AMREST HOLDINGS SE CAPITAL GROUP

Q3 2012 QUARTERLY REPORT

WROCLAW, NOVEMBER 9th, 2012

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A. Q3 2012 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 months period ended on September 30th:

	9 months 2012 in thousands of PLN	9 months 2011 in thousands of PLN	9 months 2012 in thousands EUR	9 months 2011 in thousands EUR
Total sales	1 715 501	1 319 633	407 521	328 406
Profit from operations	93 503	76 388	22 212	19 010
Profit before tax	42 681	49 595	10 139	12 342
Net profit	48 659	45 534	11 559	11 332
Net profit attributable to non-controlling interests	5 736	4 556	1 363	1 134
Net profit attributable to equity holders of the parent	42 923	40 978	10 196	10 198
Net cash provided by operating activities	191 763	95 444	45 554	23 752
Net cash used in investing activities	(204 605)	(697 919)	(48 604)	(173 685)
Net cash provided/ (used in) financing activities	92 651	458 151	22 009	114 016
Net cash flow, total	79 809	(144 324)	18 959	(35 917)
Total assets	2 659 098	2 524 508	646 385	572 295
Total liabilities and provisions	1 628 505	1 533 400	395 864	347 615
Long-term liabilities	1 156 803	1 179 838	281 201	267 464
Short-term liabilities	471 702	353 562	114 663	80 151
Equity attributable to shareholders of the parent	878 029	856 602	213 435	194 188
Non-controlling interest	152 564	134 507	37 086	30 492
Total equity	1 030 593	991 108	250 521	224 680
Issued capital	714	714	174	162
Average weighted number of ordinary shares in issue	21 213 893	20 390 757	21 213 893	20 390 757
Average weighted number of ordinary shares used in calculation of diluted earnings per share	21 349 733	21 276 285	21 349 733	21 276 285
Basic earnings per share (PLN /EUR)	2,02	2,01	0,48	0,50
Diluted earnings per share (PLN /EUR)	2,01	1,93	0,48	0,48
Declared or paid dividend per share*	-	-	-	-

* In year 2011 and 2012 no dividends were paid. In 2012 Group paid dividends for non-controlling shareholder of SCM Sp. z o.o.in the amount of PLN 1 617 thousand and in 2011 it paid PLN 980 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 interim report for the first half of 2012, there were no significant personnel changes.

b) The Company's performance

Sales of AmRest Group increased in the third quarter of 2012 by 13% and amounted to PLN 602 735 thousand compared to PLN 533 607 thousand in the third quarter of the last year.

Table 1 Change in AmRest sales for the third quarter 2012 compared to first quarter 2011 in PLN

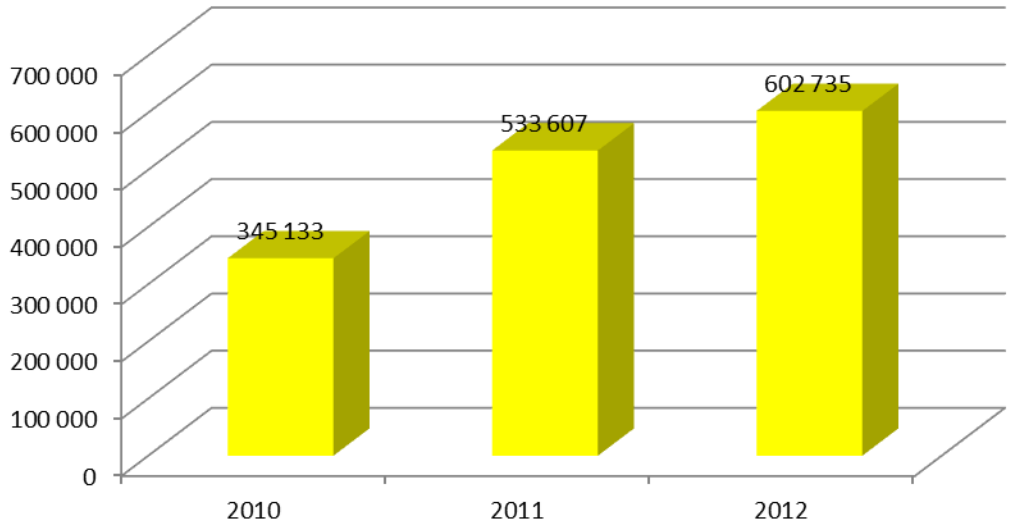
Sales	Sales dynamics in PLN
CEE	9.7%
Russia	47.3%
Western Europe	7.4%
Total	**13.0%**

Russian restaurants experienced the most significant improvement in revenues with 47.3% growth comparing to the third 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 October 1st, 2011 till September 30th, 2012) AmRest opened 11 restaurants in Russia increasing its overall portfolio to 61 stores.

The sales of CEE division increased by 9.7% compared to the third quarter of 2011. The improvement was mainly due to the new stores opening, with 50 new stores opened within last 12 months (period from October 1st, 2011 till September 30th, 2012).

Despite the continued negative performance in the comparable stores the overall sales in the Western European division increased by 7.4%. Similarly to CEE sales in the Western European Division rose due to the new openings – 20 new stores within last 12 months (period from October 1st, 2011 till September 30th, 2012).

Chart 1 Sales dynamic in AmRest Group for the third quarter 2012 compared to previous years (in PLN thousand)



In the third quarter of 2012 the EBITDA increased by 4.4% compared to the third quarter of the previous year. The pace of EBITDA's improvement was lower than sales growth, which resulted from the decline in EBITDA margin from 13.9% in comparison to 15% in last year. Margin dropped mainly due to the negative impact of the global expansion of the La Tagliatella brand, which burdened the EBITDA with the amount of PLN 2 650 thousand. Adjusted for the above mentioned costs EBITDA margin is at 14.3%. In addition there was an increase in G&A costs resulting from timing differences in the settlement of employee motivation plans and a slight pressure on rents.

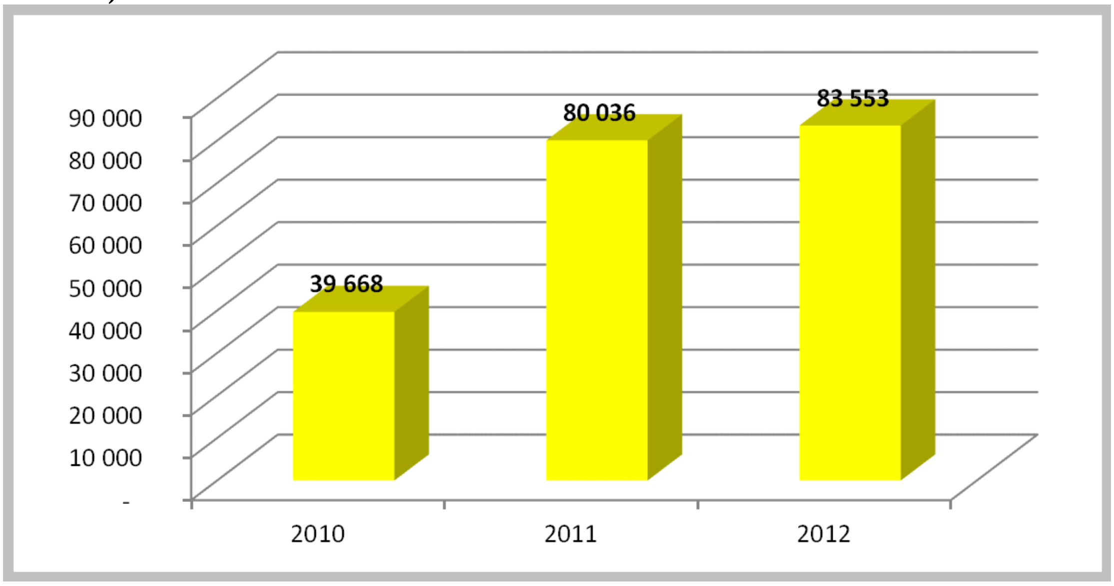
As a result of further integration of the Restauravia business and global development of La Tagliatella brand the Management decided on changing the approach to the accounting of "Food and material expenses" and "Franchise and related expenses" in the Profit and Loss Statement. In consequence "Food and material expenses" rose by 3 p.p. as a percentage of sales compared to the previous year. Simultaneously "Franchise and related expenses" category was reduced by a similar amount.

