

INTERIM REPORT 2016



RESTAMAX

RESTAURANT COMPANY

RESTAMAX INTERIM REPORT 1 JANUARY-31 DECEMBER 2016

TURNOVER INCREASED BY 14.5 PER CENT AND PROFITABILITY IMPROVED IN JANUARY-DECEMBER 2016

OCTOBER-DECEMBER 2016 IN BRIEF

Entire Group:

The Group's turnover was MEUR 34.4 (MEUR 31.5), growth of 9.2 per cent. EBITDA was MEUR 5.9 (MEUR 5.5), growth of 7.1 per cent. Operating profit was MEUR 3.5 (MEUR 3.0), growth of 18.4 per cent.

Restaurant business:

The turnover of the restaurant business segment was MEUR 28.5 (MEUR 27.5), growth of 3.5 per cent. EBITDA was MEUR 5.1 (MEUR 5.3), decrease of 3.4 per cent. Operating profit was MEUR 3.0 (MEUR 3.0), growth of 0.6 per cent.

Labour hire business:

The turnover of the labour hire business was MEUR 8.6 (MEUR 6.6), growth of 29.6 per cent. EBITDA was MEUR 1.0 (MEUR 0.3), growth of 188.9 per cent. Operating profit was MEUR 0.5 (MEUR 0.0), growth of 3781.7 per cent.

JANUARY-DECEMBER 2016 IN BRIEF

Entire Group:

The Group's turnover was MEUR 130.1 (MEUR 113.6), growth of 14.5 per cent. EBITDA was MEUR 19.4 (MEUR 16.5), growth of 17.3 per cent. Operating profit was MEUR 9.0 (MEUR 7.3), growth of 23.8 per cent.

Restaurant business:

The turnover of the restaurant business segment was MEUR 107.5 (MEUR 100.3), growth of 7.2 per cent. EBITDA was MEUR 16.5 (MEUR 14.8), growth of 11.3 per cent. Operating profit was MEUR 7.4 (MEUR 6.5), growth of 14.0 per cent.

Labour hire business:

The turnover of the labour hire business was MEUR 34.1 (MEUR 24.2), growth of 41.3 per cent. EBITDA was MEUR 3.4 (MEUR 2.2), growth of 59.3 per cent. Operating profit was MEUR 1.6 (MEUR 0.8), growth of 106.1 per cent.

Figures in parentheses refer to the same period last year, unless otherwise stated.

DIVIDEND

On 31 December 2016, Restamax Plc's distributable assets were EUR 53,026,343.97, of which the share from the profit for the financial period is EUR 6,814,342.05. There have been no significant changes to the company's financial situation since the end of the financial period.

Restamax Plc's Board of Directors proposes to the Annual General Meeting to be held on 26 April 2017 that EUR 0.30 (EUR 0.27) per share, a total of EUR 4,985,886.00 (16,619,620 shares), be paid as dividend for the financial period ended on 31 December 2016 based on the adopted balance sheet.

PROSPECTS FOR 2017

Profit guidance (as of 21/02/2017):

Restamax expects the Group's turnover to increase and profitability to remain on a good level in the 2017 financial year.

The company's goal is to reach a turnover of MEUR 180 by the end of 2018.

CEO MARKKU VIRTANEN

Growth in line with strategy in the 2016 financial period

In January–December 2016, the turnover of our Group increased by 14.5 per cent, EBITDA by 17.3 per cent and operating profit by almost 24 per cent in comparison with the previous financial period. 2016 supported our strategic growth: we strengthened our present marketplaces and expanded our operations northwards.

Although the final quarter of the year did not completely meet our growth expectations in terms of the restaurant business, we can be satisfied with the figures for the 2016 financial period, which are quite good compared to the sector in general. Our 2016 turnover was MEUR 130.1, EBITDA MEUR 19.4, and operating profit MEUR 9.0. We succeeded in improving the sales and material margin in the restaurant business, and in reducing staff costs.

Turnover in October–December 2016 increased by more than 9 per cent in comparison with the previous year. Our comprehensive restaurant portfolio with its diverse concepts and top-class artists offered customers tailored events and exciting moments. At the same time, the flexible and customer-centred service of our staff and their quick reactions in changing situations were the cornerstones of our efficient operations. An active end to the year ensured that our staff were busy throughout the country.

A difference from the corresponding quarter in 2015 was, however, a later start to the Christmas party season – the consumption of services did not significantly pick up until the end of November. The result for October 2016 was considerably weaker than the previous year, which was also generally evident throughout the tourism and restaurant sector. When examining October, it is also justifiable to compare it to the same month in 2015, which contained five weekends. The clear focusing on December of 2016 Christmas party sales is partly a result of there being five weekends in December. Also, Christmas sales were boosted by Christmas Eve falling on a Saturday, as a result of which a reduction in customers going

home to their families the weekend before Christmas was not yet noticeable.

Towards the end of the year, we strengthened our positions in the North and in the Helsinki area. In November, we bought the Colorado Bar & Grill restaurants in Ruka, Levi, Pyhä and Helsinki, the Mura Sushi restaurant in Ruka and the Kuura and Pizza Block restaurants in Levi. In East Ruka, we also opened Vuosseli, a new family pizzeria. In November–December, opening parties were held in Helsinki for Wayne’s Coffee Lönkka and Wayne’s Coffee Lauttis, which operate on the franchising principle. In the same way, the eighth restaurant of the Classic American Diner concept began operations in Citykäytävä in Helsinki at the beginning of December.

Success fuelled by the ability to adapt to trends

In 2016, clear themes were evident in the restaurant industry. According to a trends survey of restaurant dining published in December 2016 by the Finnish Hospitality Association (MaRa), customers value fast, high-quality and convenient food as shown, for example, by the growth in takeaway culture, cafés, pizzerias and hamburger restaurants. At the same time, lunchtime dining in restaurants has decreased and moved more towards the evenings and leisure time. All in all, the share of adults and young adults regularly visiting restaurants and cafés is increasing in Finland.

