



AmRest Holdings SE

H1 2015 Presentation for Investors
August 14th, 2015



Teleconference details

- **AmRest H1 2015 results** are included in the **H1 2015 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

AmRest participants:



**Henry
McGovern**

Founder of AmRest,
Chairman of the Supervisory Board



**Mateusz
Gzyl**

Global Controller



**Mark
Chandler**

Management Board Member,
Chief Financial Officer



**Michał
Serwatka**

IR and M&A Manager



**Wojciech
Mroczyński**

Management Board Member,
Chief Strategy Officer



**Dorota
Surowiec**

IR Specialist

Executive summary H1 2015

- **Stable improvement of results**

- Solid top line growth on the back of favorable macro situation, positive LFL trends and new openings
- Another quarter of EBITDA exceeding PLN 100m
- Positive news coming from all four divisions

- **Continued focus on CE & Spain**

- **Resilience in Russia**

- Healthy business with double-digit LFL trends

- **New Markets turning positive**

- Positive EBITDA for the first time in Q2

- **Operating cash flow at PLN 169m (+99m vs LY)**



Our restaurants

Total: 854



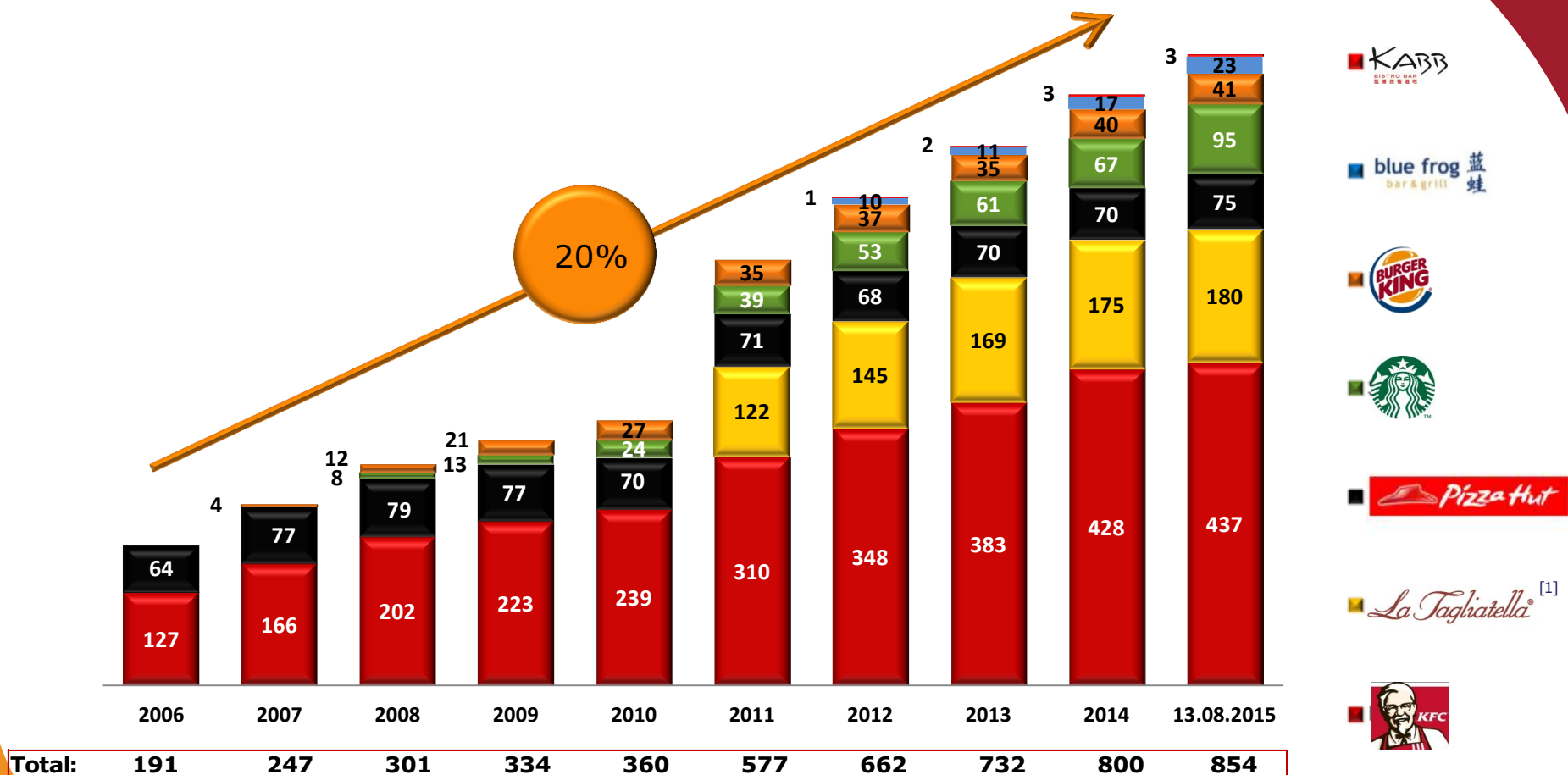
New restaurants openings*

- 20 stores opened in Q2 2015: 8 CE, 6 TAG and 1 KFC in Spain, 5 Blue Frog,
- 41 stores opened in 2015 YTD (till August 13th, 2014): 19 CE, 4 Russia, 11 TAG (10 Spain, 1 France), 1 KFC in Spain, 6 Blue Frog,
- 17 openings since the last call (May 8th, 2015): 10 CE, 3 TAG and 1 KFC in Spain, 3 Blue Frog,
- Additionally 23 Starbucks restaurants were acquired (18 in Romania and 5 in Bulgaria) in June
- Solid pipeline for 2015 assumes opening of 90 – 100 restaurants in 2015.



* Including franchisee operated stores

Continued growth in the number of restaurants



Countries of operation: Poland, Czech Republic, Hungary, Russia, Romania, Bulgaria, Serbia, Croatia, Spain, France, Germany, China & USA
 Data doesn't include Applebee's restaurants sold in 2012 to Apple American Group II, LLC

