

AmRest Holdings SE
Management Board

Q1 2010
Teleconference with Investors

14 May 2010



Teleconference Details

- **AmRest Q1 2010 results** are included in **Q1 2010 Financial Report** which is available to download from Investor Relations section at: <http://www.amrest.eu>
- The recording of this TeleConference will be available at our website within 24 hours
- The AmRest participants:
 - Henry McGovern, Chairman of the Supervisory Board
 - Mark Chandler, Chief Financial Officer
 - Piotr Boliński, Management Board Member
 - Mateusz Sielecki, IR & BI Manager
 - Maciej Mausch, IR Manager

Scope

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

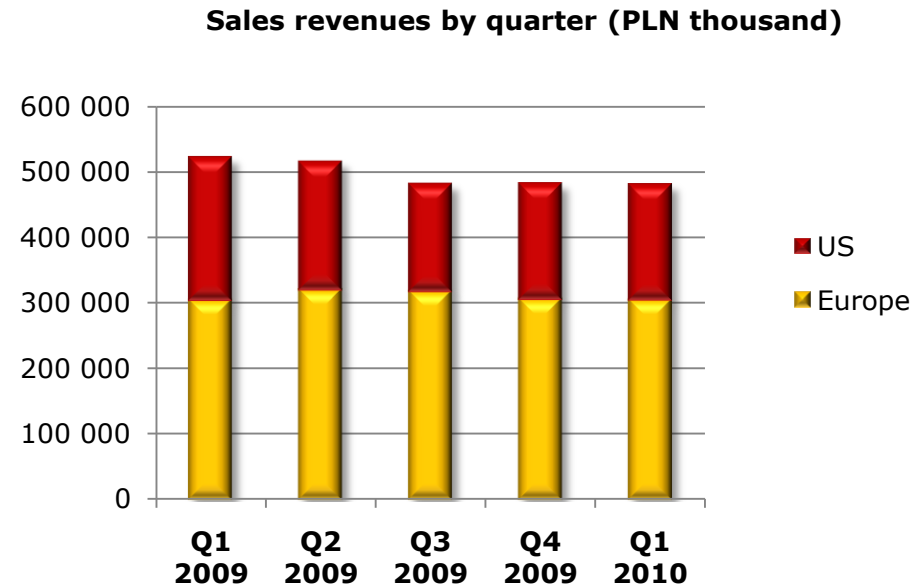
Our unique value proposition

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

*Dominance defined as clear sales leader in the country

- Significant margins growth in US and Russia; Poland still the leader - EBITDA margin 16.3%
- Consolidated net profit at PLN 11.7 m for the quarter (5% increase vs Q1 2009)
- AmRest's total top line amounted to PLN 481.2m in Q1'10 which was a 7.8% decrease comparing to Q1'09 – strengthening of PLN was the biggest single negative contributor
- Russia and US emerging from the crisis first and are showing strength. Core markets (Poland and Czech) continue to show overall consumer spending weakness
- Planned acceleration in the future growth due to subscription agreement with Warburg Pincus– minimum 100 new restaurants each year, starting from 2011.
- Cash generation still strong in the last quarter (Net Debt/EBITDA at 2.2)

- **Flat European sales flat (0.2%),** amounted to PLN 304.4 m with Poland growing over 5.2% y/y but SSS being weak across most markets
- Russian SSS **turned substantially positive.** The total Russian sales decline results from the company achieving closure of legacy money losing stores
- **US sales decline is mostly due to weakening of the USD vs. PLN** (-3.9% excluding currency effect) – the Q1'10 sales PLN 176.8m



Quick Service Restaurants



Casual Dining



AGREEMENT TYPE

FRANCHISE

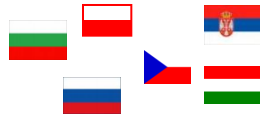
FRANCHISE

PARTNERSHIP

FRANCHISE

FRANCHISE

AMREST OPERATES IN...



No. OF AMREST RESTAURANTS

226

22

14

73

103

No. OF RESTAURANTS WORLDWIDE

13,000

11,200

14,000

12,300

1,900

- Total of **438** restaurants
- 7 restaurants added to portfolio and 6 closed (majority in Russia) in Q1 2010

- Margin structure improved across all P&L categories. Strong consolidated EBITDA at PLN 48,7 m (margin up to 10.1% from 9.5% in 1Q 2009).
- Focus on margins across all markets starts to pay off and offsets softness in sales
 - Continued efforts to improve efficiency in all markets - Russian and US markets delivered the biggest margin improvements
 - Despite pressure on volumes, restaurant level profitability margin is holding on - improved labor efficiency and lower occupancy costs
 - Non-customer costs further leveraged - G&A improvement of PLN 3.2 m compared to 2009
 - Store portfolio under continued scrutiny - closures of cash negative stores reported in 1Q 2010
- Consolidated net profit at PLN 11.7 m for the quarter (5% increase vs. Q1 2009)
 - Result on non-operating activities flat compared to last year
- Net debt remained flat compared to the previous quarter - cash in hand increased to PLN 192.6 m as a result of bond issue carried out in February (PLN 40 m)