Trends that emerged in the survey are also clearly perceptible in our Group’s events in 2016. During the year, we concluded a cooperation agreement with, among others, Wolt and Foodora home delivery services and the Lunchie service that aims to reduce food waste from restaurants. Also the 2016 financial period, we opened the hamburger-oriented Classic American Diner restaurant at the Jumbo shopping centre in Vantaa, at Linnanmäki and in downtown Helsinki, the pizzeria Bella Roma in Jyväskylä, the chicken wings restaurant Hook, two Wayne’s Coffee cafés in Helsinki and the Vuosseli pizzeria in Ruka. We continuously monitor consumer behaviour and the

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market, and adapt our concepts and services to the wishes of the customers.

Growth in the tourism and restaurant sector slows towards the end of the year – recovery on the horizon

According to an economic forecast published by MaRa in February 2017, the turnover of the tourism and restaurant sector increased by 4.9 per cent between January and November 2016 and that of restaurants by 4.7 per cent. According to MaRa's seasonal survey, about 60 per cent of companies increased their sales during the Christmas party season. According to a turnover forecast, in the last quarter of 2016 the turnover of restaurants increased by 3.4 per cent, even though growth in the January–November period was 4.7 per cent. The slowing of growth is based on the exceptionally bad October, when turnover growth in the sector was just 1.8 per cent.

Generally speaking, the economic situation of the sector has improved but is still below average. The companies in the tourism and restaurant sector, however, have an optimistic attitude to the future. According to MaRa, restaurant food sales will continue to increase and the decline in sales of alcohol will continue. All in all, an increase in purchasing power has continued thanks to slow price development, and consumer confidence has increased to the highest level in five years.

If the new bill announced in November 2016 concerning a new Alcohol Act enters into force in 2018, in spite of the previous positive forecasts it will also present challenges for the restaurant sector. According to MaRa, the most problematic points include the strict requirement for doormen relating to the extension of licensing hours and permitting customers to bring their own alcohol to restaurants available for hire, which may ultimately weaken the profitability and employment situation for restaurants.

According to MaRa, the sector will grow rapidly in the coming years. A challenge will be, however, difficulties with recruitment, which are already evident, particularly in restaurants' seasonal needs. Through our subsidiary, Smile Henkilöstöpalvelut Oy,

we have the possibility to prepare for the changing staffing needs of the different seasons and to react efficiently to changing situations.

Business of Smile Henkilöstöpalvelut continues strongly

The labour hire segment was successful in 2016 and turnover climbed to MEUR 34.1. Although growth was strong, the level of profitability remained good. Compared to the previous financial period, turnover increased by over 41 per cent, EBITDA by almost 60 per cent and operating profit by over 106 per cent. In the final quarter of 2016, turnover increased by nearly 30 per cent from the previous year, EBITDA by almost 189 per cent and operating profit by over 3,700 per cent. The segment's EBITDA percentage, which in 2016 was more than 10 per cent, is quite good for the sector.

The successful acquisition of new customers and the positively growing business of our customers have an impact on the segment's result for the review period. Turnover continued to increase in the restaurant sector, and we significantly strengthened our position in our new areas of industry, construction and health care. The purchase of a majority holding in Ostrobothnia-headquartered Make My Solutions Oy (MMS Henkilöstöpalvelut) in April 2016 also increased our volume. During the third quarter of 2016, we also launched a system- and process development project, the aim of which is to simplify and streamline the company's operating practices.

The labour hire sector is a significant employer and an area of future growth. According to the Confederation of Finnish Industries, in comparison with the previous year, the total turnover of the labour hire sector increased in November 2016 by 20.3 per cent, and the turnover of labour hire services by 20.2 per cent, over the previous year. The cumulative turnover for the period January–November 2016 was more than MEUR 773, an increase of 14.4 per cent over the previous year. Our development is proceeding in line with the favourable prospects of the sector, although our growth is substantially stronger than the average development for the sector.

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Growth fuelled by stock exchange listing

During the 2016 financial period, our Group recorded turnover of MEUR 130, and we maintained good profitability. We are well on our way to reaching the turnover target of MEUR 180 set by our Board of Directors for the 2018 financial period. In the future, we also intend to expand our restaurant business overseas through corporate acquisitions and organically. At the same time we will continue profitable growth in Finland in both business segments.

Although since our establishment the business of our Group has been growth-oriented, our stock exchange listing in November 2013 was a significant milestone. In the past three years, we have expanded into new market areas in Finnish growth centres, and have created a diverse range of new restaurant concepts in the areas of food, entertainment and nightlife. During this period, our earnings per share have increased strongly, our share price has increased by more than 50%, and our turnover has doubled from MEUR 65 to MEUR 130.

I believe strongly that the development of Group's turnover will continue to be upbeat, general market development will strengthen and profitability will remain on a good level in 2017.

Markku Virtanen, CEO

KEY FIGURES

RESTAMAX GROUP IN TOTAL

(EUR thousand)	10-12/16	10-12/15	1-12/16	1-12/15
KEY FIGURES, entire Group				
Turnover	34,355	31,470	130,072	113,618
EBITDA	5,940	5,548	19,399	16,536
EBITDA, %	17.3%	17.6%	14.9%	14.6%
Operating profit	3,522	2,975	8,998	7,266
Operating profit, %	10.3%	9.5%	6.9%	6.4%
Review period result	2,621	2,049	5,864	4,809
To shareholders of the parent company	2,485	2,019	5,608	5,050
To minority shareholders	137	30	256	-241
Earnings per share (euros) to the shareholders of the parent company	0.15	0.12	0.35	0.31
Interest-bearing net liabilities			30,377	29,313
Gearing ratio, %			69.1%	73.2%
Equity ratio, %			45.2%	44.4%
Return on investment, % (p.a.)			11.9%	10.8%
Net financial expenses			953	1,195

RESTAURANT BUSINESS

(EUR thousand)	10-12/16	10-12/15	1-12/16	1-12/15
Turnover	28,474	27,516	107,544	100,315
EBITDA	5,131	5,311	16,475	14,801
EBITDA, %	18.0%	19.3%	15.3%	14.8%
Operating profit	2,980	2,961	7,401	6,492
Operating profit, %	10.5%	10.8%	6.9%	6.5%

KEY FIGURES

Material margin, %	76.9%	76.1%	74.6%	74.3%
Staff expenses, %	27.9%	26.7%	28.1%	28.5%

LABOUR HIRE BUSINESS

(EUR thousand)	10-12/16	10-12/15	1-12/16	1-12/15
Turnover	8,614	6,647	34,129	24,151
EBITDA	988	342	3,441	2,161
EBITDA, %	11.5%	5.1%	10.1%	8.9%
Operating profit	543	14	1,597	775
Operating profit, %	6.3%	0.2%	4.7%	3.2%

KEY FIGURES

Staff expenses, %	83.9%	86.0%	85.5%	85.2%
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ALTERNATIVE PERFORMANCE MEASURES

New guidelines from the European Securities and Markets Authority (ESMA) on alternative performance measures entered into force on 3 July 2016. An alternative performance measure is a financial key figure which is different from those defined or named in the IFRS accounting standards or from an epithet or key figure presented and specified in IFRS financial statements.

