22 365	16 457
Total non-current assets	**2 232 195**	**2 175 994**
Inventories	43 706	42 036
Trade and other receivables	82 752	90 983
Corporate income tax receivables	3 338	5 191
Leasing receivables	170	154
Other current assets	23 822	24 345
Other financial assets	6 126	681
Cash and cash equivalents	201 146	207 079
Total current assets	**361 060**	**370 469**
Total assets	**2 593 255**	**2 546 463**
Equity		
Share capital	714	714
Reserves	601 237	610 764
Retained earnings	233 403	242 805
Translation reserve	47 575	18 116
Equity attributable to shareholders of the parent	**882 929**	**872 399**
Non-controlling interests	**203 871**	**197 367**
Total equity	**1 086 800**	**1 069 766**
Liabilities		
Interest-bearing loans and borrowings	653 938	611 107
Finance lease liabilities	4 374	4 476
Employee benefit liability	10 857	8 916
Provisions	7 650	7 087
Deferred tax liability	128 527	126 789
Put option liability	195 420	189 382
Other non-current liabilities	10 799	9 675
Total non-current liabilities	**1 011 565**	**957 432**
Interest-bearing loans and borrowings	200 702	181 975
Finance lease liabilities	417	372
Trade and other accounts payable	276 782	320 485
Income tax liabilities	16 989	16 209
Other financial liabilities	-	224
Total current liabilities	**494 890**	**519 265**
Total liabilities	**1 506 455**	**1 476 697**
Total equity and liabilities	**2 593 255**	**2 546 463**

** Adjustments are the result of change in presentation of financial position presented in consolidated condensed interim financial statements as at and for six months ended June 30, 2012, where is presented the change reconciliation effect in financial statement for three months ended March 31, 2012.*

Interim consolidated statement of cash flows for the quarter ended March 31st

in thousands of Polish zloty	**3 months ended March 31, 2013**	**3 months ended March 31, 2012***
Cash flows from operating activities		
Profit/(loss) before tax from continued operations	(6 193)	9 182
Profit/(loss) from discontinued operations	(4 458)	8 189
Adjustments for:		
Share (profit)/loss of associates	27	(16)
Amortization	5 388	6 445
Depreciation	40 900	35 035
Put option valuation	1 906	2 312
Interest expense, net	8 867	12 516
Unrealized foreign exchange (gain)/loss	(941)	(1 633)
(Gain)/loss on disposal of fixed assets	109	373
Equity–settled share based payments expenses	2 257	2 373
Working capital changes:		
(Increase)/decrease in receivables	8 264	23 286
(Increase)/decrease in inventories	(1 004)	(1 804)
(Increase)/decrease in other assets	(244)	(8 843)
Increase/(decrease) in payables and other liabilities	(40 286)	(45 551)
Increase/(decrease) in other provisions and employee benefits	2 253	9
Income taxes (paid)/returned	(1 793)	(1 492)
Interest paid	(6 019)	(9 496)
Other	121	9 449
Net cash provided by operating activities	**9 154**	**40 334**
Cash flows from investing activities		
Expense for acquisition of subsidiaries	1 539	-
Proceeds from transactions with non-controlling interests holders	1 080	-
Proceeds from the sale of property, plant and equipment and intangible assets	389	854
Acquisition of property, plant and equipment	(54 169)	(61 067)
Acquisition of intangible assets	(4 700)	(3 598)
Expense for related parties loan	-	(185)
Net cash used in investing activities	**(55 861)**	**(63 996)**
Cash flows from financing activities		
Proceeds from borrowings	42 358	41 600
Repayment of borrowings	-	(763)
Dividend paid for non-controlling interests holders	-	(490)
Repayment of finance lease liabilities	(1 267)	(121)
Proceeds of finance lease receivables	32	38
Net cash provided by financing activities	**41 123**	**40 264**
Total net cash	**(5 584)**	**16 602**
Net change in cash and cash equivalents	(5 933)	11 932
Cash and cash equivalents, beginning of period	207 079	143 960
Effect of foreign exchange rate movements	(349)	(4 670)
Cash and cash equivalents, end of period	**201 146**	**155 892**

** Adjustments are the result of change in presentation of cash flow presented in consolidated condensed interim financial statements as at and for six months ended June 30, 2012, where is presented the change reconciliation effect in financial statement for three months ended March 31, 2012.*

