



# SIX-MONTHLY REPORT Q2/2017





# RESTAMAX SIX-MONTHLY REPORT 1 JANUARY - 30 JUNE 2017

## STRONG DEVELOPMENT IN TURNOVER - RESTAMAX SPECIFIES ITS RESULTS MANAGEMENT GUIDELINES FOR 2017

### APRIL-JUNE 2017 IN BRIEF

#### Entire Group:

The Group's turnover was MEUR 43.6 (MEUR 31.9), growth of 36.4 per cent. EBITDA was MEUR 3.9 (MEUR 4.3), decrease of 8.7 per cent. Operating profit was MEUR 1.2 (MEUR 1.5), decrease of 16.0 per cent.

#### Restaurant business:

The turnover of the restaurant business segment was MEUR 29.0 (MEUR 26.5), growth of 9.5 per cent. EBITDA was MEUR 2.8 (MEUR 3.6), decrease of 20.6 per cent. Operating profit was MEUR 0.4 (MEUR 1.3), decrease of 70.4 per cent.

#### Labour hire business:

The turnover of the labour hire business segment was MEUR 17.5 (MEUR 8.5), growth of 104.8 per cent. EBITDA was MEUR 1.2 (MEUR 0.8), growth of 49.2 per cent. Operating profit was MEUR 0.8 (MEUR 0.1), growth of 530.0 per cent.

### JANUARY-JUNE 2017 IN BRIEF

#### Entire Group:

The Group's turnover was MEUR 75.6 (MEUR 59.2), growth of 27.7 per cent. EBITDA was MEUR 7.2 (MEUR 7.1), growth of 1.7 per cent. Operating profit was MEUR 2.0 (MEUR 1.7), growth of 18.3 per cent.

#### Restaurant business:

The turnover of the restaurant business segment was MEUR 54.6 (MEUR 49.6), growth of 10.0 per cent. EBITDA was MEUR 5.5 (MEUR 5.9), decrease of 7.1 per cent. Operating profit was MEUR 0.8 (MEUR 1.4), decrease of 44.1 per cent.

#### Labour hire business:

The turnover of the labour hire business segment was MEUR 26.1 (MEUR 15.1), growth of 73.5 per cent. EBITDA was MEUR 2.0 (MEUR 1.4), growth of 44.0 per cent. Operating profit was MEUR 1.2 (MEUR 0.3), growth of 288.0 per cent.

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

### PROSPECTS FOR 2017

#### Results management (as of 8 August 2017):

Restamax expects the Group's turnover to increase by approximately 30 per cent from the previous year to approximately MEUR 170 in the 2017 financial period. Profitability is estimated to remain at a good level in 2017.

The Company's long-term strategic goal is to reach a turnover of MEUR 180 by the end of 2018.

#### Previous results management (as of 21 February 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 long-term strategic goal is to reach a turnover of MEUR 180 by the end of 2018.

## TEMPORARY CEO JARNO SUOMINEN

### **Strong development in turnover between January and June 2017 – specifications to the profit forecast**

In terms of profit, the second quarter of 2017 did not meet our expectations. The growth in turnover was good, but profitability deteriorated in relation to the previous year. As regards the labour hire business, the review period was successful despite strong growth and related integration costs. The restaurant business suffered significantly due to the exceptionally poor weather in early summer. Between January and June 2017, the turnover of the entire Group increased by 27.7 per cent, EBITDA by 1.7 per cent and operating profit by 18.3 per cent from last year.

Despite the challenging start to the summer, we achieved a moderate result and the long-term outlook is good. We will get close to the 2018 turnover goal of MEUR 180 over the course of the 2017 financial period. As a result, we will be specifying our results management scheme by virtue of this six-monthly report. We estimate the turnover for the 2017 financial period to be approximately MEUR 170, indicating a growth of approximately 30 per cent. Furthermore, the profitability is expected to remain at a good level.

