INTERIM REPORT 2017

RESTAMAX
RESTAURANT COMPANY

RESTAMAX
RESTAURANT COMPANY

RESTAMAX INTERIM REPORT FOR 1 JANUARY - 31 DECEMBER 2017

TURNOVER INCREASED BY ALMOST 43% AND PROFITABILITY REMAINED AT A GOOD LEVEL IN JANUARY-DECEMBER 2017

OCTOBER–DECEMBER 2017 IN BRIEF

Entire Group:

The Group's turnover was MEUR 54.4 (MEUR 34.4), growth of 58.3 per cent. EBITDA was MEUR 7.7 (MEUR 5.9), growth of 30.4 per cent. Operating profit was MEUR 4.3 (MEUR 3.5), growth of 23.1 per cent.

Restaurant business:

The turnover of the restaurant business segment was MEUR 34.4 (MEUR 28.5), growth of 20.7 per cent. EBITDA was MEUR 5.9 (MEUR 5.1), growth of 15.3 per cent. Operating profit was MEUR 3.5 (MEUR 3.0), growth of 19.1 per cent.

Labour hire business:

The turnover of the labour hire business segment was MEUR 23.4 (MEUR 8.6), growth of 171.5 per cent. EBITDA was MEUR 1.9 (MEUR 1.0), growth of 96.5 per cent. Operating profit was MEUR 0.8 (MEUR 0.5), growth of 44.7 per cent.

JANUARY–DECEMBER 2017 IN BRIEF

Entire Group:

The Group's turnover was MEUR 185.9 (MEUR 130.1), growth of 42.9 per cent. EBITDA was MEUR 22.4 (MEUR 19.4), growth of 15.5 per cent. Operating profit was MEUR 10.8 (MEUR 9.0), growth of 19.7 per cent.

Restaurant business:

The turnover of the restaurant business segment was MEUR 122.2 (MEUR 107.5), growth of 13.6 per cent. EBITDA was MEUR 16.3 (MEUR 16.5), decrease of 0.9 per cent. Operating profit was MEUR 6.9 (MEUR 7.4), decrease of 6.5 per cent.

Labour hire business:

The turnover of the labour hire business segment was MEUR 75.6 (MEUR 34.1), growth of 121.5 per cent. EBITDA was MEUR 6.6 (MEUR 3.4), growth of 91.9 per cent. Operating profit was MEUR 3.8 (MEUR 1.6), growth of 140.1 per cent.

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

DIVIDEND

Restamax Plc's distributable assets on 31 December 2017 were EUR 54,569,557.59, EUR 6,529,099.62 of which was the share of profit for the financial period. 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 25 April 2018 that EUR 0.33 (0.30) per share, a total of EUR 5,484,474.60 (16,619,620 shares), be paid as dividend for the financial period ended on 31 December 2017 based on the adopted balance sheet.

PROSPECTS FOR 2018

Profit guidance (as of 20 February 2018):

In accordance with its strategy, Restamax expects the Group's turnover to increase and profitability to remain on a good level in both segments in the 2018 financial year. The restaurant segment is expected to reach a turnover of approximately MEUR 140 and in labour hire a turnover of approximately MEUR 110 is expected, the total turnover being some MEUR 240 after eliminations.

Restamax's goal is to reach a turnover of approximately MEUR 400 by the end of 2020 after internal eliminations. The goal of the restaurant segment is to reach a turnover of approximately MEUR 200, and the goal of the labour hire segment is to reach a turnover of approximately MEUR 220 by the end of 2020.

CEO JUHA HELMINEN

A record year for growth

We have a strong year of growth behind us. During January–December 2017, the turnover of our Group increased by almost 43 per cent, EBITDA by 15.5 per cent and operating profit by almost 20 per cent in comparison with the previous financial period. Once again we reached our long-term strategic goals and, during 2017 we already exceeded the turnover target of MEUR 180 that we set for 2018.

In 2017, we served up to 7 million customers and our restaurant portfolio grew from 110 to more than 130 restaurants. Although the second and third quarters of 2017 were challenging, which affected our EBITDA and EBIT margins, we were able to keep our key efficiency figures, such as our staff expenses and material margin, at a good level.

The final quarter of the year was quite successful and culminated in the busiest-ever Christmas party season. In October–December, we opened more than 10 new restaurants and, despite their opening costs, we succeeded in catching up with the results of the second and third quarters that were influenced by poor summer weather. We continued to strengthen our position in our familiar market areas, and opened restaurants in new cities, Vaasa and Rovaniemi. Increased focus and additional investment in sales, marketing and streamlining operating practices improved customer flow and increased average purchase. Smile Henkilöstöpalvelut Oy's rate of growth accelerated as a result of corporate acquisitions, and the company became a leading player in the field.

A busy Christmas party season creates confidence in the recovery of the restaurant industry

Although chilly summer weather halted the growth of restaurants seen early in the year, the situation brightened up towards the end of the year – the Christmas party season was the best for years for the whole restaurant industry. According to the Finnish Hospitality Association (MaRa), in the period January–November 2017 the turnover of the tourism and restaurant industries increased by 5.5 per cent. The economy strengthened during the autumn and, according to forecasts, the growth in Finnish GDP was about 3.2 per cent in 2017. Consumer confidence also strengthened towards the end of the year and, in January 2018, rose to the highest in its history.

The reform of the Alcohol Act, which partially entered into force in January 2018, is a much-needed boost for the industry, and will allow happy hour marketing, among other things. The Act, which will be fully implemented at the beginning of March 2018, will also make extended opening hours possible. We will utilize the reform in our operations, and we believe that it will both strengthen customer flows and increase the average size of customer purchases. The reform will also play a significant role both in our own restaurant operations and in the development of the whole sector.

Smile Henkilöstöpalvelut one of the major players in the sector

2017 was also a record year for our labour hire business. The turnover of Smile Henkilöstöpalvelut increased over 121 per cent from the previous year, EBITDA by almost 92 per cent and operating profit by 140 per cent. The growth in customer purchases has been positive, and the acquisition of new customers successful. The corporate acquisitions of Banssi Henkilöstöpalvelut, Job Services One and Active People carried out during the year spurred on the company's growth, which is clearly faster than that of the market. The growth of Job Services One, currently operating under the name of Smile Job Services Oy, clearly exceeded our expectations, and its positive result is booked as a non-recurring earn-out item of MEUR 1.7 in the financial expenses of the segment's review period. Capital transfer taxes resulting from corporate acquisitions (EUR 300,000) also affected the result. By the end of 2020, Smile will be targeting a turnover of MEUR 220.