Interim consolidated statement of changes in equity for the 3 months ended March 31st, 2013

in thousands of Polish zloty	Issued capital (Attributable to equity holders)	Reserved capital	Retained Earnings	Cumulative translation adjustments	Total equity attributable to equity holders of the parent	Non-controlling interest	Total Equity
As at 01.01.2012*	714	568 254	151 878	136 373	**857 219**	155 527	**1 012 746**
COMPREHENSIVE INCOME							
Income/(loss) for the period	-	-	12 593	-	**12 593**	727	**13 320**
Currency translation differences	-	-	-	(47 453)	**(47 453)**	(9 471)	**(56 924)**
Impact of put option valuation as net investment hedges	-	16 284	-	-	**16 284**	-	**16 284**
Impact of net investment hedging	-	14 169	-	-	**14 169**	-	**14 169**
Deferred income tax concerning cash flow hedges	-	(2 692)	-	-	**(2 692)**	-	**(2 692)**
Total Comprehensive Income	**-**	**27 761**	**12 593**	**(47 453)**	**(7 099)**	**(8 744)**	**(15 843)**
TRANSACTION WITH NON-CONTROLLING INTERESTS							
Put option recognition	-	(4 975)	-	-	**(4 975)**	-	**(4 975)**
Dividend paid for non-controlling interests holders	-	-	-	-	-	(490)	**(490)**
Total transactions with non-controlling interests	-	**(4 975)**	-	-	**(4 975)**	**(490)**	**(5 465)**
TRANSACTION WITH SHAREHOLDERS							
Employees share option scheme – value of employee services	-	2 373	-	-	**2 373**	-	**2 373**
Total transactions with equity holders	-	**2 373**	-	-	**2 373**	-	**2 373**
As at 31.03.2012 *	714	593 413	164 471	88 920	**847 518**	146 293	**993 811**
As at 01.01.2013	714	610 764	242 805	18 116	**872 399**	197 367	**1 069 766**
COMPREHENSIVE INCOME							
Income/(loss) for the period	-	-	(9 402)	-	**(9 402)**	(332)	**(9 734)**
Currency translation differences	-	-	-	29 459	**29 459**	5 756	**35 215**
Put option valuation as net investment hedges	-	(4 134)	-	-	**(4 134)**	-	**(4 134)**
Net investment hedges valuation	-	(9 444)	-	-	**(9 444)**	-	**(9 444)**
Deferred tax related to net investment hedges	-	1 794	-	-	**1 794**	-	**1 794**
Total Comprehensive Income	**-**	**(11 784)**	**(9 402)**	**29 459**	**8 273**	**5 424**	13 697
TRANSACTION WITH NON-CONTROLLING INTERESTS							
Equity attributable to non-controlling interests	-	-	-	-	**-**	1 080	**1 080**
Total transactions with non-controlling interests	**-**	**-**	**-**	**-**	**-**	**1 080**	**1 080**
TRANSACTION WITH SHAREHOLDERS							
Employees share option scheme – value of employee services	-	2 257	-	-	**2 257**	-	**2 257**
Total transactions with equity holders	**-**	**2 257**	**-**	**-**	**2 257**	**-**	**2 257**
As at 31.03.2013	**714**	**601 237**	**233 403**	**47 575**	**882 929**	**203 871**	**1 086 800**

** Adjustments are the result of changes in presentation of statement of changes in Equity in consolidated condensed interim financial statements as at and for six months ended June 30, 2012, where is presented the change reconciliation effect in financial statement for three months ended March 31, 2012.*

8. Earnings per Ordinary Share

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

	3 months ended March 31, 2013	3 months ended March 31, 2012
Net profit/(loss) from continued operations attributable to shareholders of the parent (*in thousands of PLN*)	(4 944)	4 404
Net profit/(loss) from continued operations attributable to shareholders of the parent (*in thousands of PLN*)	(4 458)	8 189
Net profit/(loss) attributable to shareholders of the parent (*in thousands of PLN)*	(9 402)	12 593
Ordinary shares	21 213 893	21 213 893
Effect of share issues	-	-
Effect of stock options granted in 2005	20 802	18 644
Effect of stock options granted in 2006	16 074	16 912
Effect of stock options granted in 2007	-	-
Effect of stock options granted in 2008	5 589	-
Effect of stock options granted in 2009	29 077	21 125
Effect of stock options granted in 2010	14 814	25 154
Effect of stock options granted in 2011	199 169	-
Effect of stock options granted in 2012	83 741	-
Average weighted number of ordinary shares used in calculation of diluted earnings per share	21 583 159	21 295 728
Basic earnings/(loss) per ordinary share (PLN)	(0.44)	0.59
Diluted earnings/(loss) per ordinary share (PLN)	(0.44)	0.59
Basic earnings/(loss) from continued operations per ordinary share (PLN)	(0.23)	0.21
Diluted earnings/(loss) from continued operations per ordinary share (PLN)	(0.23)	0.21
Basic earnings/(loss) from discontinued operations per ordinary share (PLN)	(0.21)	0.38
Diluted earnings/(loss) from discontinued operations per ordinary share (PLN)	(0.21)	0.38