Table 2 Geographical split of revenues and EBITDA in the third quarter 2012 and 2011

Thousand PLN	Q3 2012	Share	Margin	Q3 2011	Share	Margin
Sales	**602 735**			**533 607**		
Poland	*268 598*	*44.6%*		*243 460*	*45.6%*	
Czech Republic	*83 774*	*13.9%*		*82 095*	*15.4%*	
Other CEE	*33 139*	*5.5%*		*25 989*	*4.9%*	
Total CEE	385 511	64.0%		351 544	65.9%	
Russia	80 021	13.3%		54 335	10.2%	
Western Europe and emerging markets	137 203	22.8%		127 728	23.9%	
USA	-	-		-	-	
Unallocated	-	-		-	-	
EBITDA	**83 553**		***13.9%***	**80 036**		***15.0%***
EBITDA*	**90 097**		***14.9%***	**86 744**		***16.3%***
Poland	*34 861*		*13.0%*	*32 201*		*13.2%*
Czech Republic	*10 858*		*13.0%*	*10 963*		*13.4%*
Other CEE	*2 416*		*7.3%*	*715*		*2.8%*
Total CEE	48 135		*12.5%*	43 879		*12.5%*
Russia	10 195		*12.7%*	6 920		*12.7%*
Western Europe and emerging markets	25 943		*18.9%*	30 273		*23.7%*
USA	-		-	-		-
Unallocated	(720)		-	(1 036)		-
EBIT	**40 099**		***6.7%***	**42 227**		***7.9%***
Poland	16 372		*6.1%*	17 076		*7.0%*
Czech Republic	4 102		*4.9%*	3 704		*4.5%*
Other CEE	111		*0.3%*	(1 715)		*(6.6%)*
Total CEE	20 585		*5.3%*	19 065		*5.4%*
Russia	4 776		*6.0%*	4 226		*7.8%*
Western Europe and emerging markets	15 458		*11.3%*	19 972		*15.6%*
USA	-		-	-		-
Unallocated	(720)		-	(1 036)		-

**excluding start ups*

Chart 2 EBITDA profit dynamic in the third quarter 2012 compared to previous years (in PLN thousand)



The net profit, attributable for the shareholders of AmRest rose in the examined period by 7.9% and amounted to PLN 24 307 thousand from PLN 22 519 thousand. The net margin was stable compared to last year at 4%.

In the third quarter of 2012 as a result of lower costs of the put option the financial costs dropped from PLN 19 481 thousand to PLN 14 694 thousand. The financial income dropped from PLN 8 896 thousand to PLN 1 038 thousand. Last year's financial income was inflated by one off foreign exchanges differences gains. The financial loss increased in the third quarter of 2012 to PLN 13 656 thousand from PLN 10 585 thousand.

The balance sheet total as of September 30th, 2012 was PLN 2 659 098 thousand and increased by 1% in comparison to the end of 2011. The ratio of net debt to trailing twelve month EBITDA stood at 2.2 as the end of September.

c) Transactions or agreements resulting in related party transactions and other significant events since issuing last financial report (August 31st, 2012)

On September 5th, 2012 AmRest Capital Zrt, together with OOO AmRest, signed loan agreement in the value of EUR 5 million. The loan repayment date is September 4th, 2017.

On September 18th, 2012 the Management Board of AmRest Holdings SE informed about signing on the same day the distribution agreement between AmRest's subsidiaries – AmRest s.r.o., AmRest Coffee s.r.o. and Quick Service Logistics Czech s.r.o. On the basis of the Agreement QSL deals with purchasing, warehousing and sale of products for the restaurants operated by the Subsidiaries in the Czech Republic. Estimated value of the contract was CZK 2 billion, which is equivalent of about PLN 335 million. The Agreement has been signed for a period of five years.

On September 21st, 2012 Management Board of AmRest Holdings SE decided to increase share capital of AmRest HK Limited subsidiary. Share capital of AmRest HK Limited was increased by total amount of USD 1 million in form of money transfer made by AmRest Holdings SE. After registration of this change share capital of AmRest HK Limited equals to USD 3,3 million.

On October 10th, 2012 was concluded agreement of the sale of substantially all of the operating assets of AmRest LLC ("Seller"), a 100% subsidiary of AmRest, to Apple American Group II, LLC ("Buyer"). On Closing, Seller transferred to Buyer the operating assets of 97 Applebee's restaurants ("Restaurants"). In addition to three restaurants initially excluded from the transaction, the transfer of two other restaurants has been delayed pursuant to the provisions of the Agreement for the Purchase and Sale of Assets, dated June 7th, 2012, as further (the "Purchase Agreement"), pending receipt of landlords' consents for the assignment of the underlying leases to Buyer.

The consideration received by Seller for the transferred Restaurants amounted to USD 91,6 million inclusive of inventory value, assumed liabilities, proration of expenses, and price adjustments pursuant to the Purchase Agreement. An additional purchase price of USD 3,2 million is payable by Buyer to Seller upon completion of the sale of the 2 delayed restaurants.

In accordance with the Purchase Agreement the Company AmRest Holdings SE acting as the guarantor deposited USD 4 million at Closing into an escrow account as security for potential future claims of Buyer. The escrow funds balance will be released to the Company 24 months after the date of agreement closing.

All conditions precedent and approvals required under the Purchase Agreement with respect to the transferred Restaurants, including in particular receipt of consent of the franchisor, landlords and the Supervisory Board of the Company, have been fulfilled and satisfied.

Pursuant to the provisions of the Purchase Agreement on October 31st, 2012 was finished the transfer of two restaurants. Buyer paid to Seller USD 3,2 million.

On October 18th, 2012 AmRest Capital Zrt, together with AmRest s.r.o., signed loan agreement in the value of EUR 3 million. The loan repayment date is December 31st, 2015.

On October 23rd, 2012 AmRest Finance S.L., together with AmRest sp. z o.o., signed loan agreement in the value of EUR 30 thousand. The loan repayment date is December 31st, 2013.

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 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) Dependence of franchisors

AmRest manages KFC, Pizza Hut, Burger King and Applebee's restaurants as a franchisee, therefore, many factors and decisions in the course of the operations run by AmRest depends on restrictions or specifications enforced by the franchisors or on their consent.

The term of the franchise agreements relating to KFC and Pizza Hut is 10 years. AmRest is entitled to an option to extend this period by a further 10 years, on condition that it meets the terms and conditions concluded in the franchise agreements and other requirements, including making an appropriate payment in respect of the extension of the term of the agreement. The term of the franchise agreements relating to Burger King brand is 20 years, but without an option for extending it by a further years. The term of the franchise agreements relating to the Applebee's brand is 20 years, with an option for extending it by a further 20 years – on similar conditions as in respect of the remaining AmRest brands.

Irrespective of meeting the above terms and conditions, there is no guarantee that after the end of the term the franchise agreement will be extended for a further period. In respect of KFC and Pizza Hut restaurants, the first period began in 2000, in respect of Burger King restaurants, the first period began in 2007 with the opening of the first restaurant of the brand. In respect of some of Applebee's restaurants, the first period began in 2000. In respect of the remaining Applebee's restaurants, the first period began in 2008.

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 JV 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, Burger King and Applebee's 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. Most of the rental agreements are long-term, and usually they are concluded for a period of at least 10 years of the date of inception of the rental (on condition that all extension options are exercised, on specified terms and conditions, and without accounting for agreements which are periodically renewed, if they are not terminated on notice, and agreements for an unspecified period). Many rental agreements grant AmRest the right to extend the term of the agreement on condition that the Company abides by the terms and conditions of the rentals. Irrespective of the need to meet the terms and conditions, there is no guarantee that AmRest will be able to extend the periods of the rental agreements on terms and conditions satisfactory from the point of view of commercial practices. If there is no such possibility, the potential loss of significant restaurant locations may have an unfavorable impact on the operating results of AmRest and on its activities.

Moreover, in some circumstances, AmRest may take the decision to close a given restaurant and the termination of the respective rental agreement on cost-effective terms may prove impossible. Such situation may also have a negative impact on the Company’s operations and operating results. The closing of any restaurant depends on the consent of the franchiser, and it is uncertain whether such consent would be obtained.

In respect of Russian restaurants acquired by AmRest in July 2007, the average rental period is relatively shorter compared with AmRest restaurants in other countries. This results from the specific nature of the market.

f) Risk related to consumption of food products

Consumer preferences may change in connection with doubts arising as to the nutritional value of chicken, which are the main component of KFC menu, or as a result of unfavorable information proliferated by mass media relating to the quality of products, diseases caused by them and damage incurred as a result of using AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks and Applebee’s, and as a result of disclosing unfavorable data by the government or a given market sector relating to products served in AmRest restaurants and at other KFC, Pizza Hut, Burger King, Starbucks and Applebee’s franchisees, health issues and issues relating to the manner of functioning of one or a larger number of restaurants operated by AmRest, and its competitors. The risk referred to above is limited by using the highest quality components in AmRest restaurants – from checked and renowned suppliers, abiding by stringent quality and hygiene standards and applying state of the art equipment and processes enabling total safety of the food.

g) Risk associated with the withdrawal of persons occupying key positions

The success of the Group depends to some extent on the individual work of selected employees and members of the management. Methods, developed by the Group, of remuneration and human resources management help ensure a low level of turnover of key staff. In addition, career planning system supports the preparation of successors, ready to meet the challenges in key positions. According to the Group, it will be able to replace key employees. Regardless of that fact, their loss, in the short term, could have a negative impact on the business and operating results of the Group.

