

**Independent Registered Auditor's Opinion
To the General Shareholders' Meeting and the Supervisory Board
of AmRest Holdings Spółka Europejska**

We have audited the accompanying consolidated financial statements of the AmRest Holdings Spółka Europejska Group (hereinafter called "the Group"), of which AmRest Holdings Spółka Europejska is the parent company (hereinafter called "the Parent Company"), with its registered office in Wrocław, pl. Grunwaldzki 25 - 27, which comprise:

- (a) the consolidated income statement for the period from 1 January to 31 December 2010, showing a net profit of PLN 39,996 thousand;
- (b) the consolidated statement of comprehensive income for the period from 1 January to 31 December 2010, showing a total comprehensive income of PLN 47,545 thousand;
- (c) the consolidated statement of financial position as at 31 December 2010, showing total assets and total liabilities & equity of PLN 1,368,959 thousand;
- (d) the consolidated statement of cash flows for the period from 1 January to 31 December 2010, showing a net increase in cash and cash equivalents of PLN 85,282 thousand;
- (e) the consolidated statement of changes in equity for the period from 1 January to 31 December 2010, showing an increase in equity of PLN 363,139 thousand;
- (f) additional information on adopted accounting policies and other explanatory notes.

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

The Management Board and members of the Supervisory Board of the Parent Company 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 consolidated 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.

**Independent Registered Auditor's Opinion
To the General Shareholders' Meeting and the Supervisory Board
of AmRest Holdings Spółka Europejska (cont.)**

Our audit was planned and performed to obtain reasonable assurance that the consolidated 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 consolidated financial statements. The audit also included an assessment of the accounting policies applied by the Group and significant estimates made in the preparation of the consolidated 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 consolidated financial statements:

- (a) have been prepared in accordance with the applicable accounting principles (policies) on the basis of properly maintained consolidation documentation;
- (b) comply in form and contents with the relevant laws applicable to the Group;
- (c) give a fair and clear view of the Group'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

Registered Auditor of the Group, Key Registered Auditor
No. 11393

Wroclaw, 21 March 2011

AmRest Holdings SE Group

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

**Registered Auditor's Report on the consolidated financial statements
To the General Shareholders' Meeting and the Supervisory Board of
AmRest Holdings Spółka Europejska**

This report contains 17 consecutively numbered pages and consists of:

	Page
I. General information about the Group	2
II. Information about the audit	5
III. The Group's results and financial position	6
IV. Discussion of financial statement components	7
V. The independent registered auditor's statement	16
VI. Final notes and comments	17

The AmRest Holdings SE Group

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

I. General information about the Group

- (a) AmRest Holdings SE (the "Parent Company") 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 Parent Company to a European Company (Societas Europea) and of its name to AmRest Holdings SE. On 22 December 2008, the Parent Company was entered in the Register of Businesses maintained by the District Court in Wrocław-Fabryczna, the 6th Business Department of the National Court Register, with the reference number KRS 0000320252. The Court also registered the changes in the Memorandum of Association of the Parent Company relating to the transfer of the registered office of AmRest to Poland. The Parent Company's registered office is currently located at pl. Grunwaldzki 25-27, Wrocław (50-365), Poland.
- (b) On 16 January 2009, the Parent Company was assigned a tax identification number NIP 1010002998 for making tax settlements. On 5 January 2009, the Parent Company was assigned a REGON number 020891041 for statistical purposes.
- (c) As at 31 December 2010, the registered share capital of the Parent 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 Group's equity was positive and amounted to PLN 746,030 thousand.
- (e) In the audited year, the Group's operations comprised operating, through its subsidiaries, Kentucky Fried Chicken ("KFC"), "Pizza Hut", "Burger King" and "Starbucks" restaurants in Poland, the Czech Republic, Hungary, Russia, Serbia and Bulgaria, and Applebee's restaurants in the USA on the basis of franchise agreements, and proprietary restaurants "Rodeo Drive" and "Freshpoint" in Poland (until selling them in May 2010).
- (f) During the year, the following people were on the Parent Company's Management Board:
- | | | | |
|---|---------------------|---------------|------------------------|
| • | Wojciech Mroczyński | Board Member; | |
| • | Jacek Trybuchowski | Board Member | to 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 a Member of the Management Board of AmRest Holdings SE.
- (g) The Parent Company is an issuer of securities admitted to trading on the Warsaw Stock Exchange and in accordance with the requirements of the Accounting Act prepares the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

