AMREST HOLDINGS SE CAPITAL GROUP

Q1 2014 QUARTERLY REPORT

WROCLAW, MAY 9th, 2014

AmRest

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A. Q1 2014 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 31th:

	3 months 2014 in thousands of PLN	3 months 2013 in thousands of PLN	3 months 2014 in thousands EUR	3 months 2013 in thousands EUR
Restaurant sales	674 118	609 116	161 095	146 577
Operating profit	23 216	5 031	5 548	1 211
Profit before tax	11 800	(6 193)	2 810	(1 490)
Net profit	7 819	(9 734)	1 869	(2 342)
Net profit attributable to non-controlling interests	(680)	(332)	(163)	(80)
Net profit attributable to equity holders of the parent	8 499	(9 402)	2 031	(2 262)
Cash flows from operating activities	(12 695)	9 154	(3 034)	2 203
Cash flows from investing activities	(47 171)	(55 861)	(11 272)	(13 442)
Cash flows from financing activities	32 669	41 123	7 692	9 896
Total cash flows, net	(27 197)	(5 584)	(6 499)	(1 344)
Total assets	2 589 886	2 593 255	620 882	62 782
Total liabilities and provisions	1 557 828	1 506 455	373 463	360 620
Long-term liabilities	1 131 673	1 011 565	271 300	242 152
Short-term liabilities	426 155	494 890	102 164	118 468
Equity attributable to shareholders of the parent	970 381	882 929	232 633	211 359
Non-controlling interests	61 677	203 871	14 786	48 803
Total equity	1 032 058	1 086 800	247 419	260 162
Share capital	714	714	171	171
Average weighted number of ordinary shares in issue	21 213 893	21 213 893	21 213 893	21 213 893
Average weighted number of ordinary shares for diluted earnings per shares	21 527 379	21 583 159	21 527 379	21 583 159
Basic earnings per share (PLN /EUR)	0.40	(0.44)	0.10	(0.11)
Diluted earnings per share (PLN /EUR)	0.39	(0.44)	0.09	(0.10)
Basic earnings from continued operations per ordinary share	0.40	(0.23)	0.10	(0.06)
Diluted earnings from continued operations per ordinary share	0.39	(0.23)	0.09	(0.06)
Basic loss from discontinued operations per ordinary share	-	(0.21)	-	(0.05)
Diluted loss from discontinued operations per ordinary share	-	(0.21)	-	(0.05)
Declared or paid dividend per share*	-	-	-	-

* In first quarter of 2013 and 2014 no dividends were paid. In first quarter of 2014 Group paid dividends for non-controlling shareholder of SCM Sp. z o.o.in the amount of PLN 1 470thousand (in comparable period of 2013 nothing was paid).

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

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

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

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

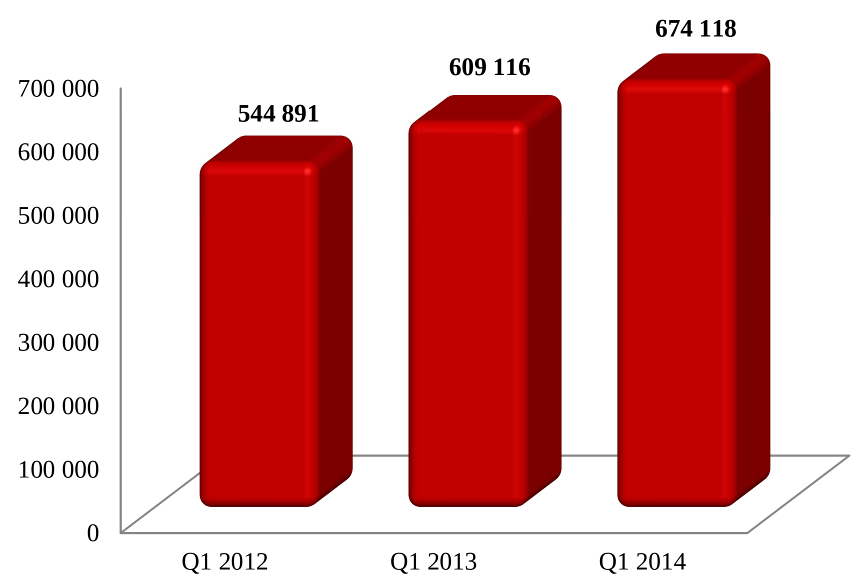
a) Significant personnel changes

Since the publication of the last annual consolidated report for the 2013 (March 14th, 2014), there were no significant personnel changes.

b) The Company's performance

Sales of AmRest Group increased in the first quarter of 2014 by 10.7% and amounted to PLN 674 118 thousand compared to PLN 609 116 thousand in the first quarter of the last year.

Chart 1 Sales dynamic in AmRest Group for the first quarter 2014 compared to previous years (in PLN thousand)



The greatest increase in revenues in the first quarter of 2014 was observed in Central and Eastern Europe (CEE), where PLN 391 725 thousand sales was recorded, which was by PLN 31 891 thousand higher compared to the first quarter of the previous year (+8.9%). The growth resulted from both improvement in the performance of comparable stores (opened before 2013) and fast pace of new stores development. During last 12 months (period from April 1st, 2013 till March 31st, 2014) AmRest opened 45 restaurants in CEE increasing the portfolio of this division to 448 stores.

Revenues of Russian division in the first quarter of 2014 grew by 7.2% and amounted to PLN 94 741 thousand. In local currency the growth was even more significant and amounted to 27.3%, which was a result of continued dynamic growth of revenues in comparable stores as well as additional sales from units opened in 2013 and 2014. During last 12 months AmRest opened 13 restaurants in Russia, which increased the portfolio to 78 stores in this region.

Positive trends in Spanish market continued and revenues of this division grew to PLN 145 821 thousand in the first quarter of 2014 compared to PLN 134 808 thousand last year. Increase in sales in comparable stores of KFC and La Tagliatella as well as new stores added in 2013 and 2014 positively contributed to the 8.2% growth of sales.

The fastest growth of sales (+60.2%) in the first quarter of 2014 was observed in New Markets, which was driven mainly by new stores openings. Between April 1st, 2013 and March 31st, 2014 AmRest started 18 new restaurants in New Markets and as per March 31st, 2014 its portfolio amounted to 37 units. Revenues in the first quarter of 2014 amounted to PLN 41 841 thousand and were by PLN 15 723 thousand higher than a year ago. Additionally, a significant sales improvement in comparable stores positively contributed to the growth of revenues.

In the first quarter of 2014 a significant improvement AmRest profitability was observed. EBITDA increased to PLN 72 810 thousand compared to PLN 52 098 thousand in the first quarter of 2013. As a result EBITDA margin grew to 10.8% in the first quarter of 2014 compared to 8.6% last year. Such improvement was driven mainly by the mentioned top line growth as well as relatively lower occupancy costs and reduced overheads.