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

Operating a restaurant business on a large scale requires a lot of professional and skilled employees. Excessive outflow of workers and too frequent changes in the structure of employees can be an important risk factor for the stability and the quality of the business. Due to the fact that wages in Poland, the Czech Republic, and Hungary (including restaurant business) are still significantly lower than in other European Union countries, there is a risk of outflow of skilled workers, and thus the risk of ensuring by the Group adequate staff, essential for providing restaurant services at the highest quality. In order to avoid the risk of losing qualified staff a gradual increase of pay rates might be needed, which can also have a negative impact on the financial position of the Group.

i) Changes in food availability and costs

The situation of the Group is also influenced by the need of frequent deliveries of fresh agricultural products and foodstuffs and ability to anticipate and respond to changes in supply costs. The Company cannot exclude the risk of shortages or interruptions in supply caused by factors such as adverse weather conditions, changes in governmental regulations or the withdrawal of certain food products from the market. Moreover, increased demand for certain products, in limited supply, can lead to difficulties in obtaining them by the Company or an increase in the prices of these products. Both shortages and rising prices could have a negative impact on results, operations and financial position of the Group. In order to minimize such risk AmRest Sp. z o. o. signed an agreement with SCM Sp. z o. o. under which SCM will deliver services of mediation and negotiation of terms of delivery to the restaurants, including the negotiation of contracts of distribution.

j) Risk related to the development of New brands

AmRest has been operating the Burger King, Starbucks and Applebee's brands only for a short time. As these are new concepts for AmRest, there is a risk related to demand for the products offered and their acceptance by consumers.

k) Risk related to opening restaurants in new countries

Openings or acquisitions of restaurants operating on a new geographical and political territory are connected with a risk of different consumer preferences, risk of lack of good knowledge of the market, risk of legal restrictions resulting from local regulations and political country risk.

l) Foreign Exchange risk

AmRest results are prone to currency risk related to transactions and translations in currencies other than the currency in which the business operations are measured in particular 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 slowdown in the economics

The slowdown in the economies where AmRest operates may have an impact on expenditure on consumption on those markets which, in turn, may impact the results of AmRest restaurants operating on those markets.

o) Risk of seasonality of sales

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

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

Any loss, partial or total, of the data associated with a failure of computer system, or destruction or loss of a key, tangible assets of the Company could result in temporary suspension of the current restaurant customer service, which could have a negative impact on the Group's financial performance. In order to minimize this risk the Group has implemented appropriate procedures 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 has paid dividend to non controlling interest shareholders of SCM Sp. z o. o. in the value of PLN 1 617 thousands in 2012 and PLN 980 thousands in 2011. The Group has received dividend from associated entity SCM s.r.o. in the value of PLN 58 thousands in 2012 and PLN 59 thousands in 2011.

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.

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, Hungary, Russia, Serbia, Croatia, Bulgaria and Spain on the basis of franchises granted, and Applebee's® in the USA. Additionally in Spain and France 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.

As at the date of release of this quarterly report, that is November 9th, 2012 the Group operates 625 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 was signed share subscription agreement 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 instalments 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 September 30th, 2012 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	Applebee's
Type of cooperation	franchise agreement	franchise agreement	joint venture[1)]/ franchise agreement	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.	Applebee's Franchising LLC
Area covered by the agreement	Poland, Czech Republic, Hungary, Bulgaria, Serbia, Russia	Poland, Czech Republic, Bulgaria	Poland, Czech Republic, Hungary	USA
Term of agreement	10 years, possibility of extension for a further 10 years	Poland, Czech Republic, Bulgaria – 20 years	15 years, possibility of extension for a further 5 years	20 years, possibility of extension for a further 10 years
Preliminary fee	USD 45.5[)] thousand	USD 50 thousand	USD 25 thousand	USD 35 thousand
Franchise fee	6% of sales revenues	5% of sales revenues	6% of sales revenues	4% of sales revenues
Marketing costs	5% of sales revenues	5% of sales revenues [3)]	amount agreed annually between the parties	3.75% to 5% of sales revenues[4)]
Additional provisions			preliminary fees for brand development[5)]	

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 third and fourth year after establishing the companies, if the Group does not meet the commitments relating to opening and operating a minimum number of Starbucks cafés in Poland, the Czech Republic and Hungary, Starbucks will be entitled to increase its share in the companies by purchasing additional shares (a maximum up to 50%). In the fifth and 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) The marketing fee payable by the franchisee is no less than 2.75% of the gross sales revenues on condition that the franchiser may increase the amount of the marketing fee to a maximum of 4%. Additionally, the franchisee is obliged to transfer 1% of the gross sales revenues for local marketing activities.

5) 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 the Czech Republic 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.

As at September 30th 2012, the Group included the following subsidiaries:

Company	Seat	Core business	Parent/ non-controlling undertaking	Ownership interest and total vote	Date of effective control
AmRest Sp. z o. o.	Wroclaw, Poland	Restaurant activity in Poland	AmRest Holdings SE	100.00%	December 2000
AmRest s.r.o.	Prague, Czech Republic	Restaurant activity in the Czech Republic	AmRest Holdings SE	100.00%	December 2000
AmRest Tag S.L.	Madrid, Spain	Holding activity	AmRest Holdings SE	76,27 %	March 2011
			Steven Winegar	20,46%	
			Maria Elena Pato	1,69%	
			David Gorgues Carnice	0,85%	
			Others	0,73%	
AmRest HK Limited	Wan Chai, Hong Kong	Holding activity	AmRest Holdings SE	65.00%	September 2011
			Stubs Asia Limited	35.00%	
AmRest Finance S.L.	Madrid, Spain	Holding activity	AmRest Holdings SE	100.00%	December 2011
AmRestavia S.L.	Madrid, Spain	Holding activity	AmRest Tag S.L.	100.00%	April 2011

Company	Seat	Core business	Parent/ non-controlling undertaking	Ownership interest and total vote	Date of effective control
Restauravia Grupo Empresarial S.L.	Madrid,Spain	Holding activity	AmRestavia S.L. AmRest Tag S.L.	16.52% 83.48%	April 2011
Restauravia Food S.L.U	Madrid, Spain	Restaurant activity in Spain	Restauravia Grupo Empresarial S.L.	100.00%	April 2011
Pastificio Service S.L.U.	Lleida, Spain	Restaurant activity in Spain	Restauravia Grupo Empresarial S.L.	100.00%	April 2011
Pastificio Restaurantes S.L.U.	Lleida, Spain	Restaurant activity in Spain	Pastificio Service S.L.U	100.00%	April 2011
Tagligat S.L.U	Lleida, Spain	Restaurant activity in Spain	Pastificio Service S.L.U	100.00%	April 2011
Pastificio S.L.U	Lleida, Spain	Restaurant activity in Spain	Pastificio Service S.L.U	100.00%	April 2011
AmRest Restaurants (India) Private Limited	Mumbai, India	Restaurant activity in India	Restauravia Grupo Empresarial S.L.	100.00%	October 2011
AmRest GmbH	Munich, Germany	Restaurant activity in Germany	Restauravia Grupo Empresarial S.L.	100.00%	March 2012
AmRest SAS	Paris, France	Restaurant activity in France	Restauravia Grupo Empresarial S.L.	100.00%	April 2012
AmRest Kft	Budapest, Hungary	Restaurant activity in Hungary	AmRest Sp. z o.o.	100.00%	June 2006
AmRest Capital Zrt	Budapest, Hungary	Holding activity	AmRest Sp. z o.o.	100.00%	November 2011
AmRest Finance Zrt	Budapest, Hungary	Holding activity	AmRest Sp. z o.o.	100.00%	November 2011
AmRest Ukraina t.o.w.	Kiev, Ukraine	Established to develop and operate restaurants in Ukraine	AmRest Sp. z o.o.	100.00 %	December 2005
AmRest Coffee Sp. z o. o.	Wroclaw, Poland	Operation of coffee stores in Poland	AmRest Sp. z o. o. Starbucks Coffee International, Inc.	82.00% 18.00%	March 2007
Bécsi út.13 Kft	Budapest, Hungary	Owner of building, where the office surface is placed	AmRest Kft	100.00%	April 2007
AmRest EOOD	Sofia, Bulgaria	Restaurant activity in Bulgaria	AmRest Sp. z o.o.	100.00%	April 2007
AmRest Coffee s.r.o.	Wroclaw, Poland	Operation of coffee stores in Czech Republic	AmRest Sp. z o. o. Starbucks Coffee International, Inc.	82.00% 18.00%	August 2007
AmRest Acquisition Subsidiary Inc.	Wilmington, USA	Holding activity	AmRest Holding SE	100.00%	May 2007

