



INTERIM REPORT Q1/2017



RESTAMAX INTERIM REPORT 1 JANUARY-31 MARCH 2017

**TURNOVER INCREASED BY 17.5 PER CENT AND
OPERATING PROFIT BY MORE THAN 266 PER CENT IN JANUARY-MARCH 2017**

JANUARY-MARCH 2017 IN BRIEF

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

Entire Group:

The Group's turnover was MEUR 32.0 (MEUR 27.2), growth of 17.5 per cent. EBITDA was MEUR 3.3 (MEUR 2.8), growth of 17.8 per cent. Operating profit was MEUR 0.7 (MEUR 0.2), growth of 266.6 per cent.

Restaurant business:

The turnover of the restaurant business segment was MEUR 25.6 (MEUR 23.1), growth of 10.5 per cent. EBITDA was MEUR 2.6 (MEUR 2.3), growth of 13.7 per cent. Operating profit was MEUR 0.4 (MEUR 0.0), growth of 1552.4 per cent.

Labour hire business:

The turnover of the labour hire business segment was MEUR 8.7 (MEUR 6.5), growth of 32.7 per cent. EBITDA was MEUR 0.8 (MEUR 0.6), growth of 36.4 per cent. Operating profit was MEUR 0.4 (MEUR 0.2), growth of 110.1 per cent.

PROSPECTS FOR 2017

Results management (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

The first quarter of 2017 was successful

Between January and March 2017, the turnover of the entire Group increased by 17.5 per cent, EBITDA by almost 18 per cent and operating profit by over 266 per cent from last year.

In the first quarter of 2017, we achieved a rather good result compared to the previous year. Our EBITDA is strong – our profitability is among the best in the restaurant industry as measured by EBITDA. Our previously high depreciation level has relatively stabilised, which is beginning to show in our operating profit level. In the restaurant business segment, the operating profit increased by more than 1,550 per cent from the previous year, and in the labour hire business segment, by more than 110 per cent.

We increased our market share according to plan late last year, especially in Northern Finland. The integration of the new Northern units, i.e. three Colorado Bar & Grill restaurants and the Kuura, Pizza Block and Mura Sushi restaurants, into our operations has been successful, which had a positive impact on our result in the first quarter of 2017.

In the first quarter of the year, we also strengthened our positions in Pirkanmaa, our main market area. In January 2017, together with Koskiravintolat Oy, a veteran company in the restaurant business, we established a new limited company, Rivermax Oy. As a result of this, our restaurant portfolio now includes the Tampere restaurants Poro (former Hullu Poro), Jackie Brown and Jackie Brown Gold, von Nottbeck in Näsilinna, the summer restaurant Laituri and, in Pori, the Kirjuri summer restaurant. Our collaboration aims at providing new kinds of restaurant experiences in both Pirkanmaa and Satakunta that are even higher-quality and more memorable than before.

The popular Thai Papaya restaurants in the Helsinki area became part of our portfolio at the turn of the year, and we opened a new restaurant based on this concept at Ideapark in Lempäälä in March. We also

renovated the Foodpark restaurant area at Ideapark in Lempäälä, opened a BeefKing restaurant in Lielähti in Tampere and expanded our operations into the escape room game business by opening the Run Out escape rooms in Tampere. In addition, we bought the popular event restaurant Yo-talo in Tampere and, together with Rivermax, the Tillikka restaurant complex.

In Helsinki, we increased our ownership of Heresaaren Ranta, diversified the services of the area and acquired the business of the Vespa restaurant, on the premises of which we will open a new restaurant during the spring. At the end of March, we also opened the Skohan nightclub in the Helsinki city centre in collaboration with rap artist Jare “Cheek” Tiihonen and event producer Kalle Kallonen. In Joensuu, the Gloria nightclub was taken over by our subsidiary Northmax Oy.

Our subsidiary Smile Henkilöstöpalvelut Oy expanded its operations to a new field and now also supplies ICT and office professionals. Smile Industries, which started its operations in late 2016 and supplies labour for industry, construction and logistics, has strengthened its market position in early 2017. The growth of the labour hire business has been even faster than the restaurant business, and labour hire has become an increasingly important part of the operations of the Group.

Demand for restaurant services on the increase

The increased tourism in Lapland increases the demand for restaurant services and creates new jobs in the field. Thanks to clean nature, cultural experiences, internationally awarded chefs and safety, Finland has become an attractive travel destination worldwide. Especially the number of Chinese, Russian, Swedish, German and British tourists has increased in the last few years.