During 2017, Smile strengthened its position particularly in the construction, industrial and logistics sectors. Smile's organic growth has been supported by strong investment in marketing and brand work.

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Implementing a new IT and the integration of acquired companies into the business will be completed early in 2018, as a result of which operations will be harmonised and made more efficient than ever. At the end of 2017, Smile also established Smile Education Oy, which provides training services, in particular focusing on producing training and recruitment services for graduating students with the aim of improving the availability of manpower for customers. During 2018, Smile will invest in its corporate management culture, organisational expertise and the development of new digital services.

As a result of an increase in demand for financial and labour hire services, the market looks very positive. In 2017, labour hire was Finland's strongest growing sector – the number of employees increased by more than 10 per cent over the previous year. In January–November 2017, the labour hire sector in Finland achieved a turnover of MEUR 1,163.6, 18 per cent up on the previous year, and turnover in labour hire services climbed to more than MEUR 978.5, an increase of 23 per cent over the previous year.

Expanding beyond Finland and new targets

In 2017, we enjoyed the strong confidence of investors and the market. The development of our share price was stronger than ever before, rising from the year end 2016 level of approximately EUR 6 to above EUR 8. Kauppalehti ranked Restamax as the 14th most profitable listed company, based on its gross yield of 49.1 per cent.

During 2018, we will expand our restaurant business abroad. Our main focus area will be Northern Europe where the restaurant market is fragmented, so we see enormous potential in it. There are three models for our expansion: corporate acquisitions, exporting our own concepts and a hybrid of the two. We are currently in active negotiations in several countries outside the borders of Finland.

At the end of 2017, we published new long-term financial goals and strategy. Our goal is to reach a turnover of approximately MEUR 400 by the end of 2020. Active work to reach these goals has begun. In January 2018, we announced that we would be revamping our organisation and management. We will invest more strongly in the management of business units, the boosting of acquisitions and in the satisfaction of our customers and staff. We will, for example, expand the opportunities for training provided by Restamax Academy for our staff. Sales, marketing and market knowledge will be given increasing value in our operations, and for this we will strengthen our Executive Team during the spring with a Chief Commercial Officer (CCO).

Juha Helminen, *CEO*

KEY FIGURES

RESTAMAX GROUP IN TOTAL

(EUR thousand)	10–12/2017	10–12/2016	1–12/2017	1–12/2016
KEY FIGURES, entire Group				
Turnover	54,391	34,355	185,856	130,072
EBITDA	7,748	5,940	22,404	19,399
EBITDA, %	14.2%	17.3%	12.1%	14.9%
Operating profit	4,334	3,522	10,767	8,998
Operating profit, %	8.0%	10.3%	5.8%	6.9%
Review period result	1,485	2,621	5,492	5,864
To shareholders of the parent company	1,635	2,485	5,058	5,608
To minority shareholders	-150	137	434	256
Earnings per share (euros) to the shareholders of the parent company	0.10	0.15	0.30	0.35
Interest-bearing net liabilities			43,649	30,377
Gearing ratio, %			93.1%	69.1%
Equity ratio, %			35.3%	45.2%
Return on investment, % (p.a.)			10.7%	11.9%
Net financial expenses			2,810	953

RESTAURANT BUSINESS

(EUR thousand)	10–12/2017	10–12/2016	1–12/2017	1–12/2016
Turnover	34,378	28,474	122,174	107,544
EBITDA	5,918	5,131	16,325	16,475
EBITDA, %	17.2%	18.0%	13.4%	15.3%
Operating profit	3,548	2,980	6,920	7,401
Operating profit, %	10.3%	10.5%	5.7%	6.9%

KEY FIGURES

Material margin, %	76.0%	76.9%	74.1%	74.6%
Staff expenses, %	27.8%	27.9%	28.0%	28.1%

LABOUR HIRE BUSINESS

(EUR thousand)	10–12/2017	10–12/2016	1–12/2017	1–12/2016
Turnover	23,384	8,614	75,612	34,129
EBITDA	1,940	988	6,603	3,441
EBITDA, %	8.3%	11.5%	8.7%	10.1%
Operating profit	785	543	3,834	1,597
Operating profit, %	3.4%	6.3%	5.1%	4.7%

KEY FIGURES

Staff expenses, %	84.4%	83.9%	83.7%	85.5%

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 the 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. Key figures and their calculation formulae are presented in the 2016 financial statements and at the end of this 2017 interim report.

TURNOVER AND INCOME

THE GROUP'S INCOME FOR THE FOURTH QUARTER OF 2017

Entire Group:

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Restaurant business:

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THE GROUP'S INCOME FOR JANUARY–DECEMBER 2017

Entire Group:

The Group's turnover was MEUR 185.9 (MEUR 130.1), growth of 42.9 per cent. EBITDA was MEUR 22.4 (MEUR 19.4), growth of 15.5 per cent. Operating profit was MEUR 10.8 (MEUR 9.0), growth of 19.7 per cent.

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

SUMMARY

Restamax Plc's result for January–December 2017 was clearly better than the previous year, as had been expected. The turnover of the entire Group increased by 42.9 per cent from last year, EBITDA by 15.5 per cent and operating profit by 19.7 per cent.

Abnormally cold and rainy weather in the summer put a strain on the Group's restaurant business in the second and third quarter of the year, affecting the result and relative profitability of the 2017 financial period of the entire Group. The growth rate of business operations accelerated towards the end of the year, and with a successful Christmas party season the Group's October–December 2017 result was rather good.

The turnover increased due to acquisitions, and especially in the last part of the year, the increased focus and investments in sales and marketing. The whole Group EBITDA and EBIT increased compared to last year in the last quarter.

Job Services One Oy (currently Smile Job Services Oy), which was acquired to the labour hire business, executed a stronger than expected result. This increased the purchase price of the company through the earn-out mechanism, leading to a significant non-recurring item of MEUR 1.7 in the financial expenses. EBITDA for the labour hire segment also includes capital transfer taxes of EUR 300,000 as non-recurring costs related to the acquisition of the businesses.

In terms of the level of profitability, Restamax's restaurant business and labour hire business are at the spearhead of their sectors. The relative profitability of the labor hire business is slightly lower than the restaurant business. As the labour hire business is growing relatively faster than the restaurant business, the overall group relative profitability is influenced due to this change.

Especially in the restaurant business, most of the profits are made in the second half of the year due to the seasonal nature of the business.

CASH FLOW, INVESTMENTS AND FINANCING

The Group's operating net cash flow in January–December 2017 was MEUR 17.8 (MEUR 13.5).