Company	Seat	Core business	Parent/ non-controlling undertaking	Ownership interest and total vote	Date of effective control
OOO AmRest	Petersburg, Russia	Restaurant activity in Russia	AmRest Acquisition Subsidiary Inc. AmRest Sp. z o.o.	0.88% 99.12%	July 2007
AmRest Kávézó Kft	Budapest, Hungary	Operation of coffee stores in Hungary	AmRest Sp. z o. o. Starbucks Coffee International, Inc.	82.00% 18.00%	August 2007
AmRest d.o.o.	Belgrad, Serbia	Restaurant activity in Serbia	AmRest Sp. z o. o. ProFood Invest GmbH	60.00% 40.00%	October 2007
AmRest LLC	Wilmington, USA	Restaurant activity in USA	AmRest Sp. z o.o.	100.00%	July 2008
SCM Sp. z o. o.	Chotomów, Poland	Delivery services for restaurants operated by the Group	AmRest Sp. z o.o. Zbigniew Cylny Beata Szafarczyk-Cylny	51.00% 44.00% 5.00%	April 2008
AmRest Services Sp. z o.o.	Wroclaw, Poland	Lack of running activity	AmRest Sp. z o.o.	100.00%	April 2011
AmRest Work Sp. z o.o.	Wrocław, Poland	Lack of running activity	AmRest Sp. z o.o	100.00%	March 2012
AmRest Adria d.o.o.	Zagreb, Croatia	Restaurant activity in Croatia	AmRest Sp. z o.o.	100.00%	October 2011
AmRest Adria2 d.o.o.	Ljubliana, Slovenia	Restaurant activity in Slovenia	AmRest Sp. z o.o.	100.00%	August 2012
La Tagliatella LLC	Wilmington, USA	Restaurant activity in USA	AmRestavia S.L.	100.00%	April 2012

As at September 30th, 2012, 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 Republic	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 corporate office is in Wroclaw, Poland. As of September 30th, 2012 the restaurants operated by the Group are located throughout Poland, the Czech Republic, Hungary, Russia, Bulgaria, Serbia, Croatia, USA and in Spain.

10. Pursuant to the information available to the Company, as at the date of release of this quarterly report, that is November 9th, 2012, 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	6 997 853	32,99%	6 997 853	32,99%
ING OFE	4 100 000	19,33%	4 100 000	19,33%
BZ WBK AM*	1 912 174	9,01%	1 912 174	9,01%
AVIVA OFE	1 600 000	7,54%	1 600 000	7,54%
PZU PTE	1 547 402	7,29%	1 547 402	7,29%
Free float	5 056 464	23,84%	5 056 464	23,84%

* BZ WBK AM manages assets which include the funds of BZ WBK TFI

11. Changes in the shareholding structure

Pursuant to the information available to the Company no other 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 (August 31st, 2012), than listed below:

On September 11th, 2012 the Management Board of AmRest Holdings SE informed that the same day it received a notice from a person having access to confidential information of AmRest, about a purchase of 8 000 AmRest shares, on September 4th 2012, at the average price of PLN 18. The above mentioned transaction was executed in connection with the participation in AmRest's employee's stock option plan and outside the regulated market.

Also on September 11th, 2012 the Management Board of AmRest Holdings SE informed that the same day it received a notice from a person having access to confidential information of AmRest, about a sale of 8 000 AmRest shares, on September 7th 2012, at the average price of PLN 69,05. The above mentioned shares had been earlier purchased in connection with the participation in AmRest's employee's stock option plan. The transaction was executed at the Warsaw Stock Exchange.

On October 16th, 2012 the Management Board of AmRest Holdings SE informed that the same day it received a notice from a person having access to confidential information of AmRest, about a sale of:

- 498 AmRest shares, on October 8th 2012, at the average price of PLN 74,00;
- 2 502 AmRest shares, on October 9th 2012, at the average price of PLN 74,00;
- 850 AmRest shares, on October 12th 2012, at the average price of PLN 73,50.

All the above mentioned transactions were executed at the Warsaw Stock Exchange.

On October 23rd, 2012 the Management Board of AmRest Holdings SE ("AmRest") informed that the same day it received a notice from a person having access to confidential information of AmRest, about a sale of 1000 AmRest shares, on October 15th 2012, at PLN 73,00 per share. The transaction was executed at the Warsaw Stock Exchange.

On November 2nd, 2012 the Management Board of AmRest Holdings SE ("AmRest") informed that the same day it received a notice from a person having access to confidential information of AmRest, about a sale of 2000 AmRest shares, on October 25th 2012, at PLN 77,05 per share. The transaction was executed at the Warsaw Stock Exchange.

B. Interim Consolidated Financial Statements for the quarter ended September 30th, 2012

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 September 30th, 2012, liability relates to Put option valuation was presented in the amount of PLN 191 374 thousand (EUR 46 520 thousand). As at the date of the Group Restauravia Grupo Empresarial L.S. purchase the liability was equal to PLN 160.093 thousand (EUR 40.681 thousand). According to provisionary reconciliation published in financial statements for the period of 6 months ending June 30th, 2011 liability was valued at PLN 155 463 thousand (EUR 38.996 thousand) and in financial statements for period of 12 months ended December 31st, 2011 this liability amounted to PLN 280 812 thousand (EUR 63 578 thousand), amounts were changed according to settlements of purchase price allocations and change of comparative data (point B.7). According to Group AmRest policy the valuation cost of the Put option in the value of PLN 13 591 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 September 30th, 2012 the Group recognized liability concerned the program in amount of PLN 7 481 thousand (EUR 1 770 thousand) including costs for the period of 9 months ending September 30th, 2012 in value of PLN 3 219 thousand (EUR 770 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 emerging markets as segment created as a consequence of acquisition in 2011 year is 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 emerging markets (India, Hong Kong and France and Germany).

Below are presented data relating to operating segments for the twelve-month period ended September 30th, 2012 and for the comparative period ended September 30th, 2011.

	CEE	*USA**	*Western Europe and emerging markets*	*Russia*	*Unallocated*	*Total*
Nine months ended September 30, 2012						
Revenue from external customers	1 093 037	-	395 242	227 222	-	1 715 501
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	39 195	-	42 975	13 310	(1 977)	93 503
Finance income	-	-	-	-	2 746	2 746
Finance costs	-	-	-	-	(53 585)	(53 585)
Share of profits of associates	17	-	-	-	-	17
Income tax	-	-	-	-	(8 501)	(8 501)
Deferred tax assets	16 056	3 251	5 150	348	-	24 805
Profit for the period from continuing operations	-	-	-	-	34 180	34 180
Profit for the period from discontinuing operations	-	14 479	-	-	-	14 479
Profit for the period	-	14 479	-	-	34 180	48 659
Segment assets	872 138	304 405	1 124 828	304 337	52 978	2 658 686
Investments in associates	412	-	-	-	-	412
Total assets	872 550	304 405	1 124 828	304 337	52 978	2 659 098
Goodwill	25 639	-	387 807	145 953	-	559 399
Assets held for sale	-	270 231	-	-	-	270 231
Segment liabilities	166 161	49 196**	262 905	24 891	1 125 352	1 628 505
Depreciation	74 880	-	21 515	15 291	-	111 686
Amortization	6 483	-	8 039	348	-	14 870

Capital investment	98 577	16 972	54 186	38 058	-	207 793
Impairment of fixed assets	3 934	-	-	-	-	3 934
Impairment of trade receivables	558	-	363	(595)	-	326
Three months ended September 30, 2012						
Revenue from external customers	385 511	-	137 203	80 021	-	602 735
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	20 585	-	15 458	4 776	(720)	40 099
Finance income	-	-	-	-	1 038	1 038
Finance costs	-	-	-	-	(14 694)	(14 694)
Share of profits of associates	7	-	-	-	-	7
Income tax	-	-	-	-	(5 582)	(5 582)
Deferred tax assets	16 056	3 251	5 150	348	-	24 805
Profit for the period from continuing operations	-	-	-	-	20 868	20 868
Profit for the period from discontinuing operations	-	5 082	-	-	-	5 082
Profit for the period	-	5 082	-	-	20 868	25 950
Segment assets	872 138	304 405	1 124 828	304 337	52 978	2 658 686
Investments in associates	412	-	-	-	-	412
Total assets	872 550	304 405	1 124 828	304 337	52 978	2 659 098
Goodwill	25 639	-	387 807	145 953	-	559 399
Assets held for sale	-	270 231	-	-	-	270 231
Segment liabilities	166 161	49 196**	262 905	24 891	1 125 352	1 628 505
Depreciation	25 237	-	7 505	5 542	-	38 284
Amortization	2 287	-	2 757	125	-	5 169
Capital investment	34 873	4 657	15 504	11 074	-	66 108
Impairment of fixed assets	(100)	-	-	-	-	(100)
Impairment of trade receivables	126	-	223	(248)	-	101
	CEE	*USA**	*Western Europe and emerging markets*	*Russia*	*Unallocated*	*Total*
Nine months ended September 30, 2011						
Revenue from external customers	964 918	-	201 756	152 959	-	1 319 633
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	38 777	-	30 346	12 035	(4 770)	76 388