### **Cold weather in early summer weakens profitability**

The exceptionally cold and rainy weather in early summer hampered our summer restaurant operations, which is clearly evident in the relative profitability of the review period. According to statistics, the month of May was coldest in decades, and early June is normally this cold only once every ten years on average. In June, rainfall in central and southern Finland was 1.5–2 times higher than the average.

The weather conditions had a significant impact on the demand for our summer restaurant services as well as the turnover and EBITDA of our entire restaurant sector, which fell well behind the levels of the corresponding period of last year. About 70 of the 120 restaurants owned by our Group feature terraces. This translates to nearly 15,000 outdoor seats. We made significant growth investments in our seasonal restaurant operations, with regard to which we are expecting profits to materialise later in the summer and upcoming seasons.

In April we expanded our restaurant operations by acquiring the business operations of Ruoveden Rantaravintola and Muroleen Kesäkahvila. Over the course of May and June, we opened Restaurant Enso in Helsinki, the wings restaurant Hook in Turku, the Pepe Lopez terrace restaurant in Pori as well as the Ranta restaurant complex in Tampere. In addition to this, we purchased the majority shareholding in Pub Harry's, which operates in Jyväskylä.

### **Growth in the restaurant sector continues still driven by food sales**

During the first half of the year 2017, the sales of the hospitality companies continued the steady growth that was sparked last year. Although accommodation providers have grown faster than restaurants, the development in the restaurant sector also looks cautiously promising. The growth is supported by an increase in both foreign and domestic tourism and the positive general trend in the Finnish economy. In addition to this, the prospects are bolstered by the relatively high consumer confidence.

However, the demand for restaurant services was encumbered by the poor weather conditions early in the summer. According to a turnover forecast by the Finnish Hospitality Association MaRa, restaurant turnover increased by 5.4 per cent in the second quarter of this year. During the second quarter, the turnover of Restamax's restaurant operations increased by 10 per cent. The turnover of the entire hospitality sector is expected to stand at 6.7 per cent for the first half-year period.

Although the sales of restaurants licenced to serve alcohol increased in the second quarter of the year, the favourable development is increasingly attributable to food sales; people consume as much alcoholic drinks as before but largely at home and outdoors. Passenger import remains dominant among sales channels.

Despite the positive overall trend, the hospitality field continues to be marred by poor profitability. Companies' costs have skyrocketed due to the increase of the wholesale prices of food and alcoholic

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drinks as well as labour costs. In addition to this, high tax rates are holding back any improvements in profitability. However, the economic barometer for the field indicates that steady growth will continue and even increase slightly in the coming months.

### **Another season of strong growth in labour hire**

For the labour hire business, the review period was successful. Labour hire is an increasingly important part of our Group's operations, and growth and development in the sector are stronger than in our restaurant business.

During the review period, the growth of Smile Henkilöstöpalvelut was accelerated by an acquisition in April, through which Pasianssi Oy (Banssi Henkilöstöpalvelut) was incorporated into the Group. The subsidiary, which currently operates under the name Smile Banssi Oy, has operations in 14 cities. The acquisition strengthens our labour hire operations nationwide, especially in the fields of industry and construction. In the beginning of July after the review period, Smile acquired the share capital of Job Services One Oy. The labour hire company operating in Tampere and Turku focuses on direct recruitment, providing staffing services for construction, industry and the service sector. The acquisition lends itself to bolstering our labour hire operations even further in the Pirkanmaa and Southwest Finland regions. In addition to corporate acquisitions, organic growth was strong due to successful acquisition of new customers and increased customer purchases.

The consolidation of operations and the corporate restructurings have generated approximately EUR 150,000 in non-recurring items and integration costs, which affect the segment's result for the review period. The result is encumbered by the development of other operations, in relation to which the synergy benefits will be fully achieved at a later time. The decreased demand for restaurant services is naturally also mirrored by the Group's labour hire services.