Restamax Plc uses alternative performance measures to give a better picture of the operational development of its business and to improve comparability between reporting periods, also taking into account the typical special features of the sector. Alternative performance measures are also often used by analysts, investors and other parties. Alternative performance measures should not be considered replacement indicators for the key figures specified in the IFRS accounting standards. On the basis of ESMA guidelines, no changes have taken place in the key figures of Restamax Plc. The figures and their calculation formulae are presented in the 2015 financial statements and at the end of this 2016 interim report.

TURNOVER AND INCOME

THE GROUP'S INCOME FOR THE FOURTH QUARTER OF 2016

Entire Group:

The Group's turnover was MEUR 34.4 (MEUR 31.5), growth of 9.2 per cent. EBITDA was MEUR 5.9 (MEUR 5.5), growth of 7.1 per cent. Operating profit was MEUR 3.5 (MEUR 3.0), growth of 18.4 per cent.

Restaurant business:

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THE GROUP'S INCOME FOR JANUARY–DECEMBER 2016

Entire Group:

The Group's turnover was MEUR 130.1 (MEUR 113.6), growth of 14.5 per cent. EBITDA was MEUR 19.4 (MEUR 16.5), growth of 17.3 per cent. Operating profit was MEUR 9.0 (MEUR 7.3), growth of 23.8 per cent.

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Figures in parentheses refer to the same period last year, unless otherwise stated.

In the period October–December 2016, the development of the restaurant business did not fully meet the company's growth expectations. In terms of profitability, October was exceptionally weak, as was the case generally in the tourism and restaurant sector. In spite of this, the Group's result for 2016 was considerably better than the previous year. The turnover of the entire Group increased by 14.5 per cent from the previous year, EBITDA by 17.3 per cent and operating profit by 23.8 per cent.

Due to the seasonal nature of both the restaurant and labour hire businesses, most of the profits are made at the end of the year.

CASH FLOW, INVESTMENTS AND FINANCING

The Group's operating net cash flow in January–December 2016 was MEUR 13.5 (MEUR 12.4).

Growth investments made during the current review period include the purchase of seven restaurants in Helsinki, Levi, Ruka and Pyhä, the opening of the Classic American Diner restaurant in downtown Helsinki, the opening of Pizzeria Vuosseli in Ruka and the opening of two Wayne's Coffee cafés in Helsinki.

The Group's interest-bearing net liabilities at the end of December 2016 were MEUR 30.4 (MEUR 29.3). The net financial expenses in January–December 2016 were EUR 952,800 (EUR 1,195,000). Equity ratio was 45.2 per cent (44.4 per cent) and gearing ratio was 69.1 per cent (73.2 per cent).

PIVOTAL EVENTS IN THE REVIEW PERIOD

Two Wayne's Coffees in Helsinki

In November and December, two new Wayne's Coffee cafés were opened in Helsinki. Wayne's Coffee Lönnkka opened on 1 November 2016 in Lönnrotinkatu and Wayne's Coffee Lauttis on the island of Lauttasaari on 1 December 2016.

The purchase of seven restaurants and expansion to Levi

In November, Restamax bought the Colorado Bar & Grill restaurants in Ruka, Levi, Pyhä and Helsinki, the Mura Sushi restaurant in Ruka and the Kuura and Pizza Block restaurants in Levi.

A change in the number of Restamax shares

On 14 November 2016, Restamax agreed on a share exchange with the owners of Restala Oy, according to which Restamax will acquire the entire shareholding in Restala Oy in a private placement. At the same time, Restamax issued 440,000 shares to Restala Oy shareholders and cancelled 200,000 of the company's own shares in its possession. Restala Oy owns 82 per cent of Unioninkadun keidas Oy, which engages in the restaurant business. With a contract of sale dated 15 November 2016, Restamax purchased 18 per cent of the shares in Unioninkadun keidas Oy. After the share issue to Restala Oy shareholders and the cancellation of shares, the number of the company's shares rose from 16,379,620 to 16,619,620.

Pizzeria Vuosseli, Ruka

Family pizzeria Vuosseli opened in East Ruka in November 2016, right in the heart of the ski centre. This pizzeria, in the style of the Scandinavian ski restaurant, uses high-quality ingredients.

Classic American Diner, Helsinki

A new Classic American Diner opened in Citykäytävä in Helsinki on 1 December 2016 on the premises previously occupied by the Iloinen Katupoika restaurant. This restaurant is already the eighth of the Classic American Diner concept.

The purchase of Thai Papaya

With a contract of sale dated 29 December 2016, Restamax bought a majority holding in the Thai Papaya restaurant chain, and will open a restaurant based on this concept at Ideapark in Lempäälä in March 2017. Thai Papaya can already be found in Helsinki in Kallio, Herttoniemi and Hernesaaren Ranta. The ownership of the shares was transferred to Restamax Plc on 1 January 2017.

EVENTS AFTER THE REPORTING PERIOD AND NEW PROJECTS

The establishment of Rivermax Oy with Koskiravintolat

Restamax established a joint limited company, Rivermax Oy, together with Koskiravintolat Oy. In future, this joint venture will operate seven restaurants in Tampere and Pori. Under the ownership of the joint venture will be the Tampere restaurants Hullu Poro, Jackie Brown, Jackie Brown Gold, Näsilinna's von Nottbeck and the summer restaurants Little Joe and Laituri and, in Pori, the Café Europa and Kirjuri summer restaurant.

BeefKing, Ideapark Lempäälä

In January, the BeefKing restaurant situated in Ideapark in Lempäälä moved to the second floor of the shopping centre. At the same time, the facilities of the existing Daddy's Diner and Bella Roma were renovated. This resulted in the creation of Daddy's Cinema and a new BeefKing restaurant area. Since the change, Coyote Bar & Grill, Sticky Wingers, Bella Roma, Daddy's Diner, BeefKing and Daddy's Gelato all operate in Foodpark.