Growth-related investments made during the review period included the openings of Guru's Kitchen & Bar, Colorado Bar & Grill, the Purpur restaurant and Pyynikki Brewhouse in Tampere, Stefan's Steakhouse and the Teatro nightclub in Vaasa, Classic American Diner and Wayne's Coffee in Helsinki, the Colorado Express and Villisika restaurants in Ruka, Stefan's Steakhouse in Levi, Classic American Diner in Rovaniemi, the Hunaja nightclub in Lappeenranta, and the acquisition by Smile Henkilöstöpalvelut of the restaurant labour hire business of Active People Oy.

The Group's interest-bearing net liabilities at the end of December were MEUR 43.7 (MEUR 30.4). The net financial expenses in January-December were MEUR 2.8 (EUR 952,800). Equity ratio was 35.3 per cent (45.2 per cent) and gearing ratio was 93.1 per cent (69.1 per cent).

KEY EVENTS OF THE REVIEW PERIOD

OCTOBER

Restamax was selected as the restaurant services provider for the Central Deck and Arena project

On 3 October 2017, SRV announced that it had chosen Restamax to take charge of the restaurant services at the Central Deck and Arena planned for Tampere. The arena's restaurant concepts will be designed for diverse customer segments.

Guru's Kitchen & Bar, Tampere

Guru's Kitchen & Bar, which is based on Mediterranean and Middle Eastern cuisine, opened its doors on 6 October 2017 in Tampere. As its name suggests, the restaurant offers not only food but also an evening programme.

Colorado Bar & Grill, Tampere

Colorado Bar & Grill, which previously already operated in Helsinki, Ruka, Levi and Pyhä, also opened in Tampere on 20 October 2017.

Classic American Diner and Wayne's Coffee, Easton Helsinki

On 26 October, Classic American Diner and franchising café Wayne's Coffee opened their doors at the new Easton shopping centre in Eastern Helsinki.

Stefan's Steakhouse, Vaasa

Restamax expanded its market area to Vaasa by opening a Stefan's Steakhouse restaurant on 26 October 2017 right in the city centre.

Hunaja nightclub, Lappeenranta

Restamax opened the new Hunaja nightclub on Snellmaninkatu in Lappeenranta at the end of October 2017.

Purpur – Georgian Cuisine, Tampere

In October–November 2017, Restamax and Ville Haapasalo's joint venture Purmax Oy opened the Georgian restaurant Purpur in Tampere. There is already a Purpur restaurant operating in Helsinki.

NOVEMBER

Acquisition of the restaurant labour hire business of Active People by Smile Henkilöstöpalvelut

On 25 October 2017, Smile Services Oy, part of Smile Henkilöstöpalvelut, acquired the restaurant labour hire business operations of Active People Oy. The acquisition increased Smile's foothold in the Helsinki Metropolitan Area and strengthened its expertise in restaurant labour hire. The transaction was executed on 1 November 2017.

Teatro nightclub, Vaasa

On 3 November 2017, Restamax opened the Teatro nightclub, which can accommodate 800 customers, at Kauppapuistikko in Vaasa.

Stefan's Steakhouse, Levi

On 8 November 2017, the seventh restaurant under the Stefan's Steakhouse concept opened for the winter season in Levi.

Villisika, Ruka

In November 2017, Restamax opened a Villisika restaurant at the Ruka ski resort. The first Villisika restaurant has been operating in Tampere since 2011.

DECEMBER

Colorado Express, Ruka

In December 2017, a Colorado Express restaurant, a sister restaurant of Colorado Bar & Grill, opened at the Ruka ski resort to serve quick but high-quality American meals and snacks.

Pyynikki Brewhouse, Tampere

The brewery restaurant opened by Restamax and Pyynikki Craft Brewery in Tampere in late 2017 is a modern combination of a brewhouse and a bistro. The selection covers all products of the Pyynikki Craft Brewery, and celebrity chef, Hans Välimäki, is in charge of the food menu.

Classic American Diner, Rovaniemi

At the end of the year 2017, Restamax opened the 10th restaurant in Rovaniemi under the Classic American Diner concept. There are already restaurants under this concept in Tampere, Jyväskylä, Helsinki, Vantaa and Seinäjoki.

Restamax published new long-term financial goals and strategy

On 19 December 2017, Restamax announced the Group's new financial goals and strategy for the strategy period 2018–2020. Restamax's goal is to reach a turnover of approximately MEUR 400 by the end of 2020.

EVENTS AFTER THE REPORTING PERIOD AND NEW PROJECTS

JANUARY 2018

Organisational change

On 22 January 2018, Restamax announced plans to revamp its organisation and the structure of its Executive Team. Restamax's operational organisation was divided into three business units: Nightclubs, Food restaurants, and Pubs & Entertainment, each with their own responsible director. The position of Chief Procurement Officer (CPO) was established to strengthen purchasing operations and the efficiency thereof. The roles of sales and marketing strategy were increased in the organisation and, for that purpose, the position of Chief Commercial Officer (CCO) will be established.

Openings of adventure rooms, Tampere and Seinäjoki

In January 2018 in Tampere, Restamax subsidiary Poolmax Oy opened Anger Room, which is very popular adventure concept abroad. Also in Seinäjoki, the company opened two Run Out escape rooms at Galaxie Center and Pub Wäinö. There are existing Run Out escape rooms in Tampere and Rauma.

FEBRUARY 2018

The acquisition of Kymppi Service Oy, Smile Henkilöstöpalvelut

Smile Henkilöstöpalvelut acquired the entire shareholding of Kymppi Service Oy, which operates in Southwest Finland, Satakunta and Kainuu. As a result of the corporate acquisition, Smile's foothold as a national operator was strengthened, particularly in the sectors of industry, construction and logistics.

Mango DiscoBar, Oulu

In February 2018, Restamax opened a new nightclub in Oulu called Mango DiscoBar.

Gaming restaurant, Oulu

Restamax subsidiary, Poolmax, will open a new gaming restaurant for adults in Oulu in February 2018.

STAFF

Restaurant business:

In the period 1 January–31 December 2017, the restaurant operations of the Restamax Group employed on average 361 (270) full-time employees and 143 (110) part-time employees converted into full-time employees as well as 295 (271) rented employees converted into full-time employees.

Labour hire business:

In the period 1 January–31 December 2017, the Restamax Group's labour hire business employed, on average 116 (0) full-time employees and 1,641 (750) part-time employees converted into full-time employees.

Depending on the season, some 2,250 persons converted into full-time employees work at the Group at the same time.