EBITDA adjusted for the one-off pre-opening costs of new restaurants totaled PLN 77 360 thousand in the first quarter of 2014 and was by PLN 18 551 thousand higher than a year ago. Adjusted EBITDA margin increased by 1.8pp and amounted to 11.5% in the first quarter of 2014.

The greatest increase in profit was observed in CEE. In the first quarter of 2014 EBITDA generated in this division totaled PLN 50 104 thousand and was by PLN 17 856 thousand higher compared to the first quarter of the previous year. In a result, EBITDA margin grew by 3.8pp and amounted to 12.8% in the first quarter of 2014. Profitability enhancement was driven mainly by increase in revenues as well as significantly reduced costs of raw materials, overheads (G&A) and occupancy cost.

EBITDA in Russian division increased to PLN 9 735 thousand in the first quarter of 2014 and was by PLN 245 thousand higher than a year ago. A slight deterioration in EBITDA margin was observed in the meantime (10.3% in the first quarter of 2014 compared with 10.7% last year). Significant improvement in profitability developed in comparable stores was temporarily offset by increased costs related to the expansion of new builds planned for the second half of 2014.

Continued upward trends in Spanish market positively contributed to the profitability of this division. EBITDA in the first quarter of 2014 increased to PLN 28 282 thousand (PLN +3 297 thousand compared with the previous year). The above was reflected in EBITDA margin growing by 0.9pp to reach 19.4% in the first quarter of 2014. EBITDA improvement in Spain was driven mainly by sales increase and effective cost management in the areas of raw materials and G&A.

As previously committed, AmRest continues works towards significant improvement of profitability in New Markets. In the first quarter of 2014 EBITDA loss generated in this division amounted to PLN 11 676 thousand, which was comparable with last year results. Growing sales in comparable stores of Blue Frog together with a great effort put in optimization of labor, administrative and pre-opening costs are expected to bring significant loss reductions in New Markets in the upcoming quarters of 2014.

Operating income (EBIT) of AmRest in the first quarter of 2014 totaled PLN 23 216 thousand and was by PLN 18 185 thousand higher than a year ago. EBIT margin amounted to 3.4% and was 2.6pp better compared to the first quarter of 2013.

Growing revenues along with the improvement of operating margins resulted in PLN 8 499 thousand of net profit attributable to the parent shareholders of AmRest in the first quarter of 2014, PLN 9 402 thousand loss was incurred in the comparable period of 2013.

The balance sheet total as of March 31st, 2014 was PLN 2 589 886 thousand and decreased by 0.1% in comparison to March 31st, 2013. The ratio of net debt to trailing twelve month EBITDA stood at 2.9 as the end of March.

Chart 2 EBITDA profit dynamic in the first quarter 2014 compared to previous years (in PLN thousand)

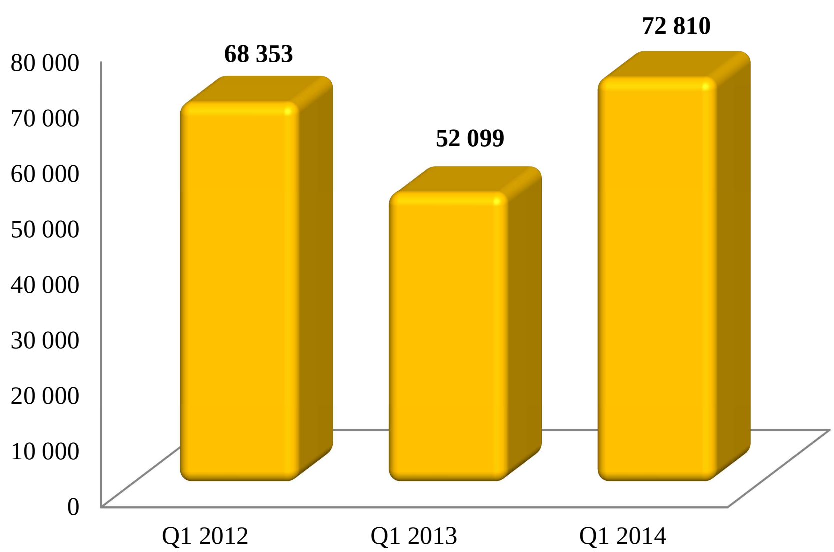


Table 1 Geographical split of revenues and EBITDA in the third quarter 2014 and 2013

Thousand PLN	Q1 2014	Share	Margin	Q1 2013	Share	Margin
Sales	**674 118**			**609 116**		
Poland	*273 042*	*40.5%*		*247 943*	*40.7%*	
Czech Republic	*81 474*	*12.1%*		*78 938*	*13.0%*	
Other CEE	*37 209*	*5.5%*		*32 953*	*5.4%*	
Total CEE	**391 725**	***58.1%***		**359 834**	***59.1%***	
Russia	**94 741**	***14.1%***		**88 366**	***14.5%***	
Spain	**145 821**	***21.6%***		**134 808**	***22.1%***	
New Markets	**41 831**	***6.2%***		**26 108**	***4.3%***	
USA	-	-		-	-	
Unallocated	-	-		-	-	
EBITDA	**72 810**		***10.8%***	**52 099**		***8.6%***
Poland	*37 604*		*13.8%*	*23 440*		*9.5%*
Czech Republic	*10 213*		*12.5%*	*8 291*		*10.5%*
Other CEE	*2 287*		*6.1%*	*516*		*1.6%*
Total CEE	**50 104**		***12.8%***	**32 247**		***9.0%***
Russia	**9 735**		***10.3%***	**9 490**		***10.7%***
Spain	***28 282***		***19.4%***	***24 986***		***18.5%***
New Markets	***(11 676)***		***(27.9)%***	***(11 302)***		***(43.3)%***
USA	-		-	-		-
Unallocated	**(3 635)**		-	**(3 322)**		-
Adjusted EBITDA*	**77 360**		**11.5%**	**58 808**		**9.7%**
Poland	*39 454*		*14.4%*	*25 310*		*10.2%*
Czech Republic	*10 658*		*13.1%*	*9 015*		*11.4%*
Other CEE	*2 364*		*6.4%*	*763*		*2.3%*
Total CEE	**52 476**		***13,4%***	**35 088**		***9.8%***
Russia	**9 999**		***10.6%***	**10 145**		***11.5%***
Spain	**28 757**		***19.7%***	**25 278**		***18.8%***
New Markets	***(10 237)***		***(24.5)%***	***(8 502)***		***(32.6)%***
USA -		-	-		-	-
Unallocated	**(3 635)**		-	**(3 201)**		-
EBIT	**23 216**		***3.4%***	**5 031**		***0.8%***
Poland	17 527		*6.4%*	4 059		*1.6%*
Czech Republic	*4 101*		*5.0%*	*1 296*		*1.6%*
Other CEE	*(637)*		*(1.7)%*	*(2 068)*		*(6.3)%*
Total CEE	***20 991***		*5,4%*	***3 287***		*0.9%*
Russia	**3 611**		*3.8%*	**4 146**		*4.7%*
Spain	**17 741**		*12.2%*	**14 698**		*10.9%*
New Markets	***(15 493)***		*(37.0)%*	***(13 778)***		*(52.8)%*
USA	-		-	-		-
Unallocated	**(3 634)**		-	**(3 322)**		-