Generally speaking, the labour hire business has been able to successfully adapt to the changes in the employment climate by consolidating a variety of fragmented opportunities to form more expansive

arrangements. This is evident in the strong growth of the labour hire business. Sales numbers and staff numbers in the field have remained at a good level, as have the expectations of companies.

The clearest indicator of the promising development is turnover. According to the Private Employment Agencies' Association HPL, the increase of turnover in the field between January and April in 2017 was 14 per cent compared to the corresponding period of the previous year. The growth rate of the employment services has only been trumped by the construction sector. The turnover of Smile Henkilöstöpalvelut for the January–June period increased by 73.5 per cent over the previous year. Smile also aims to contribute to the strong growth through the Pasianssi and Job Services acquisitions.

### **Expanding the organisation's pool of competence**

We will strengthen our management during the latter part of the year through new appointments. Juha Helminen will assume his duties as our new CEO in September from his previous position as Vice President of Trade at Oy Sinebrychoff Ab. At that point, I will step down from my position as temporary CEO to continue as the CFO for the Group.

We will also strengthen our Executive Team with two new appointments. Tomi Söderström will begin as the Director of Operations on 18 September 2017. He will transfer to our Group from the HYY Group, where he has served as the Director of Hospitality Business. Previously, he was in charge of restaurant operations on Tallink Silja cruise ships. Tero Kaikkonen, who has served as the Product Line Director for food restaurants in our Group since 2013, will step in as the Group's Development Director on 1 September 2017. These additions to our roster will increase our competence and international expertise, which will support our growth and goals of expanding our business abroad.

### **Peak share price**

Our share price development has been very good in recent years and particularly during the past review period. In addition to dividends, we have been able to

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provide our investors with excellent returns thanks to our increased share price. Our share price has increased by approximately 70 per cent since our listing in 2013 and the beginning of trade. The highest peak in share price occurred in mid-June, at which point the price stood at EUR 9.16. This is an indication of strong confidence in our operations among investors and the market.

In both of our business segments, profits are largely made late in the year. Although the result for January–June 2017 did not meet our expectations, we will continue our significant growth in turnover and maintain our good profitability during the latter half of 2017.

**Jarno Suominen**, *temporary CEO*

## KEY FIGURES

## RESTAMAX GROUP IN TOTAL

<b>(EUR thousand)</b>	<b>4-6/2017</b>	<b>4-6/2016</b>	<b>1-6/2017</b>	<b>1-6/2016</b>	<b>1-12/16</b>
<b>KEY FIGURES. entire Group</b>					
Turnover	43,587	31,946	75,556	59,158	130,072
EBITDA	3,903	4,275	7,174	7,053	19,399
EBITDA, %	9.0%	13.4%	9.5%	11.9%	14.9%
Operating profit	1,238	1,474	1,985	1,677	8,998
Operating profit, %	2.8%	4.6%	2.6%	2.8%	6.9%
Review period result	550	783	902	709	5,864
To shareholders of the parent company	305	603	792	745	5,608
To minority shareholders	244	179	110	-37	256
Earnings per share (euros) to the shareholders of the parent company	0.02	0.04	0.05	0.05	0.35
Interest-bearing net liabilities			47,306	36,119	30,377
Gearing ratio, %			115.1%	99.8%	69.1%
Equity ratio, %			35.3%	38.0%	45.2%
Return on investment, % (p.a.)			4.9%	4.8%	11.9%
Net financial expenses	404	317	583	527	953

## RESTAURANT BUSINESS

<b>(EUR thousand)</b>	<b>4-6/2017</b>	<b>4-6/2016</b>	<b>1-6/2017</b>	<b>1-6/2016</b>	<b>1-12/16</b>
Turnover	29,048	26,524	54,609	49,648	107,544
EBITDA	2,830	3,564	5,463	5,880	16,475
EBITDA, %	9.7%	13.4%	10.0%	11.8%	15.3%
Operating profit	396	1,340	762	1,362	7,401
Operating profit, %	1.4%	5.1%	1.4%	2.7%	6.9%