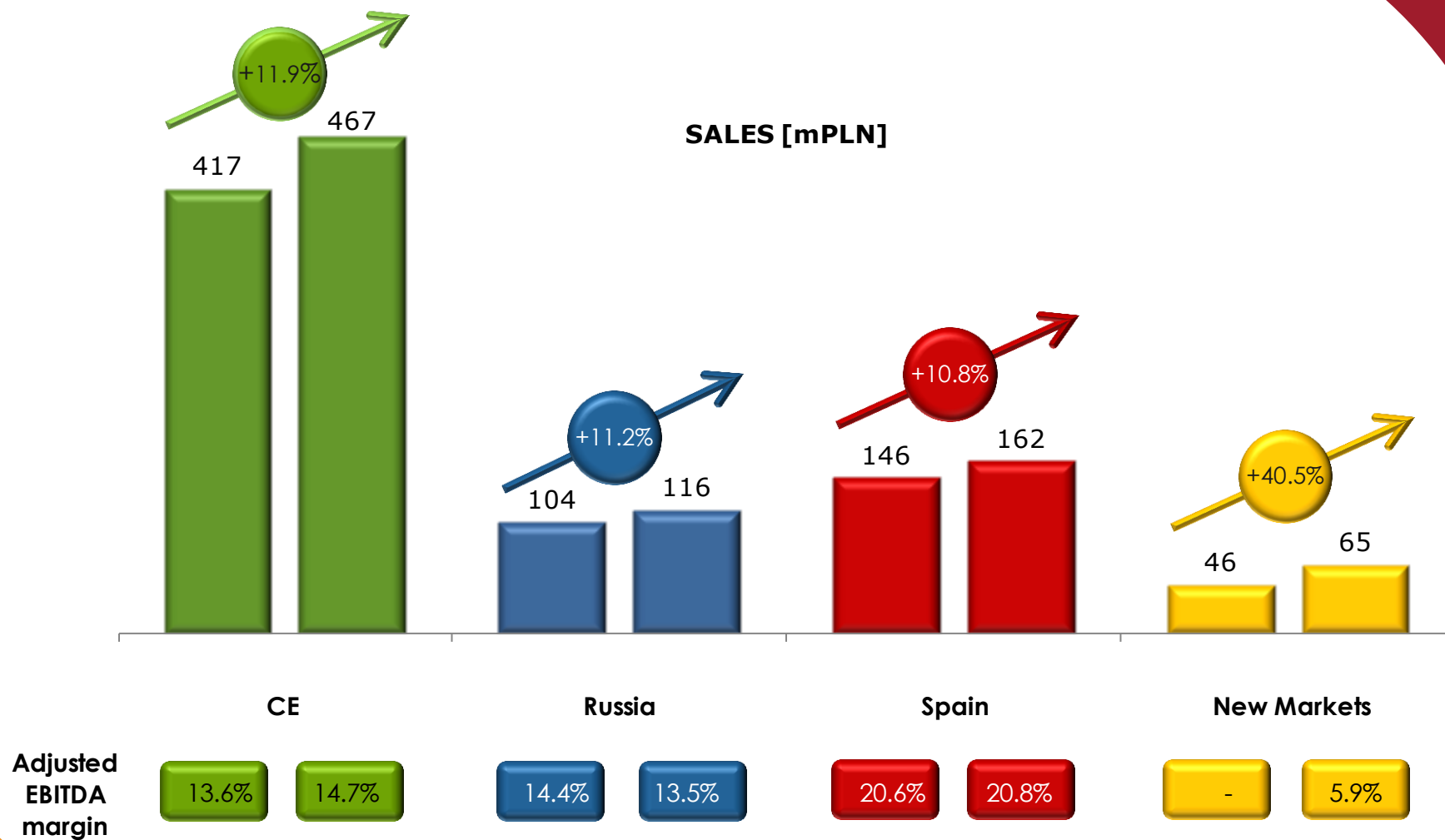
Financial highlights Q2 2015

- **Sales** at PLN 809m (+13% vs LY)
 - CE PLN 467m (+12%)
 - Russia PLN 116m (+11%; +37% in RUB)
 - Spain PLN 162m (+11%)
 - New Markets PLN 65m (+41%)
- **EBITDA** at PLN 102m (+24% vs LY)
 - EBITDA margin at 12.6% (+1.1pp vs LY)
- **Adjusted EBITDA** at PLN 117m (+35% vs LY)
 - Adjusted EBITDA margin at 14.4% (+2.2pp vs LY)
- **Net profit*** at PLN 26m (x6 vs LY)
 - Net profit margin at 3.2% (+2.6pp vs LY)
- **Net debt** at PLN 875m, leverage at 2.13x