**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.*

Table 2 Reconciliation of adjusted Net Profit and EBITDA in the third quarter 2014 and 2013

in thousands of PLN		3 months ended March 31, 2014	% of sales	3 months ended March 31, 2013	% of sales	Q1oQ1 change	% of change
Restaurant sales		*629 645*	*93.4%*	*567 938*	*93.2%*	*61 707*	*10.9%*
Franchise and other sales		*44 473*	*6.6%*	*41 178*	*6.8%*	*3 295*	*8.0%*
Total sales		**674 118**		**609 116**		**65 002**	***10.7%***
Profit/(loss) for the period		**7 819**	***1.2%***	**(9 734)**	***(1.6)%***	**17 553**	***(180.3)%***
+	*Finance costs from put option valuation*	-	*0.0%*	*1 906*	*0.3%*	*(1 906)*	*(100.0)%*
Net Profit/ (Loss) adjusted		**7 819**	***1.2%***	**(7 828)**	***(1.3)%***	**15 647**	***(199.9)%***
+	*Finance costs*	*12 483*	*1.9%*	*11 333*	*1.9%*	*1 150*	*10.1%*
-	*Finance income*	*(1 063)*	*(0.2)%*	*(2 042)*	*(0.3)%*	*979*	*(47.9)%*
-	*Income from associates*	*(4)*	*0.0%*	*27*	*0.0%*	*(31)*	*(114.8)%*
+	*Income tax expense*	*3 981*	*0.6%*	*(917)*	*(0.2)%*	*4 898*	*(534.1)%*
-	*Profit on discontinued operations*	-	*0.0%*	*4 458*	*0.7%*	*(4 458)*	*(100.0)%*
+	*Depreciation and Amortization*	*48 920*	*7.3%*	*46 288*	*7.6%*	*2 632*	*5.7%*
+	*Impairment losses*	*675*	*0.1%*	*780*	*0.1%*	*(105)*	*(13.5)%*
EBITDA		**72 811**	***10.8%***	**52 099**	***8.6%***	**20 712**	***39.8%***
+	*Start-up expenses**	*4 549*	*0.7%*	*6 588*	*1.1%*	*(2 039)*	*(30.9)%*
+	*M&A related expenses***	-	*0.0%*	-	*0.0%*	-	*n/a*
+ / -	Indirect taxes adjustments***	-	*0.0%*	*121*	*0.0%*	*(121)*	*(100.0)%*
Adjusted EBITDA		**77 360**	**11.5%**	**58 808**	**9.7%**	**18 552**	**31.5%**

** 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.*
**** Indirect taxes - all material adjustments for indirect taxes reported in given period but concerning prior reporting periods resulting from tax fillings adjustments. Indirect taxes are mainly VAT. land tax and other EBITDA level taxes.*

c) Transactions or agreements resulting in related party transactions and other significant events since issuing last financial report (March 14th. 2014)

On April 4th, 2014 the Management Board of AmRest informed about signing on April 3rd, 2014 the distribution agreement ("the Agreement") between AmRest's subsidiaries – AmRest Sp. z o.o. AmRest Coffee Sp. z o.o. ("the Subsidiaries") and Quick Service Logistics Polska Sp. z o.o. sp.k. („QSL", "Distributor").

On the basis of the Agreement QSL will deal with purchasing. warehousing and sale of products for the restaurants operated by the Subsidiaries in Poland.

Estimated value of the contract is PLN 1.5 billion. The Agreement has been signed for a period from September 30th, 2014 to October 4th, 2020.

The agreement provides for the liquidated damages for QSL from the Subsidiaries in the amount of EUR 1 000 000 (one million) in the event of termination of the Agreement for reasons attributable solely to AmRest, in cases indicated in the Agreement, i.e. if the Subsidiaries shall be in arrears with any due payments resulting from indisputable Invoices to the benefit of the Distributor and shall not perform the payment in spite of the implementation of a procedure specified in the Agreement or if the Subsidiaries shall lease or sell the entire enterprise of the Company or in any way lose the ability to manage or administer the enterprise. The liquidated damages, to the payment of which AmRest shall be obliged in order to cover the costs incurred by the Distributor with regard to investing in vehicles and infrastructure necessary to render Services specified in the Agreement, exhaust all claims in respect of termination of the Agreement for reasons attributable solely to AmRest. QSL is not entitled to recover damages exceeding the amount of liquidated damages. After four years of the effective period of this Agreement the liquidated damages shall be lowered to EUR 500 000 and after five years of the effective period of this Agreement AmRest shall be exempted from the liquidated damages.

The Agreement has been considered as significant because of its value. which exceeds 10% of AmRest equity as of 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 remaining outside the Company's control

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

b) Dependency on the franchisor

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

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

d) No exclusive rights

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

In the case of Starbucks restaurants, the joint venture companies will be the only entities authorized to develop and run Starbucks cafés in Poland, the Czech Republic and Hungary, without exclusive rights to some institutional locations.

e) Rental agreements and continuation options

Almost all AmRest restaurants operate in rented facilities. The majority of the rental contracts are long-term and they are usually concluded for at least 10 years from the date of commencing the rental (assuming that all continuation options are exercised, on specified terms, and not including contracts which are subject to periodic renewal, unless they are terminated, and contracts concluded for an indefinite period). A number of rental contracts grant AmRest the right to prolong the contract provided that the Company complies with the terms of rental.

Regardless of whether the terms are complied with or not, there is no guarantee that AmRest will be able to prolong a rental contract on terms satisfactory from the point of view of business practice. If this is not possible a potential loss of important restaurant locations may have an unfavorable effect on AmRest's operating results and its business activities.

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

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

f) Risk related to the consumption of food products

Consumer preferences may change in connection with doubts arising as to the healthful properties of chicken which is the main ingredient in KFC menu, or as a result of unfavourable information being circulated by the mass media concerning the quality of the products, diseases caused by them and damages to health as a result of eating in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and KABB and as a result of revealing unfavourable data prepared by the government or a given market sector concerning the products served in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and KABB, health-related issues and issues related to the functioning patterns of one or more restaurants run both by AmRest and the competition. The above-mentioned risk is limited by using the highest quality ingredients in AmRest restaurants, which come from reliable and reputable suppliers, compliance with strict quality control and hygiene standards and the use of top modern equipment and processes which ensure the absolute safety of the meals.

g) Risk related to keeping key personnel in the Company

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

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

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

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

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

j) Risk related to developing new brands

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

k) Risk related to opening restaurants in new countries

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

l) Currency risk

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

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

Russia is one of the largest markets for AmRest. The management of the Company monitors developments in this region with close attention and adjusts strategic decisions in order to minimize the currency risk and address potential fluctuations in consumers' demand.

n) Risk of increased financial costs

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

o) Liquidity risk

The Company is exposed to the risk of lack of financing at the moment of maturity of bank loans and bonds. As at March 31st, 2014, the Company has enough short-term assets, including cash and promised credit limits. to fulfil is liabilities due in the next 12 months.

p) Risk of economic slowdowns

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

q) Risk related to seasonality of sales

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

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

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

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

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

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

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

During the period covered by these financial statements the Group has paid the dividend to non-controlling interest shareholders of SCM Sp. z o. o. in the value of PLN 1 470 thousand. In the comparable period of 2013 the Group hadn't paid any dividend.