Hernesaaren Ranta, Helsinki

With a contract of sale dated 27 January 2017, Restamax increased its 60 per cent ownership in Hernesaaren Ranta Oy to 80 per cent. Ownership of the shares was transferred to Restamax on 1 February 2017. The minority shareholder in Hernesaaren Ranta Oy is Seppo Koskinen.

BeefKing, Lielähti

Restaurant BeefKing, the second restaurant under this concept, opened on the premises of Chicago Foodpark, located in Lielähti, on 11 February 2017.

Gloria, Joensuu

The Joensuu-based night club Gloria will be taken over by Restamax subsidiary Northmax Oy on 1 March 2017. The nightclub Viihdemaailma Ilona in Joensuu is also being taken over by the company. Northmax Oy already owns Viihdemaailma Ilona in Oulu.

A new nightclub to open in Helsinki

During the spring, our company will open a new nightclub on the premises of the Namu nightclub and Club Showroom.

Resignation of the CEO

Restamax's long-serving CEO, Markku Virtanen, will leave the service of the company on 30 June 2017. Mr Virtanen has served as the Group's CEO since 2005, and he is responsible for the company's business operations, result and development. Mr Virtanen will leave his post due to personal reasons.

Renovation of Academy 32, Jyväskylä

After water damage, the original intention was to renovate nightclub Academy 32 into a new club at the turn of the year, but it again suffered water damage in December 2016. Damage repair will continue in the spring and a new nightclub will be opened there in 2017.

STAFF

Restaurant business:

In the period 1 January–31 December 2016, the restaurant operations of the Restamax Group employed on average 270 (268) full-time employees and 110 (103) part-time employees converted into full-time employees as well as 271 (273) rented employees converted into full-time employees.

Depending on the season, the Group employs at any one time approximately 1,000–1,200 people.

Labour hire business:

In 1 January–31 December 2016, the Restamax Group's labour hire business employed on average 750 (541) full-time employees converted into full-time employees.

RISKS AND UNCERTAINTY FACTORS

Restamax Group strives to practise its restaurant and labour hire operations in accordance with all decrees and regulations governing the serving of alcohol and food products and labour agreements as well as all other legal provisions. A significant part of Restamax's business operations is subject to licences and closely monitored. Any unexpected changes in regulation may impact the company's operations in a negative fashion.

Despite Restamax's extensive customer base, the general financial recession, uncertainty about the future and changes in the consuming habits of our customers are influencing our customers' desire to make purchases. The economic situation in the tourism and restaurant business has improved and, according to forecasts by the Finnish Hospitality Association (MaRa), prospects for the sector are brighter than before, although still cautious.

The share of alcohol consumption in restaurants has dropped to a historically low level. The increase in the alcohol tax introduced at the beginning of 2014 has further decreased the domestic serving demand of alcohol. The Finnish Government's decisions concerning alcohol legislation and value added taxation may affect the company's business. The reform of alcohol and food legislation planned for the near future is forecast to bring relief to the restaurant sector. However, the new alcohol bill proposed in November 2016 may also weaken restaurant profitability and employment once it enters into force.

The sector's profitability and sales are affected by the financial situation of households and the development of purchasing power and corporate acquisitions. Even though growth is currently historically slow, Finnish economic growth is on a gentle rise and relies strongly on construction and services. Taxation and a heavy cost structure present the sector with its own challenges. Changes in the tourism sector also have an impact on the vitality of the industry. According to the latest statistics, the number of foreign and domestic tourists is increasing slightly.

In addition to the prices of alcohol and foodstuffs, Restamax's operations are also significantly affected by the cost of our premises, which make up a substantial portion of Restamax's operating expenses. Restamax's premises are primarily leased, so the general level of rent and development thereof have a major impact on the company's operations.

A large part of the Group's labour hire business is targeted towards the restaurant business. Therefore, any changes on the restaurant market and in the level of employment in the field will also affect the Group's labour hire business. The labour hire business may increase credit losses.

Tampere 21/02/2017

RESTAMAX PLC

Board of Directors

Additional information:

Markku Virtanen, CEO, tel. +358 400 836 477

Jarno Suominen, CFO, tel. +358 40 721 5655

Restamax Plc

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Restamax Plc is a Finnish group established in 1996, specialising in restaurant services and labour hire. The company, which listed on NASDAQ OMX Helsinki in 2013 and became the first Finnish listed restaurant company, has continued to grow strongly throughout its history. The Group companies include some 120 restaurants, nightclubs and entertainment centres all over Finland. Well-known restaurant concepts of the group include Stefan's Steakhouse, Viihdemailma Ilona, Classic American Diner and Colorado Bar & Grill. In 2016, Restamax Plc's turnover was MEUR 130.1 and EBITDA MEUR 19.4. Depending on the season, some 1,100 persons converted into full-time employees work at the Group. The workforce of Restamax subsidiary Smile Henkilöstöpalvelut Oy is about 4,500.

Restamax company website: www.restamax.fi

Restamax consumer website: www.ravintola.fi

Smile Henkilöstöpalvelut: www.smilepalvelut.fi

INTERIM REPORT: 1.1. - 31.12.2016

TABLE SECTION AND NOTES

THE INFORMATION PRESENTED IN THE INTERIM REPORT HAS NOT BEEN AUDITED

CONSOLIDATED INCOME STATEMENT (IFRS)