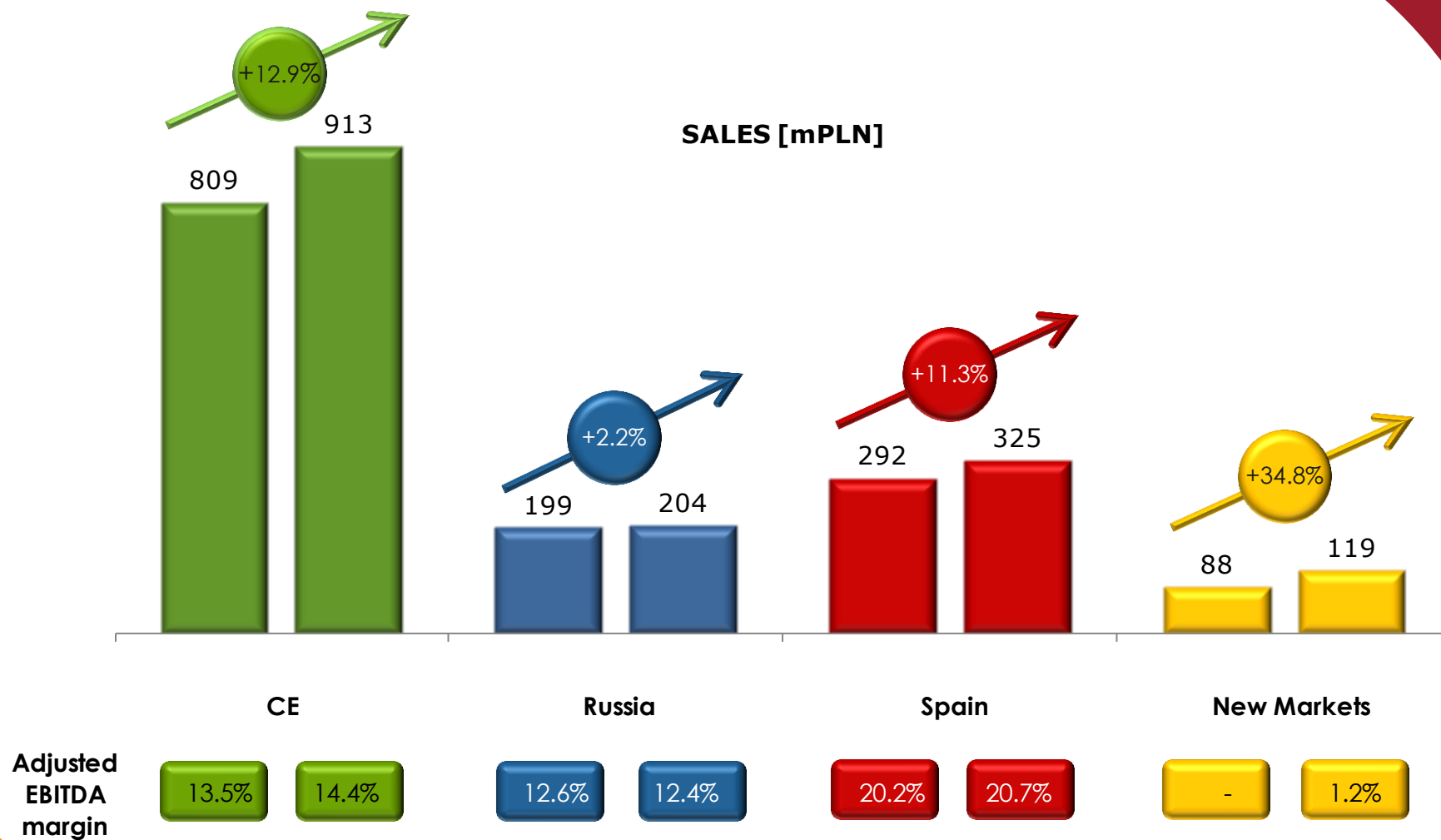


* Attributable to AmRest shareholders

Q2 2015 financials by segments



H1 2015 financials by segments



Q2 2015 financials – key figures

Thousand PLN	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	TTM [1]
Sales	674 118	713 646	765 295	799 592	750 351	809 324	3 124 562
Sales growth [2]	10.7%	7.3%	9.9%	9.5%	11.3%	13.4%	11.0%
Adjusted EBITDA [3]	77 360	86 840	108 059	109 722	99 247	116 801	433 829
Adjusted EBITDA (%)	11.5%	12.2%	14.1%	13.7%	13.2%	14.4%	13.9%
EBIT	23 216	27 412	50 211	9 056	43 656	45 270	148 193
EBIT (%)	3.4%	3.8%	6.6%	1.1%	5.8%	5.6%	4.7%
Profit for the period [4]	8 499	4 453	31 594	7 121	27 108	25 869	91 692
Profit for the period (%)	1.3%	0.6%	4.1%	0.9%	3.6%	3.2%	2.9%
Net debt	891 514	898 496	886 741	867 292	827 901	874 613	874 613
Net debt/EBITDA	2.9	2.7	2.5	2.4	2.1	2.1	2.1

[1] Trailing 12 months

[2] The growth vs corresponding period in the previous year

[3] EBITDA adjusted by costs of new openings (Start-up), costs of mergers and acquisitions (all material costs relating to professional services, connected with finalized merger or acquisition and directly related to the transaction), corrections in indirect taxes and the effect of SOP exercise method modification (difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan).