9. Information on the activities of the AmRest Group

AmRest Holdings SE ('the Company') was established in the Netherlands in October 2000 as a joint-stock company. On September 19th, 2008, the Commercial Chamber in Amsterdam registered the change in the legal status of the Company to a European Company (Societas Europaea) and of its name to AmRest Holdings SE. On December 22nd, 2008. the District Court for Wroclaw - Fabryczna in Wroclaw registered the new office of AmRest in the National Court Register. The address of the Company's current registered office is: pl. Grunwaldzki 25-27, Wroclaw (50-365), Poland. The Court also registered amendments to the Company's Memorandum of Association related to the transfer of the registered office of AmRest to Poland.

AmRest is the first public Company in Poland operating in the form of a European Company. The purpose of transforming AmRest into the European Company was to increase its operating effectiveness and reduce operating and administrative expenses. Following the fact of transfer into European Company and transfer of Company registered head office to Poland, the functional currency of AmRest holdings SE since January 1st, 2009 is polish zloty (PLN).

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

The Group's 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, 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 21st, 2012 the Group operates its own brands Blue Frog and KABB.

As at the date of release of this quarterly report, that is May 9th, 2014 the Group operates 745 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, 2014 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 48.4 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, 2014, 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.	100.00%	March 2011
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. AmRest TAG S.L.	16.52% 83.48%	April 2011
AmRest Services Sp. z o.o. pending liquidation *	Wroclaw, Poland	AmRest Sp. z o.o.	100.00%	April 2011
AmRest HK Ltd	Hong Kong, China	AmRest Holdings SE Stubbs Asia Limited	81.90% 18.10%	November 2011
Blue Horizon Hospitality Group PTE Ltd	Singapore, China	AmRest Holdings SE WT Equities BHHG MJJP Coralie Danks	56.60% 17.36% 17.36% 4.34% 4.34%	December 2012
		Restaurant activity		
AmRest Sp. z o.o.	Wroclaw, Poland	AmRest Holdings SE	100.00%	December 2000
AmRest s.r.o.	Prague, Czech	AmRest Holdings SE	100.00%	December 2000
AmRest Kft	Budapest, Hungary	AmRest Sp. z o.o.	100.00%	June 2006
AmRest Coffee Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o. Starbucks Coffee International. Inc.	82.00% 18.00%	March 2007
AmRest EOOD	Sofia, Bulgaria	AmRest Holdings SE	100.00%	April 2007
OOO AmRest	Petersburg, Russia	AmRest Acquisition Subsidiary Inc. AmRest Sp. z o.o.	0.88% 99.12%	July 2007
AmRest Coffee s.r.o.	Prague, Czech	AmRest Sp. z o.o. Starbucks Coffee International. Inc.	82.00% 18.00%	August 2007
AmRest Kávézó Kft	Budapest, Hungary	AmRest Sp. z o.o. Starbucks Coffee International. Inc.	82.00% 18.00%	August 2007
AmRest d.o.o.	Belgrad, Serbia	AmRest Sp. z o.o. ProFood Invest GmbH	60.00% 40.00%	October 2007

Company name	Seat	Parent/non-controlling undertaking	Owner-ship interest and total vote	Date of effective control
AmRest LLC	Wilmington, USA	AmRest Sp. z o.o.	100.00%	July 2008
Restauravia Food S.L.U.	Madrid, Spain	Restauravia Grupo Empresarial S.L.	100.00%	April 2011
Pastificio Service S.L.U.	Lleida, Spain	Restauravia Grupo Empresarial S.L.	100.00%	April 2011
Pastificio Restaurantes S.L.U.	Lleida, Spain	Pastificio Service S.L.U.	100.00%	April 2011
Tagligat S.L.U.	Lleida, Spain	Pastificio Service S.L.U.	100.00%	April 2011
Pastificio S.L.U.	Lleida, Spain	Pastificio Service S.L.U.	100.00%	April 2011
AmRest Restaurants (India) Private Ltd	Bombai, India	Restauravia Grupo Empresarial S.L.	100.00%	October 2011
AmRest Adria d.o.o.	Zagreb, Croatia	AmRest Sp. z o.o.	100.00%	October 2011
AmRest GmbH	Fraknfurt, 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 Ltd	Hong Kong, China	AmRestavia S.L.U.	100.00%	November 2012
AmRest Restaurant Management Co. Ltd	Shanghai, China	AmRest HK Ltd	100.00%	November 2012
Blue Frog Food&Beverage Management Ltd	Shanghai, China	New Precision Ltd	100.00%	December 2012
Shanghai Kabb Western Restaurant Ltd	Shanghai, China	Horizon Group Consultants (BVI)	97.50%	December 2012
		Shanghai Renzi Business Consultancy Co. Ltd	2.50%	
Da Via. LLC	Wilmington, USA	AmRestavia S.L.U.	100.00%	June 2013
La Tagliatella - Crown Farm, LLC	Wilmington, USA	AmRestavia S.L.U.	100.00%	June 2013
La Tagliatella - Seneca Meadows, LLC	Wilmington, USA	AmRestavia S.L.U.	100.00%	June 2013
AmRest SkylineGmbH	Frankfurt, Germany	AmRestavia S.L.U.	100.00%	October 2013
Financial services for the Group				
AmRest Capital Zrt	Budapest. Hungary	AmRest Sp. z o.o.	100.00%	November 2011
AmRest Finance Zrt	Budapest, Hungary	AmRest Sp. z o.o.	100.00%	November 2011
La Tagliatella International Kft	Budapest, Hungary	AmRestavia S.L.U.	100.00%	November 2012
La Tagliatella Financing Kft	Budapest, Hungary	AmRestavia S.L.U.	100.00%	November 2012
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	Shanghai, China	Bigsky Hospitality Group Ltd.	100.00%	December 2012
Olbea s.r.o.**	Prague, Czech	AmRest Coffee s.r.o.	100.00%	June 2013
Delivery services for restaurants operated by the Group				
SCM Sp. z o.o.	Warsaw, 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
Bécsi út.13. Kft***	Budapest, Hungary	AmRest Kft	100.00%	April 2007
AmRest Work Sp. z o.o.	Wroclaw, Poland	AmRest Sp. z o.o	100.00%	March 2012

* On March 1st, 2012 the name of Rodeo Drive Sp. z o.o. was changed into AmRest Services Sp. z o.o . On November 6th, 2013 resolution on entity liquidation was taken.
** From January 1st, 2015 AmRest Coffee s.r.o. will merge with Olbea s.r.o.
***As a consequence of sale transaction of building owned by Bécsi út.13. Kft. Group has started subsidiary liquidation process.