## KEY FIGURES

Material margin, %	73.4%	73.5%	73.6%	73.7%	74.6%
Staff expenses, %	29.2%	29.1%	29.3%	29.7%	28.1%

## LABOUR HIRE BUSINESS

<b>(EUR thousand)</b>	<b>4-6/2017</b>	<b>4-6/2016</b>	<b>1-6/2017</b>	<b>1-6/2016</b>	<b>1-12/16</b>
Turnover	17,460	8,524	26,120	15,051	34,129
EBITDA	1,217	816	1,978	1,373	3,441
EBITDA, %	7.0%	9.6%	7.6%	9.1%	10.1%
Operating profit	841	134	1,223	315	1,597
Operating profit, %	4.8%	1.6%	4.7%	2.1%	4.7%

## KEY FIGURES

Staff expenses, %	85,1%	86,2%	85,0%	86,6%	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 six-monthly report.



## TURNOVER AND INCOME

### THE GROUP'S INCOME FOR THE SECOND QUARTER OF 2017

#### Entire Group:

The Group's turnover was MEUR 43.6 (MEUR 31.9), growth of 36.4 per cent. EBITDA was MEUR 3.9 (MEUR 4.3), decrease of 8.7 per cent. Operating profit was MEUR 1.2 (MEUR 1.5), decrease of 16.0 per cent.

#### Restaurant business:

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### THE GROUP'S INCOME FOR JANUARY-JUNE 2017

#### Entire Group:

The Group's turnover was MEUR 75.6 (MEUR 59.2), growth of 27.7 per cent. EBITDA was MEUR 7.2 (MEUR 7.1), growth of 1.7 per cent. Operating profit was MEUR 2.0 (MEUR 1.7), growth of 18.3 per cent.

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

Restamax Plc's result and profitability level for the second quarter of 2017 did not fully meet expectations. The turnover for the entire Group increased by 27.7 per cent from the previous year. The increase in EBITDA was 1.7 per cent compared to the previous year, while operating profit increased by 18.3 per cent. As a result of the increase in turnover, the Group will specify its results management for the 2017 financial period.

The Group's restaurant business was affected by the exceptionally cold weather in early summer, along with numerous restaurant investments and openings for the summer season. In the labour hire segment, the corporate restructurings resulted in significant non-recurring items and integration costs. These factors influenced the relative profitability of the entire Group.

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–June 2017 was MEUR 3.5 (MEUR 4.8).

Investments in growth during the period under review include the following: acquisitions of the business operations of Ruoveden Rantaravintola and Muroleen Kesäkahvila, opening of Restaurant Enso in Helsinki, opening of Hook wings restaurants in Turku, opening of restaurant Ranta in Tampere, opening of Pepe Lopez terrace restaurant in Pori, acquisition of a majority holding in the Jyväskylä-

based Pub Harry's, increasing the holding in SuperPark Oy from 19 per cent to 30 per cent, and Smile Henkilöstöpalvelut Oy's acquisition of the entire share capital of Pasiassi Oy.

The Group's interest-bearing net liabilities at the end of June 2017 were MEUR 47.3 (MEUR 36.1). The net financial expenses in January–June 2017 were EUR 582,600 (EUR 526,600). Equity ratio was 35.3 per cent (38.0 per cent) and gearing ratio was 115.1 per cent (99.8 per cent).

## KEY EVENTS OF THE REVIEW PERIOD

### **Tillikka Oy, Tampere**

In March 2017, Restamax subsidiary Rivermax Oy purchased a majority holding in the traditional restaurant complex Tillikka in Tampere. The ownership was transferred to the Group on 1 April 2017. Tommi Aaltonen became the CEO of Tillikka Oy and continued as a shareholder in the company.