The economic situation in the tourism and restaurant industry has improved significantly after many weak years, although it is still below average. The compa-

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nies in the field expect growth to be slightly faster in the spring and profitability to remain the same. According to the turnover forecast by the Finnish Hospitality Association (MaRa), in the first quarter of 2017 the turnover of restaurants increased by 6.5 per cent and the turnover of the whole tourism and restaurant sector by 6.9 per cent. In the corresponding period last year, the growth of turnover in the field was approximately four per cent.

The biggest reasons for the poor profitability of the restaurant sector are high taxes and high add-on costs of salaries. Our concept-based business model and our subsidiary Smile Henkilöstöpalvelut enable effective and quick reactions to customer demand, market changes and changing needs of different seasons.

During the review period, the collective agreements of employees and managers concerning tourism, restaurant and leisure services were revised for 1 February 2017–31 January 2018 in accordance with the Competitiveness Pact made by central organisations. The concrete effects of the Competitiveness Pact on the operations of our company can probably not be observed until after the present year.

Growth of labour hire accelerating

Labour hire is a field of future growth full of potential – it combines the flexible needs of employees and employers in constantly changing working life. In addition, the demand in the sector has been found to have increased, amongst other things, because of globalisation and technical development.

Up to 80 per cent of the turnover of staffing services is made up of labour hire services. The turnover of labour hire services for January 2017 was MEUR 69.9 in Finland, an increase of 23 per cent over the previous year.

The development of Smile Henkilöstöpalvelut reflects the positive prospects and growth estimates of the sector, although the growth has been sub-

stantially stronger than the average development of the sector. After the review period, Smile Henkilöstöpalvelut bought the entire shareholding of Pasianssi Oy (Banssi Henkilöstöpalvelut) in April and took a big step towards the top of the sector: Banssi operates in 14 cities and has some 2,000 employees in its staff bank. In addition to organic growth, we also intend to map new targets for corporate acquisitions this year. In the middle of growth, we want profitability to remain on a good level.

During the early part of the year, Smile Henkilöstöpalvelut renewed its brand to better correspond with the procedures and views of the company. In accordance with the company's present slogan, Smile wants to bring joy and positivity to Finnish working life.

Growth story of the Group continues

In January we announced that I will leave the post of CEO in June 2017, at which point I will have headed our company for 12 years. I greatly value the people with whom I have had the pleasure of working during these years. Together we made Restamax an incredible growth story. For this I want to thank the whole personnel, our partners and our customers.

I believe that in the coming years, the Group will continue its growth that is stronger than the general market development. This is signalled, for example, by the fact that after the publication of the 2016 financial statements, our share price has increased at a record rate. The highest share price was reached after the review period, on 6 April 2017, when the price for our share rose to EUR 7.54.

The first quarter of the year is always the weakest period in our business, because in both business segments, the generation of profit is focused on the end of the year. The first quarter of 2017 is a strong indication that this year will once again be successful.

Markku Virtanen, CEO

KEY FIGURES

RESTAMAX GROUP IN TOTAL

(EUR thousand)	1-3/2017	1-3/2016	1-12/2016
KEY FIGURES, entire Group			
Turnover	31,970	27,212	130,072
EBITDA	3,271	2,778	19,399
EBITDA, %	10.2%	10.2%	14.9%
Operating profit	747	204	8,998
Operating profit, %	2.3%	0.7%	6.9%
Review period result	352	-74	5,864
To shareholders of the parent company	487	142	5,608
To minority shareholders	-135	-216	256
Earnings per share (euros) to the shareholders of the parent company	0.03	0.01	0.35
Interest-bearing net liabilities	33,006	28,838	30,377
Gearing ratio, %	75.5%	72.2%	69.1%
Equity ratio, %	44.9%	45.0%	45.2%
Return on investment, % (p.a.)	4.0%	1.5%	11.9%
Net financial expenses	178	209	953

RESTAURANT BUSINESS

(EUR thousand)	1-3/2017	1-3/2016	1-12/2016
Turnover	25,561	23,124	107,544
EBITDA	2,632	2,316	16,475
EBITDA, %	10.3%	10.0%	15.3%
Operating profit	365	22	7,401
Operating profit, %	1.4%	0.1%	6.9%

KEY FIGURES

Material margin, %	73.8%	74.0%	74.6%
Staff expenses, %	29.4%	30.4%	28.1%

LABOUR HIRE BUSINESS

(EUR thousand)	1-3/2017	1-3/2016	1-12/2016
Turnover	8,660	6,527	34,129
EBITDA	761	558	3,441
EBITDA, %	8.8%	8.5%	10.1%
Operating profit	382	182	1,597
Operating profit, %	4.4%	2.8%	4.7%

KEY FIGURES

Staff expenses, %	85.9%	87.1%	85.5%
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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 2016 financial statements and at the end of this interim review.