EUR thousand	Note	1 October– 31 December 2016	1 October– 31 December 2015	1 January– 31 December 2016	1 January– 31 December 2015
Turnover		34,354.8	31,470.4	130,071.9	113,618.1
Other operating income		685.0	362.8	2,533.9	1,281.0
Materials and services		-7,445.1	-7,200.6	-30,070.7	-28,361.2
Staff expenses		-11,639.5	-9,824.7	-45,311.7	-35,960.4
Other operating expenses		-10,014.7	-9,259.9	-37,824.6	-34,041.5
EBITDA		5,940.5	5,547.9	19,398.8	16,535.8
Depreciations, amortizations and impairment		-2,418.1	-2,573.4	-10,400.9	-9,269.5
Operating profit		3,522.4	2,974.6	8,997.9	7,266.3
Share of associated company profits		-26.3	0.0	-151.2	0.0
Financial income		49.2	0.0	186.6	41.5
Financial expenses		-372.1	-335.2	-1,139.4	-1,236.5
Profit/loss before taxes		3,173.1	2,639.4	7,893.9	6,071.3
Income taxes		-198.4	-421.0	-1,933.8	-1,977.9
Change in deferred taxes		-353.2	-169.7	-95.7	715.3
Profit for the financial period		2,621.5	2,048.8	5,864.4	4,808.8
Attributable to:					
Parent company shareholders		2,484.7	2,019.3	5,608.1	5,050.0
To minority shareholders		136.8	29.5	256.3	-241.1
Total		2,621.5	2,048.8	5,864.4	4,808.8
Earnings per share calculated from the review period profit for parent company shareholders					
Undiluted earnings per share (euros)		0.15	0.12	0.35	0.31
Diluted earnings per share (euros)		0.15	0.12	0.35	0.31
Comprehensive consolidated income statement					
Profit for the financial period		2,621.5	2,048.8	5,864.4	4,808.8
Other comprehensive income items (after taxes):					
Financial assets available for sale		0.0	0.0	0.0	0.0
Total comprehensive income for the period		2,621.5	2,048.8	5,864.4	4,808.8
Attributable to:					
Parent company shareholders		2,484.7	2,019.3	5,608.1	5,050.0
To minority shareholders		136.8	29.5	256.3	-241.1
Total		2,621.5	2,048.8	5,864.4	4,808.8

CONSOLIDATED BALANCE SHEET (IFRS)

EUR thousand	Note	31/12/2016	31/12/2015
ASSETS			
Non-current assets			
Intangible assets		47,435.8	43,801.7
Property, plant and equipment		28,834.3	29,003.3
Shares of associates and joint ventures		1,178.8	1,330.0
Financial assets available for sale		620.2	622.1
Interest-bearing loans receivable		168.2	178.9
Non-interest-bearing other receivables		1,030.7	996.6
Deferred tax assets		142.1	568.1
Non-current assets total		79,410.2	76,500.6
Current assets			
Inventories		2,317.6	2,054.8
Interest-bearing loans receivable		30.0	67.5
Sales receivables and other non-interest-bearing receivables		14,037.2	9,821.6
Cash and cash equivalents		1,871.1	2,135.1
Current assets total		18,255.9	14,079.0
Assets in total		97,666.0	90,579.6
EQUITY AND LIABILITIES			
Equity attributable to parent company shareholders			
Share capital		150.0	150.0
Invested unrestricted equity fund		36,586.1	33,937.3
Fair value fund		-13.3	-13.3
Own shares		-191.4	-972.6
Retained earnings		6,541.4	6,293.1
Equity loan		220.0	220.0
Total equity attributable to parent company shareholders		43,292.8	39,614.5
Minority shareholders		669.0	428.9
Equity total		43,961.8	40,043.4
Non-current liabilities			
Deferred tax liabilities		703.0	811.2
Provisions		183.2	93.2
Financial liabilities		24,369.9	22,170.3
Trade payables and other liabilities		796.4	722.1
Non-current liabilities total		26,052.5	23,796.8
Current liabilities			
Financial liabilities		8,193.0	9,227.9
Trade payables and other liabilities		19,458.8	17,511.6
Current liabilities total		27,651.7	26,739.4
Liabilities total		53,704.2	50,536.2
Equity and liabilities in total		97,666.0	90,579.6

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

EUR thousand	1 January– 31 December 2016	1 January– 31 December 2015
Operating cash flow		
Profit from review period	5,864.4	4,808.8
Adjustments:		
Non-cash transactions	-432.9	-61.2
Depreciations, amortizations and impairment	10,400.9	9,269.5
Financial expenses (net)	952.8	1,195.0
Taxes	2,029.5	1,262.5
Share of profits/losses of associated companies	151.2	0.0
Cash flow before change in working capital	18,965.9	16,474.7
Changes in working capital:		
Increase (-)/deduction (+) in accounts receivable and other receivables	-3,275.1	-1,657.4
Increase (-)/deduction (+) in inventories	-34.5	170.2
Increase (+)/deduction (-) in accounts payable and other liabilities	1,506.4	-2,013.6
Change in working capital	-1,803.2	-3,500.8
Interest paid and other financial costs	-1,021.4	-1,092.1
Interest received and other financial income	67.3	41.0
Taxes paid	-2,687.0	434.6
Operating net cash flow	13,521.6	12,357.3
Investment cash flow		
Investments in tangible and intangible assets	-7,193.0	-10,491.6
Deduction (+)/increase (-) of non-current loan assets	94.7	-121.2
Acquisition of subsidiaries with time-of-acquisition liquid assets deducted	-1,364.3	-3,602.2
Business transactions, acquisitions (-)	-1,507.7	-1,683.7
Business transactions, sales (+)	126.8	149.6
Acquisition of the shares of minority shareholders (-)	-110.0	-0.5
Sales of the shares of minority shareholders (+)	0.5	66.7
Associate shares purchased	0.0	-1,330.0
Investment net cash flow	-9,952.9	-17,012.9
Financial cash flow		
Acquisition of own shares (-)	0.0	-530.5
Non-current loans drawn (+)	21,740.0	11,000.0
Non-current loans repaid (-)	-19,791.7	-4,404.5
Current loans drawn (+)/repaid (-)	-1,207.1	-227.6
Amortizations of finance leases (-)	0.0	-55.3
Dividends paid	-4,573.9	-4,233.8
Finance net cash flow	-3,832.7	1,548.2
Change in liquid assets	-264.1	-3,107.4
Liquid assets 1 Jan	2,135.1	5,242.5
Liquid assets 31 Dec	1,871.1	2,135.1
Change	-264.1	-3,107.4



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to parent company shareholders