RISKS AND UNCERTAINTY FACTORS

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

Despite Restamax's extensive customer base, the general economic situation, uncertainty about the future and changes in the consuming habits of our customers influence our customers' desire to make purchases. In recent years, the economic situation in the tourism and restaurant industry has improved. According to the Finnish Hospitality Association (MaRa), the economic situation and expectations in the field are currently at a good level.

The Finnish Government's decisions concerning alcohol legislation, food legislation and value-added taxation may affect the company's business. The sector's profitability and sales are affected by the financial situation of households and the development of purchasing power and corporate acquisitions. Finnish economic growth is on the rise and relies strongly on construction and services. Taxation and a heavy cost structure present the sector with its own challenges. The new Alcohol Act, which will enter fully into force in March 2018, will have a positive impact on both the development of the sector and on the restaurant business engaged in by Restamax.

Changes in the tourism sector also have an impact on the vitality of the industry. Especially, the number of foreign tourists in Finland is on a brisk increase. Finland remains an interesting destination and, according to Statistics Finland, in January–November 2017 the number of overnight stays by foreign tourists at all accommodation establishments increased by 14.5 per cent and those by Finnish tourists by 1.4 per cent in comparison with the previous year.

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 and construction business. Therefore, any changes on these markets and the level of employment in the fields will also affect the Group's labour hire business. The labour hire business may increase credit losses.

Tampere, 20 February 2018

RESTAMAX PLC

Board of Directors

Additional information:
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Jarno Suominen, CFO, tel. +358 40 721 5655

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***Restamax Plc** is a Finnish group established in 1996, specialising in restaurant services and labour hire. The company, which was listed on NASDAQ Helsinki in 2013 and became the first Finnish listed restaurant company, has continued to grow strongly throughout its history. The Group companies include more than 130 restaurants, nightclubs and entertainment centres all over Finland. Well-known restaurant concepts of the Group include Stefan's Steakhouse, Viihdemaailma Ilona, Classic American Diner and Colorado Bar & Grill. In 2017, Restamax Plc's turnover was MEUR 185.9 and EBITDA MEUR 22.4. Depending on the season, the Group employs some 2,250 persons, converted into full-time employees. Restamax subsidiary Smile Henkilöstöpalvelut Oy employs approximately 9,000 people on a monthly basis.*

Restamax company website: www.restamax.fi, Restamax consumer website: www.ravintola.fi,
Smile Henkilöstöpalvelut: www.smilepalvelut.fi

INTERIM REPORT **1.1. – 31.12.2017**:

TABLE SECTION AND NOTES

INTERIM REPORT 1.1. – 31.12.2017: TABLE SECTION AND NOTES

THE INFORMATION PRESENTED IN THE INTERIM REPORT HAS NOT BEEN AUDITED

GROUP INCOME STATEMENT (IFRS)

EUR thousand	Note	1 October–31 December 2017	1 October–31 December 2016	1 January–31 December 2017	1 January–31 December 2016
Turnover		54,390.6	34,354.8	185,856.2	130,071.9
Other operating income		573.9	685.0	1,809.7	2,533.9
Materials and services		-9,569.1	-7,445.1	-35,774.4	-30,070.7
Staff expenses		-25,216.2	-11,639.5	-82,966.1	-45,311.7
Other operating expenses		-12,431.1	-10,014.7	-46,521.2	-37,824.6
EBITDA		**7,748.1**	**5,940.5**	**22,404.2**	**19,398.8**
Depreciations, amortisations and impairment		-3,413.8	-2,418.1	-11,637.4	-10,400.9
Operating profit		**4,334.3**	**3,522.4**	**10,766.7**	**8,997.9**
Share of associate profits		148.7	-26.3	68.3	-151.2
Financial income		8.2	49.2	42.9	186.6
Financial expenses		-1,980.9	-372.1	-2,853.2	-1,139.4
Profit/loss before taxes		**2,510.3**	**3,173.1**	**8,024.8**	**7,893.9**
Income taxes		-798.8	-198.4	-3,081.3	-1,933.8
Change in deferred taxes		-226.4	-353.2	548.2	-95.7
Profit for the financial period		**1,485.2**	**2,621.5**	**5,491.6**	**5,864.4**
Attributable to:					
Parent company shareholders		1,635.2	2,484.7	5,057.82	5,608.1
Minority shareholders		-150.0	136.8	433.8	256.3
Total		**1,485.2**	**2,621.5**	**5,491.6**	**5,864.4**
Earnings per share calculated from the review period profit for parent company shareholders					
Undiluted earnings per share (euros)		0.10	0.15	0.30	0.35
Diluted earnings per share (euros)		0.10	0.15	0.30	0.35
Comprehensive consolidated income statement					
Profit for the financial period		**1,485.2**	**2,621.5**	**5,491.6**	**5,864.4**
Other comprehensive income items (after taxes):					
Financial assets available for sale		0.0	0.0	2.9	0.0
Total comprehensive income for the period		**1,485.2**	**2,621.5**	**5,494.5**	**5,864.4**
Attributable to:					
Parent company shareholders		1,635.2	2,484.7	5,060.7	5,608.1
Minority shareholders		-150.0	136.8	433.8	256.3
Total		**1,485.2**	**2,621.5**	**5,494.5**	**5,864.4**

An adjustment of the estimated additional purchase price regarding the share acquisition of Smile Job Services Oy (formerly Job Services One Oy) of TEUR 1,711.1 has been entered under financing costs for the financial period 1 January–31 December 2017 as a non-recurring item.

GROUP BALANCE SHEET (IFRS)

EUR thousand	Note	31/12/2017	31/12/2016
ASSETS			
Non-current assets			
Intangible assets		66,219.7	47,435.8
Property, plant and equipment		32,391.2	28,834.3
Shares of associates and joint ventures		2,938.0	1,178.8
Financial assets available for sale		685.1	620.2
Interest-bearing loans receivable		125.3	168.2
Non-interest-bearing other receivables		717.2	1,030.7
Deferred tax assets		594.9	142.1
Non-current assets total		**103,671.5**	**79,410.2**
Current assets			
Inventories		2,971.8	2,317.6
Interest-bearing loans receivable		0.0	30.0
Sales receivables and other non-interest-bearing receivables		23,847.2	14,037.2
Cash and cash equivalents		2,570.0	1,871.1
Current assets total		**29,389.0**	**18,255.9**
Assets in total		**133,060.5**	**97,666.0**
EQUITY AND LIABILITIES			
Equity attributable to parent company shareholders			
Share capital		150.0	150.0
Invested unrestricted equity fund		40,510.2	36,586.1
Fair value fund		-4.5	-13.3
Own shares		-191.4	-191.4
Retained earnings		4,237.5	6,541.4
Equity loan		220.0	220.0
Total equity attributable to parent company shareholders		**44,921.7**	**43,292.8**
Minority shareholders		1,971.2	669.0
Equity total		**46,892.9**	**43,961.8**
Non-current liabilities			
Deferred tax liabilities		1,928.5	703.0
Provisions		0.0	183.2
Financial liabilities		34,643.0	24,369.9
Trade payables and other liabilities		3,674.8	796.4
Non-current liabilities total		**40,246.2**	**26,052.5**
Current liabilities			
Financial liabilities		11,682.5	8,193.0
Trade payables and other liabilities		34,238.9	19,458.8
Current liabilities total		**45,921.4**	**27,651.7**
Liabilities total		**86,167.6**	**53,704.2**
Equity and liabilities in total		**133,060.5**	**97,666.0**