TURNOVER AND INCOME

THE GROUP'S INCOME FOR THE FIRST QUARTER OF 2017

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

Entire Group:

The Group's turnover was MEUR 32.0 (MEUR 27.2), growth of 17.5 per cent. EBITDA was MEUR 3.3 (MEUR 2.8), growth of 17.8 per cent. Operating profit was MEUR 0.7 (MEUR 0.2), growth of 266.6 per cent.

Restaurant business:

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Labour hire business:

The turnover of the labour hire business segment was MEUR 8.7 (MEUR 6.5), growth of 32.7 per cent. EBITDA was MEUR 0.8 (MEUR 0.6), growth of 36.4 per cent. Operating profit was MEUR 0.4 (MEUR 0.2), growth of 110.1 per cent.

As expected, Restamax's result for the first quarter of 2017 was good. The turnover of the entire Group increased by 17.5 per cent from the previous year, EBITDA by 17.8 per cent and operating profit by 266.6 per cent. The strong development of the operating profit is based on the relative stabilisation of the depreciation level. In the restaurant business segment, the operating profit increased by 1,552.4 per cent from the previous year, and in the labour hire business segment, by 110.1 per cent.

The increase of the turnover in the first quarter was also affected by the corporate acquisition of seven restaurants with Unioninkadun keidas Oy in late 2016. The acquired restaurant units in Levi, Ruka, Pyhä and Helsinki have been fully available to the company since the beginning of the year, and the restaurants' winter season and the integration into the business of Restamax were successful.

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–March 2017 was MEUR 0.5 (MEUR 2.5).

Investments in growth during the period under review include: the establishment of Rivermax Oy with Koskiravintolat, the opening of the Skohan nightclub with Jare Tiihonen, the opening of the Thai Papaya restaurant at Ideapark in Lempäälä, the purchase of the Gloria nightclub in Joensuu, the opening of the BeefKing restaurant in Lielähti in Tampere and the

opening of the Run Out escape room game in the Crazy Golf amusement centre in Tampere.

The Group's interest-bearing net liabilities at the end of March were MEUR 33.0 (MEUR 28.8). The net financial expenses in January–March were EUR 178,400 (EUR 209,300). Equity ratio was 44.9 per cent (45.0 per cent) and gearing ratio was 75.5 per cent (72.2 per cent).

PIVOTAL EVENTS IN THE REVIEW PERIOD

The purchase of Thai Papaya Oy

With a deed of sale dated 29 December 2016, Restamax bought a majority holding in the Thai Papaya restaurants, and opened a restaurant based on this concept at Ideapark in Lempäälä in March. The restaurant relies on quality Asian tastes and fast dining in between shopping. The other Thai Papaya restaurants are located in Helsinki in Kallio, Herttoniemi and Hernesaaren Ranta. The ownership of the shares was transferred to Restamax Plc on 1 January 2017.

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 deed 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.

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. The following will be under the ownership of the joint venture: the Tampere restaurants Poro (former Hullu Poro), Jackie Brown and Jackie Brown Gold, von Nottbeck in Näsilinna, the summer restaurants Little Joe and Laituri and, in Pori, the Café Europa and the Kirjuri summer restaurant.

BeefKing, Lielähti

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

Max-Siivouspalvelut Oy, sale of shareholding

Restamax sold its 70 per cent shareholding in Max-Siivouspalvelut Oy in February. Max-Siivouspalvelut Oy is a cleaning service company established in 2008 specialising in the cleaning of offices, restaurants and commercial premises.

**Yo-talo, Tampere**

With a deed of sale dated 17 February 2017, Restamax bought Yo-talo, an event restaurant in Tampere with long traditions. The right of ownership and management was transferred to the company on 15 March 2017.