Finance income	-	-	-	-	12 980	12 980
Finance costs	-	-	-	-	(39 854)	(39 854)
Share of profits of associates	81	-	-	-	-	81
Income tax	-	-	-	-	(12 777)	(12 777)
Deferred tax assets	9 099	-	2 995	527	-	12 621
Profit for the period from continuing operations	-	-	-	-	36 818	36 818
Profit for the period from discontinuing operations	-	9 439	-	-	(723)	8 716
Profit for the period	-	9 439	-	-	36 095	45 534
Segment assets	747 103	301 938	1 099 620	253 474	122 183	2 524 318
Investments in associates	190	-	-	-	-	190
Total assets	747 293	301 938	1 099 620	253 474	122 183	2 524 508
Goodwill	26 976	143 488	423 333	144 108	-	737 905
Segment liabilities	133 943	57 168	290 861	17 073	1 034 355	1 533 400
Depreciation	65 000	-	11 197	8 582	-	84 779
Amortization	6 029	-	4 357	193	-	10 579
Capital investment	133 638	17 516	596 472	16 437	-	764 063
Impairment of fixed assets	1 830	-	-	-	-	1 830
Impairment of trade receivables	51	-	-	-	-	51
Three months ended September 30, 2011						
Revenue from external customers	351 544	-	127 728	54 335	-	533 607
Inter-segment revenue	-	-	-	-	-	-
Operating result, segment result	19 065	-	19 972	4 226	(1 036)	42 227
Finance income	-	-	-	-	8 896	8 896
Finance costs	-	-	-	-	(19 481)	(19 481)
Share of profits of associates	32	-	-	-	-	32
Income tax	-	-	-	-	(7 243)	(7 243)
Deferred tax assets	9 099	-	2 995	527	-	12 621
Profit for the period from continuing operations	-	-	-	-	24 431	24 431
Profit for the period from discontinuing operations	-	1 057	-	-	-	1 057
Profit for the period	-	1 057	-	-	24 431	25 488
Segment assets	747 103	301 938	1 099 620	253 474	122 183	2 524 318
Investments in associates	190	-	-	-	-	190

Total assets	747 293	301 938	1 099 620	253 474	122 183	2 524 508
Goodwill	26 976	143 488	423 333	144 108	-	737 905
Segment liabilities	133 943	57 168	290 861	17 073	1 034 355	1 533 400
Depreciation	22 731	-	7 535	2 645	-	32 911
Amortization	2 082	-	2 766	49	-	4 897
Capital investment	47 402	5 869	-	3 076	-	56 347
Impairment of trade receivables	1	-	-	-	-	1

** significant assets concerning USA segment were classified as assets held for sale and its results for the period from January 1 st, 2012 to September 30 th, 2012 and comparable period were classified as discontinued according to IFRS 5.*

*** including liabilities of disposal group classified as held for sale in the value of PLN 49 196 thousand.*

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

The “Western Europe and emerging markets” column applies to companies located in Spain, France, Germany, India and Hong Kong. In Western Europe and emerging 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., Applebee’s Franchising LLC.

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, but without an option for extending it by a further years.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.

The key fees and costs to be borne by the Group relating to agreements with Applebee's Franchising LLC are as follows:

- The initial franchise fee of USD 35 thousand per each opened Applebee's restaurant;
- The fixed licence fee equal to 5% of sales revenues of each of the Applebee's restaurants;
- The monthly fee for advertising and promoting sales in an amount of no less than 2.75% of sales of the Applebee's restaurants, in recognition of the fact that the Franchiser may increase the fee to 4%;
- A local marketing fee of 1% of the sales revenue of the Applebee's restaurants.

7. Adjustments

Comparable data were restated as a consequence of following adjustments:

I. During 12 months period since April 28th, 2011, date of share acquisition in AmRest TAG S.L. , were made adjustments for final settlement of accounting reconciliation of mentioned acquisition;

II. Based on new information on facts and cicrcumstances, that existed on acquisition date regarding conditions underlying the assumptions for put options liability valuation was updated;

III. Group classified operations of Applebee's brands as discontinued. It results together with IFRS5 requirements in presentation of income statement for year 2011 in modified form after deduction of appropriate income statement elements regarding Applebee's brands.

Below are presented schedules reconciling effect of mentioned above adjustments and reconciliations between data published for period of 9 months ended September 30th, 2011 and reported in current period statements as data for period of 9 months ended September 30th, 2011 and reported in current period statements as data for period of 12 months ended December 31 st, 2011.

Interim Consolidated Income Statement for the 9 months ended September 30, 2011

in thousands of Polish Zloty	**According to published financial statement for the 9 months ended September 30, 2011**	**Adjustment I**	**Adjustment II**	**Adjustment III**	**After adjustments**
Continuing operations					
Restaurant sales	1 771 187	-	-	(522 192)	1 248 995
Franchise and other sales	70 638	-	-	-	70 638
Total sales	1 841 825	-	-	(522 192)	1 319 633
Direct operating restaurant expenses:					
Food and material	(538 159)	-	-	141 534	(396 625)
Payroll and employee benefits	(445 960)	-	-	187 341	(258 619)
Royalties	(92 970)	-	-	21 416	(71 554)
Occupancy and other operating expenses	(514 803)	-	-	136 451	(378 352)
Franchise and other expenses	(60 833)	(56)	-	-	(60 889)
General and administrative expenses (G&A)	(108 496)	-	-	25 818	(82 678)
Impairment losses	(1 881)	-	-	-	(1 881)
Other operating income	7 438	-	-	(85)	7 353
Total operating costs and losses	(1 755 664)	(56)	-	512 475	(1 243 245)
Profit from operations	**86 161**	**(56)**	**-**	**(9 717)**	**76 388**
Finance costs	(30 516)	-	-	206	(30 310)
Cost from put option valuation	-	-	(9 544)	-	(9 544)
Finance income	13 009	-	-	(29)	12 980
Income from associates	81	-	-	-	81
Profit before tax	**68 735**	**(56)**	**(9 544)**	**(9 540)**	**49 595**
Income tax expense	(12 878)	-	-	101	(12 777)
Profit for the period from continuing operations	**55 857**	**(56)**	**(9 544)**	**(9 439)**	**36 818**

in thousands of Polish Zloty	According to published financial statement for the 9 months ended September 30, 2011	Adjustment I	Adjustment II	Adjustment III	After adjustments
Discontinued operations					
Profit on discontinued operations	(723)	-	-	9 439	8 716
Profit for the period	**55 134**	**(56)**	**(9 544)**	**-**	**45 534**
Profit attributable to:					
Non-controlling interests	4 556	-	-	-	4 556
Equity holders of the parent	**50 578**	**(56)**	**(9 544)**	**-**	**40 978**
Profit for the period	55 134	(56)	(9 544)	-	45 534

Annual Consolidated Statement of Financial Position as at December 31st, 2011

in thousands of Polish Zloty	According to published financial statement as at December 31, 2011	*Adjustment I*	*Adjustment II*	After adjustments
Assets				
Property, plant and equipment	953 310	-	-	953 310
Goodwill	745 134	(2 071)	-	743 063
Other intangible assets	549 482	13 711	-	563 193
Investment property	22 081	-	-	22 081
Investment in associates	140	-	-	140
Leasing receivables	309	-	-	309
Other non-current assets	32 533	-	-	32 533
Deferred tax assets	36 309	-	-	36 309
Total non-current assets	2 339 298	11 640	-	2 350 938
Inventories	40 770	-	-	40 770
Trade and other receivables	84 923	-	-	84 923
Corporate income tax receivables	3 165	-	-	3 165
Leasing receivables	161	-	-	161
Other current assets	15 716	-	-	15 716
Other financial assets	2 863	-	-	2 863
Cash and cash equivalents	143 960	-	-	143 960
Total current assets	291 558	-	-	291 558
Total assets	**2 630 856**	**11 640**	**-**	**2 642 496**
Equity				
Share capital	714	-	-	714
Reserves	489 273	-	78 981	568 254
Retained earnings	145 694	(56)	6 240	151 878
Translation reserve	136 533	(160)	-	136 373
Equity attributable to shareholders of the parent	772 214	(216)	85 221	857 219
Non- controlling interests	155 577	(50)	-	155 527
Total equity	927 791	(266)	85 221	1 012 746
Liabilities				

in thousands of Polish Zloty	**According to published financial statement as at December 31, 2011**	***Adjustment I***	***Adjustment II***	**After adjustments**
Interest-bearing loans and borrowings	838 946	-	-	838 946
Finance lease liabilities	3 429	-	-	3 429
Employee benefits	6 570	-	-	6 570
Provisions	7 573	-	-	7 573
Deferred tax liability	162 117	-	-	162 117
Put option liability	280 812	-	(85 221)	195 591
Other non-current liabilities	18 582	-	-	18 582
Total non-current liabilities	1 318 029	-	(85 221)	1 232 808
Interest-bearing loans and borrowing	77 956	-	-	77 956
Finance lease liabilities	252	-	-	252
Trade and other payables	300 842	11 906	-	312 748
Income tax liabilities	4 222	-	-	4 222
Other financial liabilities	1 764	-	-	1 764
Total current liabilities	385 036	11 906	-	396 942
Total liabilities	1 703 065	11 906	(85 221)	1 629 750
Total equity and liabilities	**2 630 856**	**11 640**	**-**	**2 642 496**