[4] Attributable to AmRest shareholders and adjusted for the Put Option valuation

Outlook

- **Positive trends** for reminder of 2015
 - **Macro situation favorable** in most of the markets
 - Continuation of **good sales trends** across all businesses
 - Major **costs categories** under control
 - Expected stable **improvement in margins**
 - **Strong pipeline** of new openings
- **Continued resilience in Russia**
 - Possible revision of investment strategy in the region
- **AmRest 2.0 guidance** on track
 - Double-digit EBITDA growth
 - Operating cash flow above Capex
 - Maintained pace of new openings in 2015
- Acquisition of **Starbucks** in **Romania** and **Bulgaria**
 - Transaction closed in June
 - Integration process started. Financial results will be consolidated from Q3.



3 years guidance



Sales growth

- Double-digit organic growth
- Potential M&A activity



EBITDA

- Strong EBITDA growth driven by sales and margin improvement
- EBITDA above Capex



20%+ ROIC on expansion Capex

- Improved ROIC on existing investments through growing margins,
- Prudent capital allocation (80/20) and lower build cost



CAPEX

- Average Capex per restaurant below PLN 3m
- >80 restaurants p.a.



Leverage

- Declining annually

IR contact



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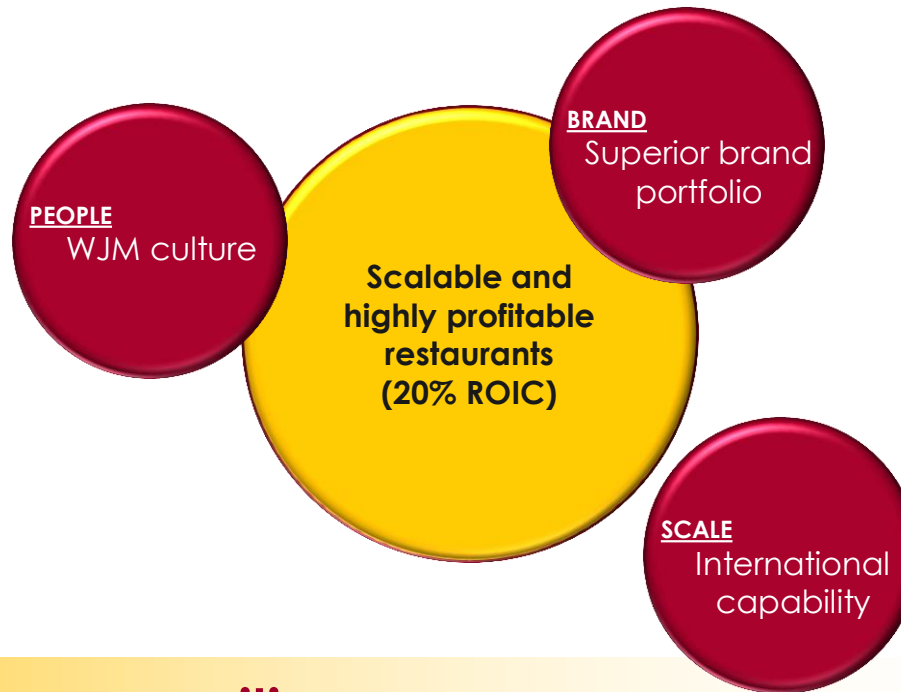