Gloria, Joensuu

The Joensuu-based night club Gloria was taken over by Restamax subsidiary Northmax Oy on 1 March 2017. The nightclub Viihdemaaailma Ilona in Joensuu, which is part of Restamax's restaurant portfolio, was also taken over by the company. Northmax Oy already owns Viihdemaaailma Ilona in Oulu.

Run Out, Tampere

Finland's first escape room game licensed to sell alcohol was opened on the premises of the Crazy Golf amusement centre in Tampere in March. There are two escape rooms at the opening stage: Ruumishuone (morgue) and Ydinuhka (nuclear threat). The operations will be expanded during 2017.

Skohan, Helsinki

In March, Restamax opened the new Skohan nightclub on the premises of Namu and Club Showroom together with rap artist Cheek (Jare Tiihonen) and event producer Kalle Kallonen.

EVENTS AFTER THE REPORTING PERIOD AND NEW PROJECTS

Opening of Gastromax's restaurant, Helsinki

With a deed of sale dated 27 January 2017, Restamax acquired the business of the Vespa restaurant, and the ownership was transferred to Restamax on 1 April 2017. Gastromax, the joint venture of Restamax and restaurateur Hans Välimäki, will open a new-concept restaurant for dining and socialising on the site of Vespa during the summer of 2017.

Tillikka Oy, Tampere

With a deed of sale dated 31 March 2017, Rivermax Oy bought a majority holding in the Tillikka restaurant complex in Tampere. The ownership was transferred to the Group on 1 April 2017. Tommi Aaltonen will start as the CEO and continue as a shareholder of Tillikka Oy. There have been restaurant operations on the premises of Tillikka since 1912.

Smile Henkilöstöpalvelut bought Pasiassi Oy

With a deed of sale dated 5 April 2017, Restamax subsidiary Smile Henkilöstöpalvelut bought the entire shareholding of Pasiassi Oy (Banssi Henkilöstöpalvelut). The business and right of ownership of the object of the transaction were transferred to the Group on that date. Founded in 2013, Banssi Henkilöstöpalvelut is a recruitment and labour hire service company operating in 14 cities throughout Finland. The company's staff bank has some 2,000 employees.

STAFF

Restaurant business:

In the period 1 January–31 March 2017, the restaurant operations of the Restamax Group employed on average 324 (275) full-time employees and 138 (107) part-time employees converted into full-time employees as well as 211 (245) rented employees converted into full-time employees.

Sinari, Rauma

On 31 March 2017, Restamax subsidiary Bistromax Oy bought the Sinari restaurant, which has operated in Rauma for over 20 years, with its operations based on live performers and a separate karaoke side.

Ruoveden Rantaravintola and Muroleen Kesäkahvila, Ruovesi

In April, Restamax subsidiary Somax Oy acquired the businesses of traditional restaurants Ruoveden Rantaravintola and Muroleen Kesäkahvila, bringing a versatile addition to the company's seasonal offering. The transaction also included the restaurant buildings and the site of Muroleen Kesäkahvila located by the Murole canal.

Ranta, Tampere

The Jackie Brown nightclub located in Tampere by the Ratinanniemi shore will be renovated during the spring and in May, the new Ranta restaurant and a large summer terrace will be opened on the site.

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.

Labour hire business:

In 1 January–31 March 2017, the Restamax Group's labour hire business employed on average 800 (567) full-time employees converted into full-time employees.

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

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 09/05/2017

RESTAMAX PLC

Board of Directors

Additional information:

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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, Viihdemaailma 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. - 31.3.2017:
TABLE SECTION AND NOTES



INTERIM REPORT 1.1. – 31.3.2017: TABLE SECTION AND NOTES

THE INFORMATION PRESENTED IN THE INTERIM REPORT
HAS NOT BEEN AUDITED

GROUP INCOME STATEMENT (IFRS)