Financial Highlights by Segment

	Q1 2010	sales revenues share	margin (% of sales)	Q1 2009	sales revenues share	margin (% of sales)
Sales	481 206			521 659		
Poland	183 402	38,1%		174 311	33,4%	
Czech	62 214	12,9%		67 930	13,0%	
Russia	40 320	8,4%		42 595	8,2%	
Other	18 431	3,8%		18 962	3,6%	
Total Europe	304 367	63,3%		303 798	58,2%	
US	176 839	36,7%		217 861	41,8%	
EBITDA	48 721		10,1%	49 484		9,5%
Poland	29 850		16,3%	28 933		16,6%
Czech	5 564		8,9%	8 095		11,9%
Russia	5 467		13,6%	3 846		9,0%
Other	(1 490)		-8,1%	(923)		-4,9%
Total Europe	39 391		12,9%	39 951		13,2%
US	9 330		5,3%	9 533		4,4%
EBIT	24 877		5,2%	26 205		5,0%
Poland	19 387		10,6%	20 149		11,6%
Czech	246		0,4%	2 916		4,3%
Russia	3 159		7,8%	2 031		4,8%
Other	(3 048)		-16,5%	(2 373)		-12,5%
Total Europe	19 744		6,5%	22 723		7,5%
US	5 133		2,9%	3 482		1,6%
Finance Costs	-7 938		-1,6%	-8 616		-1,7%
EBT	16 939		3,5%	17 589		3,4%
Tax	-4 819		-1,0%	-4 920		-0,9%
Net Profit	11 733		2,4%	11 171		2,1%

Profit & Loss Statement Q1 2010 vs. Q1 2009

<i>in thousand PLN</i>	Q1 2010	% of sales	Q1 2009	% of sales
Restaurant sales	481 206		521 659	
Restaurant expenses:				
Cost of food	-152 342	-31,7%	-164 383	-31,5%
Direct marketing expenses	-18 128	-3,8%	-19 608	-3,8%
Direct depreciation and amortization expenses	-21 821	-4,5%	-21 441	-4,1%
Payroll and employee benefits	-123 078	-25,6%	-137 501	-26,4%
Continuing franchise fees	-25 477	-5,3%	-27 426	-5,3%
Occupancy and other operating expenses	-91 857	-19,1%	-100 731	-19,3%
Gross profit on sales	48 503	10,1%	50 569	9,7%
General and administrative (G&A) expenses	-25 297	-5,3%	-28 505	-5,5%
Depreciation and amortization expense (G&A)	-2 087	-0,4%	-1 832	-0,4%
Other operating income/(expense), net	5 546	1,2%	6 011	1,2%
Gain/(loss) on the disposal of fixed assets	-1 852	-0,4%	-32	0,0%
Impairment gain/(losses)	64	0,0%	-6	0,0%
EBIT	24 877	5,2%	26 205	5,0%
EBITDA	48 721	10,1%	49 484	9,5%
Financing costs	-9 000	-1,9%	-9 169	-1,8%
Financing income	1 061	0,2%	3 080	0,6%
Share of profit of associates	1	0,0%	-2 527	-0,5%
Net profit before tax	16 939	3,5%	17 589	3,4%
Income tax expense	-4 819	-1,0%	-4 920	-0,9%
Profit/Loss from continued operations	12 120	2,5%	12 669	2,4%
Profit/Loss from discontinued operations	-387	-0,1%	-1 498	-0,3%
Net profit Attributable to:				
Minority interests	156	0,0%	533	0,1%
Shareholders of the parent	11 577	2,4%	10 638	2,0%
Net profit for the period	11 733	2,4%	11 171	2,1%

Key Figures Q1 2010 vs. Q1 2009

	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	(Q2'09- Q1'10)	2009
Sales	521 659	513 834	481 905	483 092	481 206	1 960 037	2 000 490
Sales growth *	114,7%	96,1%	12,2%	0,0%	-7,8%	14,6%	41,9%
Gross Profit (%)	9,7%	9,0%	9,5%	9,1%	10,1%	9,4%	9,3%
EBITDA	49 484	42 332	46 330	39 266	48 721	176 649	177 412
EBITDA (%)	9,5%	8,2%	9,6%	8,1%	10,1%	9,0%	8,9%
EBIT	26 205	15 279	26 170	12 170	24 877	78 496	79 824
EBIT (%)	5,0%	3,0%	5,4%	2,5%	5,2%	4,0%	4,0%
Net income	11 171	15 145	10 536	1 425	11 733	38 839	38 574
Net income (%)	2,1%	2,9%	2,2%	0,3%	2,4%	2,0%	1,9%
Net debt	377 890	397 435	377 803	377 878	382 332		377 878
Net debt/EBITDA **	2,1	2,2	2,1	2,1	2,2		2,1

Seasonality of sales:

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

Questions