GROUP CASH FLOW STATEMENT (IFRS)

EUR thousand	1 January–31 December 2017	1 January–31 December 2016
Operating cash flow		
Profit from review period	5,491.6	5,864.4
Adjustments:		
Non-cash transactions	-190.6	-432.9
Depreciations, amortisations and impairment	11,637.4	10,400.9
Financial expenses (net)	2,810.3	952.8
Taxes	2,533.1	2,029.5
Share of associate profits	-68.3	151.2
Cash flow before change in working capital	**22,213.6**	**18,965.9**
Changes in working capital:		
Increase (-) / deduction (+) in accounts receivable and other receivables	-4,356.2	-3,275.1
Increase (-) / deduction (+) in inventories	-378.4	-34.5
Increase (+) / deduction (-) in accounts payable and other liabilities	4,488.3	1,506.4
Change in working capital	**-246.3**	**-1,803.2**
Dividends received	3.4	0.0
Interest paid and other financial costs	-1,033.5	-1,021.4
Interest received and other financial income	46.6	67.3
Taxes paid	-3,178.8	-2,687.0
Operating net cash flow	**17,804.9**	**13,521.6**
Investment cash flow		
Sales of available-for-sale financial assets	9.0	0.0
Investments in tangible and intangible assets	-11,152.3	-7,193.0
Deduction (+) / increase (-) of non-current loans receivable	-110.7	94.7
Acquisition of subsidiaries with time-of-acquisition liquid assets deducted	-7,226.7	-1,364.3
Sales of subsidiaries with time-of-acquisition liquid assets deducted	92.6	0.0
Business transactions, acquisitions (-)	-3,526.9	-1,507.7
Business transactions, sales (+)	126.4	126.8
Acquisition of the shares of minority shareholders (-)	-1,156.0	-110.0
Sales of the shares of minority shareholders (+)	0.0	0.5
Associate shares purchased	-1,690.8	0.0
Investment net cash flow	**-24,635.5**	**-9,952.9**
Financial cash flow		
Non-current loans drawn (+)	19,135.0	21,740.0
Non-current loans repaid (-)	-6,589.5	-19,791.7
Current loans drawn (+) / repaid (-)	1,030.1	-1,207.1
Dividends paid	-6,046.1	-4,573.9
Finance net cash flow	**7,529.5**	**-3,832.7**
Change in liquid assets	**698.9**	**-264.1**
Liquid assets 1 Jan	**1,871.1**	**2,135.1**
Change	**698.9**	**-264.1**
Liquid assets 31 Dec	**2,570.0**	**1,871.1**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to parent company shareholders

EUR thousand	Share capital	Invested, unre-stricted equity	Fair value fund	Own shares	Retained earnings	Equity loan	**Total**	Minority shareholders' share	**Equity total**
Equity 1 January 2017	**150.0**	**36,586.1**	**-13.3**	**-191.4**	**6,541.4**	**220.0**	**43,292.8**	**669.0**	**43,961.8**
Comprehensive income for the finan-cial period									
Profit from financial period					5,057.8		**5,057.8**	433.8	**5,491.6**
Other comprehensive income items (after taxes)							**0.0**		**0.0**
Financial assets available for sale					2.9		**2.9**		**2.9**
Total comprehensive income for the financial period	**0.0**	**0.0**	**0.0**	**0.0**	**5,060.7**	**0.0**	**5,060.7**	433.8	**5,494.5**
Other changes			8.8				**8.8**		**8.8**
Other changes total	**0.0**	**0.0**	**8.8**	**0.0**	**0.0**	**0.0**	**8.8**		**8.8**
Transactions with shareholders							**0.0**		**0.0**
Equity loans							**0.0**		**0.0**
Dividend distribution					-4,985.9		**-4,985.9**	-491.6	**-5,477.5**
New issue		3,924.0					**3,924.0**	1,088.6	**5,012.7**
Expenses directly from the issue of new shares adjusted with taxes							**0.0**		**0.0**
Acquisition of own shares							**0.0**		**0.0**
Changes in minority shareholders' shares without a change in controlling interest					-2,378.7		**-2,378.7**	296.4	**-2,082.3**
Changes in minority shareholders' shares that led to a change in controlling interest							**0.0**	-25.2	**-25.2**
Transactions with shareholders, total	0.0	3,924.0	0.0	0.0	-7,364.6	0.0	**-3,440.6**	868.3	**-2,572.3**
Equity 31 December 2017	**150.0**	**40,510.2**	**-4.5**	**-191.4**	**4,237.5**	**220.0**	**44,921.7**	**1,971.2**	**46,892.9**

Equity attributable to parent company shareholders

EUR thousand	Share capital	Invested, unre-stricted equity	Fair value fund	Own shares	Retained earnings	Equity loan	**Total**	Minority shareholders' share	**Equity total**
Equity 1 January 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 for the finan-cial 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**
Expenses directly from the issue of new shares adjusted with taxes							**0.0**		**0.0**
Nullification of own shares				781.2	-781.2		**0.0**		**0.0**
Changes in minority shareholders' shares without a change in controlling interest					-221.9		**-221.9**	212.9	**-9.0**
Changes in minority shareholders' shares that led to 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 December 2016	**150.0**	**36,586.1**	**-13.3**	**-191.4**	**6,541.4**	**220.0**	**43,292.8**	**669.0**	**43,961.8**

INTERIM REPORT NOTES

1. ACCOUNTING PRINCIPLES

This unaudited interim report has been prepared observing the IAS 34 Interim Financial Reporting standard. The interim report should be read together with the 2016 IFRS consolidated financial statements. The interim report has been prepared by observing the same accounting principles as with the 2016 IFRS consolidated financial statements, with the exception of the new amendments to the IFRS standards effective as of 1 January 2017. The changes are described in the 2016 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. NEW IFRS STANDARDS APPLIED

Restamax will apply the standards as of 1 January 2018.