EUR thousand	Note	1 January– 31 March 2017	1 January– 31 March 2016	1 January– 31 December 2016
Turnover		31,969.6	27,211.6	130,071.9
Other operating income		395.0	479.4	2,533.9
Materials and services		-7,576.3	-6,632.7	-30,070.7
Staff expenses		-11,895.0	-9,694.7	-45,311.7
Other operating expenses		-9,622.1	-8,585.6	-37,824.6
EBITDA		3,271.3	2,778.0	19,398.8
Depreciations, amortisations and impairment		-2,524.3	-2,574.3	-10,400.9
Operating profit		747.0	203.8	8,997.9
Share of associate profits		28.7	58.6	-151.2
Financial income		20.4	6.4	186.6
Financial expenses		-198.8	-215.7	-1,139.4
Profit/loss before taxes		597.3	53.1	7,893.9
Income taxes		-593.9	-343.3	-1,933.8
Change in deferred taxes		349.0	216.1	-95.7
Profit for the financial period		352.4	-74.1	5,864.4
Attributable to:				
Parent company shareholders		486.9	141.7	5,608.1
Minority shareholders		-134.5	-215.8	256.3
Total		352.4	-74.1	5,864.4
Earnings per share calculated from the review period profit for parent company shareholders				
Undiluted earnings per share (euros)		0.03	0.01	0.35
Diluted earnings per share (euros)		0.03	0.01	0.35
Comprehensive consolidated income statement				
Profit for the financial period		352.4	-74.1	5,864.4
Other comprehensive income items (after taxes):				
Financial assets available for sale		0.0	0.0	0.0
Total comprehensive income for the period		352.4	-74.1	5,864.4
Attributable to:				
Parent company shareholders		486.9	141.7	5,608.1
Minority shareholders		-134.5	-215.8	256.3
Total		352.4	-74.1	5,864.4

GROUP BALANCE SHEET (IFRS)

EUR thousand	Note	31/03/2017	31/03/2016	31/12/2016
ASSETS				
Non-current assets				
Intangible assets		48,918.0	43,618.1	47,435.8
Property, plant and equipment		27,885.0	28,501.7	28,834.3
Shares of associates and joint ventures		1,207.5	1,388.6	1,178.8
Financial assets available for sale		620.2	620.1	620.2
Interest-bearing loans receivable		167.3	180.4	168.2
Non-interest-bearing other receivables		959.1	993.7	1,030.7
Deferred tax assets		187.2	584.9	142.1
Non-current assets total		79,944.2	75,887.5	79,410.2
Current assets				
Inventories		2,282.0	1,985.6	2,317.6
Interest-bearing loans receivable		30.9	71.1	30.0
Sales receivables and other non-interest-bearing receivables		14,140.1	10,017.7	14,037.2
Cash and cash equivalents		1,262.9	1,296.3	1,871.1
Current assets total		17,715.9	13,370.6	18,255.9
Assets in total		97,660.1	89,258.1	97,666.0
EQUITY AND LIABILITIES				
Equity attributable to parent company shareholders				
Share capital		150.0	150.0	150.0
Invested unrestricted equity fund		36,586.1	33,937.3	36,586.1
Fair value fund		-13.3	-13.3	-13.3
Own shares		-191.4	-972.6	-191.4
Retained earnings		6,549.6	6,434.8	6,541.4
Equity loan		220.0	220.0	220.0
Total equity attributable to parent company shareholders		43,301.0	39,756.2	43,292.8
Minority shareholders		389.3	215.1	669.0
Equity total		43,690.3	39,971.3	43,961.8
Non-current liabilities				
Deferred tax liabilities		424.1	612.0	703.0
Provisions		160.3	62.2	183.2
Financial liabilities		24,694.5	20,097.2	24,369.9
Trade payables and other liabilities		783.2	651.0	796.4
Non-current liabilities total		26,062.0	21,422.3	26,052.5
Current liabilities				
Financial liabilities		9,633.9	9,987.4	8,193.0
Trade payables and other liabilities		18,274.0	17,877.0	19,458.8
Current liabilities total		27,907.9	27,864.4	27,651.7
Liabilities total		53,969.8	49,286.7	53,704.2
Equity and liabilities in total		97,660.1	89,258.1	97,666.0

GROUP CASH FLOW STATEMENT (IFRS)