EUR thousand	Share capital	Invested. unrestricted equity	Fair value fund	Own shares	Retained earnings	Equity loan	Total	Minority shareholders' share	Equity total
Equity 01/01/2016	150.0	33,937.3	-13.3	-972.6	6,293.1	220.0	39,614.5	428.9	40,043.4
Comprehensive income of the financial period									
Profit from financial period					5,608.1		5,608.1	256.3	5,864.4
Other comprehensive income items (after taxes)							0.0		0.0
Financial assets available for sale							0.0		0.0
Total comprehensive income for the financial period	0.0	0.0	0.0	0.0	5,608.1	0.0	5,608.1	256.3	5,864.4
Transactions with shareholders									
Equity loans							0.0		0.0
Dividend distribution					-4,356.8		-4,356.8	-229.1	-4,585.8
New issue		2,648.8					2,648.8		2,648.8
Cancellation of own shares				781.2	-781.2		0.0		0.0
Changes in minority shareholders' shares without change in controlling interest					-221.9		-221.9	212.9	-9.0
Acquisitions of the shares of minority shareholders resulting in a change in controlling interest							0.0		0.0
Transactions with shareholders, total	0.0	2,648.8	0.0	781.2	-5,359.8	0.0	-1,929.8	-16.2	-1,946.0
Equity, 31/12/2016	150.0	36,586.1	-13.3	-191.4	6,541.4	220.0	43,292.8	669.0	43,961.8
Equity 1 January 2015	150.0	33,937.3	-13.3	-441.7	5,197.6	220.0	39,049.9	354.8	39,404.7
Comprehensive income of the financial period									
Profit from financial period					5,050.0		5,050.0	-241.1	4,808.8
Other comprehensive income items (after taxes)							0.0		0.0
Financial assets available for sale							0.0		0.0
Total comprehensive income for the financial period	0.0	0.0	0.0	0.0	5,050.0	0.0	5,050.0	-241.1	4,808.8
Transactions with shareholders									
Equity loans							0.0		0.0
Dividend distribution					-3,565.5		-3,565.5	-380.4	-3,945.9
Acquisition of own shares				-530.9			-530.9		-530.9
Changes in minority shareholders' shares without change in controlling interest					-389.0		-389.0	378.7	-10.3
Share acquisitions of minority shareholders that led to a change in controlling interest							0.0	317.0	317.0
Transactions with shareholders, total	0.0	0.0	0.0	-530.9	-3,954.4	0.0	-4,485.4	315.3	-4,170.1
Equity, 31/12/2015	150.0	33,937.3	-13.3	-972.6	6,293.1	220.0	39,614.5	428.9	40,043.4

INTERIM REPORT NOTES

1. ACCOUNTING PRINCIPLES

This unaudited interim report has been prepared observing the IAS 34 Interim Financial Reporting standard. The interim report has been prepared by observing the same accounting principles as with the 2015 IFRS consolidated financial statements, with the exception of the new changes to the IFRS standards effective as of 01/01/2016. The changes are described in the 2015 IFRS consolidated financial statements. The changes do not have a significant effect on the interim report.

Preparing the consolidated financial statements in accordance with the IFRS requires the use of the

management's evaluations and presumptions, which affects the amounts of assets and liabilities as well as profits and costs on the balance sheet. Although the assessments are based on the management's best perception at the moment, it is possible that realisations may deviate from the original assessments and presumptions.

All figures are presented as thousands of euros and have been rounded to the nearest 0.1 thousand euros, thus the sum of individual figures may deviate from the total sum presented.

2. SEGMENT INFORMATION

The Group's operating segments, which are also reported segments, are the Group's strategic business units: restaurants and labour hire. These business units produce different products and services and they are managed as separate units, since their business requires applying a different strategy. The Group's Executive Team has been named as the top operative decision-maker responsible for resource allocation and income estimates. Currently, the Group operates solely on the domestic market.

The restaurants segment operates in all sectors of the restaurant business, offering different types of restaurant experiences to customers' needs; the segment operates on the principle of "from the morning until late at night", offering both restaurants and nightclubs. The segment has a total of 60 concepts, approximately half of which are designed for duplication. Well-known restaurant concepts of the group include Viihdemaailma Ilona, Classic American Diner, Daddy's Diner, Stefan's Steakhouse, Galaxie Center and Space Bowling & Billiards.

The labour hire segment offers labour services mainly to companies in the restaurant and HoReCa fields. The earnings from the segment come from labour hire activities.

The segment information presented by the Group is based on the management's internal reporting that is prepared in accordance with the IFRS standards. The pricing between segments is based on a fair market price. The Group's assets and liabilities are not focused or monitored per segment in internal financial reporting.

The Group's evaluation of profitability and decisions concerning the resources to be allocated to a segment are based on the segments' EBITDA. It is the understanding of the management that this is the most suitable benchmark for comparing the profitability of the segments to other companies in their respective fields.

	1 October–31 December 2016				1 October–31 December 2015			
	Restaurants	Labour hiring	Eliminations	Group	Restaurants	Labour hiring	Eliminations	Group
Turnover	28,473.7	8,613.6	-2,732.4	34,354.8	27,516.4	6,647.0	-2,693.0	31,470.4
Other operating income	823.4	52.2	-190.6	685.0	474.6	0.0	-111.9	362.8
EBITDA	5,131.5	987.5	-178.5	5,940.5	5,310.8	341.8	-104.7	5,547.9
Depreciations	-2,151.7	-445.0	178.5	-2,418.1	-2,350.3	-327.8	104.7	-2,573.4
Operating profit	2,979.8	542.6	0.0	3,522.4	2,960.6	14.0	0.0	2,974.6
Profit/loss before taxes	2,747.5	425.6	0.0	3,173.1	2,727.0	-78.0	-9.6	2,639.4

	1 January–31 December 2016				1 January–31 December 2015			
	Restaurants	Labour hiring	Eliminations	Group	Restaurants	Labour hiring	Eliminations	Group
Turnover	107,544.2	34,129.4	-11,601.7	130,071.9	100,315.2	24,151.3	-10,848.4	113,618.1
Other operating income	3,036.2	69.2	-571.5	2,533.9	1,726.6	2.2	-447.8	1,281.0
EBITDA	16,475.1	3,441.5	-517.8	19,398.8	14,801.1	2,160.7	-425.9	16,535.8
Depreciations	-9,074.1	-1,844.6	517.8	-10,400.9	-8,309.4	-1,385.9	425.9	-9,269.5
Operating profit	7,401.0	1,596.9	0.0	8,997.9	6,491.6	774.7	0.0	7,266.3
Profit/loss before taxes	6,547.2	1,358.4	-11.7	7,893.9	5,599.2	481.7	-9.6	6,071.3

In the labour hire segment, a credit loss entry of about EUR 381,000 in the period 1 October–31 December 2015 and an impairment of intangible assets in the amount of EUR 297,000.