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

I. General information about the Group (cont.)

(h) As at 31 December 2010, the AmRest Holdings SE Group consisted of the following entities:

Company name	Nature of equity relationship (% shareholding)	Consolidation method	Auditor	Type of opinion	Balance sheet date
AmRest Holdings SE	Parent Company	N/A	PricewaterhouseCoopers Sp. z o.o.	unqualified	31 December 2010
AmRest Sp. z o.o.	Subsidiary (100%)	Acquisition accounting	PricewaterhouseCoopers Sp. z o.o.	audit completed without issuing an opinion for the purpose of the audit of the consolidated financial statements of the Group	31 December 2010
AmRest s.r.o.	Subsidiary (100%)	Acquisition accounting	PricewaterhouseCoopers Audit, s.r.o.	qualified with respect to the scope of the audit	31 December 2010
AmRest BK s.r.o.	Subsidiary (100%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest Kft	Subsidiary (100%)	Acquisition accounting	PricewaterhouseCoopers Kft	unqualified	31 December 2010
AmRest Ukraina t.o.w.	Subsidiary (100%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest Coffee Sp. z .o.o.	Subsidiary (82%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
Bécsi út.13. Kft	Subsidiary (100%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest EOOD	Subsidiary (100%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest Coffee s.r.o.	Subsidiary (82%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest Acquisition Subsidiary Inc.	Subsidiary (100%)	Acquisition accounting	Financial statements not audited	-	31 December 2010

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

I. General information about the Group (cont.)

OOO AmRest	Subsidiary (100%)	Acquisition accounting	PricewaterhouseCoopers Sp. z o.o. ZAO PricewaterhouseCoopers Audit	audit completed without issuing an opinion for the purpose of the audit of the consolidated financial statements of the Group	31 December 2010
OOO KFC Nord	Subsidiary (100%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest Kávézó Kft	Subsidiary (82%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest D.O.O.	Subsidiary (60%)	Acquisition accounting	Financial statements not audited	-	31 December 2010
AmRest LLC	Subsidiary (100%)	Acquisition accounting	PricewaterhouseCoopers LLC	qualified with respect to the scope of the audit	26 December 2010
SCM Sp. z o.o.	Subsidiary (51%)	Acquisition accounting	Financial statements not audited	-	31 December 2010

(i) As at 31 December 2010, the Group had the following associates:

Company name	Nature of equity relationship (% shareholding)	Consolidation method	Auditor	Type of opinion	Balance sheet date
SCM s.r.o.	Associate (45.90%)	Equity accounting method	Financial statements not audited	-	31 December 2010

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

II. Information about the audit

- (a) PricewaterhouseCoopers Sp. z o.o. was appointed auditor to the Group 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.
- (b) PricewaterhouseCoopers Sp. z o.o. and the key registered auditor conducting the audit are independent of the Group entities within the meaning of Art. 56, clauses 2-4 of the Act dated 7 May 2010 on registered auditors and their self-government, registered audit companies and on public supervision (Journal of Laws No. 77, item 649).
- (c) 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.

The AmRest Holdings SE Group

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

III. The Group's results and financial position

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

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

AmRest Holdings SE is the Parent Company of the Group, which in the audited year was composed of sixteen subsidiaries (including sixteen subsidiaries covered by consolidation); the data of one associate has been presented in the consolidated financial statements under the equity accounting method. In the prior financial year, the Group consisted of nineteen subsidiaries (including nineteen consolidated subsidiaries); the data of one associated company was presented in the consolidated financial statements under the equity accounting method.

The factors described below had a significant impact on the Group's results of operations and on its financial position as at the balance sheet date:

- At the end of the financial year, the Group's total assets amounted to PLN 1,368,959 thousand. During the year, the total assets increased by PLN 217,864 thousand, i.e. by 18.9%. This increase was financed with the net profit of PLN 39,996 thousand, an increase in share capital and supplementary capital by a total of PLN 306,505 as a result of issuing new shares, accompanied by a decrease in borrowings of PLN 153,757 thousand.
- The Group's total sales for the audited year remained on a similar level as in the previous year and amounted to PLN 2,011,448 thousand (PLN 2,000,490 thousand in 2009). As in the prior year, the Group's main markets were the Polish market and the American market, where the Group realized 38.5% and 35% of its sales respectively. Other important markets were the Czech Republic (14.1% of total sales) and Russia (8.5%).
- The costs of restaurant operations increased compared with 2009 by PLN 26,796 thousand, i.e. 1.5%, to PLN 1,840,967 thousand. The largest component of the expenses was the cost of food in the amount of PLN 636,417 thousand (34.6% of the total costs of restaurant operations). Other significant items were wages and salaries and employee benefits (27.9%) as well as rental costs and other operating expenses (21.2%).
- The structure of the Company's liabilities has improved. The gearing ratio decreased from 66.7% as at the end of the prior year to 45.5% as at the end of the current year. The changes resulted mainly from increasing the equity by PLN 306,505 thousand, accompanied by a repayment of some borrowings.
- The Company's liquidity has changed. The current ratio amounted to 1.4 as at the end of the audited year (1.4 in the prior year) and the quick ratio amounted to 1.4 (0.2 in the prior year). The increase in these ratios results mainly from repaying a part of borrowings in 2010 and reducing short-term debt of the Company as a result of reclassifying borrowings to long-term in accordance with a new syndicated loan agreement.

The AmRest Holdings SE Group
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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2010

	Note	31.12.2010	31.12.2009	Change	Change	31.12.2010	31.12.2009
		PLN'000	PLN'000	PLN'000	(%)	Structure (%)	Structure (%)
ASSETS							
Non-current assets							
Property, plant and equipment	1	631,833	538,650	93,183	17.3	46.2	46.8
Goodwill		293,347	285,214	8,133	2.9	21.4	24.8
Intangible assets		58,253	45,756	12,497	27.3	4.3	4.0
Investment properties		21,317	-	21,317	-	1.6	-
Long-term investments in associates		129	172	(43)	(25.0)	-	-
Finance lease receivables		458	715	(257)	(35.9)	-	0.1
Other long-term assets		18,212	23,332	(5,120)	(21.9)	1.3	2.0
Available-for-sale financial assets		-	3,514	(3,514)	(100.0)	-	0.3
Deferred tax asset		10,562	14,671	(4,109)	(28.0)	0.8	1.3
		1,034,111	912,024	122,087	13.4	75.6	79.3

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 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 (%)
Current assets							
Inventories		20,886	21,051	(165)	(0.8)	1.5	1.8
Trade and other receivables		45,007	33,484	11,523	34.4	3.3	2.9
Corporate income tax receivables		4,898	6,638	(1,740)	(26.2)	0.4	0.6
Finance lease receivables		150	119	31	26.1	-	-
Other current assets		12,632	15,197	(2,565)	(16.9)	0.9	1.3
Non-current assets held for sale		1,405	3,434	(2,029)	(59.1)	0.1	0.3
Other financial assets		4,752	-	4,752	-	0.3	-
Cash and cash equivalents	2	245,118	159,148	85,970	54.0	17.9	13.8
		334,848	239,071	95,777	40.1	24.4	20.7
Total assets		1,368,959	1,151,095	217,864	18.9	100.0	100.0

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

IV. Discussion of consolidated financial statement components (cont.)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 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	3						
Share capital		623	427	196	45.9	-	-
Supplementary capital		595,451	282,481	312,970	>100.0	43.5	24.5
Retained earnings		97,209	56,611	40,598	71.7	7.1	4.9
Foreign exchange differences on translation		38,216	33,175	5,041	15.2	2.8	2.9
Equity attributable to equity holders of the parent company		731,499	372,694	358,805	96.3	53.4	32.3
Non-controlling interests	4	14,531	10,197	4,334	42.5	1.1	0.9
Total equity		746,030	382,891	363,139	94.8	54.5	33.2

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

IV. Discussion of consolidated financial statement components (cont.)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 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 (%)
LIABILITIES							
Non-current liabilities							
Loans and borrowings	5	370,057	112,512	257,545	>100.0	27.0	9.8
Finance lease liabilities		3,407	3,408	(1)	0.0	0.3	0.3
Employee benefits payable		2,746	2,580	166	6.4	0.2	0.2
Provisions		5,482	8,980	(3,498)	(39.0)	0.4	0.8
Deferred income tax liability		9,447	13,030	(3,583)	(27.5)	0.7	1.1
Other long-term liabilities		401	2,002	(1,601)	(80.0)	-	0.2
		391,540	142,512	249,028	>100.0	28.6	12.4
Current liabilities							
Loans and borrowings	5	13,224	424,526	(411,302)	(96.9)	1.0	36.9
Finance lease liabilities		237	516	(279)	(54.1)	-	-
Trade and other payables		215,975	200,646	15,329	7.6	15.8	17.5
Deferred income tax liability		1,909	4	1,905	>100.0	0.1	-
Other financial liabilities		44	-	44	-	-	-
		231,389	625,692	(394,303)	(63.0)	16.9	54.4
Total liabilities		622,929	768,204	(145,275)	(18.9)	45.5	66.8
Total equity and liabilities		1,368,959	1,151,095	217,864	18.9	100.0	100.0