Backup



AmRest strategy

Leverage our WJM culture, international capability and superior brand portfolio
to grow scalable, highly profitable restaurants globally



Our unique proposition

Through our WJM culture we will deliver **delicious taste** and **exceptional service** at **affordable prices**

Franchised brands

Superior BRAND portfolio – AmRest unique approach



437 restaurants

8 countries

Within AmRest since 1994

Global # 1 in Chicken Category

Fresh chicken and **genuine food**

Craveable taste

Innovative design and order system

Delivery platform and **mobile restaurants**



41 restaurants

3 countries

Within AmRest since 2007

Global # 2 in Burger Category

'Better burger' – 100% beef, flame grilled!

'Have it your way' philosophy

Authentic, humorous and bold approach

Strong focus on **quality**



95 coffee shops

5 countries

Within AmRest since 2008

Global # 1 in Coffee

Personalized customer service

Fresh food offer, locally developed

Starbucks Reserve

Substantial **white space** in CE



75 restaurants

3 countries

Within AmRest since 1993

Global # 1 in Pizza Category

Handmade pizza... and much more!

Casual dining experience

Unmatched **hospitality**

World class food **innovations**

Family and friends meeting place

Superior BRAND portfolio – AmRest unique approach

La Tagliatella

180 restaurants

4 countries

Within AmRest since 2011

1 in Italian category in Spain

Authentic Italian cuisine

Best quality ingredients sourced in Italy

Almost 30 years expertise

Fine dining experience at **casual dining price**

Unique business model based on central kitchen operations

blue frog 
bar & grill

23 restaurants

China

Within AmRest since 2013

High-end Casual Dining concept

American cuisine with Asian touch

Fresh, craveable food served in a relaxed atmosphere

Distinctive restaurant concept **poised for expansion**


BISTRO BAR
凯博西餐酒吧

3 restaurants

China

Within AmRest since 2013

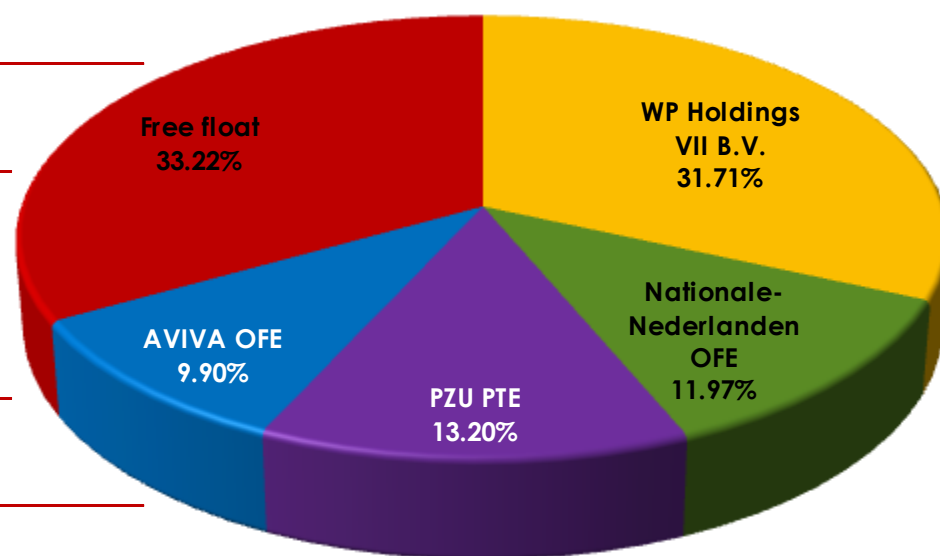
High-end Casual Dining concept

Superior quality bistro food with extensive wine and cocktail menu

A place to meet – extremely popular among professionals at managerial level

EAT factsheet

Ticker	EAT (AmRest)
Listing	WSE
Free float	33.22%
Analyst Coverage	Unicredit, DI Investors, Wood&Co, Trigon, Raiffeisen Centrobank AG, KBC Securities, IPOPEMA, ERSTE, DM PKO BP, DM Banku BPS
Number of employees	23,000
Number of shares	21.2m
Number of restaurants	854 ^[1]