As at March 31st, 2014, 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, 2014 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 and China.

10. Pursuant to the information available to the Company, as at the date of release of this quarterly report, that is May 9th, 2014. 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%
Other shareholders	5 736 306	27.04%	5 736 306	27.04%

* WP Holdings owns directly almost 33% shares in Equity and at AGM.
** PTE PZU S.A. manages assets which include the funds of 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 14th, 2014).

According to the best knowledge of AmRest, the only member of Management Board, who owns the Issuer's shares is Mr. Wojciech Mroczyński. On March 31st, 2014 (and simultaneously on the date of publication of this report) he holds 2 702 shares of the Company with a total nominal value of EUR 27.02.

According to the best knowledge of AmRest the only Supervisory Board member. who owns the Issuer's shares is Mr. Henry McGovern. On March 31st, 2014 (and simultaneously on the date of publication of this report) he holds 682 338 shares of the Company with a total nominal value of EUR 6 823.38.

Transactions on AmRest shares executed by persons having access to confidential information since issuing last financial report (March 14th, 2014)

On April 25th, 2014 AmRest Holdings SE informed that it received on April 24th, 2014 a notice from a person having access to confidential information of AmRest, about a purchase of 10 AmRest shares on April 24th, 2014, at the price of PLN 84.34 PLN. The transaction was executed at the Warsaw Stock Exchange.

On March 20th, 2014 AmRest Holdings SE informed that it received on the same day a notice from a person having access to confidential information of AmRest, about purchase of 146 AmRest shares on March 20th, 2014, at the price of PLN 78.80 PLN. The transaction was executed at the Warsaw Stock Exchange.

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

conclusion date	settlement date	purchase/ disposal	number of purchased/ disposed shares	average purchase/ disposal price per share	nominal value of shares [EUR]	% of the share capital of the Company	number of votes at GSM	total number of shares	total number of votes at GSM	% of the total number of votes in the Company
17.03.2014	20.03.2014	P	1000	85.00	0.01	0.0047%	1000	1000	1000	0.0047%
18.03.2014	21.03.2014	P	1000	82.75	0.01	0.0047%	1000	2000	2000	0.0094%
19.03.2014	24.03.2014	P	1001	80.80	0.01	0.0047%	1001	3001	3001	0.0141%
20.03.2014	25.03.2014	P	750	79.29	0.01	0.0035%	750	3751	3751	0.0177%
21.03.2014	21.03.2014	D	680	70.00	0.01	0.0041%	880	2871	2871	0.0135%
		D	200	78.00	0.01					
21.03.2014	26.03.2014	P	600	83.98	0.01	0.0028%	600	3471	3471	0.0164%
24.03.2014	27.03.2014	P	3	85.34	0.01	0.00001%	3	3474	3474	0.0164%
25.03.2014	28.03.2014	P	400	86.67	0.01	0.0019%	400	3874	3874	0.0183%
26.03.2014	26.03.2014	D	480	47.60	0.01	0.0117%	2481	1393	1393	0.0066%
		D	600	48.40	0.01					
		D	941	70.00	0.01					
		D	460	78.00	0.01					
31.03.2014	31.03.2014	D	1393	24.00	0.01	0.0066%	1393	0	0	0.0000%
01.04.2014	04.04.2014	P	500	90.78	0.01	0.0024%	500	500	500	0.0024%
02.04.2014	07.04.2014	P	33	91.44	0.01	0.0002%	33	533	533	0.0025%
03.04.2014	08.04.2014	P	500	87.99	0.01	0.0024%	500	1033	1033	0.0049%
04.04.2014	09.04.2014	P	500	87.89	0.01	0.0024%	500	1533	1533	0.0072%
07.04.2014	10.04.2014	P	500	86.80	0.01	0.0024%	500	2033	2033	0.0096%
08.04.2014	11.04.2014	P	500	85.12	0.01	0.0024%	500	2533	2533	0.0119%
10.04.2014	15.04.2014	P	500	85.49	0.01	0.0024%	500	3033	3033	0.0143%
11.04.2014	16.04.2014	P	198	85.40	0.01	0.0009%	198	3231	3231	0.0152%
22.04.2014	25.04.2014	P	500	84.57	0.01	0.0024%	500	3731	3731	0.0176%
23.04.2014	23.04.2014	D	607	24.00	0.01	0.0095%	2017	1714	1714	0.0081%
		D	600	48.40	0.01					
		D	510	70.00	0.01					
		D	300	78.00	0.01					
23.04.2014	28.04.2014	P	700	84.66	0.01	0.0033%	700	2414	2414	0.0114%
24.04.2014	29.04.2014	P	1000	84.60	0.01	0.0047%	1000	3414	3414	0.0161%

B. Interim Consolidated Financial Statements for the quarter ended March 31st, 2014

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. Segment Reporting

Operating Segments

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

Divisional approach is currently valid solution for strategic analysis and capital allocation decision making process by Executive Committee. This breakdown is mainly consequence of material Group development by acquisition of Restauravia Group in Spain, start of La Tagliatella proprietary brand development in new markets and acquisition of Blue Horizon Group in China. As for the balance sheet date Executive Committee defines segments in presented below layout.

Segment	Description
CEE	Poland, Czech, Hungary, Bulgaria, Croatia and Serbia.
USA*	Discontinued operations of Applebee's restaurants.
Spain	KFC and La Tagliatella restaurant operations, together with supply chain and franchise activity in Spain territory.
New markets	La Tagliatella activity in China, India, France, Germany and USA, Stubbs in China, Blue Frog and KABB restaurants in China.
Russia	KFC and Pizza Hut activity in Russia.
Unallocated	Consolidation adjustments. asset and liability balances non-allocated to segments (covering borrowings and lease liabilities) and transactions of 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.

Below are presented data relating to operating segments for the 3 months ended March 31st, 2014 and comparative period ended March 31st, 2013.