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

IV. Discussion of consolidated financial statement components (cont.)

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

	Note	2010	2009	Change	Change	2010	2009
		PLN'000	PLN'000	PLN'000	(%)	Share of revenues (%)	Share of revenues (%)
Revenue from restaurant operations		2,011,448	2,000,490	10,958	0.5	100.0	100.0
Total costs of restaurant operations		(1,840,967)	(1,814,171)	(26,796)	1.5	(91.5)	(90.7)
Gross profit from sales		170,481	186,319	(15,838)	(8.5)	8.5	9.3
Administrative expenses (without amortization and depreciation)		(108,020)	(107,635)	(385)	0.4	(5.4)	(5.4)
Amortization and depreciation (administrative expenses)		(9,170)	(7,609)	(1,561)	20.5	(0.5)	(0.3)
Other operating income		25,840	25,115	725	2.9	1.3	1.3
Loss on sale of non-financial non-current assets and assets held for sale		(6,342)	(7,103)	761	(10.7)	(0.3)	(0.4)
Impairment of assets		(4,127)	(9,263)	5,136	(55.4)	(0.2)	(0.5)
Operating profit		68,662	79,824	(11,162)	(14.0)	3.4	4.0
Finance costs		(37,098)	(32,421)	(4,677)	14.4	(1.8)	(1.6)
Finance income		19,348	17,010	2,338	13.7	1.0	0.9
Share in profits of associates		47	53	(6)	(11.3)	-	-
Loss on disposal of shares in associates		-	(3,055)	3,055	(100.0)	-	(0.2)

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

IV. Discussion of consolidated financial statement components (cont.)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2010 (cont.)

	Note	2010	2009	Change	Change	2010	2009
		PLN'000	PLN'000	PLN'000	(%)	Share of revenues (%)	Share of revenues (%)
Profit before income tax		50,959	61,411	(10,452)	(17.0)	2.6	3.1
Corporate income tax		(7,344)	(9,951)	2,607	(26.2)	(0.4)	(0.5)
Profit from continued operations		43,615	51,460	(7,845)	(15.2)	2.2	2.6
Loss on discontinued operations		(3,619)	(12,886)	9,267	(71.9)	(0.2)	(0.7)
Net profit	6	39,996	38,574	1,422	3.7	2.0	1.9
of which:							
Attributable to equity holders of the Parent Company		40,598	38,232	2,366	6.2	2.0	1.9
Attributable to minority interests		(602)	342	(944)	<(100.0)	-	-
Other comprehensive income, net		7,549	(32,963)	40,512	<(100.0)	0.4	(1.6)
Total comprehensive income		47,545	5,611	41,934	>100.0	2.4	0.3

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

IV. Discussion of consolidated financial statement components (cont.)

Selected ratios characterizing the Group's financial position and results

The following ratios characterize the Group's activities, results of operations during the audited year and its financial position as at the balance sheet date compared with prior year:

	2010	2009
Profitability ratios		
- net profit margin	2.0%	1.9%
- gross margin	8.5%	9.3%
- return on capital employed	5.4%	10.1%
Liability ratios		
- gearing ratio	45.5%	66.7%
- payables turnover	17 days	18 days
	31.12.2010	31.12.2009
Liquidity ratios		
- current ratio	1.4	0.4
- quick ratio	1.4	0.3

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

IV. Discussion of consolidated financial statement components (cont.)

Consolidated statement of financial position as at 31 December 2010

1. Property, plant and equipment

The increase in property, plant and equipment of PLN 93,183 thousand in the audited year was mainly due to increased expenditure on the development and renovation of the restaurant network.

2. Cash and cash equivalents

Cash and cash equivalents increased by PLN 85,970 thousand compared with the prior year, mainly as a result of an inflow of cash obtained from the issue of shares taken up by WP Holdings VII B.V. for the total amount of PLN 306,505 thousand.