^[1] Including 113 stores operated by La Tagliatella franchisees

Q2 2015 segment reporting

PLN '000	Q2 2015		Q2 2014	
	Share	Margin	Share	Margin
Sales	809 324		713 646	
Poland	319 239	39.4%	289 281	40.5%
Czech Republic	99 428	12.3%	86 282	12.1%
Other CE	47 899	5.9%	41 501	5.8%
Total CE	466 566	57.6%	417 064	58.4%
Russia	116 036	14.3%	104 389	14.6%
Spain	161 922	20.0%	146 088	20.5%
New Markets	64 800	8.0%	46 105	6.5%
EBITDA	102 250	12.6%	82 291	11.5%
Poland	44 260	13.9%	39 840	13.8%
Czech Republic	16 491	16.6%	12 159	14.1%
Other CE	5 621	11.7%	3 019	7.3%
Total CE	66 372	14.2%	55 018	13.2%
Russia	15 422	13.3%	13 854	13.3%
Spain	33 040	20.4%	29 893	20.5%
New Markets	2 431	3.8%	-13 537	-
Unallocated	-15 015	-	-2 937	-
Adjusted EBITDA*	116 801	14.4%	86 840	12.2%
Poland	45 672	14.3%	41 131	14.2%
Czech Republic	16 907	17.0%	12 516	14.5%
Other CE	5 905	12.3%	3 107	7.5%
Total CE	68 484	14.7%	56 754	13.6%
Russia	15 624	13.5%	15 033	14.4%
Spain	33 599	20.8%	30 081	20.6%
New Markets	3 811	5.9%	-12 090	-
Unallocated	-4 717	-	-2 938	-
EBIT	45 270	5.6%	27 412	3.8%
Poland	22 003	6.9%	17 934	6.2%
Czech Republic	12 227	12.3%	3 906	4.5%
Other CE	2 431	5.1%	-1 696	-4.1%
Total CE	36 661	7.9%	20 144	4.8%
Rosja	8 731	7.5%	7 675	7.4%
Spain	17 066	10.5%	19 330	13.2%
New Markets	-2 132	-	-16 799	-
Unallocated	-15 056	-	-2 938	-

(*) EBITDA adjusted by costs of new openings (start-up), costs of mergers and acquisitions (all material costs relating to professional services, connected with finalized merger or acquisition and directly related to the transaction), corrections in indirect taxes and the effect of SOP exercise method modification (difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan)

H1 2015 segment reporting

PLN '000	H1 2015		H1 2014	
	Share	Margin	Share	Margin
Sales	1 559 675		1 387 764	
Poland	630 592	40.4%	562 323	40.5%
Czech Republic	189 377	12.1%	167 756	12.1%
Other CE	92 774	5.9%	78 710	5.7%
Total CE	912 743	58.5%	808 789	58.3%
Russia	203 516	13.0%	199 130	14.3%
Spain	324 851	20.8%	291 909	21.0%
New Markets	118 565	7.6%	87 936	6.3%
EBITDA	197 987	12.7%	155 101	11.2%
Poland	86 526	13.7%	77 444	13.8%
Czech Republic	30 396	16.1%	22 372	13.3%
Other CE	11 129	12.0%	5 306	6.7%
Total CE	128 051	14.0%	105 122	13.0%
Russia	24 458	12.0%	23 589	11.8%
Spain	66 322	20.4%	58 175	19.9%
New Markets	-1 014	-	-25 213	-
Unallocated	-19 830	0.0%	-6 572	0.0%
Adjusted EBITDA*	216 048	13.9%	164 200	11.8%
Poland	88 905	14.1%	80 585	14.3%
Czech Republic	31 105	16.4%	23 174	13.8%
Other CE	11 667	12.6%	5 471	7.0%
Total CE	131 677	14.4%	109 230	13.5%
Russia	25 291	12.4%	25 032	12.6%
Spain	67 143	20.7%	58 838	20.2%
New Markets	1 469	1.2%	-22 327	-
Unallocated	-9 532	-	-6 573	-
EBIT	88 926	5.7%	50 628	3.6%
Poland	42 835	6.8%	35 461	6.3%
Czech Republic	19 668	10.4%	8 007	4.8%
Other CE	4 866	5.2%	-2 333	-3.0%
Total CE	67 369	7.4%	41 135	5.1%
Rosja	11 818	5.8%	11 286	5.7%
Spain	39 134	12.0%	37 071	12.7%
New Markets	-9 463	-	-32 292	-
Unallocated	-19 932	-	-6 572	-