2.1 APPLICATION OF THE IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS STANDARD

IFRS 15 Revenue from Contracts with Customers (effective in the EU for financial periods beginning on or after 1 January 2018). IFRS 15 defines a single revenue recognition model that an entity must apply for the recognition of all customer contracts. A customer is a party that has entered into a contract with the company to receive goods or services produced by the company's normal operations in exchange for a compensation. The basic principle of the standard is that the entity must recognise revenue in such a way that they describe the provision of the promised goods and services to the customer, and the monetary amount must reflect the compensation to which the company expects to be entitled in exchange for the goods or services in question. The standard contains a significant number of requirements concerning notes. IFRS 15 replaces the current standards dealing with recognition, IAS 18 Revenue and IAS 11 Construction contracts, and related interpretations. Based on an analysis performed by the Group, no significant changes are expected in terms of recognition with the introduction of the new standard. The Group's payment obligations consist of the supply of hired labour, individual goods and services in restaurants and sales revenue from advertising and marketing facilities. Primarily, the Group's restaurant business is retail trade, and labour hire is hour-based service activity. In the Group's franchise business, the contractual party makes an initial payment at the beginning of the contractual relationship. According to the Group's analysis, in accordance with the IFRS 15 standard the initial payment from a franchise contract will be scheduled throughout the contractual period, which is five years in all contracts.

2.2 APPLICATION OF THE IFRS 9 FINANCIAL INSTRUMENTS STANDARD

The new IFRS 9 will replace the current IAS 39 standard. The new standard includes renewed guidelines for the recognition and measurement of financial instruments. This also covers the new accounting process model concerning expected credit losses, to be applied to determine the impairment recognised for financial assets. The most significant impact of the adoption of IFRS 9 is caused by the new credit loss model. The new model is based on expected credit losses, whereas the current model is based on realised credit losses. This results in a moderate growth of the credit loss provision upon the implementation of the new guidelines. IFRS 9 contains a procedure, simplified from the general credit loss model, for trade receivables, and for asset items which are based on customer contracts. According to this, the credit loss provision is recognised over the period of validity of the entire asset item to the amount of the expected credit losses, when the financial asset is recorded on the balance sheet for the first time. A majority of Restamax Group's financial assets falling within the sphere of the new credit loss model are processed in accordance with the simplified procedure described above, with the help of a provision matrix. As a result of the introduction of the new credit loss model, the adjustment to be recorded in the opening balance of accumulated earnings on 1 January is not material.

3. 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 different strategies. 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 more than 70 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, Colorado Bar & Grill, Galaxie Center and Space Bowling & Billiards.

The labour hire segment provides staffing services to companies in a variety of fields. The majority of the segments turnover comes from the HoReCa and construction sectors. 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 2017				1 October–31 December 2016			
	Restaurants	Labour hire	Eliminations	Group	Restaurants	Labour hire	Eliminations	Group
Turnover	34,377.6	23,384.1	-3,371.1	54,390.6	28,473.7	8,613.6	-2,732.4	34,354.8
Other operating income	613.4	89.2	-128.8	573.9	823.4	52.2	-190.6	685.0
EBITDA	5,918.3	1,940.4	-110.6	7,748.1	5,131.5	987.5	-178.5	5,940.5
Depreciations	-2,370.1	-1,155.1	111.4	-3,413.8	-2,151.7	-445.0	178.5	-2,418.1
Operating profit	3,548.2	785.3	0.9	4,334.3	2,979.8	542.6	0.0	3,522.4
Profit/loss before taxes	3,526.6	-1,016.2	0.0	2,510.3	2,747.5	425.6	0.0	3,173.1

	1 January–31 December 2017				1 January–31 December 2016			
	Restaurants	Labour hire	Eliminations	Group	Restaurants	Labour hire	Eliminations	Group
Turnover	122,173.5	75,612.2	-11,929.5	185,856.2	107,544.2	34,129.4	-11,601.7	130,071.9
Other operating income	2,188.3	231.7	-610.3	1,809.7	3,036.2	69.2	-571.5	2,533.9
EBITDA	16,325.0	6,602.6	-523.5	22,404.2	16,475.1	3,441.5	-517.8	19,398.8
Depreciations	-9,405.3	-2,768.7	536.5	-11,637.4	-9,074.1	-1,844.6	517.8	-10,400.9
Operating profit	6,919.7	3,834.0	13.0	10,766.7	7,401.0	1,596.9	0.0	8,997.9
Profit/loss before taxes	6,344.1	1,680.6	0.0	8,024.8	6,547.2	1,358.4	-11.7	7,893.9

In the labour hire segment, an additional non-recurring depreciation of EUR 338,416.67 encumbering operating profit was made in 1 January–30 June 2016. The depreciation resulted from the intangible assets valued earlier in 2014 on acquiring the labour hire business, which now that the Group has bought Namu are Group-internal.

In 1 January–31 December 2017, the labour hire segment includes as a cost non-recurring asset transfer tax in the total amount of EUR 299,569.34 resulting from the subsidiary transactions concluded.

An adjustment of the estimated additional purchase price regarding the share acquisition of Job Services One Oy (currently Smile Job Services Oy) of TEUR 1,711.1 has been entered under financing costs of the labour hire segment for the financial period 1 January–31 December 2017 as a non-recurring item.

4. GROUP STRUCTURE CHANGES

Acquired subsidiaries and business operations

Restamax Plc purchased 60 per cent of the share capital of a Company called Thai Papaya Oy engaged in the restaurant business, with a deed of sale dated 29 December 2016. The ownership of the shares was transferred to Restamax Plc on 1 January 2017.

With a deed of sale dated 10 February 2017, Restamax Plc's subsidiary engaging in restaurant business purchased the business and equipment of Hullu Poro, Jackie Brown, Jackie Brown Gold, Restaurant von Nottbeck in Näsilinna, summer restaurant Laituri, and the Kirjuri summer restaurant in Pori. The right of ownership and possession of the object of the transaction was transferred to the Group on 1 March 2017.

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 right of ownership and management of Gloria was transferred to the Group on 1 March 2017.

With a deed of sale dated 17 February 2017, Restamax Plc bought the business of Yo-talo, which is engaged in the restaurant and event business. The right of ownership and possession of the object of the transaction was transferred to Restamax Plc on 15 March 2017.