3. Share capital of the Parent Company

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* PLN'000	Type of shares held	Votes %
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.

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

IV. Discussion of consolidated financial statement components (cont.)

4. Loans and borrowings

The increase in long-term loans and borrowings of PLN 257,545 thousand, accompanied by a decrease in short-term loans and borrowings of PLN 411,302 thousand resulted from signing a loan agreement between AmRest Holdings SE, AmRest Sp. z o.o. and AmRest s.r.o., and Bank PEKAO S.A., RBS Bank (Polska) S.A., The Royal Bank of Scotland N.V. and Bank Zachodni WBK S.A. Based on the agreement the company repaid its liabilities resulting from the previous syndicated loan agreement of 15 December 2008 and drew a new loan which is designated for continued financing of the Group's development. The loan should be repaid by 30 September 2015.

5. Reconciliation of the net profits/losses of the companies covered by consolidation with the Group's consolidated net profit/loss

	2010 PLN'000	2009 PLN'000
Net profit of AmRest Holdings SE	2,842	(4,089)
Net profit of subsidiaries / groups of subsidiaries (consolidated)	52,669	56,932
Net loss of subsidiaries / groups of subsidiaries (consolidated)	(12,006)	(12,049)
Total net profit per the financial statements of the consolidated entities	43,505	40,794
Consolidation adjustments	(3,509)	(2,220)
Net profit of the Group	39,996	38,574

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

V. The independent registered auditor's statement

- (a) The Management Board of the Parent 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 consolidation documentation 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 consolidation documentation was complete and accurate and it is stored in a manner ensuring proper safeguarding.
- (d) In all material respects, the accounting policies and disclosures specified by the Parent's Management complied with the International Financial Reporting Standards as adopted by the European Union. There were no changes to the accounting policies and methods compared with the prior year.
- (e) The calculation of goodwill arising in the audited year and its recognition in the consolidated financial statements complied in all material respects with IFRSs as adopted by the European Union.
- (f) The consolidation of equity items and the determination of minority interests were carried out properly in all material respects.
- (g) The elimination of mutual balances (receivables and payables) and transactions (revenue and costs) of the consolidated entities were carried out in accordance with the IFRSs as adopted by the European Union in all material respects.
- (h) Eliminations of gains/losses unrealized by the consolidated entities included in the value of assets and in respect of dividends were conducted in accordance with the IFRSs as adopted by the European Union in all material respects.
- (i) The impact of the disposal or partial disposal of shares in subordinated entities was accounted for correctly in all material respects.
- (j) The Notes to the consolidated financial statements present all the material information required by the IFRSs as adopted by the European Union.
- (k) The information in the Directors' Report of the Group 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).
- (l) No significant violations of the law affecting the consolidated financial statements or significant violations of the Articles of Association of the Parent Company have been noted in the course of the audit.
- (m) The consolidated financial statements for the prior year were audited by PricewaterhouseCoopers Sp. z o.o. The registered auditor issued an unqualified opinion.
- (n) The consolidated financial statements of the Group 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 consolidated 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 the AmRest Holdings Spółka Europejska Group in which AmRest Holdings Spółka Europejska with its seat in Wrocław, pl. Grunwaldzki 25-27 is the Parent Company. The audited consolidated financial statements comprise:

- (a) the consolidated income statement for the year ended 31 December 2010, showing a net profit of PLN 39,996 thousand;
- (b) the consolidated statement of comprehensive income for the year ended 31 December 2010, showing total comprehensive income of PLN 47,545 thousand;
- (c) the consolidated statement of financial position as at 31 December 2010, showing total assets and total liabilities and equity of PLN 1,368,959 thousand;
- (d) the consolidated cash flow statement for the year ended 31 December 2010, showing a net increase in cash and cash equivalents of PLN 85,282 thousand;
- (e) the consolidated statement of changes in equity for the year ended 31 December 2010, showing an increase in the equity of PLN 363,139 thousand;
- (f) additional information on adopted accounting policies and other explanatory notes.

The consolidated financial statements were signed by the Management Board of the Parent 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 consolidated financial statement components. This assessment takes account of the impact of the facts noted on the truth and fairness of the consolidated financial statements as a whole.

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

Marcin Sawicki

Registered Auditor of the Group, Key Registered Auditor
No. 11393

Wrocław 21 March 2011