In the labour hire segment, an additional non-recurring depreciation of €338,416.67 encumbering operating profit was made in 1 January–31 December 2016, resulting from the intangible assets valued earlier in 2014 on acquiring the labour hire business, which now that the Group has bought Namu and Showroom are Group-internal.

3. GROUP STRUCTURE CHANGES

Acquired subsidiaries and businesses

Restamax Plc's subsidiary engaging in the restaurant business purchased the restaurant business of Food Bar & Kitchen operating in Jyväskylä through a deed of sale dated 2 January 2016.

Restamax Plc's subsidiary engaging in the labour hire business purchased the labour hire business of Tor through a deed of sale dated 1 January 2016.

Restamax Plc's subsidiary engaging in the restaurant business purchased the Namu restaurant and the restaurant business of Showroom in Helsinki through a deed of sale dated 24 March 2016. The business was transferred to the Restamax Group on 1 April 2016.

Restamax Plc's subsidiary engaging in the labour hire business purchased 70% of the share capital of limited liability company Make My Solutions Oy with a deed of sale dated 23 March 2016 (the name of the company was changed to Smile MMS Oy on 2 May 2015). Smile MMS Oy owns 70% of the share capital of Smile MMS Työllistämispalvelut Oy, which engages in the labour hire business. The ownership of the shares which the transaction concerns was transferred to Restamax Group on 1 May 2016.

Restamax Plc purchased 80% of the share capital of Urban Group Oy with a deed of sale dated 29 April 2016. Urban Group Oy owns 100% of the share capital of Cholo Oy, which engages in the restaurant business, and 100% of the share capital of Sabor a México Oy, which engages in the restaurant business. The ownership of the shares which the transaction concerns was transferred to Restamax Group on signing the deed of sale.

At the moment of transfer of control, the values of the businesses acquired were as follows:

Tangible assets	753.5
Intangible assets	1,345.3
Inventories	30.7
Trade and other receivables	666.7
Cash and cash equivalents	596.2
Assets in total	3,392.4
Financial liabilities	-42.0
Deferred tax liabilities	-76.0
Other payables	-949.5
Liabilities total	-1,067.6
Net assets	2,324.8

Generation of goodwill through acquisitions:

Total purchase consideration.....	3,047.7
Minority shareholders' share	263.7
Net identifiable assets of the acquired entity	2,324.8
Goodwill	1,299.5
Negative goodwill from one acquisition, which has been entered as income in other operating income.....	-312.8

On 14 November 2016, Restamax Plc agreed with the owners of Restala Oy on the exchange of shares, whereby Restamax Plc acquired the entire share capital of Restala Oy, 116,465 shares, in a private placement by issuing 440,000.00 Restamax Plc shares to the owners of Restala Oy. Restala Oy owns 82 per cent of Unioninkadun keidas Oy, which engages in the restaurant business.

With a deed of sale dated 15 November 2016, Restamax Plc bought 18 per cent of the shares of Unioninkadun keidas Oy, which engages in the restaurant business.

At the moment of transfer of control, the values of the businesses acquired were as follows:

Intangible assets	1,089.3
Tangible assets	391.3
Inventories	205.3
Investments	0.1
Trade and other receivables.....	411.3
Cash and cash equivalents	225.2
Assets in total.....	2,322.6
Financial liabilities	-338.3
Other payables	-1,165.9
Deferred tax liabilities	-146.0
Liabilities total	-1,650.1
Net assets	672.4

Generation of goodwill through acquisitions:

Total purchase consideration.....	3,096.0
Total purchase consideration	
Net identifiable assets of the acquired entity	672.4
Goodwill	2,423.6

Sold ownership shares of the business transactions

During the financial period, the Group sold shares in restaurant businesses as follows:

Name	Shareholding sold	Location	Date of control transfer
Restaurant Minibaari	100%	Tampere	18/04/2016

The assets of the sold restaurant at the time of the transfer of control were as follows:

Property, plant and equipment 43,6

There was impairment targeted at this transaction, at the goodwill recorded for the unit. Impairment losses have been recognised in the extensive consolidated income statement in the line “Depreciations, amortisations and impairment” as follows:

Intangible rights, goodwill15,0

Events after the review period

With a deed of sale dated 29 December 2016, Restamax Plc purchased 60% of the share capital of Thai Papaya Oy, which engages in the restaurant business. The ownership of the shares was transferred to Restamax Plc on 1 January 2017.

On 10 January 2017, Restamax Plc founded a new subsidiary, Rivermax Oy. The subsidiary has signed a preliminary agreement on business transactions, whereby the Tampere restaurants Hullu Poro, Jackie Brown, Jackie Brown Gold, Näsilinna’s von Nottbeck and summer restaurants Laituri and Pori-based Kirjurin kesäravintola are bought.

Restamax Plc’s subsidiary engaging in the restaurant business purchased the restaurant business of restaurant Gloria operating in Joensuu with a deed of sale dated 27 January 2017. The ownership of Gloria will transfer to the Group on 1 March 2017.

4. INTANGIBLE AND TANGIBLE ASSETS

Intangible assets and goodwill	31/12/2016	31/12/2015
Book value 1 Jan	43,801.7	40,241.8
Business acquisitions	5,798.3	5,338.8
Additions	1,037.9	1,746.5
Depreciations, amortizations and impairment	-2,793.4	-2,232.7
Deductions	-408.6	-1,292.7
Book value at the end of the review period	47,435.8	43,801.7
Tangible assets	31/12/2016	31/12/2015
Book value 1 Jan	29,003.3	25,220.8
Business acquisitions	1,144.9	2,114.9
Additions	6,510.5	10,130.4
Depreciations, amortizations and impairment	-7,607.5	-7,036.8
Deductions	-216.9	-1,426.0
Book value at the end of the review period	28,834.3	29,003.3

An advance payment of TEUR 1,500.00 generated from a business acquisition carried out in the 2014 financial period is included in the 1 January 2015 opening balance of intangible rights. During the 2015 financial period, TEUR 450.0 and TEUR 760.0 of the advance payment were allocated to tangible assets and goodwill respectively, based on the purchase cost calculation completed on the acquisition. The allocation is presented as a deduction of intangible rights, and as an increase generated by the business acquisitions of tangible assets and goodwill.