### **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). Founded in 2013, Banssi Henkilöstöpalvelut is a recruitment and labour hire service company operating in 14 cities throughout Finland.

### **Ruoveden Rantaravintola and Muroleen Kesäkahvila, Ruovesi**

In April 2017, Restamax subsidiary Somax Oy acquired the business operations of Ruoveden Rantaravintola and Muroleen Kesäkahvila. The acquisition encompassed the buildings of the seasonal restaurants and the site of Muroleen Kesäkahvila.

### **Increase of shareholding in SuperPark Oy**

In May 2017, Restamax increased its shareholding in the operator of indoor activity parks, SuperPark Oy, from 19 per cent to 30 per cent. Restamax became an owner of SuperPark Oy through a targeted share issue in December 2015. SuperPark Oy has activity parks in Espoo, Jyväskylä, Kuopio, Oulu, Tampere, Turku, Vantaa and Vuokatti. In the near future, the plan is to expand the operations abroad. The turnover for SuperPark's financial year, which ended in May 2017, was over MEUR 10, and the target turnover for 2018 stands at MEUR 30.

### **Enso, Helsinki**

In May 2017, Restamax subsidiary Urban Group Oy opened a restaurant called Enso on Korkeavuorenkatu. The concept is centred around flavours of the New York Italian kitchen as well as high-quality ingredients.

### **Pepe Lopez, Pori**

In May 2017, Restamax subsidiary Rivermax Oy opened the terrace restaurant Pepe Lopez, which serves Mexican street food, in the Pori market square.

### **Ale Pub Telakka, Turku**

In May 2017, Restamax opened the Ale Pub Telakka bar on Eerikinkatu in Turku.

### **Suominen appointed as temporary CEO**

As of 22 May 2017, CFO Jarno Suominen was appointed as the temporary CEO of Restamax. The former CEO, Markku Virtanen, left Restamax on 30 June 2017.

### **Juha Helminen steps in as the new CEO**

On 6 June 2017, Restamax announced that Juha Helminen will assume the position of Group CEO on 1 September 2017. Among other posts, Helminen has worked in Denmark in the Carlsberg Group as Vice President, Group Strategy 2015–2017, as Vice President, On-Trade Sales for Carlsberg's Finnish subsidiary 2012–2015, as Vice President, Business Development, Northern Europe for Carlsberg Group 2008–2012, and as Financial Controller of Carlsberg Sweden 2002–2003.

### **Pub Harry's, Jyväskylä**

In June 2017, Restamax Plc purchased a majority holding in Harry's Ravintolat Oy. The company operates the 2012 founded Pub Harry's in Jyväskylä, which focuses on fostering English pub culture.

### **Ranta, Tampere**

In June 2017, the new restaurant complex Ranta was opened on the Ratinanniemi lakeside area in Tampere. The 1,200-seat restaurant features one of the largest terraces in the city as well as a nightclub.

### **Hook, Turku**

In June 2017, a Hook chicken wings restaurant, whose counterparts have been wildly popular in Tampere and Helsinki, was opened in Turku.

### **Colorado Bar & Grill, Helsinki**

A Colorado Bar & Grill restaurant was opened by the Rautatientori square in Helsinki in June 2017. The restaurant is partially owned by film producer Markus Selin through Mikonkadun Keidas Oy.

## EVENTS AFTER THE REPORTING PERIOD AND NEW PROJECTS

### Smile Henkilöstöpalvelut purchased Job Services One Oy

Smile Henkilöstöpalvelut purchased the business operations of Job Services One Oy on 1 July 2017. This strengthens Smile's market position in the regions of Pirkanmaa and Southwest Finland, especially in the fields of industry and construction.

### Colorado Bar & Grill, Tampere

A Colorado Bar & Grill restaurant will be opened on Hämeenkatu in Tampere in the autumn of 2017. In addition to Tampere, Colorado Bar & Grill restaurants are located in Helsinki, Ruka, Levi and Pyhä.

