

**Independent registered auditor's opinion
To General Shareholders' Meeting and the Supervisory Board
of AmRest Holdings Spółka Europejska**

We have audited the accompanying financial statements of AmRest Holdings Spółka Europejska (hereinafter called "the Company"), Wrocław pl. Grunwaldzki 25 - 27, which comprise:

- (a) the income statement for the period from 1 January to 31 December 2010, showing a net profit of PLN 2,842 thousand;
- (b) the statement of comprehensive income for the period from 1 January to 31 December 2010, showing a total comprehensive income of PLN 2,842 thousand;
- (c) the statement of financial position as at 31 December 2010, showing total assets and total liabilities & equity of PLN 809,588 thousand;
- (d) the statement of cash flows for the period from 1 January to 31 December 2010, showing a net decrease in cash and cash equivalents of PLN 75,728 thousand;
- (e) the statement of changes in equity for the period from 1 January to 31 December 2010, showing an increase in equity of PLN 313,498 thousand;
- (f) additional information on adopted accounting policies and other explanatory notes.

The Company's Management Board is responsible for preparing the financial statements and a Directors' Report in accordance with the applicable regulations.

The Management Board and members of the Supervisory Board are required to ensure that the financial statements and the Director's Report meet the requirements set out in the Accounting Act of 29 September 1994 (uniform text, *Journal of Laws* of 2009, No. 152, item 1223 with further amendments, hereinafter referred to as "the Act").

Our responsibility was to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with the following:

- (a) the provisions of Chapter 7 of the Act;
- (b) national standards of auditing issued by the National Chamber of Registered Auditors.

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Our audit was planned and performed to obtain reasonable assurance that the financial statements were free of material misstatements and omissions. The audit included examining, on a test basis, accounting documents and entries supporting the amounts and disclosures in the financial statements. The audit also included an assessment of the accounting policies applied by the Company and significant estimates made in the preparation of the financial statements as well as an evaluation of the overall presentation thereof. We believe that our audit provided a reasonable basis for our opinion.

In our opinion, and in all material respects, the accompanying financial statements:

- (a) have been prepared in accordance with the applicable accounting principles (policies) on the basis of properly maintained accounting records;
- (b) comply in form and content with the applicable laws and the Company's Memorandum of Association;
- (c) give a fair and clear view of the Company's financial position as at 31 December 2010 and of the results of its operations for the year then ended, in accordance with the International Financial Reporting Standards as adopted by the European Union.

The information in the Directors' Report for the year ended 31 December 2010 has been prepared in accordance with the provisions of the Decree of the Minister of Finance dated 19 February 2009 concerning the publication of current and periodic information by issuers of securities and the conditions of acceptance as equal information required by the law of other state, which is not a member state ("*the Decree*" – Journal of Laws No. 33, item 259) and is consistent with the information presented in the audited financial statements.}

Conducting the audit on behalf of PricewaterhouseCoopers Sp. z o.o., Registered Audit Company No. 144:

Marcin Sawicki

Key Registered Auditor
No. 11393

Wroclaw, 21 March 2011

AmRest Holdings SE

**Registered Auditor's Report on the financial statements
for the period from 1 January to 31 December 2010**

**Independent registered auditor's report on the financial statements
To the General Shareholders' Meeting and the Supervisory Board of
AmRest Holdings Spółka Europejska**

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AmRest Holdings SE
Independent registered auditor's report on the financial statements
as at and for the year ended 31 December 2010