EUR thousand	1 January– 31 March 2017	1 January– 31 March 2016	1 January– 31 December 2016
Operating cash flow			
Profit from review period	352.4	-74.1	5,864.4
Adjustments:			
Non-cash transactions	-136.0	-14.2	-432.9
Depreciations, amortisations and impairment	2,524.3	2,574.3	10,400.9
Financial expenses (net)	178.4	209.3	952.8
Taxes	244.9	127.2	2,029.5
Share of associate profits	-28.7	-58.6	151.2
Cash flow before change in working capital	3,135.3	2,763.8	18,965.9
Changes in working capital:			
Increase (-)/deduction (+) in accounts receivable and other receivables	-66.0	292.3	-3,275.1
Increase (-)/deduction (+) in inventories	43.7	70.9	-34.5
Increase (+)/deduction (-) in accounts payable and other liabilities	-1,723.1	432.7	1,506.4
Change in working capital	-1,745.4	795.9	-1,803.2
Dividends received	2.3	0.0	0.0
Interest paid and other financial costs	-181.7	-202.0	-1,021.4
Interest received and other financial income	16.9	5.1	67.3
Taxes paid	-705.3	-845.0	-2,687.0
Operating net cash flow	522.1	2,517.8	13,521.6
Investment cash flow			
Investments in tangible and intangible assets	-864.0	-1,580.9	-7,193.0
Deduction (+)/increase (-) of non-current loans receivable	78.2	3.2	94.7
Acquisition of subsidiaries with time-of-acquisition liquid assets deducted	-340.7	0.0	-1,364.3
Sale of subsidiaries with time-of-acquisition liquid assets deducted	100.0	0.0	0.0
Business transactions, acquisitions (-)	-1,561.5	-508.4	-1,507.7
Business transactions, sales (+)	24.3	29.5	126.8
Acquisition of the shares of minority shareholders (-)	-200.0	0.0	-110.0
Sales of the shares of minority shareholders (+)	0.0	0.5	0.5
Investment net cash flow	-2,763.7	-2,056.0	-9,952.9
Financial cash flow			
Non-current loans drawn (+)	1,000.0	0.0	21,740.0
Non-current loans repaid (-)	-809.7	-1,394.4	-19,791.7
Current loans drawn (+)/repaid (-)	1,443.2	101.9	-1,207.1
Amortisations of finance leases (-)	0.0	-8.2	0.0
Finance net cash flow	1,633.5	-1,300.7	-3,832.7
Change in liquid assets	-608.2	-838.9	-264.1
Liquid assets 1 Jan	1,871.1	2,135.1	2,135.1
Liquid assets 31 Mar	1,262.9	1,296.3	1,871.1
Change	-608.2	-838.9	-264.1

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 01/01/2017	150.0	36,586.1	-13.3	-191.4	6,541.4	220.0	43,292.8	669.0	43,961.8
Comprehensive income of the review period									
Profit from review period					486.9		486.9	-134.5	352.4
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	486.9	0.0	486.9	-134.5	352.4
Transactions with shareholders							0.0		0.0
Equity loans							0.0		0.0
Dividend distribution							0.0		0.0
Acquisition of own shares							0.0		0.0
Changes in minority shareholders' shares without change in controlling interest					-478.7		-478.7	-120.1	-598.8
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	0.0	0.0	0.0	-478.7	0.0	-478.7	-145.2	-623.9
Equity, 31/03/2017	150.0	36,586.1	-13.3	-191.4	6,549.6	220.0	43,301.0	389.3	43,690.3

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 review period									
Profit from review period					141.7		141.7	-215.8	-74.1
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	141.7	0.0	141.7	-215.8	-74.1
Transactions with shareholders							0.0		0.0
Equity loans							0.0		0.0
Dividend distribution							0.0		0.0
Acquisition of own shares							0.0		0.0
Changes in minority shareholders' shares without change in controlling interest							0.0	2.0	2.0
Transactions with shareholders, total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0
Equity, 31/03/2016	150.0	33,937.3	-13.3	-972.6	6,434.8	220.0	39,756.2	215.1	39,971.3

INTERIM REPORT NOTES

1. ACCOUNTING PRINCIPLES

This unaudited interim report has been prepared by observing the entry and appreciation principles of the IFRS standards, but not all the requirements of the IAS 34 Interim Financial Reporting standard have been observed in its preparation. 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 changes to the IFRS standards effective as of 01/01/2017. 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. 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 businesses require 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 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 January 2017–31 March 2017				1 January 2016–31 March 2016				1 January–31 December 2016			
	Restaurants	Labour hire	Eliminations	Group	Restaurants	Labour hire	Eliminations	Group	Restaurants	Labour hire	Eliminations	Group
Turnover	25,560.9	8,660.3	-2,251.5	31,969.6	23,124.2	6,526.7	-2,439.4	27,211.6	107,544.2	34,129.4	-11,601.7	130,071.9
Other operating income	519.2	14.2	-138.4	395.0	586.7	1.5	-108.8	479.4	3,036.2	69.2	-571.5	2,533.9
EBITDA	2,632.2	760.9	-121.9	3,271.3	2,315.7	557.7	-95.4	2,778.0	16,475.1	3,441.5	-517.8	19,398.8
Depreciations	-2,267.0	-379.2	121.9	-2,524.3	-2,293.6	-376.0	95.4	-2,574.3	-9,074.1	-1,844.6	517.8	-10,400.9
Operating profit	365.3	381.7	0.0	747.0	22.1	181.7	0.0	203.8	7,401.0	1,596.9	0.0	8,997.9
Profit/loss before taxes	280.8	316.5	0.0	597.3	-51.4	104.5	0.0	53.1	6,547.2	1,358.4	-11.7	7,893.9