9. Subsequent events

On April 23, 2013 the Management Board of AmRest Holdings SE informed about signing next appendix to the AmRest TAG S.L. shareholders agreement. The amendment extends from 11 to 13 months the period when minority shareholders of AmRest TAG S.L. ("Minority Shareholders") have the right to exercise put option and sell their shares in case of AmRest stock price drop below PLN 65. The details of the put option mechanism can be found in the Company's Consolidated 2012 Financial Report.

The appendix results from the ongoing discussions with the Minority Shareholders in order to change the mechanism concerned the purchase and sale option of minority shares in AmRest TAG S.L.

C. Interim Stand-Alone Financial Statements for the quarter ended March 31st, 2013

1. Selected financial information

Selected financial data, including key items of the stand-alone financial statements as at and for the period ended on March 31st:

	3 months 2013 in thousands PLN	3 months 2012 in thousands PLN	3 months 2013 in thousands EUR	3 months 2012 in thousands EUR
Total sales	-	-	-	-
Profit/(loss) from operations	(310)	(159)	(75)	(38)
Profit before tax	157	2 693	38	636
Net profit	350	2 166	84	512
Net cash provided by operating activities	(483)	620	(116)	146
Net cash used in investing activities	23 518	2 898	5 659	684
Net cash provided/ (used in) financing activities	(4 563)	599	(1 098)	141
Net cash flow, total	18 472	4 117	4 445	972
Total assets	1 007 972	1 017 064	241 292	244 393
Total liabilities and provisions	153 916	178 885	36 845	42 984
Long-term liabilities	152 868	176 633	36 594	42 444
Short-term liabilities	1 048	2 252	251	541
Total equity	854 056	838 179	204 447	201 408
Issued capital	714	714	172	172

*no dividends were paid in 2013 and in 2012

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 March 31st, 2013

in thousands of Polish Zloty	3 months ended March 31, 2013	3 months ended March 31, 2012
General and administrative (G&A) expenses	(310)	(159)
Profit from operations	**(310)**	**(159)**
Finance income	3 331	6 130
Finance costs	(2 864)	(3 278)
Net profit before tax	**157**	**2 693**
Income tax	193	(527)
Net profit for the period	**350**	**2 166**

Interim stand-alone statement of comprehensive income for the quarter ended March 31st, 2013

in thousands of Polish Zloty	3 months ended March 31, 2013	3 months ended March 31, 2012
Net profit	350	2 166
Other comprehensive incomes:		
Other comprehensive incomes net	-	-
Total comprehensive incomes	**350**	**2 166**

Interim stand-alone statement of financial position as of March 31st, 2013 and December 31st, 2012

in thousands of Polish Zloty	31.03.2013	31.03.2012
Assets		
Property, plant and equipment	224	-
Investments in associates	835 731	831 091
Other non-current assets	6 518	6 199
Total non-current assets	**842 473**	**837 290**
Trade and other receivables	1 486	1 474
Other current assets	87	4
Other financial assets	133 020	156 151
Cash and cash equivalents	30 905	12 433
Total current assets	**165 498**	**170 062**
Total assets	**1 007 971**	**1 007 352**
Equity		
Issued capital	714	714
Share premium	786 047	783 790
Retained deficit	67 294	66 944
Equity attributable to shareholders of the parent	**854 055**	**851 448**
Non-controling interest	-	-
Total equity	**854 055**	**851 448**
Liabilities		
Deferred tax liabilities	521	584
Interest-bearing loans and borrowings	-	4 467
Other non-current liabilities	152 347	149 497
Total non-current liabilities	**152 868**	**154 548**
Interest-bearing loans and borrowings	-	-
Trade and other accounts payable	1 048	1 356
Total current liabilities	**1 048**	**1 356**
Total liabilities	**153 916**	**155 904**
Total equity and liabilities	**1 007 971**	**1 007 352**