### Opening of Gastromax's restaurant, Helsinki

Gastromax, the joint venture of Restamax and restaurateur Hans Välimäki, will open a three-storey restaurant complex for dining and socialising on Eteläesplanadi in Helsinki. The concept draws heavily from Asian flavours, and the first section of the complex opened its doors at the turn of July and August 2017.

## STAFF

### Restaurant business:

In the period 1 January–30 June 2017, the restaurant operations of the Restamax Group employed on average 312 (274) full-time employees and 140 (99) part-time employees converted into full-time employees as well as 256 (254) rented employees converted into full-time employees.

### Changes in the Executive Team

As of 1 September 2017, Tero Kaikkonen was appointed as Development Director and a member of Executive Team. As of 18 September 2017, Tomi Söderström was appointed as Restamax's Director of Operations and a member of Executive Team. Kaikkonen has worked as Product Line Director for Restamax's food restaurants since 2013, his area of responsibility focusing on diner restaurant operations and their development. Söderström will transfer to Restamax from the HYY Group, where he has served as the Director of Hospitality Business. Before that, Söderström worked at Tallink Silja Oy as Head of Restaurant Services in charge of restaurant operations on cruise ships and as Customer Experience Manager, among other positions.

### Opening of a restaurant complex, Vaasa

Towards the end of 2017, Restamax will open a restaurant complex that provides both dining and nightclub services in a central location in the heart of Vaasa.

### Classic American Diner, Rovaniemi and Helsinki

During the latter part of the year, Restamax will open two new restaurants in Rovaniemi and Itäkeskus, Helsinki under the Classic American Diner concept. There are eight prior concept restaurants in Tampere, Jyväskylä, Helsinki, Vantaa and Seinäjoki.

### Labour hire business:

In 1 January–30 June 2017, the Restamax Group's labour hire business employed on average 1,142 (434) full-time employees converted into full-time employees.

Depending on the season, the Group employs at any one time approximately 1,600 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, 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. 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 8 August 2017

RESTAMAX PLC

Board of Directors

**Additional information:**

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

Timo Laine, Chairman of the Board of Directors, tel. +358 400 626 064

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 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 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, the Group employs some 1,600 persons, converted into full-time employees. Depending on the season, the Group employs some 1,600 persons, converted into full-time employees. Restamax subsidiary Smile Henkilöstöpalvelut Oy employs about 6,500 on a monthly basis.*

*Restamax company website: [www.restamax.fi](http://www.restamax.fi), Restamax consumer website: [www.ravintola.fi](http://www.ravintola.fi),*