	CEE	*USA**	*Spain*	*New Markets*	*Russia*	*Unallocated*	*Total*
Three months ended March 31st, 2014							
Revenue from external customers	391 725	-	145 821	41 831	94 741	-	674 118
Inter-segment revenue	-	-	-	-	-	-	-
Operating result, segment result	20 991	-	17 441	(15 493)	3 612	(3 635)	23 216
Finance income	-	-	-	-	-	1 063	1 063
Finance costs	-	-	-	-	-	(12 483)	(12 483)

	CEE	USA*	Spain	New Markets	Russia	Unallocated	Total
Share of profits of associates	4	-	-	-	-	-	4
Income tax	-	-	-	-	-	(3 981)	(3 981)
Deferred tax assets	23 838	-	(8 005)	-	-	73	31 916
Gain for the period from continuing operations	-	-	-	-	-	7 819	7 819
Loss for the period from discontinuing operations	-	-	-	-	-	-	-
Gain/(Loss) for the period	-	-	-	-	-	7 819	7 819
Segment assets	899 065	-	1 066 471	216 810	328 481	78 738	2 589 565
Investments in associates	321	-	-	-	-	-	321
Total assets	899 386	-	1 066 471	216 810	328 481	78 738	2 589 886
Goodwill	23 206	-	373 671	74 713	120 091	-	591 681
Segment liabilities	171 815	-	65 856	41 906	22 635	1 255 619	1 557 831
Depreciation	27 119	-	7 660	3 028	5 799	-	43 606
Amortization	1 936	-	2 710	343	324	-	5 313
Capital investment	22 918	-	13 384	8 091	4 465	20	48 878
Impairment of fixed assets	-	-	171	447	-	-	618
Impairment of trade receivables	69	-	-	-	-	-	69
Impairment of inventories	-	-	-	-	-	-	-
Impairment of other assets	(11)	-	-	-	-	(1)	(12)
Impairment of goodwill	-	-	-	-	-	-	-
Three months ended March 31st, 2013							
Revenue from external customers	359 834	-	134 808	26 108	88 366	-	609 116
Inter-segment revenue	-	-	-	-	-	-	-
Operating result, segment result	3 287	-	14 698	(13 778)	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	3 500	-	(2 306)	62	(532)	193	917
Deferred tax assets	20 938	-	-	1 427	-	-	22 365
Profit for the period from continuing operations	-	-	-	-	-	(5 276)	(5 276)
Loss for the period from discontinuing operations	-	(4 458)	-	-	-	-	(4 458)
Profit for the period	-	(4 458)	-	-	-	(5 276)	(9 734)
Segment assets	858 016	-	1 083 258	240 310	340 350	70 914	2 592 848
Investments in associates	407	-	-	-	-	-	407
Total assets	858 423	-	1 083 258	240 310	340 350	70 914	2 593 255
Goodwill	23 741	-	374 216	82 298	147 999	-	628 254
Segment liabilities	167 478	-	268 103	48 475	33 273	989 126	1 506 455
Depreciation	26 314	-	7 507	2 186	4 893	-	40 900
Amortization	2 162	-	2 659	290	276	-	5 388
Capital investment	22 725	-	5 124	18 133	12 660	228	58 869

	CEE	USA*	Spain	New Markets	Russia	Unallocated	Total
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
Impairment of goodwill	-	-	-	-	-	-	-

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

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.

5. 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 47.7 thousand per restaurant and renewal fees are 50% of the initial fees, adjusted to reflect changes in the US Consumer Price Index during the term of the relevant franchise.

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

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

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

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

Interim consolidated income statement for the quarter ended March 31st

in thousands of Polish zloty	**3 months ended March 31, 2014**	**3 months ended March 31, 2013**
Continuing operations		
Restaurant sales	629 645	567 938
Franchise and other sales	44 473	41 178
Total sales	674 118	609 116
Company operated restaurant expenses:		
Food and material	(205 844)	(185 387)
Payroll and employee benefits	(143 647)	(128 327)
Royalties	(31 022)	(29 097)
Occupancy and other operating expenses	(199 119)	(183 850)
Franchise and other expenses	(30 891)	(28 982)
General and administrative (G&A) expenses	(46 344)	(49 922)
Impairment losses	(675)	(780)
Other operating income	6 640	2 260
Total operating costs and losses	(650 902)	(604 085)
Profit from operations	**23 216**	**5 031**
Finance costs	(12 483)	(11 333)
Cost from put option valuation	-	(1 906)
Finance income	1 063	2 042
Income from associates	4	(27)
Profit/(loss) before tax	**11 800**	**(6 193)**
Income tax	(3 981)	917
Profit/(loss) for the period from continuing operations	**7 819**	**(5 276)**
Discontinued operations		
Profit/(loss) on discontinued operations	-	(4 458)
Profit/(loss) for the period	**7 819**	**(9 734)**
Profit/(loss) attributable to:		
Non-controlling interests	(680)	(332)
Equity holders of the parent	8 499	(9 402)
Profit/(loss) for the period	**7 819**	**(9 734)**
Basic earnings/(loss) per share in Polish zloty	0.40	(0.44)
Diluted earnings/(loss) per share in Polish zloty	0.39	(0.44)
Continuing operations		
Basic earnings/(loss) per share in Polish zloty	0.40	(0.23)
Diluted earnings/(loss) per share in Polish zloty	0.39	(0.23)
Discontinued operations		
Basic earnings/(loss) per share in Polish zloty	-	(0.21)
Diluted earnings/(loss) per share in Polish zloty	-	(0.21)

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

in thousands of Polish zloty	**3 months ended March 31, 2014**	**3 months ended March 31, 2013**
Net profit/(loss)	**7 819**	**(9 734)**
Other comprehensive incomes:		
Exchanges differences on translation of foreign operations	(17 959)	35 215
Valuation of put option liability	-	(4 134)
Net investment hedges	(3 511)	(9 444)
Income tax concerning net investment hedges	667	1 794
Total items that may be reclassified subsequently to profit or loss	(20 803)	(23 431)
Total items that will not be reclassified to income statement	-	-
Other comprehensive income for the period. net of tax	**(20 803)**	**(23 431)**
Total comprehensive income for the period	**(12 984)**	**13 697**
Attributable to:		
Shareholders of the parent	(11 385)	8 273
Non-controlling interests	(1 599)	5 424

Interim consolidated statement of financial position as at March 31st, 2014 and December 31st, 2013

In thousands of Polish zloty	31.03.2014	31.12.2013
Assets		
Property, plant and equipment	998 271	1 005 709
Goodwill	591 681	601 344
Other intangible assets	518 520	519 732
Investment property	22 152	22 152
Investments in associates	321	320
Leasing receivables	-	-
Other non-current assets	38 926	44 572
Deferred tax assets	31 916	21 796
Total non-current assets	**2 201 787**	**2 215 625**
Inventories	43 356	47 197
Trade and other receivables	77 557	83 115
Corporate income tax receivables	5 594	4 062
Leasing receivables	106	150
Other current assets	27 213	21 518
Other financial assets	219	272
Cash and cash equivalents	234 054	259 510
Total current assets	**388 099**	**415 824**
Total assets	**2 589 886**	**2 631 449**
Equity		
Share capital	714	714
Reserves	737 173	738 029
Retained earnings	261 252	252 753
Translation reserve	(28 758)	(11 718)
Equity attributable to shareholders of the parent	**970 381**	**979 778**
Non-controlling interests	**61 677**	**64 746**
Total equity	**1 032 058**	**1 044 524**
Liabilities		
Interest-bearing loans and borrowings	962 584	923 228
Finance lease liabilities	7 769	7 913
Employee benefit liability	3 876	3 930
Provisions	6 329	8 306
Deferred tax liability	129 259	120 375
Other non-current liabilities	21 859	22 670
Total non-current liabilities	**1 131 673**	**1 086 422**
Interest-bearing loans and borrowings	154 222	152 469
Finance lease liabilities	693	670
Trade and other accounts payable	266 555	335 979
Income tax liabilities	4 385	11 220
Other financial liabilities	-	165
Total current liabilities	**426 155**	**500 503**
Total liabilities	**1 557 828**	**1 586 925**
Total equity and liabilities	**2 589 886**	**2 631 449**