(*) EBITDA adjusted by costs of new openings (start-up), costs of mergers and acquisitions (all material costs relating to professional services, connected with finalized merger or acquisition and directly related to the transaction), corrections in indirect taxes and the effect of SOP exercise method modification (difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan)

Q2 2015 consolidated P&L

[PLN '000]	Q2 2015	% of sales	Q2 2014	% of sales
Restaurant sales	758 243		670 727	
Franchise and other sales	51 081		42 919	
Total sales	809 324		713 646	
Company operated restaurant expenses:				
Food and material	-236 077	-29.2%	-213 887	-30.0%
Payroll and employee benefits	-166 673	-20.6%	-148 040	-20.7%
Royalties	-37 173	-4.6%	-33 360	-4.7%
Occupancy and other operating expenses	-224 806	-27.8%	-212 378	-29.8%
Franchise and other expenses	-33 980	-4.2%	-28 650	-4.0%
General and administrative (G&A) expenses	-65 109	-8.0%	-47 565	-6.7%
Impairment losses	-3 826	-0.5%	-5 757	-0.8%
Other income	3 590	0.4%	3 403	0.5%
Profit/(loss) from operations	45 270	5.6%	27 412	3.8%
EBITDA	102 250	12.6%	82 291	11.5%
Finance costs	-10 901	-1.3%	-14 418	-2.0%
Finance income	1 701	0.2%	1 151	0.2%
Income/(loss) from associates	92	0.0%	63	0.0%
Income tax expense	-9 597	-1.2%	-10 129	-1.4%
Profit for the period	26 565	3.3%	4 079	0.6%
Attributable to:				
Non controlling interest	696	0.1%	-374	-0.1%
Equity holders of the parent	25 869	3.2%	4 453	0.6%

H1 2015 consolidated P&L

[PLN '000]	H1 2015	% of sales	H1 2014	% of sales
Restaurant sales	1 462 322		1 300 372	
Franchise and other sales	97 353		87 392	
Total sales	1 559 675		1 387 764	
Company operated restaurant expenses:				
Food and material	-457 087	-29.3%	-419 731	-30.2%
Payroll and employee benefits	-326 361	-20.9%	-291 687	-21.0%
Royalties	-71 652	-4.6%	-64 383	-4.6%
Occupancy and other operating expenses	-440 343	-28.2%	-411 495	-29.7%
Franchise and other expenses	-64 230	-4.1%	-59 542	-4.3%
General and administrative (G&A) expenses	-115 249	-7.4%	-93 909	-6.8%
Impairment losses	-4 040	-0.3%	-6 432	-0.5%
Other income	8 213	0.5%	10 043	0.7%
Profit/(loss) from operations	88 926	5.7%	50 628	3.6%
EBITDA	197 987	12.7%	155 101	11.2%
Finance costs	-21 638	-1.4%	-26 901	-1.9%
Finance income	3 193	0.2%	2 214	0.2%
Income/(loss) from associates	95	0.0%	67	0.0%
Income tax expense	-17 522	-1.1%	-14 110	-1.0%
Profit for the period	53 054	3.4%	11 898	0.9%
Attributable to:				
Non controlling interest	77	0.0%	-1 054	-0.1%
Equity holders of the parent	52 977	3.4%	12 952	0.9%

Q2 2015 net profit and adjusted EBITDA reconciliation

[PLN '000]	Q2 2015	% of sales	Q2 2014	% of sales	Q2 vs Q2	% of change
Restaurant sales	758 243	93.7%	670 727	94.0%	87 516	13.0%
Franchise and other sales	51 081	6.3%	42 919	6.0%	8 162	19.0%
Total sales	809 324		713 646		95 678	13.4%
Net Profit for the period	26 565	3.3%	4 079	0.6%	22 486	551.3%
+ Finance costs	10 901	1.3%	14 418	2.0%	-3 517	-24.4%
- Finance income	-1 701	-0.2%	-1 151	-0.2%	-550	47.8%
- Income/(loss) from associates	-92	0.0%	-63	0.0%	-29	46.0%
+ Income tax expense	9 597	1.2%	10 129	1.4%	-532	-5.3%
+ Depreciation and Amortisation	53 154	6.6%	49 122	6.9%	4 032	8.2%
+ Impairment losses	3 826	0.5%	5 757	0.8%	-1 931	-33.5%
EBITDA	102 250	12.6%	82 291	11.5%	19 959	24.3%
+ Start-up expenses*	4 252	0.5%	4 548	0.6%	-296	-6.5%
+ M&A related expenses**	719	0.1%	0	0.0%	719	-
+ / - Effect of SOP exercise method modification***	9 580	1.2%	0	0.0%		-
Adjusted EBITDA	116 801	14.4%	86 839	12.2%	29 962	34.5%

* 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.