Restamax Plc's subsidiary engaging in the restaurant business purchased the restaurant business of restaurant Sinisoihtu with a deed of sale dated 31 March 2017. The right of ownership and possession of the object of the transaction was transferred upon the signing of the deed of sale.

With a deed of sale dated 5 April 2017, Restamax Plc bought the business and equipment of a restaurant on Eerikinkatu in Turku. The right of ownership of the object of the transaction was transferred on 11 April 2017.

With a deed of sale dated 27 January 2017, Restamax Plc bought the business and fixed assets of a restaurant situated at Eteläesplanadi 22 in Helsinki. The right of ownership of the object of the transaction was transferred on 01 April 2017.

With a deed of sale dated 4 April 2017, Restamax Plc's subsidiary engaging in the restaurant business bought a café-restaurant business in the area of Ruovesi Harbour, with all its related buildings and movable property. The right of ownership of the object of the transaction was transferred on 3 May 2017.

Restamax Plc's subsidiary engaging in the restaurant business purchased the business and fixed assets of a restaurant situated in Pori with a deed of sale dated 5 May 2017. The right of ownership of the object of the transaction was transferred on 5 May 2017.

With a deed of sale dated 2 June 2017, Restamax Plc purchased 90% of the shares in Harry's Ravintolat Oy. The right of ownership of the shares was transferred on 2 June 2017.

With a deed of sale dated 31 March 2017, Restamax Plc's subsidiary engaging in the restaurant business bought 80% of the shares in Tillikka Oy. The right of ownership of the shares was transferred on 1 April 2017.

With a deed of sale dated 25 October 2017, Restamax Plc's subsidiary engaging in the labour hire business purchased the restaurant labour hire business operations of Active People Oy. The right of ownership and possession of the object of the transaction was transferred on 31 October 2017. In connection with the transaction, a long customer contract was signed on restaurant labour services with Ravintola Santa Fé Oy.

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

Intangible assets	976,9
Tangible assets	1,325.2
Inventories	279.5
Current receivables	188.4
Cash and cash equivalents	559.8
Assets in total	**3,329.8**
Deferred tax liabilities	68.3
Financial liabilities	200.4
Other payables	527.7
Liabilities total	**796.4**
Net assets	**2,533.4**

Generation of goodwill through acquisitions:

Total purchase consideration	6,187.8
Minority shareholders' share	-79.1
Net identifiable assets of the acquired entity	2,533.4
Goodwill	**3,733.5**

Restamax Plc's subsidiary engaging in the labour hire business, Smile Henkilöstöpalvelut Oy, bought the entire shareholding of Smile Banssi Oy (formerly Pasianssi Oy) with a deed of sale dated 5 April 2017. The business and right of ownership of the object of the transaction were transferred to the Group on 5 April 2017.

Smile Banssi Oy's subsidiaries are Smile Banssi Etelä Oy (formerly Banssi etelä Oy), Smile Banssi Pohjoinen Oy (formerly Banssi pohjoinen Oy), Smile Banssi Häme Oy (formerly Banssi häme Oy), Smile Banssi Uusimaa Oy (formerly Banssi uusimaa Oy), Smile Banssi Itä Oy (formerly Banssi itä Oy), Smile Banssi Länsi Oy (formerly Banssi länsi Oy), Smile Banssi Keski Oy (formerly Banssi keski Oy), Smile Banssi Kaakko Oy (formerly Banssi kaakko Oy), Smile Banssi Lappi Oy (formerly Banssi lappi Oy), Smile Banssi Helsinki Oy (formerly Banssi Helsinki Oy), Smile Banssi Safety Oy (formerly Banssi Safety Oy), Smile Rmax Oy (formerly Banssi Hoiva Oy) and Talous Bandora Oy.

The sale value of assets regarding the shareholding of Smile Banssi Oy has been adjusted in the financial period. The adjustment has been recorded through profit and loss by reducing the sale price by TEUR 75.1.

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

Intangible assets	2,412.1
Tangible assets	42.3
Inventories	112.4
Investments	0.9
Non-current receivables	1.0
Current receivables	2,552.7
Cash and cash equivalents	970.5
Assets in total	**6,092.0**
Deferred tax liabilities	482.4
Financial liabilities	61.2
Other payables	3,306.3
Liabilities total	**3,849.9**
Net assets	**2,242.1**

Generation of goodwill through acquisitions:

Total purchase consideration	7,609.8
Net identifiable assets of the acquired entity	2,242.1
Goodwill	**5,367.7**

With a deed of sale dated 1 July 2017, Restamax Plc's subsidiary engaging in the labour hire business purchased 100% of the shares in Smile Job Services Oy (formerly Job Services One Oy). The right of ownership of the shares was transferred on 1 July 2017. A part of the sale price has been paid with Restamax Plc subsidiary's shares involving a fixed-term repurchase obligation. At the time of the closing of the accounts, the recorded sale price includes a share, which includes an assessment by the management on the future, final sale price to materialise.

The estimated additional purchase price regarding the shareholding of Smile Job Services Oy has been adjusted in the financial period. The adjustment has been recorded in financing costs through profit and loss by increasing the sale price by TEUR 1,711.1.

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

Intangible assets	3,718.2
Tangible assets	9.9
Current receivables	2,564.7
Cash and cash equivalents	865.6
Assets in total	**7,158.5**
Deferred tax liabilities	743.6
Other payables	2,674.2
Liabilities total	**3,417.9**
Net assets	**3,740.6**

Generation of goodwill through acquisitions:

Total purchase consideration	11,188.4
Net identifiable assets of the acquired entity	3,740.6
Additional purchase price under the earn-out arrangement	1,711.1*
Goodwill	**5,736.7**

* The additional purchase price under the earn-out arrangement has been recorded in the financial period through profit and loss in financing costs.

Sold shareholding of share and business transactions

During the period, the Group has sold its shareholding of share and business transactions as follows:

Name	Shareholding sold	Location	Date of control transfer
Max Siivouspalvelut Oy	70%	Tampere	28/02/2017
Restaurant, Helsinginkatu 11	100%	Helsinki	01/09/2017
Restaurant, Suupantie 6	100%	Pirkkala	01/11/2017
Restaurant, Lönnrotinkatu 9	100%	Helsinki	12/12/2017

At the moment of control transfer, the values of the assets sold were in total as follows:

Property, plant and equipment	65.4
Other assets	229.7
Liabilities	−106.6
Net assets, total	**188.5**

At completed sales, there was impairment targeted at the goodwill recorded for the unit. Goodwill impairment targeted at sales has been recorded as deduction of goodwill as follows:

Intangible rights, goodwill	158.3

Of completed sales, sales profit of TEUR 95.0, loss from assignment of fixed assets of TEUR 2.2 and impairment loss of TEUR 24.7 were targeted at the comprehensive income statement.