*Smile Henkilöstöpalvelut: [www.smilepalvelut.fi](http://www.smilepalvelut.fi)*



SIX-MONTHLY REPORT 1.1. - 30.6.2017:  
TABLE SECTION AND NOTES



# SIX-MONTHLY REPORT I.1. - 30.6.2017:

## TABLE SECTION AND NOTES

THE INFORMATION PRESENTED IN THE INTERIM REPORT  
HAS NOT BEEN AUDITED

### GROUP INCOME STATEMENT (IFRS)

EUR thousand	Note	1 April– 30 June 2017	1 April– 30 June 2016	1 January– 30 June 2017	1 January– 30 June 2016	1 January– 31 December 2016
Turnover		43,586.7	31,946.4	75,556.3	59,158.0	130,071.9
Other operating income		402.7	901.2	797.7	1,380.6	2,533.9
Materials and services		-8,626.1	-7,624.6	-16,202.5	-14,257.2	-30,070.7
Staff expenses		-19,831.0	-11,441.6	-31,726.0	-21,136.3	-45,311.7
Other operating expenses		-11,629.2	-9,505.9	-21,251.3	-18,091.6	-37,824.6
<b>EBITDA</b>		<b>3,903.0</b>	<b>4,275.4</b>	<b>7,174.2</b>	<b>7,053.5</b>	<b>19,398.8</b>
Depreciations, amortisations and impairment		-2,665.1	-2,801.7	-5,189.4	-5,376.0	-10,400.9
<b>Operating profit</b>		<b>1,237.9</b>	<b>1,473.7</b>	<b>1,984.9</b>	<b>1,677.5</b>	<b>8,997.9</b>
Share of associate profits		40.9	-41.6	69.6	17.0	-151.2
Financial income		3.7	2.9	24.1	9.3	186.6
Financial expenses		-408.0	-320.2	-606.7	-535.9	-1,139.4
<b>Profit/loss before taxes</b>		<b>874.6</b>	<b>1,114.8</b>	<b>1,471.8</b>	<b>1,167.9</b>	<b>7,893.9</b>
Income taxes		-575.2	-599.4	-1,169.1	-942.7	-1,933.8
Change in deferred taxes		247.5	267.3	596.5	483.4	-95.7
<b>Profit for the financial period</b>		<b>546.8</b>	<b>782.7</b>	<b>899.2</b>	<b>708.6</b>	<b>5,864.4</b>
Attributable to:						
Parent company shareholders		302.6	603.4	789.5	745.1	5,608.1
Minority shareholders		244.2	179.3	109.7	-36.5	256.3
<b>Total</b>		<b>546.8</b>	<b>782.7</b>	<b>899.2</b>	<b>708.6</b>	<b>5,864.4</b>
<b>Earnings per share calculated from the review period profit for parent company shareholders</b>						
Undiluted earnings per share (euros)		0.02	0.04	0.05	0.05	0.35
Diluted earnings per share (euros)		0.02	0.04	0.05	0.05	0.35
<b>Comprehensive consolidated income statement</b>						
<b>Profit for the financial period</b>		<b>546.8</b>	<b>782.7</b>	<b>899.2</b>	<b>708.6</b>	<b>5,864.4</b>
Other comprehensive income items (after taxes):						
Financial assets available for sale		2.9	0.0	2.9	0.0	0.0
<b>Total comprehensive income for the period</b>		<b>549.7</b>	<b>782.7</b>	<b>902.1</b>	<b>708.6</b>	<b>5,864.4</b>
Attributable to:						
Parent company shareholders		305.5	603.4	792.4	745.1	5,608.1
Minority shareholders		244.2	179.3	109.7	-36.5	256.3
<b>Total</b>		<b>549.7</b>	<b>782.7</b>	<b>902.1</b>	<b>708.6</b>	<b>5,864.4</b>