*** Effect of SOP exercise method modification – a difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan

H1 2015 net profit and adjusted EBITDA reconciliation

[PLN '000]	H1 2015	% of sales	H1 2014	% of sales	H1 vs H1	% of change
Restaurant sales	1 462 322	93.8%	1 300 372	93.7%	161 950	12.5%
Franchise and other sales	97 353	6.2%	87 392	6.3%	9 961	11.4%
Total sales	1 559 675		1 387 764		171 911	12.4%
Net Profit for the period	53 054	3.4%	11 898	0.9%	41 156	345.9%
+ Finance costs	21 638	1.4%	26 901	1.9%	-5 263	-19.6%
- Finance income	-3 193	-0.2%	-2 214	-0.2%	-979	44.2%
- Income/(loss) from associates	-95	0.0%	-67	0.0%	-28	41.8%
+ Income tax expense	17 522	1.1%	14 110	1.0%	3 412	24.2%
+ Depreciation and Amortisation	105 021	6.7%	98 041	7.1%	6 980	7.1%
+ Impairment losses	4 040	0.3%	6 432	0.5%	-2 392	-37.2%
EBITDA	197 987	12.7%	155 101	11.2%	42 886	27.7%
+ Start-up expenses*	7 763	0.5%	9 099	0.7%	-1 336	-14.7%
+ M&A related expenses**	719	0.0%	0	0.0%	719	-
+ / - Effect of SOP exercise method modification***	9 580	0.6%	0	0.0%	0	-
Adjusted EBITDA	216 048	13.9%	164 200	11.8%	51 848	31.6%

* Start-Up expenses – all material operating expenses incurred in connection with new stores opening prior the opening.

** M&A expenses – all material expenses connected with successful acquisition covering professional services (legal, financial, other) directly connected with transaction.

*** Effect of SOP exercise method modification – a difference in accounting cost of employee benefits accounted under cash settled versus equity settled option plan

AmRest portfolio

Countries	Brands	2006-12-31	2007-12-31	2008-12-31	2009-12-31	2010-12-31	2011-12-31	2012-12-31	2013-12-31	2014-12-31	2015-03-31	2015-06-30	2015-08-13
Poland		131	139	158	188	206	256	279	299	320	323	328	331
	KFC	79	85	94	110	121	150	163	179	191	190	193	195
	BK		4	9	17	19	27	28	27	32	32	33	33
	SBX				3	9	21	32	35	38	38	38	39
	PH	52	50	55	58	57	58	56	58	59	63	64	64
Czech		43	44	62	67	75	73	83	89	94	96	98	99
	KFC	43	44	53	55	58	56	62	65	68	69	69	69
	BK			1	2	5	5	7	7	7	7	7	7
	SBX			8	10	12	12	14	17	19	20	22	23
Hungary		17	22	22	22	21	29	34	38	42	42	43	43
	KFC	5	13	15	17	16	21	25	27	30	30	31	31
	SBX					3	6	7	9	10	10	10	10
	PH	12	9	7	5	2	2	2	2	2	2	2	2
Russia			40	54	51	50	55	66	77	101	105	105	104
	KFC		22	37	37	39	44	56	67	92	96	96	95
	PH		18	17	14	11	11	10	10	9	9	9	9
Bulgaria			1	4	4	5	5	6	5	6	6	11	11
	KFC		1	2	2	2	2	4	4	5	5	5	5
	BK			2	2	3	3	2	1	1	1	1	1
	SBX			2	2							5	5
Serbia			1	1	2	3	4	4	5	5	5	5	5
	KFC		1	1	2	3	4	4	5	5	5	5	5
Croatia							1	2	5	5	5	5	5
	KFC						1	2	5	5	5	5	5
Romania												18	18
	SBX											18	18
US				104	103	103	103	1	6	4	1	1	1
	TAGE							1	5	3	0	0	0
	TAGF								1	1	1	1	1
Spain							152	168	178	190	193	199	199
	TAGE						35	47	53	57	58	59	60
	TAGF						85	89	94	101	103	108	107
	KFC						32	32	31	32	32	32	32
France							2	5	8	8	9	9	9
	TAGE							1	4	4	4	4	4
Germany							2	4	4	4	5	5	5
	TAGF												
China								2	3	3	3	3	3
	TAGE							2	3	3	3	3	3
India								12	18	22	22	26	26
	BF							10	11	17	18	23	23
	KABB							1	2	3	3	3	3
	ST								1	0	0	0	0
India								1	4	2	1	0	0
	TAGE								2	0	0	0	0
									2	0	0	0	0
Total Amrest		191	247	405	437	463	680	662	733	800	810	851	854