Interim stand-alone statement of cash flows for 3 months ended March 31st, 2013

in thousands of Polish Zloty

	3 months ended March 31, 2013	3 months ended March 31, 2012
Cash flows from operating activities		
Profit before tax	**157**	**2 693**
Adjustments:		
Interest expense, net	343	(1 879)
Unrealized foreign exchange (gain)/loss	(675)	135
(Increase)/decrease in receivables	118	(142)
Increase/(decrease) in liabilities	(83)	(69)
Change in accruals	(344)	(118)
Net cash provided by operating activities	**(484)**	**620**
Cash flows from investing activities		
Proceeds from the settlements of the purchase of subsidiary	1 539	-
Proceeds from repayment of intercompany loan	25 904	4 306
Interest received from bank deposits	187	173
Expense for increasing assets in related parties	(3 922)	(1 581)
Acquisition of fixed assets	(189)	-
Net cash used in investing activities	**23 519**	**2 898**
Cash flows from financing activities		
Proceeds from loans and borrowings	-	23 707
Repayment of loans and borrowings to related entities	(4 563)	(20 116)
Proceeds/(outflows) from cash pooling	-	(2 992)
Net cash used in financing activities	**(4 563)**	**599**
Total net cash flows	**18 472**	**4 117**
Net change in cash and cash equivalents	18 472	4 117
Cash and cash equivalents, beginning of period	12 433	17 043
Cash and cash equivalents, end of period	**30 905**	**21 160**

Interim stand-alone statement of changes in equity
for the 3 months ended March 31st, 2013

in thousands of Polish Zloty	Issued capital	Reserved capital	Retained Earnings	**Total Equity**
As at 01.01.2012	**714**	**776 182**	**56 742**	**833 638**
Comprehensive Income				
Income for the period	-	-	2 166	**2 166**
Total comprehensive Income	**-**	**-**	**2 166**	**2 166**
Transaction with non-controlling shareholders	**-**	**-**	**-**	**-**
Transaction with shareholders				
Share issue	-	-	-	**-**
Employees share option scheme – value of employee services	-	2 373	-	**2 373**
Employees share option scheme – value of option realized	-	-	-	**-**
Total transaction with shareholders	**-**	**2 373**	**-**	**2 373**
As at 31.03.2012	**714**	**778 555**	**58 908**	**838 177**
As at 01.01.2013	**714**	**783 790**	**66 944**	**851 448**
Comprehensive Income				
Income for the period	-	-	350	**350**
Total Comprehensive Income	**-**	**-**	**350**	**350**
Transaction with non-controlling shareholders	**-**	**-**	**-**	**-**
Transaction with shareholders				
Share issue	-	-	-	**-**
Purchase of treasury shares	-	-	-	**-**
Employees share option scheme – value of employee services	-	2 257	-	**2 257**
Total transaction with shareholders	**-**	**2 257**	**-**	**2 257**
As at 31.03.2013	**714**	**786 047**	**67 294**	**854 055**

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 March 31st, 2013 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, 2012, except for the new accounting standards adopted as of January 1st, 2013.

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 associated companies

Details of investments in associated companies as at March 31st, 2013 and December 31st, 2012:

Name	March 31st, 2013		December 31st, 2012	
	Share in initial capital	Value of shares	Share in initial capital	Value of shares
AmRest Finance ZRT	99.96%	357 044	99.96%	357 044
AmRest Sp. z o. o*	100 %	221 940	100 %	219 683
AmRest Acquisition Subsidiary Inc.	100 %	146 954	100 %	146 954
Blue Horizon Hospitality Group PTE Ltd	51.20%	59 899	51.20%	61 438
AmRest s.r.o.	100 %	33 573	100 %	33 573
AmRest HK Limited	79 %	14 308	65 %	10 386
AmRest EOOD	100 %	2 000	100 %	2 000
AmRest Finance S.L.	100 %	13	100 %	13
Total	**-**	**835 731**	**-**	**831 091**

* Value of shares in AmRest Sp. z o. o. was increased by the value of recognized costs in connection to valuation of employee share option scheme (shares were issued to employees of subsidiaries). Capitalized costs of this accounted for PLN 2 257 thousands.

Company Representatives Signatures:

Drew O'Malley
AmRest Holdings SE
Management Board Member

Wojciech Mroczyński
AmRest Holdings SE
Management Board Member

Mark Chandler
AmRest Holdings SE
Management Board Member

Wroclaw, April 30th, 2013