Interim consolidated financial statement of changes in equity for the 9 months ended September 30, 2012 presents change of comparable data as at September 30, 2011 as below:

	Attributable to equity holders						
in thousands of Polish Zloty	Issued capital	Reserved capital	Retained earnings	Cumulative translation adjustments	**Total equity attributable to equity holders of the parent**	Non-controlling interests	**Total Equity**
As at September 30, 2011	714	496 332	147 787	142 513	**787 346**	134 520	**921 866**
Adjustment II	-	78 901	(9 600)	(45)	**69 256**	(14)	**69 242**
As at September 30, 2011 (after adjustment)	714	575 233	138 187	142 468	**856 602**	134 506	**991 108**

Interim consolidated income statement for the quarter ended September 30th

in thousands of Polish zloty	**9 months ended September 30, 2012**	**3 months ended September 30, 2012**	**9 months ended September 30, 2011***	**3 months ended September 30, 2011**
Continuing operations				
Restaurant sales	1 598 826	562 474	1 248 995	493 237
Franchise and other sales	116 675	40 261	70 638	40 370
Total sales	1 715 501	602 735	1 319 633	533 607
Company operated restaurant expenses:				
Food and material	(514 085)	(179 885)	(396 625)	(143 059)
Payroll and employee benefits	(344 507)	(116 062)	(258 619)	(102 900)
Royalties	(86 574)	(30 605)	(71 554)	(27 722)
Occupancy and other operating expenses	(494 554)	(173 410)	(378 352)	(146 840)
Franchise and other expenses	(83 814)	(29 179)	(60 889)	(41 309)
General and administrative (G&A) expenses	(109 014)	(37 811)	(82 678)	(31 586)
Impairment losses	(4 260)	(1)	(1 881)	(1)
Other operating income	14 810	4 317	7 353	2 037
Total operating costs and losses	(1 621 998)	(562 636)	(1 243 245)	(491 380)
Profit from operations	**93 503**	**40 099**	**76 388**	**42 227**
Finance costs	(44 211)	(11 283)	(30 310)	(13 525)
Finance costs concerned put option valuation	(9 374)	(3 411)	(9 544)	(5 956)
Finance income	2 746	1 038	12 980	8 896
Income from associates	17	7	81	32
Profit before tax	**42 681**	**26 450**	**49 595**	**31 674**
Income tax expense	(8 501)	(5 582)	(12 777)	(7 243)
Profit for the period from continuing operations	**34 180**	**20 868**	**36 818**	**24 431**
Discontinued operations				
Profit on discontinued operations	14 479	5 082	8 716	1 057
Profit for the period	**48 659**	**25 950**	**45 534**	**25 488**
Profit attributable to:				
Non-controlling interests	5 736	1 643	4 556	2 969
Equity holders of the parent	**42 923**	**24 307**	**40 978**	**22 519**
Profit for the period	48 659	25 950	45 534	25 488
Basic earnings per share in Polish zloty	2,02	1,15	2,01	1,10
Diluted earnings per share in Polish zloty	2,01	1,14	1,93	1,06
Continuing operations				
Basic earnings per share in Polish zloty	1,34	0,91	1,58	1,05
Diluted earnings per share in Polish zloty	1,33	0,90	1,52	1,01
Discontinued operations				
Basic earnings per share in Polish zloty	0,68	0,24	0,43	0,05
Diluted earnings per share in Polish zloty	0,68	0,24	0,41	0,05

** 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 September 30th

in thousands of Polish zloty	9 months ended September 30, 2012	3 months ended September 30, 2012	9 months ended September 30, 2011	3 months ended September 30, 2011
Net profit	**48 659**	**25 950**	**45 534**	**25 488**
Other comprehensive incomes:				
Exchanges differences on translation of foreign operations	(72 050)	(55 275)	105 164	109 085
Net investment hedges	24 769	31 066	(14 787)	(25 407)
Valuation of put option liability	13 591	7 412	(19 742)	(17 655)
Income tax concerning net investment hedges	(4 705)	(5 902)	2 810	4 828
Other comprehensive income for the period, net of tax	**(38 395)**	**(22 699)**	**73 445**	**70 851**
Total comprehensive income for the period	**10 264**	**3 251**	**118 979**	**96 339**
Attributable to:				
Shareholders of the parent	14 846	6 947	113 511	92 714
Non-controlling interests	(4 582)	(3 696)	5 468	3 625

Interim consolidated statement of financial position as at September 30th, 2012 and December 31st 2011

In thousands of Polish zloty	**30.09.2012**	**31.12.2011 (after adjustments)***
Assets		
Property, plant and equipment	893 411	953 310
Goodwill	559 399	743 063
Other intangible assets	507 309	563 193
Investment property	22 081	22 081
Investments in associates	412	140
Leasing receivables	196	309
Other non-current assets	35 267	32 533
Deferred tax assets	24 805	36 309
Total non-current assets	**2 042 880**	**2 350 938**
Inventories	33 925	40 770
Trade and other receivables	60 144	84 923
Corporate income tax receivables	5 148	3 165
Leasing receivables	160	161
Other current assets	22 419	15 716
Assets available for sale	270 231	-
Other financial assets	5 360	2 863
Cash and cash equivalents	218 831	143 960
Total current assets	**616 218**	**291 558**
Total assets	**2 659 098**	**2 642 496**
Equity		
Share capital	714	714
Reserves	607 873	568 254
Retained earnings	194 801	151 878
Translation reserve	74 641	136 373
Equity attributable to shareholders of the parent	**878 029**	**857 219**
Non-controlling interests	**152 564**	**155 527**
Total equity	**1 030 593**	**1 012 746**
Liabilities		
Interest-bearing loans and borrowings	787 351	838 946
Finance lease liabilities	4 105	3 429
Employee benefit liability	9 391	6 570
Provisions	5 399	7 573
Deferred tax liability	149 765	162 117
Put option liability	191 374	195 591
Other non-current liabilities	9 418	18 582
Total non-current liabilities	**1 156 803**	**1 232 808**
Interest-bearing loans and borrowings	183 411	77 956
Finance lease liabilities	263	252
Trade and other accounts payable	231 839	312 748
Liabilities of disposal group classified as held for sale	49 197	-
Income tax liabilities	6 796	4 222
Other financial liabilities	196	1 764
Total current liabilities	**471 702**	**396 942**
Total liabilities	**1 628 505**	**1 629 750**
Total equity and liabilities	**2 659 098**	**2 642 496**

** Adjustments are the result of change in presentation of financial position presented in point B.7*

The Interim Consolidated Income Statement has to be analyzed jointly with the notes which constitute an integral part of these Interim Consolidated Financial Statements.