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

in thousands of Polish zloty	3 months ended March 31, 2014	3 months ended March 31, 2013
Cash flows from operating activities		
Profit/(loss) before tax from continued operations	11 800	(6 193)
Profit/(loss) from discontinued operations	-	(4 458)
Adjustments for:		
Share (profit)/loss of associates	(4)	27
Amortization	5 312	5 388
Depreciation	43 606	40 900
Put option valuation	-	1 906
Interest expense, net	9 779	8 867
Unrealized foreign exchange (gain)/loss	590	(941)
(Gain)/loss on disposal of fixed assets	1 209	109
Impairment of property, plant and equipment and intangibles	618	-
Equity–settled share based payments expenses	2 012	2 257
Working capital changes:		
(Increase)/decrease in receivables	4 943	8 264
(Increase)/decrease in inventories	3 669	(1 004)
(Increase)/decrease in other assets	(509)	(244)
Increase/(decrease) in payables and other liabilities	(68 990)	(40 286)
Increase/(decrease) in other provisions and employee benefits	(1 901)	2 253
Income taxes (paid)/returned	(5 082)	(1 793)
Interest paid	(8 419)	(7 185)
Interest received	768	1 166
Other	(12 098)	121
Net cash provided by operating activities	**(12 695)**	**9 154**
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
Acquisition of property, plant and equipment	(47 386)	(54 169)
Acquisition of intangible assets	(1 492)	(4 700)
Repayment of borrowings granted	1 707	-
Net cash used in investing activities	**(47 171)**	**(55 861)**
Cash flows from financing activities		
Proceeds from borrowings	33 944	42 358
Expense on acquisition of own shares (employees options)	(398)	-
Proceeds from share issuance (employees options)	707	-
Dividend paid for non-controlling interests holders	(1 470)	-
Proceeds/repayment of finance lease liabilities	(158)	(1 267)
Proceeds of finance lease receivables	44	32
Net cash provided by financing activities	**32 669**	**41 123**
Total net cash	**(27 197)**	**(5 584)**
Net change in cash and cash equivalents	(15 456)	(5 933)
Cash and cash equivalents, beginning of period	259 510	207 079
Effect of foreign exchange rate movements	1 741	(349)
Cash and cash equivalents, end of period	**234 054**	**201 146**

AmRest Holdings SE

Interim consolidated statement of changes in equity for the 3 months ended March 31st , 2014

in thousands of Polish zloty	Issued capital	Treasury shares	Reserved capital	Retained Earnings	Cumulative translation adjustments	**Total equity attributable to equity holders of the parent**	Non-controlling interest	**Total Equity**
	Attributable to equity holders							
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**
Impact of put option valuation as net investment hedges	-	-	(4 134)	-	-	**(4 134)**	-	**(4 134)**
Impact of net investment hedging	-	-	(9 444)	-	-	**(9 444)**	-	**(9 444)**
Deferred income tax concerning cash flow 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**
As at 01.01.2014	**714**	**-**	**738 029**	**252 753**	**(11 718)**	**979 778**	**64 746**	**1 044 524**
COMPREHENSIVE INCOME								
Income/(loss) for the period	-	-	-	8 499	-	**8 499**	(680)	**7 819**
Currency translation differences	-	-	-	-	(17 040)	**(17 040)**	(919)	**(17 959)**
Net investment hedges valuation	-	-	(3 511)	-	-	**(3 511)**	-	**(3 511)**
Deferred tax related to net investment hedges	-	-	667	-	-	**667**	-	**667**
Total Comprehensive Income	**-**	**-**	**(2 844)**	**8 499**	**(17 040)**	**(11 385)**	**(1 599)**	**(12 984)**
TRANSACTION WITH NON-CONTROLLING INTERESTS								
Dividends paid to non-controlling shareholders	-	-	-	-	-	**-**	(1 470)	**(1 470)**
Total transactions with non-controlling interests	-	-	-	-	-	**-**	**(1 470)**	**(1 470)**
TRANSACTION WITH SHAREHOLDERS								
Employees share option scheme – value of employee services	-	-	2 012	-	-	**2 012**	-	**2 012**
Net result on treasury shares transactions		-	(251)	-	-	**(251)**	-	**(251)**
Purchase of treasury shares	-	-	227	-	-	**227**	-	**227**
Total transactions with equity holders	**-**	**-**	**1 988**	**-**	**-**	**1 988**	**-**	**1 988**
As at 31.03.2014	**714**	**-**	**737 173**	**261 252**	**(28 758)**	**970 381**	**61 677**	**1 032 058**

6. Earnings per Ordinary Share

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

	3 months ended March 31, 2014	**3 months ended March 31, 2013**
Net profit/(loss) from continued operations attributable to shareholders of the parent (*in thousands of PLN*)	8 499	(4 944)
Net profit/(loss) from continued operations attributable to shareholders of the parent (*in thousands of PLN*)	-	(4 458)
Net profit/(loss) attributable to shareholders of the parent (*in thousands of PLN)*	8 499	(9 402)
Ordinary shares	21 213 893	21 213 893
Effect of stock options granted in 2005	11 224	20 802
Effect of stock options granted in 2006	9 163	16 074
Effect of stock options granted in 2007	-	-
Effect of stock options granted in 2008	4 825	5 589
Effect of stock options granted in 2009	29 015	29 077
Effect of stock options granted in 2010	15 772	14 814
Effect of stock options granted in 2011	167 889	199 169
Effect of stock options granted in 2012	75 598	83 741
Effect of stock options granted in 2013	-	-
Average weighted number of ordinary shares used in calculation of diluted earnings per share	21 527 379	21 583 159
Basic earnings/(loss) per ordinary share (PLN)	0.40	(0.44)
Diluted earnings/(loss) per ordinary share (PLN)	0.39	(0.44)
Basic earnings/(loss) from continued operations per ordinary share (PLN)	0.40	(0.23)
Diluted earnings/(loss) from continued operations per ordinary share (PLN)	0.39	(0.23)
Basic earnings/(loss) from discontinued operations per ordinary share (PLN)	(0.00)	(0.21)
Diluted earnings/(loss) from discontinued operations per ordinary share (PLN)	(0.00)	(0.21)

7. Subsequent events

No material subsequent events noted after balance sheet date.