TEUR 313.3 of the business acquisition carried out in the 2014 financial period is included in the 1 January 2015 opening balance of intangible rights. In the 2015 financial period, the sum has been allocated in goodwill in accordance with the final purchase cost calculation. The allocation is presented as a deduction of intangible rights, and as an increase generated by the business acquisitions of goodwill.

5. ASSOC. COMPANY EVENTS

Transactions with associated companies

EUR thousand	Sales	Acquisitions	Receivables	Liabilities
31/12/2016	832.1	2,405.4	385.1	161.1
31/12/2015	561.5	2,326.8	288.8	1,107.7

Transactions with associated companies have been completed applying the same terms as transactions with independent parties.

Loans granted to key management personnel

EUR thousand	31/12/2016	31/12/2015
At the beginning of the financial period	0.0	48.0
Change in the Executive Team	0.0	0.0
Loans granted during the financial period	0.0	0.0
Loans repaid	0.0	-45.5
Interest charged	0.0	0.5
Interest payments received during the financial period	0.0	-2.9
At the end of the financial period	0.0	0.0

Changes in Restamax Plc management

From 1 January 2016, Restamax's Executive Team consists of the following members:

Markku Virtanen, CEO
 Harri Niskanen, Deputy CEO
 Jarno Suominen, CFO
 Perttu Pesonen, Development Director
 Eero Aho, Product Line Director, Food
 Tanja Virtanen, Product Line Director, Food
 Paul Meli, Product Line Director, Nightclubs and other entertainment
 Miko Helander, Product Line Director, Nightclubs and other entertainment

Restamax Plc's Deputy CEO Harri Niskanen left Restamax on 1 April 2016.
 Restamax Plc's CEO Markku Virtanen will leave Restamax as of 30 June 2017.

6. CONDITIONAL LIABILITIES AND ASSETS AND COMMITMENTS

The Group as a lessee

Minimum lease payments to be made based on other rental agreements that cannot be annulled:

EUR thousand	31/12/2016	31/12/2015
In one year	13,271.1	12,182.3
In over one year and within five years maximum	32,893.9	33,471.1
In over five years	14,016.6	15,490.4
Total	60,181.6	61,143.8

In the 2016 financial period, EUR 14,002.6 thousand (EUR 12,791.7 thousand in 2015) of rental costs based on other rental agreements was recorded through profit and loss.

The Group as a lessor

Minimum deferred lease payments to be made based on other rental agreements that cannot be annulled:

000 euroa	31/12/2016	31/12/2015
In one year	990.6	911.3
In over one year and within five years maximum	1,516.7	1,778.6
In over five years	38.6	0.0
Total	2,546.0	2,689.9

Guarantees and contingent liabilities

EUR thousand	31/12/2016	31/12/2015
Liabilities with guarantees included on the balance sheet		
Loans from financial institutions, non-current	24,010.5	21,689.9
Loans from financial institutions, current	8,139.8	9,163.8
Total	32,150.3	30,853.7
Guarantees given on behalf of the Group		
Collateral notes secured by a mortgage	34,150.0	16,400.0
Real estate mortgages	4,096.8	2,500.0
Subsidiary shares	31,596.6	25,800.8
Other shares	164.8	164.8
Bank guarantees	3,717.8	2,564.8
Other guarantees	1,000.0	2,785.0
Total	74,725.9	50,215.4

EUR thousand	31/12/2016	31/12/2015
Commitments		
Purchase commitment	200.0	200.0

7. KEY FIGURES

	1 October– 31 December 2016	1 October– 31 December 2015	1 January– 31 December 2016	1 January– 31 December 2015
Earnings per share, EUR	0.15	0.12	0.35	0.31
Operating profit, %	10.3%	9.5%	6.9%	6.4%
Operating profit, % restaurant	10.5%	10.8%	6.9%	6.5%
Operating profit, % labour hire	6.3%	0.2%	4.7%	3.2%
EBITDA %	17.3%	17.6%	14.9%	14.6%
EBITDA %, restaurant	18.0%	19.3%	15.3%	14.8%
EBITDA % labour hire	11.5%	5.1%	10.1%	8.9%
Return on equity, % (p.a.)			14.0%	12.1%
Return on investment, % (p.a.)			11.9%	10.8%
Equity ratio, %			45.2%	44.4%
Gearing ratio, %			69.1%	73.2%
Interest-bearing net liabilities			30,377.2	29,312.7
Net financial expenses			952.8	1,195.0
Material margin %, restaurant	76.9%	76.1%	74.6%	74.3%
Staff expenses %, restaurant	27.9%	26.7%	28.1%	28.5%
Staff expenses %, labour hire	83.9%	86.0%	85.5%	85.2%
Average staff, restaurant				
Registered staff				
Full-time staff			270	268
Part-time staff translated into full-term staff			110	103
Rented workforce, translated into full-term staff			271	273
Average staff, labour hire				
Registered staff				
Full-time staff			750	541

KEY FIGURES

Calculation formulas for key figures

Earnings per share

Parent company owners' share of profit from the financial period

Average number of shares

Return on equity %

Profit (profit belonging to owners of parent company + profit belonging to minority shareholders)

Equity on average (belonging to owners of parent company and minority shareholders)

* 100

Equity ratio %

Equity (belonging to owners of parent company + belonging to minority shareholders)

Total assets – Advances received

* 100

Return on investment %

Profit before tax + finance costs

Average equity (belonging to owners of parent company and minority shareholders)
 + Interest-bearing financial liabilities on average

* 100

Gearing ratio %

Interest-bearing net financial liabilities

Equity (belonging to owners of parent company and minority shareholders)

* 100

Staff expense %

Staff expenses + rented workforce

Turnover

* 100

8. ISSUE, REACQUISITION AND REPAYMENT OF CURRENT LIABILITY AND EQUITY CONVERTIBLE SECURITIES

With a share exchange agreement dated 14 November 2016, Restamax Plc purchased the entire share capital of Restala Oy. The transaction was carried out as an exchange of shares, whereby Restamax Plc placed 440,000 Restamax Plc new shares to the owners of Restala Oy, receiving in return 116,465 Restala Oy shares. The value of the sales price of the shares was MEUR 2.6, which was entered in the invested unrestricted equity reserve.

On 14 November 2016, Restamax Plc cancelled 200,000 Restamax Plc shares.