Interim consolidated statement of cash flows for the quarter ended September 30th

in thousands of Polish zloty	9 months ended September 30, 2012	9 months ended September 30, 2011
Cash flows from operating activities		
Profit before tax from continued operations	42 681	49 595
Profit from discontinued operations	14 479	8 716
Adjustments for:		
Share of profit of associates	(17)	(81)
Amortization	15 529	11 402
Depreciation	121 359	98 850
Put option valuation	9 374	9 544
Interest expense, net	34 328	22 940
Unrealized foreign exchange (gain)/loss	2 232	(7 617)
(Gain)/loss on disposal of fixed assets	856	(733)
Impairment of fixed assets	4 662	2 127
Equity–settled share based payments expenses	6 175	1 683
Working capital changes:		
(Increase)/decrease in receivables	21 530	(4 834)
(Increase)/decrease in inventories	(729)	(3 391)
(Increase)/decrease in other assets	(16 211)	(28 940)
Increase/(decrease) in payables and other liabilities	(17 976)	(37 442)
Increase/(decrease) in other provisions and employee benefits	3 144	196
Income taxes (paid)/returned	(3 610)	81
Interest paid	(31 260)	(22 971)
Other	(14 783)	(3 681)
Net cash provided by operating activities	**191 763**	**95 444**
Cash flows from investing activities		
Expense for acquisition of subsidiaries	-	(512 781)
Proceeds from transactions with non-controlling interests holders	3 178	4 351
Proceeds from the sale of property, plant and equipment and intangible assets	465	1 527
Acquisition of property, plant and equipment	(192 505)	(182 949)
Acquisition of intangible assets	(15 288)	(8 067)
Proceeds from payment of loans from other parties	46	-
Expense for related parties loan	(185)	-
Expense for related parties investment	(316)	-
Net cash used in investing activities	**(204 605)**	**(697 919)**
Cash flows from financing activities		
Proceeds from shares issued	-	170 002
Proceeds from treasury shares	306	-
Proceeds from borrowings	165 845	464 442
Repayment of borrowings	(72 225)	(175 110)
Proceeds from purchase of treasury shares	(517)	-
Dividend paid for non-controlling interests holders	(1 617)	(980)
Dividend received from associates	58	59
Proceeds/(repayment) of finance lease liabilities	687	(363)
Proceeds/(repayment) of finance lease receivables	114	101
Net cash provided by/(used in) financing activities	**92 651**	**458 151**
Total net cash	**79 809**	**(144 324)**
Net change in cash and cash equivalents	74 871	(139 500)
Cash and cash equivalents, beginning of period	143 960	245 118
Effect of foreign exchange rate movements	(4 938)	4 824
Cash and cash equivalents, end of period	**218 831**	**105 618**

AmRest Holdings SE

Interim consolidated statement of changes in equity for the 9 months ended September 30th , 2012

	Attributable to equity holders						
in thousands of Polish zloty	Issued capital	Reserved capital	Retained Earnings	Cumulative translation adjustments	**Total equity attributable to equity holders of the parent**	Non-controlling interest	**Total Equity**
As at 01.01.2011	623	595 451	97 209	38 216	**731 499**	14 531	**746 030**
COMPREHENSIVE INCOME							
Income/(loss) for the period	-	-	50 578	-	**50 578**	4 556	**55 134**
Currency translation differences	-	-	-	104 297	**104 297**	926	**105 223**
Impact of cash flow hedging	-	(14 787)	-	-	**(14 787)**	-	**(14 787)**
Put option valuation as net investment hedges	-	(26 042)	-	-	**(26 042)**	-	**(26 042)**
Deferred income tax concerning cash flow hedges	-	2 810	-	-	**2 810**	-	**2 810**
Total Comprehensive Income	**-**	**(38 019)**	**50 578**	**104 297**	**116 856**	**5 482**	**122 338**
TRANSACTION WITH NON-CONTROLLING INTERESTS							
Equity attributable to non-controlling interests	-	-	-	-	**-**	4 351	**4 351**
Equity attributable to non-controlling interests- Acquisition in Spain	-	-	-	-	**-**	111 077	**111 077**
Put option recognition	-	(232 694)	-	-	**(232 694)**	-	**(232 694)**
Dividend paid for non-controlling interests holders	-	-	-	-	-	(921	**(921)**
Total transactions with non controlling interests	**-**	**(232 694)**	**-**	**-**	**(232 694)**	**114 507**	**(118 187)**
TRANSACTION WITH SHAREHOLDERS							
Share issue	91	169 911	-	-	**170 002**	-	**170 002**
Employees share option scheme – value of employee services	-	1 683	-	-	**1 683**	-	**1 683**
Total transactions with equity holders	**91**	**171 594**	**-**	**-**	**171 685**	**-**	**171 685**
As at 30.09.2011 according to published financial statement	714	496 332	147 787	142 513	**787 346**	134 520	**921 866**
Restated (point B.7)	-	78 901	(9 600)	(45)	**69 256**	(14)	**69 242**
As at 30.09.2011 (after adjustments)*	**714**	**575 233**	**138 187**	**142 468**	**856 602**	**134 506**	**991 108**
As at 31.12.2011 according to published financial statement	714	489 273	145 694	136 533	**772 214**	155 577	**927 791**
Restated (point B.7)	-	78 981	6 184	(160)	**85 005**	(50)	**84 955**
As at 01.01.2012 (after adjustments)*	714	568 254	151 878	136 373	**857 219**	155 527	**1 012 746**
COMPREHENSIVE INCOME							
Income/(loss) for the period	-	-	42 923	-	**42 923**	5 736	**48 659**
Currency translation differences	-	-	-	(61 732)	**(61 732)**	(10 318)	**(72 050)**
Put option valuation as net investment hedges	-	13 591	-	-	**13 591**	-	**13 591**
Net investment hedges valuation	-	24 769	-	-	**24 769**	-	**24 769**
Deferred tax related to net investment hedges	-	(4 705)	-	-	**(4 705)**	-	**(4 705)**
Total Comprehensive Income	**-**	**33 655**	**42 923**	**(61 732)**	**14 846**	**(4 582)**	**10 264**
TRANSACTION WITH NON-CONTROLLING INTERESTS							
Equity attributable to non-controlling interests	-	-	-	-	-	3 178	**3 178**
Dividend paid for non-controlling interests holders	-	-	-	-	-	(1 559)	**(1 559)**
Total transactions with non-controlling interests	**-**	**-**	**-**	**-**	**-**	**1 619**	**1 619**
TRANSACTION WITH SHAREHOLDERS							
Employees share option scheme – value of employee services	-	6 175	-	-	**6 175**	-	**6 175**
Purchase of treasury shares	-	(211)	-	-	**(211)**	-	**(211)**
Total transactions with equity holders	**-**	**5 964**	**-**	**-**	**5 964**	**-**	**5 964**
As at 30.09.2012	**714**	**607 873**	**194 801**	**74 641**	**878 029**	**152 564**	**1 030 593**

** Adjustments are the result of changes in presentation of statement of changes in Equity in point B.7*

The statement of changes in consolidated equity has to be analyzed jointly with the notes which constitute an integral part of these consolidated financial statements.

8. Earnings per Ordinary Share

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

	9 months ended September 30, 2012	3 months ended September 30, 2012	9 months ended September 30, 2011	3 months ended September 30, 2011
Net profit from continued operations attributable to shareholders of the parent (*in thousands of PLN*)	28 444	19 225	32 262	21 462
Net profit from continued operations attributable to shareholders of the parent (*in thousands of PLN*)	14 479	5 082	8 716	1 057
Net profit attributable to shareholders of the parent (*in thousands of PLN)*	42 923	24 307	40 978	22 519
Ordinary shares	21 213 893	21 213 893	20 390 757	20 390 757
Effect of share issues	-	-	814 932	814 932
Effect of stock options granted in 2005	19 602	19 602	21 135	21 135
Effect of stock options granted in 2006	16 701	16 701	20 571	20 571
Effect of stock options granted in 2007	-	-	-	-
Effect of stock options granted in 2008	-	-	-	-
Effect of stock options granted in 2009	16 906	16 906	27 012	27 012
Effect of stock options granted in 2010	-	-	1 878	1 878
Effect of stock options granted in 2011	82 631	82 631	-	-
Effect of stock options granted in 2012	-	-	-	-
Average weighted number of ordinary shares used in calculation of diluted earnings per share	21 349 733	21 349 733	21 276 285	21 276 285
Basic earnings per ordinary share (PLN)	2,02	1,15	2,01	1,10
Diluted earnings per ordinary share (PLN)	2,01	1,14	1,93	1,06
Basic earnings from continued operations per ordinary share (PLN)	1,34	0,91	1,58	1,05
Diluted earnings from continued operations per ordinary share (PLN)	1,33	0,90	1,52	1,01
Basic earnings from discontinued operations per ordinary share (PLN)	0,68	0,24	0,43	0,05
Diluted earnings from discontinued operations per ordinary share (PLN)	0,68	0,24	0,41	0,05

9. Subsequent events

On October 10th, 2012 was concluded the agreement of the sale of substantially all of the operating assets of AmRest LLC (“Seller”), a 100% subsidiary of AmRest, to Apple American Group II, LLC (“Buyer”). On Closing, Seller transferred to Buyer the operating assets of 97 Applebee’s restaurants (“Restaurants”). In addition to three restaurants initially excluded from the transaction, the transfer of two other restaurants has been delayed pursuant to the provisions of the Agreement for the Purchase and Sale of Assets, dated June 7th, 2012, as further (the “Purchase Agreement”), pending receipt of landlords’ consents for the assignment of the underlying leases to Buyer.