C. Interim Stand-Alone Financial Statements for the quarter ended March 31st, 2014

1. Selected financial information

Selected financial data. including key items of the stand-alone financial statements as at and for 3 months ended on March 31st, 2014 and March 31st, 2013:

	3 months 2014 in thousands PLN	3 months 2013 in thousands PLN	3 months 2014 in thousands EUR	3 months 2013 in thousands EUR
Total sales	-	-	-	-
Profit/(loss) from operations	1 181	(310)	282	(75)
Profit before tax	1 302	157	311	38
Net profit	1 052	350	251	84
Net cash provided by operating activities	5 014	(297)	1 198	(71)
Net cash used in investing activities	(14 385)	23 332	(3 438)	5 604
Net cash provided/ (used in) financing activities	309	(4 563)	74	(1 098)
Net cash flow, total	(9 062)	18 472	(2 166)	4 445
Total assets	1 162 306	1 007 972	278 644	241 292
Total liabilities and provisions	295 674	153 916	70 883	36 845
Long-term liabilities	141 040	152 868	33 812	36 594
Short-term liabilities	154 634	1 048	37 071	251
Total equity	866 632	854 055	207 761	204 447
Issued capital	714	714	171	172

* no dividends were paid in 2014 and in 2013

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, 2014

in thousands of Polish Zloty	**3 months ended March 31, 2014**	**3 months ended March 31, 2013**
General and administrative (G&A) expenses	(539)	(310)
Operating income	1 720	-
Profit / (loss) from operations	**1 181**	**(310)**
Finance income	4 090	3 331
Finance costs	(3 969)	(2 864)
Net profit before tax	**1 302**	**157**
Income tax	(250)	193
Net profit for the period	**1 052**	**350**

Interim stand-alone statement of comprehensive income
for the quarter ended March 31st, 2014

in thousands of Polish Zloty	**3 months ended March 31, 2014**	**3 months ended March 31, 2013**
Net profit	1 052	350
Other comprehensive incomes:		
Other comprehensive incomes net	-	-
Total comprehensive incomes	**1 052**	**350**

Interim stand-alone statement of financial position as of March 31st, 2014 and December 31st, 2013

in thousands of Polish Zloty	31.03.2014	31.12.2013
Assets		
Property, plant and equipment	19	19
Other Intangible assets	464	444
Investments in subsidiaries	873 508	858 830
Other non-current financial assets	242 500	242 500
Deferred tax assets	73	718
Total non-current assets	**1 116 564**	**1 102 511**
Trade and other receivables	855	4 093
Other current assets	125	30
Other current financial assets	17 120	13 182
Cash and cash equivalents	27 642	36 704
Total current assets	**45 742**	**54 009**
Total assets	**1 162 306**	**1 156 520**
Equity		
Issued capital	714	714
Treasury shares	793 426	791 414
Share premium	72 492	71 464
Retained earnings	**866 632**	**863 592**
Equity attributable to shareholders of the parent	-	-
Non-controling interest	**866 632**	**854 055**
Total equity		
Liabilities		
Other non-current financial liabilities	141 040	139 226
Total non-current liabilities	**141 040**	**139 226**
Other current financial liabilities	152 540	150 410
Trade and other accounts payable	2 094	3 291
Total current liabilities	**154 634**	**153 701**
Total liabilities	**295 674**	**292 927**
Total equity and liabilities	**1 162 306**	**1 156 520**

Interim stand-alone statement of cash flows for 3 months ended March 31st, 2014

in thousands of Polish Zloty

	3 months ended March 31, 2014	3 months ended March 31, 2013
Cash flows from operating activities		
Profit before tax	**1 302**	**157**
Adjustments:		
Interest expense, net	(953)	343
Unrealized foreign exchange (gain)/loss	239	(675)
(Increase)/decrease in receivables	4 459	118
Change in other current asset	(95)	(83)
Increase/(decrease) in liabilities	(1 197)	(344)
Income tax paid	468	-
Interest received	791	187
Net cash provided by operating activities	**5 014**	**(297)**
Cash flows from investing activities		
Proceeds from the settlements of the purchase of subsidiary	-	1 539
Proceeds from repayment of intercompany loan	-	25 904
Expense for increasing assets in related parties	(12 666)	(3 922)
Expense on loans given	(1 698)	-
Acquisition of fixed assets	(21)	(189)
Net cash used in investing activities	**(14 385)**	**23 332**
Cash flows from financing activities		
Repayment of loans and borrowings to related entities	-	(4 563)
Expense on acquisition of own shares (employees option)	(398)	-
Expense from share issuance (employees options)	707	-
Net cash used in financing activities	**309**	**(4 563)**
Total net cash flows	**(9 062)**	**18 472**
Net change in cash and cash equivalents	(9 062)	18 472
Cash and cash equivalents, beginning of period	36 704	12 433
Cash and cash equivalents, end of period	**27 642**	**30 905**

Interim stand-alone statement of changes in equity for 3 months ended March 31st, 2014

in thousands of Polish Zloty	Issued capital	Reserved capital	Retained Earnings	**Total Equity**
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	-	-	-	**-**
Employees share option scheme – value of employee services	-	2 257	-	**2 257**
Employees share option scheme – value of option realized	-	-	-	**-**
Total transaction with shareholders	**-**	**2 257**	**-**	**2 257**
As at 31.03.2013	**714**	**786 047**	**67 294**	**854 055**
As at 01.01.2014	**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				
Purchase of treasury shares	-	-	226	**226**
Net result on treasury share transaction	-	-	(250)	**(250)**
Employees share option scheme – value of employee services	-	2 012	-	**2 012**
Total transaction with shareholders	**-**	**2 012**	**(24)**	**1 988**
As at 31.03.2014	**714**	**793 426**	**72 492**	**866 632**

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, 2014 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, 2013, except for the new accounting standards adopted as of January 1st, 2014.

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

3. Investments in subsidiaries

Details of investments in associated companies as at March 31st ,2014 and December 31st, 2013:

Name	March 31st , 2014		December 31st, 2013	
	Share in initial capital	Value of shares	Share in initial capital	Value of shares
AmRest Sp. z o. o*	100 %	586 362	100 %	584 351
AmRest Acquisition Subsidiary Inc.	100 %	146 954	100 %	146 954
Blue Horizon Hospitality Group PTE Ltd	56.60%	74 714	56.60%	74 714
AmRest s.r.o.	100 %	33 573	100 %	33 573
AmRest HK Limited	82 %	19 238	82 %	19 238
AmRest EOOD	100 %	12 667	100 %	-
Total	**-**	**873 508**	**-**	**858 830**

* 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 2 011 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. May 9th, 2014