Events after the review period

Restamax Plc's subsidiary engaging in the labour hire business purchased the entire shareholding of Kymppi Service Oy with a deed of sale dated 18 January 2018. The right of ownership and management was transferred on 1 February 2018.

5. INTANGIBLE AND TANGIBLE ASSETS

Intangible assets and goodwill	31/12/2017	31/12/2016
Book value 1 Jan	47,435.8	43,801.7
Business acquisitions	21,945.4	5,798.3
Additions	517.7	1,037.9
Depreciations, amortisations and impairment	-3,889.3	-2,808.4
Deductions	-158.9	-393.6
Transfers between account types	369.0	0.0
Book value at the end of the review period	**66,219.7**	**47,435.8**
Tangible assets	31/12/2017	31/12/2016
Book value 1 Jan	28,834.3	29,003.3
Business acquisitions	1,377.4	1,144.9
Additions	10,592.6	6,495.6
Depreciations, amortisations and impairment	-7,748.1	-7,592.6
Deductions	-296.0	-216.9
Transfers between account types	-369.0	0.0
Book value at the end of the review period	**32,391.2**	**28,834.3**

6. ASSOCIATED COMPANY EVENTS

Transactions with associated companies

EUR thousand	Sales	Acquisitions	Receivables	Liabilities
31/12/2017	1,734.2	4,960.0	479.4	522.3
31/12/2016	832.1	2,405.4	385.1	161.1

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

Changes in Restamax Plc management

On 31 December 2017, Restamax's Executive Team consists of the following members:

Juha Helminen, CEO
Jarno Suominen, CFO
Perttu Pesonen, Development Director
Tero Kaikkonen, 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 CEO Markku Virtanen left Restamax on 30 June 2017.
Restamax Plc's Operations Manager Tomi Söderström left Restamax on 22 November 2017.

7. 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	31/12/2017	31/12/2016
In one year	15,987.8	13,271.1
In over one year and within five years maximum	41,559.9	32,893.9
In over five years	15,709.4	14,016.6
Total	**73,257.1**	**60,181.6**

In 2017, lease expenses of TEUR 15,951.0 (TEUR 14,002.6 in 2016) paid based on lease agreements were 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:

EUR thousand	31/12/2017	31/12/2016
In one year	648.8	990.6
In over one year and within five years maximum	932.5	1,516.7
In over five years	138.2	38.6
Total	**1,719.5**	**2,546.0**

Guarantees and contingent liabilities

EUR thousand	31/12/2017	31/12/2016
Liabilities with guarantees included on the balance sheet		
Loans from financial institutions, non-current	34,168.1	24,010.5
Loans from financial institutions, current	11,634.4	8,139.8
Total	**45,802.5**	**32,150.3**
Guarantees given on behalf of the Group		
Collateral notes secured by a mortgage	54,350.0	34,150.0
Real estate mortgages	4,096.8	4,096.8
Subsidiary shares	37,613.1	31,596.6
Other shares	164.8	164.8
Bank guarantees	3,414.9	3,717.8
Other guarantees	7,000.0	1,000.0
Total	**106,639.5**	**74,725.9**

EUR thousand	31/12/2017	31/12/2016
Commitments		
Purchase commitment	600.0	200.0

Restamax Plc has committed to financing, when necessary, an associated company with a subordinated loan of a maximum of TEUR 2,000.

With a deed of sale dated 1 July 2017, Restamax Plc’s subsidiary engaging in the labour hire business purchased 100% of the shares in Smile Job Services Oy (formerly Job Services One Oy). A part of the sale price has been paid with the Restamax Plc subsidiary’s shares involving a fixed-term repurchase obligation.

8. KEY FIGURES

	1 October–31 December 2017	1 October–31 December 2016	1 January–31 December 2017	1 January–31 December 2016
Earnings per share, EUR	0.10	0.15	0.30	0.35
Operating profit %, entire Group	8.0%	10.3%	5.8%	6.9%
Operating profit %, restaurant	10.3%	10.5%	5.7%	6.9%
Operating profit %, labour hire	3.4%	6.3%	5.1%	4.7%
EBITDA %, entire Group	14.2%	17.3%	12.1%	14.9%
EBITDA %, restaurant	17.2%	18.0%	13.4%	15.3%
EBITDA %, labour hire	8.3%	11.5%	8.7%	10.1%
Return on equity, % (p.a.)			12.1%	14.0%
Return on investment, % (p.a.)			10.7%	11.9%
Equity ratio, %			35.3%	45.2%
Gearing ratio, %			93.1%	69.1%
Interest-bearing net liabilities			43,649.5	30,377.2
Net financial expenses			2,810.3	952.8
Material margin %, restaurant	76.0%	76.9%	74.1%	74.6%
Staff expenses %, restaurant	27.8%	27.9%	28.0%	28.1%
Staff expenses %, labour hire	84.4%	83.9%	83.7%	85.5%
Average staff, restaurant				
Registered staff				
Full-time staff			361	270
Part-time staff translated into full-time staff			143	110
Rented workforce, translated into full-time staff			295	271
Average staff, labour hire				
Registered staff				
Full-time staff			116	0
Part-time staff translated into full-time staff			1,641	750

KEY FIGURES

Calculation formulas for key figures

Earnings per share

$$\frac{\text{Parent company owners' share of profit from the financial period}}{\text{Average number of shares}}$$

Return on equity %

$$\frac{\text{Profit (profit belonging to owners of parent company + profit belonging to minority shareholders)}}{\text{Equity on average (belonging to owners of parent company and minority shareholders)}} * 100$$

Equity ratio %

$$\frac{\text{Equity (belonging to owners of parent company + belonging to minority shareholders)}}{\text{Total assets – advances received}} * 100$$

Return on investment %

$$\frac{\text{Profit before tax + finance costs}}{\text{Equity (belonging to owners of parent company and minority shareholders) + Interest-bearing financial liabilities on average}} * 100$$

Gearing ratio %

$$\frac{\text{Interest-bearing net financial liabilities}}{\text{Equity (belonging to owners of parent company and minority shareholders)}} * 100$$

Staff expense %

$$\frac{\text{Staff expenses + rented workforce}}{\text{Turnover}} * 100$$

Material margin %

$$\frac{\text{Turnover purchases}}{\text{Turnover}} * 100$$

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