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 are Group-internal.

3. GROUP STRUCTURE CHANGES

Acquired subsidiaries

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.

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

Intangible assets	158.1
Tangible assets	81.2
Inventories	8.1
Current receivables	25.9
Cash and cash equivalents	7.2
Assets in total.....	280.4
Deferred tax liabilities	25.0
Financial liabilities	150.4
Other payables.....	117.0
Liabilities total	292.5
Net assets	-12.1

Generation of goodwill through acquisitions:

Total purchase consideration.....	200.0
Minority shareholders' share	4.8
Net identifiable assets of the acquired entity	-12.1
Goodwill	207.2

Acquired business operations, acquisition cost calculation unfinished

With a deed of sale dated 10 February 2017, Restamax Plc's subsidiary engaging in the restaurant business bought the businesses and equipment of Hullu Poro, Jackie Brown, Jackie Brown Gold, Näsilinna's von Nottbeck and the Laituri summer restaurant as well as 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 Sinisohtu 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.

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

Tangible assets	500.0
Assets in total.....	500.0
 Net assets	 500.0

Generation of goodwill through acquisitions:

Total purchase consideration.....	1,911.5
Net identifiable assets of the acquired entity	500.0
Goodwill	1,411.5

Shareholding sold

Name	Shareholding sold	Location	Date of control transfer
Max Siivouspalvelut Oy	70%	Tampere	28/02/17

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

Property, plant and equipment	1,9
Other assets.....	176,6
Liabilities	-106,6
Net assets, total	72,0

Goodwill impairment allocated to sales of shares in Max Siivouspalvelut Oy. The impairment loss is entered in the extensive consolidated income statement in the line "Depreciations, amortisations and impairment" as follows:

Intangible rights, goodwill	100,0
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Sales profit of TEUR 95.0 is entered in the extensive consolidated income statement under other operating income.

Events after the review period

With a deed of sale dated 27 January 2017, Restamax Plc bought the business and fixed assets of a restaurant situated at Etelä Esplanadi 22. The right of ownership of the object of the transaction was transferred on 1 April 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.

Restamax Plc's subsidiary engaging in the labour hire business, Smile Henkilöstöpalvelut Oy, bought the entire shareholding of Pasiassi Oy (Banssi Henkilöstöpalvelut) 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.

Pasiassi Oy's subsidiaries are Banssi etelä Oy, Banssi pohjoinen Oy, Banssi häme Oy, Banssi uusimaa Oy, Banssi itä Oy, Banssi länsi Oy, Banssi keski Oy, Banssi kaakko Oy, Banssi lappi Oy, Banssi Helsinki Oy, Banssi Safety Oy, Banssi Hoiva Oy and Talous Bandora Oy.

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 to the object of the transaction will be transferred once the entire sale price has been paid.

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

4. INTANGIBLE AND TANGIBLE ASSETS

Intangible assets and goodwill	31/03/2017	31/03/2016	31/12/2016
Book value 1 Jan	47,435.8	43,801.7	43,801.7
Business acquisitions	1,743.9	260.0	5,798.3
Additions	482.6	251.5	1,037.9
Depreciations, amortisations and impairment	-644.4	-695.2	-2,808.4
Deductions	-100.0	0.0	-393.6
Book value at the end of the review period	48,918.0	43,618.1	47,435.8
Tangible assets	31/03/2017	31/03/2016	31/12/2016
Book value 1 Jan	28,834.3	29,003.3	29,003.3
Business acquisitions	581.2	20.0	1,144.9
Additions	349.3	1,455.2	6,495.6
Depreciations, amortisations and impairment	-1,879.9	-1,879.1	-7,592.6
Deductions	0.0	-97.7	-216.9
Book value at the end of the review period	27,885.0	28,501.7	28,834.3