I. General information about the Company

- (a) AmRest Holdings SE (formerly AmRest Holdings N.V.) was established in the Netherlands in October 2000 as a joint-stock company. On 19 September 2008, the Commercial Chamber in Amsterdam registered the change in the legal status of the Company to a European Company (Societas Europea) and of its name to AmRest Holdings SE. On 22 December 2008, the Company was entered into the Register of Businesses with the reference number KRS 0000320252 by the District Court for Wrocław-Fabryczna, 6th Business Department of the National Court Register. The Court also registered the amendments to the Company's Articles of Association relating to the Company's registered office being moved to Poland. The Company's registered office is currently located at pl. Grunwaldzki 25-27, Wrocław (50-365), Poland.
- (b) On 16 January 2009, the Company was assigned a tax identification number (NIP) 1001002998 for making tax settlements. On 5 January 2009, the Company was assigned a REGON number 020891041 for statistical purposes.
- (c) As at 31 December 2010, the registered share capital of the Company amounted to EUR 189,340.99 and consisted of 18,934,099 shares of EUR 0.01 par value each.
- (d) As at 31 December 2010, the Company's equity was positive and amounted to PLN 659,867 thousand.
- (e) In the audited period the Company engaged mainly in holding operations, having shares in the following subsidiaries:
- AmRest Sp. z o.o., Poland;
 - AmRest s.r.o., Czech Republic;
 - AmRest Acquisition Subsidiary, Inc., United States;
 - AmRest BK s.r.o., Czech Republic.
- (f) The following people were on the Company's Management Board in the financial year:
- | | | |
|-----------------------|---------------|------------------------|
| • Wojciech Mroczyński | Board Member; | |
| • Jacek Trybuchowski | Board Member | until 12 January 2010; |
| • Piotr Boliński | Board Member | from 13 January 2010; |
| • Drew O'Malley | Board Member | from 16 December 2010; |
| • Mark Chandler | Board Member | from 16 December 2010. |
- Effective 28 February 2011 Wojciech Mroczyński resigned as Member of the Management Board of AmRest Holdings SE.
- (g) The Company's related entities are its subsidiaries (AmRest Sp. z o.o., AmRest s.r.o., AmRest Acquisition Subsidiary, Inc., AmRest BK s.r.o.), and the members of the Groups formed by those entities. Additionally, the Company's related entities are members of the Company's key management subsidiaries of the people who are members of the management and supervisory authorities (MPI Sp. z o.o., IRI, ARC, American Retail System Sp. z o.o.).
- (h) The Company is an issuer of securities admitted to trading on the Warsaw Stock Exchange. Beginning from 2008, the Company prepares the financial statements in

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accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The decision to prepare the Company's financial statements in accordance with these standards was made by the Company's Management Board on 11 December 2008 and approved by a resolution of the Supervisory Board on 12 December 2008.

- (i) As the Parent Company of the Group, the Company has also prepared consolidated financial statements in accordance with IFRS as adopted by the European Union as at 21 March 2011. In order to understand the Company's financial position and its results of operations as the Parent Company, the separate financial statements should be read in conjunction with the consolidated financial statements.

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II. Information about the audit

- (a) PricewaterhouseCoopers Sp. z o.o. was appointed auditor to the Company by Resolution No. 5/06/2010 of the Supervisory Board of 22 June 2010 on the basis of paragraph 12, point 1, clause d. of the Parent Company's Articles of Association.
- (a) PricewaterhouseCoopers Sp. z o.o. and the key registered auditor conducting the audit are independent of the audited entity within the meaning of Art. 56, clauses 2-4 of the Act dated 7 May 2009 on registered auditors and their self-government, registered audit companies and on public supervision (Journal of Laws No. 77, item 649).
- (b) The audit was conducted in accordance with an agreement concluded on 21 June 2010, in the following periods:
- interim audit from 22 November to 10 December 2010;
 - final audit from 31 January to 21 March 2011.

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III. The Company's results and financial position

The financial statements do not take account of the impact of inflation. The consumer price index (on a December to December basis) amounted to 3.1% in the audited year (3.5% in 2009).

The observations below are based on the knowledge obtained during the audit of the financial statements.

- As at the end of the financial year, the Company's assets amounted to PLN 809,588 thousand. During the year, the total assets increased by PLN 280,158 thousand, i.e. by 52.9%. The increase resulted mainly from the increase in other long-term assets as a result of granting a loan to a related company (AmRest Sp. z o.o.) in the amount of PLN 350,000 thousand, accompanied by a decrease in cash and cash equivalents compared with the prior year in the amount of PLN 75,728 thousand. This growth was financed by an increase in share capital and reserves by PLN 306,503 thousand through the issue of shares acquired by WP Holdings VII B.V.
- The Company holds shares in four subsidiaries: AmRest Sp. z o.o., AmRest s.r.o., AmRest BK s.r.o. and AmRest Acquisition Subsidiary, Inc. As at the balance sheet date, the Company did not recognize impairment in the value of the shares in the subsidiaries or in any other assets.
- In the audited year, the Company earned comprehensive income of PLN 2,842 thousand which mainly comprised finance costs of PLN 13,166 thousand, finance income of PLN 14,752 thousand, other operating income of PLN 2,158 thousand and administrative expenses of PLN 654 thousand.
- As at the balance sheet date, external financing mainly comprised liabilities to other entities in respect of issued bonds of PLN 149,161 thousand.