The consideration received by Seller for the transferred Restaurants amounted to USD 91,6 million inclusive of inventory value, assumed liabilities, proration of expenses, and price adjustments pursuant to the Purchase Agreement. An additional purchase price of USD 3,2 million is payable by Buyer to Seller upon completion of the sale of the 2 delayed restaurants.

In accordance with the Purchase Agreement the Company AmRest Holding SE acting as the guarantor deposited USD 4 million at Closing into an escrow account as security for potential future claims of Buyer. The escrow funds balance will be released to the Company 24 months after the date of Closing.

All conditions precedent and approvals required under the Purchase Agreement with respect to the transferred Restaurants, including in particular receipt of consent of the franchisor, landlords and the Supervisory Board of the Company, have been fulfilled and satisfied.

Pursuant to the provisions of the Purchase Agreement on October 31st, 2012 was finished the transfer of two restaurants. Buyer paid to Seller USD 3,2 million.

On November 5th, 2012 AmRest Sp. z o.o. and AmRest Services Sp. z o.o. set up the limited joint-stock partnership, the name of company is AmRest Services Sp. z o.o.S.K.A. The Company will support the activities of Group’s holding company.

C. Interim Stand-Alone Financial Statements for the quarter ended September 30th, 2012

1. Selected financial information

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

	9 months 2012 in thousands PLN	9 months 2011 in thousands PLN	9 months 2012 in thousands EUR	9 months 2011 in thousands EUR
Total sales	-	-	-	-
Profit from operations	(498)	(3 040)	(118)	(756)
Profit before tax	15 094	3 021	3 756	752
Net profit	14 123	2 502	3 355	623
Net cash provided by operating activities	(217)	(559)	(52)	(139)
Net cash used in investing activities	24 051	(186 065)	5 713	(46 304)
Net cash provided/ (used in) financing activities	(14 941)	166 537	(3 549)	41 445
Net cash flow, total	8 893	(20 087)	2 113	(4 999)
Total assets	1 020 832	986 780	248 148	223 699
Total liabilities and provisions	167 106	152 726	40 620	34 623
Long-term liabilities	166 710	152 590	40 525	34 591
Short-term liabilities	396	136	96	31
Total equity	853 726	834 054	207 527	189 076
Issued capital	714	714	174	162

*no dividends were paid in 2012 and in 2011

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, 2012

in thousands of Polish Zloty	9 months ended September 30, 2012	3 months ended September 30, 2012	9 months ended September 30, 2011	3 months ended September 30, 2011
General and administrative (G&A) expenses	(498)	(63)	(3 040)	(428)
Profit from operations	**(498)**	**(63)**	**(3 040)**	**(428)**
Finance income	25 954	5 397	15 458	4 518
Finance costs	(10 362)	(3 674)	(9 397)	(3 099)
Net profit before tax	**15 094**	**1 660**	**3 021**	**991**
Income tax expense	(971)	(317)	(519)	(221)
Net profit for the period	**14 123**	**1 343**	**2 502**	**770**

Interim stand-alone statement of comprehensive income
for the quarter ended September 30th, 2012

in thousands of Polish Zloty	9 months ended September 30, 2012	3 months ended September 30, 2012	9 months ended September 30, 2011	3 months ended September 30, 2011
Net profit	14 123	1 343	2 502	770
Other comprehensive incomes:				
Other comprehensive incomes net	-	-	-	-
Total comprehensive incomes	**14 123**	**1 343**	**2 052**	**770**

Interim stand-alone statement of financial position as of September 30th, 2012 and December 31st, 2011

in thousands of Polish Zloty	2012	2011
Assets		
Investments in associates	770 159	754 224
Other non-current assets	194 989	205 700
Total non-current assets	**965 148**	**959 924**
Trade and other receivables	387	1 002
Corporate income tax receivables	387	-
Other current assets	29	8
Other financial assets	28 944	27 728
Cash and cash equivalents	25 936	17 043
Total current assets	**55 683**	**45 781**
Total assets	**1 020 831**	**1 005 705**
Equity		
Issued capital	714	714
Share premium	782 146	776 182
Retained deficit	70 865	56 742
Equity attributable to shareholders of the parent	**853 725**	**833 638**
Non-controling interest	-	-
Total equity	**853 725**	**833 638**
Liabilities		
Deferred tax liabilities	435	179
Interest-bearing loans and borrowings	13 671	-
Other non-current liabilities	152 604	149 491
Total non-current liabilities	**166 710**	**149 670**
Interest-bearing loans and borrowings	-	22 111
Trade and other accounts payable	396	286
Total current liabilities	**396**	**22 397**
Total liabilities	**167 106**	**172 067**
Total equity and liabilities	**1 020 831**	**1 005 705**

Interim stand-alone statement of cash flows
for 9 months ended September 30th, 2012

in thousands of Polish Zloty

	2012	2011
Cash flows from operating activities		
Profit before tax	**15 094**	**3 021**
Adjustments:		
Interest expense, net	(15 077)	(5 557)
Unrealized foreign exchange (gain)/loss	231	(491)
(Increase)/decrease in receivables	(150)	3 624
Increase/(decrease) in liabilities	(21)	(424)
Change in accruals	110	(34)
Income taxes (paid)/returned	(404)	(698)
Net cash provided by operating activities	**(217)**	**(559)**
Cash flows from investing activities		
Proceeds from repayment of intercompany loan	23 713	170 979
Proceeds from dividend	10 098	-
Expense for increasing assets in related parties	(9 760)	(357 044)
Net cash used in investing activities	**24 051**	**(186 065)**
Cash flows from financing activities		
Proceeds from shares issued	-	169 624
Proceeds from SOP	306	378
Interest received from bank deposits	729	1 683
Proceeds from loans and borrowings	23 707	-
Proceeds from purchase of treasury shares	(517)	-
Repayment of loans and borrowings to related entities	(33 017)	-
Proceeds from bonds	(6 235)	(5 565)
Proceeds/(outflows) from cash pooling	86	857
Other bank fees	-	(440)
Net cash used in financing activities	**(14 941)**	**166 537**
Total net cash flows	**8 893**	**(20 087)**
Net change in cash and cash equivalents	8 893	(20 087)
Cash and cash equivalents, beginning of period	17 043	33 609
Cash and cash equivalents, end of period	**25 936**	**13 522**

Interim stand-alone statement of changes in equity
for the 9 months ended September 30th, 2012

in thousands of Polish Zloty	Issued capital	Reserved capital	Retained Earnings	**Total Equity**
As at 01.01.2011	**623**	**605 689**	**53 555**	**659 867**
Comprehensive Income				
Income for the period	-	-	2 502	**2 502**
Total comprehensive Income	**-**	**-**	**2 502**	**2 502**
Transaction with non-controlling shareholders	**-**	**-**	**-**	**-**
Transaction with shareholders				
Share issue	90	169 534	-	**169 624**
Employees share option scheme – value of employee services	-	1 683		**1 683**
Employees share option scheme – value of option realized	1	377	-	**378**
Total transaction with shareholders	**91**	**171 594**	**-**	**171 685**
As at 30.09.2011	**714**	**777 283**	**56 057**	**834 054**
As at 01.01.2012	**714**	**776 182**	**56 742**	**833 638**
Comprehensive Income				
Income for the period	-	-	14 123	**14 123**
Total Comprehensive Income	**-**	**-**	**14 123**	**14 123**
Transaction with non-controlling shareholders	**-**	**-**	**-**	**-**
Transaction with shareholders				
Share issue	-	-	-	-
Purchase of treasury shares	-	(211)	-	**(211)**
Employees share option scheme – value of employee services	-	6 175	-	**6 175**
Total transaction with shareholders	**-**	**5 964**	**-**	**5 964**
As at 30.09.2012	**714**	**782 146**	**70 865**	**853 725**

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, 2012 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, 2011, except for the new accounting standards adopted as of January 1st, 2012.

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 September 30th, 2012 and December 31st, 2011:

Name	September 30th, 2012		December 31st, 2011	
	Share in initial capital	Value of shares	Share in initial capital	Value of shares
AmRest Tag S.L.	76.27 %	357 044	76.27 %	357 044
AmRest Sp. z o. o*	100 %	220 190	100 %	214 015
AmRest Acquisition Subsidiary Inc.	100 %	146 954	100 %	146 954
AmRest s.r.o.	100 %	33 573	100 %	33 573
AmRest HK Limited	65 %	10 385	65 %	625
AmRest EOOD	100 %	2 000	100 %	2 000
AmRest Finance S.L.	100 %	13	100 %	13
Total	-	**770 159**	-	**754 224**

* 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 6 175 thousands.

Company Representatives Signatures:

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Drew O'Malley
AmRest Holdings SE
Management Board Member

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Wojciech Mroczyński
AmRest Holdings SE
Management Board Member

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Mark Chandler
AmRest Holdings SE
Management Board Member

Wroclaw, November 9th, 2012