5. ASSOC. COMPANY EVENTS

Transactions with associated companies

EUR thousand	Sales	Acquisitions	Receivables	Liabilities
31/03/2017	111.1	943.5	298.8	157.7
31/03/2016	112.8	470.9	455.6	988.9
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

From 01/01/2017, Restamax's Executive Team consists of the following members:

Markku Virtanen, 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 CEO, Markku Virtanen, will leave the service of the company on 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	31/03/2017	31/03/2016	31/12/2016
In one year	13,614.8	12,867.8	13,271.1
In over one year and within five years maximum	32,829.1	34,856.2	32,893.9
In over five years	12,813.8	16,344.7	14,016.6
Total	59,257.7	64,068.6	60,181.6

In early 2017, TEUR 3,824.0 (TEUR 3,284.3 in 2016) of rental costs based on other rental agreements were recognised in profit or loss.

The Group as a lessor

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

EUR thousand	31/03/2017	31/03/2016	31/12/2016
In one year	989.2	897.4	990.6
In over one year and within five years maximum	1,121.4	1,575.3	1,516.7
In over five years	24.1	0.0	38.6
Total	2,134.7	2,472.7	2,546.0

Guarantees and contingent liabilities

EUR thousand	31/03/2017	31/03/2016	31/12/2016
Liabilities with guarantees included on the balance sheet			
Loans from financial institutions, non-current	24,242.5	19,692.5	24,010.5
Loans from financial institutions, current	9,633.9	9,937.9	8,139.8
Total	33,876.4	29,630.5	32,150.3
Guarantees given on behalf of the Group			
Collateral notes secured by a mortgage	34,350.0	16,350.0	34,150.0
Real estate mortgages	4,096.8	2,596.8	4,096.8
Subsidiary shares	31,594.8	25,772.0	31,596.6
Other shares	164.8	164.8	164.8
Bank guarantees	3,273.9	2,529.7	3,717.8
Other guarantees	1,000.0	2,785.0	1,000.0
Total	74,480.2	50,198.3	74,725.9

EUR thousand	31/03/2017	31/03/2016	31/12/2016
Commitments			
Purchase commitment	200.0	200.0	200.0

7. KEY FIGURES

	1 January– 31 March 2017	1 January– 31 March 2016	1 January– 31 December 2016
Earnings per share, EUR	0.03	0.01	0.35
Operating profit %	2.3%	0.7%	6.9%
Operating profit %, restaurant	1.4%	0.1%	6.9%
Operating profit %, labour hire	4.4%	2.8%	4.7%
EBITDA %	10.2%	10.2%	14.9%
EBITDA %, restaurant	10.3%	10.0%	15.3%
EBITDA %, labour hire	8.8%	8.5%	10.1%
Return on equity, % (p.a.)	3.2%	-0.7%	14.0%
Return on investment, % (p.a.)	4.0%	1.5%	11.9%
Equity ratio, %	44.9%	45.0%	45.2%
Gearing ratio, %	75.5%	72.2%	69.1%
Interest-bearing net liabilities	33,006.3	28,838.0	30,377.2
Net financial expenses	178.4	209.3	952.8
Material margin %, restaurant	73.8%	74.0%	74.6%
Staff expenses %, restaurant	29.4%	30.4%	28.1%
Staff expenses %, labour hire	85.9%	87.1%	85.5%
Average staff, restaurant			
Registered staff			
Full-time staff	324	275	270
Part-time staff translated into full-term staff	138	107	110
Rented workforce, translated into full-term staff	211	245	271
Average staff, labour hire			
Registered staff			
Full-time staff	800	567	750

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)
 ----- * 100
 Equity on average (belonging to owners of parent company and minority shareholders)

Equity ratio, %

Equity (belonging to owners of parent company + belonging to minority shareholders)
 ----- * 100
 Total assets - Advances received

Return on investment, %

Profit before tax + finance costs
 ----- * 100
 Average equity (belonging to owners of parent company and minority shareholders)
 + Interest-bearing financial liabilities on average

Gearing ratio, %

Interest-bearing net financial liabilities
 ----- * 100
 Equity (belonging to owners of parent company and minority shareholders)

Staff expense, %

Staff expenses + rented workforce
 ----- * 100
 Turnover

Material margin, %

Turnover purchases
 ----- * 100
 Turnover



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