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as at and for the year ended 31 December 2010

IV. Discussion of financial statement components

BALANCE SHEET as at 31 December 2010

	Note	31.12.2010 PLN'000	31.12.2009 PLN'000	Change PLN'000	Change (%)	31.12.2010 Structure (%)	31.12.2009 Structure (%)
ASSETS							
Non-current assets							
Investments in subsidiaries		393,260	365,429	27,831	7.6	48.6	69.0
Other long-term financial assets	1	375,661	30,285	345,376	>100.0	46.4	5.7
Deferred tax asset		380	-	380	-	-	-
		769,301	395,714	373,587	94.4	95.0	74.7
Current assets							
Trade and other receivables		6,674	24,362	(17,688)	(72.6)	0.8	4.6
Cash and cash equivalents		33,609	109,337	(75,728)	(69.3)	4.2	20.7
Other current assets		4	17	(13)	(76.5)	-	-
		40,287	133,716	(93,429)	(69.9)	5.0	25.3
Total assets		809,588	529,430	280,158	52.9	100.0	100.0

AmRest Holdings SE
Independent registered auditor's report on the financial statements
as at and for the year ended 31 December 2010

IV. Discussion of financial statement components (cont.)

BALANCE SHEET as at 31 December 2010 (cont.)

	Note	31.12.2010	31.12.2009	Change	Change	31.12.2010	31.12.2009
		PLN'000	PLN'000	PLN'000	(%)	Structure (%)	Structure (%)
EQUITY	2						
Share capital		623	427	196	45.9	0.1	0.1
Supplementary capital		605,689	295,229	310,460	>100.0	74.8	55.8
Retained earnings		53,555	50,713	2,842	5.6	6.6	9.6
		659,867	346,369	313,498	90.5	81.5	65.5
LIABILITIES							
Non-current liabilities							
Other long-term financial liabilities		149,161	182,675	(33,514)	(18.3)	18.4	34.5
		149,161	182,675	(33,514)	(18.3)	18.4	34.5
Current liabilities							
Trade and other payables		560	225	335	>100.0	0.1	-
Borrowings		-	161	(161)	(100.0)	-	-
		560	386	174	45.1	0.1	-
Total liabilities		149,721	183,061	(33,340)	(18.2)	18.5	34.5
Total equity and liabilities		809,588	529,430	280,158	52.9	100.0	100.0

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IV. Discussion of financial statement components (cont.)

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2010

	Note	2010 PLN'000	2009 PLN'000	Change PLN'000	Change (%)
Administrative expenses		(654)	(1,081)	427	(39.5)
Other operating income		2,158	-	2,158	-
Finance income		14,752	1,428	13,324	>100.0
Finance costs		(13,166)	(4,697)	(8,469)	>100.0
Profit/(loss) before income tax		3,090	(4,350)	7,440	<(100.0)
Income tax expense		(248)	261	(509)	<(100.0)
Net profit	3	2,842	(4,089)	6,931	<(100.0)
Other comprehensive income		-	-	-	-
Comprehensive income		2,842	(4,089)	6,931	<(100.0)

IV. Discussion of financial statement components (cont.)

Balance sheet as at 31 December 2010

1. Other long-term financial assets

The balance of other financial assets increased by PLN 345,376 thousand compared with the prior year, mainly as a result of granting a loan to a subsidiary AmRest Sp. z o.o. of PLN 350,000 thousand.

2. Share capital – ownership structure

As at the date of this report, i.e. 21 March 2011, the Company's main shareholders (holding more than 5% of the share capital) were as follows:

Shareholder	Number of shares held	Par value of shares held*	Type of shares held	Votes %
		PLN'000		
WP Holdings VII B.V.	4,726,263	187,174	ordinary	24.96
ING Otworthy Fundusz Emerytalny	3,633,013	143,878	ordinary	19.19
BZ WBK AIB Asset Management S.A.	3,208,613	127,071	ordinary	16.95
Aviva Otworthy Fundusz Emerytalny	1,407,069	55,724	ordinary	7.43
Henry McGovern	1,360,110	53,864	ordinary	7.18

* - the value in EUR translated into PLN at the average exchange rate of NBP on 31 December 2010 (1 EUR = 3.9603 PLN)

The shareholding structure as at the end of 2010 changed compared with the prior year (as of the date of the report on the consolidated financial statements for the previous year – 29 April 2010) mainly as a result of:

- taking up 4,726,263 new subscription shares by WP Holdings VII B.V.;
- taking up 841,037 shares by ING Otworthy Fundusz Emerytalny;
- taking up 407,069 shares by Aviva Otworthy Fundusz Emerytalny;
- disposal of 375,010 shares by BZ WBK AIB Asset Management S.A.

3. Net profit/loss for the year

Pursuant to Resolution No. 10 of the General Shareholders' Meeting of 30 June 2010, the net loss for the prior year of PLN 4,089 thousand will be offset against future profits.

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V. The independent registered auditor's statement

- (a) The Management Board of the Company provided all the information, explanations, and representations required by us in the course of the audit and provided us with a representation letter confirming the completeness of the information included in the accounting records and the disclosure of all contingent liabilities and post-balance-sheet events which occurred up to the date on which that letter was signed.
- (b) The scope of the audit was not limited.
- (c) The Company has updated documentation of its accounting policies, approved by the Management Board. The Company's accounting policies were tailored to its needs and ensured the identification of all events with a material effect on the assessment of its financial position and results, taking into consideration the prudence principle. There were no changes to the accounting policies compared with the prior year.
- (d) The closing balances as at the end of the prior year were correctly brought forward as the opening balances of the current financial year in all material respects.
- (e) We have assessed the operation of the accounting system. Our assessment covered in particular:
- the accuracy of the documentation relating to business transactions;
 - the fairness, accuracy and verifiability of the accounting records, including computerized accounting records;
 - the methods used for controlling access to data and computerized data processing systems;
 - the safeguarding of accounting documentation, accounting records and the financial statements.

This assessment together with our verification of individual items of the financial statements is a basis for expressing a general, comprehensive and unqualified opinion on the truth and fairness of these financial statements. The audit was not intended to provide a comprehensive opinion on the operations of the said system.

- (f) The notes to the financial statements present all the material information required by the International Financial Reporting Standards, as adopted by the European Union.
- (g) The information in the Directors' Report for the year ended 31 December 2010 has been presented in accordance with the provisions of the Decree of the Minister of Finance dated 19 February 2009 on current and periodic information to be provided by issuers of securities and conditions for recognizing as equivalent the information required by the provisions of law of a country not being a Member State (Journal of Laws No. 33, item 259) and is consistent with the information contained in the audited financial statements.
- (h) Counts of assets and equity and liabilities were carried out and reconciled in accordance with the Accounting Act, and their results were included in the accounting records for the audited year.
- (i) The financial statements for the prior year were audited by PricewaterhouseCoopers Sp. z o.o. The registered auditor issued an unqualified opinion.
- (j) The financial statements of the Company as at and for the year ended 31 December 2009 were approved by Resolution No. 9 passed by the General Shareholders' Meeting on 30 June 2010. The financial statements were filed with the National Court Register in Wrocław on 5 August 2010 and submitted for publication in *Monitor Polski B* on 8 November 2010.

VI. Final notes and comments

This report has been prepared in connection with our audit of the financial statements of AmRest Holdings Spółka Europejska with its seat in Wrocław, pl. Grunwaldzki 25-27. The audited financial statements comprise:

- (a) the income statement for the year ended 31 December 2010, showing a net profit of PLN 2,842 thousand;
- (a) the statement of comprehensive income for the year ended 31 December 2010, showing a total comprehensive income of PLN 2,842 thousand;
- (b) the balance sheet as at 31 December 2010, showing total assets and total equity and liabilities of PLN 809,588 thousand;
- (c) the statement of cash flows for the year ended 31 December 2010, showing a net decrease in cash and cash equivalents of PLN 75,728 thousand;
- (d) the statement of changes in equity for the year ended 31 December 2010, showing an increase in the equity of PLN 313,498 thousand;
- (e) additional information on adopted accounting policies and other explanatory notes.

The financial statements were signed by the Management Board of the Company on 21 March 2011. This report should be read in conjunction with the Independent Registered Auditor's Opinion to the General Shareholders' Meeting and the Supervisory Board of AmRest Holdings Spółka Europejska, signed on 21 March 2011, concerning the above-mentioned financial statements. The opinion is a general conclusion drawn from the audit. and involves assessing the materiality of individual audit findings rather than being a sum of all the evaluations of individual financial statement components or issues. This assessment takes account of the impact of the facts noted on the truth and fairness of the financial statements as a whole.

Person conducting the audit on behalf of PricewaterhouseCoopers Sp. z o.o., Registered Audit Company No. 144.

Marcin Sawicki

Key Registered Auditor
No. 11393

Wrocław, 21 March 2011