## GROUP BALANCE SHEET (IFRS)

EUR thousand	Note	30/06/2017	30/06/2016	31/12/2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		57,470.2	44,649.1	47,435.8
Property, plant and equipment		29,759.7	30,323.9	28,834.3
Shares of associates and joint ventures		2,939.2	1,347.0	1,178.8
Financial assets available for sale		620.2	620.1	620.2
Interest-bearing loans receivable		125.3	193.2	168.2
Non-interest-bearing other receivables		960.1	1,033.6	1,030.7
Deferred tax assets		910.7	888.8	142.1
<b>Non-current assets total</b>		<b>92,785.3</b>	<b>79,055.6</b>	<b>79,410.2</b>
<b>Current assets</b>				
Inventories		2,935.5	2,239.7	2,317.6
Interest-bearing loans receivable		0.0	30.0	30.0
Sales receivables and other non-interest-bearing receivables		18,771.9	12,312.8	14,037.2
Cash and cash equivalents		2,197.3	1,895.8	1,871.1
<b>Current assets total</b>		<b>23,904.7</b>	<b>16,478.4</b>	<b>18,255.9</b>
<b>Assets in total</b>		<b>116,690.0</b>	<b>95,534.0</b>	<b>97,666.0</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to parent company shareholders</b>				
Share capital		150.0	150.0	150.0
Invested unrestricted equity fund		39,032.0	33,937.3	36,586.1
Fair value fund		-4.5	-13.3	-13.3
Own shares		-191.4	-972.6	-191.4
Retained earnings		749.9	2,679.9	6,541.4
Equity loan		220.0	220.0	220.0
<b>Total equity attributable to parent company shareholders</b>		<b>39,956.0</b>	<b>36,001.3</b>	<b>43,292.8</b>
Minority shareholders		1,137.6	183.9	669.0
<b>Equity total</b>		<b>41,093.6</b>	<b>36,185.1</b>	<b>43,961.8</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities		911.6	648.5	703.0
Provisions		137.4	31.1	183.2
Financial liabilities		37,515.3	28,195.7	24,369.9
Trade payables and other liabilities		883.9	627.7	796.4
<b>Non-current liabilities total</b>		<b>39,448.1</b>	<b>29,503.0</b>	<b>26,052.5</b>
<b>Current liabilities</b>				
Financial liabilities		12,093.9	9,969.2	8,193.0
Trade payables and other liabilities		24,054.4	19,876.7	19,458.8
<b>Current liabilities total</b>		<b>36,148.3</b>	<b>29,845.9</b>	<b>27,651.7</b>
<b>Liabilities total</b>		<b>75,596.4</b>	<b>59,348.9</b>	<b>53,704.2</b>
<b>Equity and liabilities in total</b>		<b>116,690.0</b>	<b>95,534.0</b>	<b>97,666.0</b>

## GROUP CASH FLOW STATEMENT (IFRS)

EUR thousand	1 January– 30 June 2017	1 January– 30 June 2016	1 January– 31 December 2016
<b>Operating cash flow</b>			
Profit from review period	899.2	708.6	5,864.4
Adjustments:			
Non-cash transactions	-249.1	-388.9	-432.9
Depreciations, amortisations and impairment	5,189.4	5,376.0	10,400.9
Financial expenses (net)	582.6	526.6	952.8
Taxes	572.6	459.3	2,029.5
Share of associate profits	-69.6	-17.0	151.2
<b>Cash flow before change in working capital</b>	<b>6,925.1</b>	<b>6,664.6</b>	<b>18,965.9</b>
<b>Changes in working capital:</b>			
Increase (-)/deduction (+) in accounts receivable and other receivables	-1,449.3	-1,339.9	-3,275.1
Increase (-)/deduction (+) in inventories	-342.1	-161.9	-34.5
Increase (+)/deduction (-) in accounts payable and other liabilities	350.6	1,503.9	1,506.4
<b>Change in working capital</b>	<b>-1,440.8</b>	<b>2.1</b>	<b>-1,803.2</b>
Dividends received	2.9	0.0	0.0
Interest paid and other financial costs	-525.6	-449.6	-1,021.4
Interest received and other financial income	29.7	8.8	67.3
Taxes paid	-1,445.3	-1,389.1	-2,687.0
<b>Operating net cash flow</b>	<b>3,546.0</b>	<b>4,836.8</b>	<b>13,521.6</b>
<b>Investment cash flow</b>			
Sales of available-for-sale financial assets	9.0	0.0	0.0
Investments in tangible and intangible assets	-4,200.2	-5,410.7	-7,193.0
Deduction (+)/increase (-) of non-current loans receivable	112.5	30.3	94.7
Acquisition of subsidiaries with time-of-acquisition liquid assets deducted	-5,833.8	-989.5	-1,364.3
Sale of subsidiaries with time-of-acquisition liquid assets deducted	127.0	0.0	0.0
Business transactions, acquisitions (-)	-2,627.5	-1,149.6	0.0
Business transactions, sales (+)	111.5	83.4	-1,507.7
Acquisition of the shares of minority shareholders (-)	-217.9	0.0	126.8
Sales of the shares of minority shareholders (+)	0.0	0.5	-110.0
Associate shares purchased	-1,690.8	0.0	0.5
<b>Investment net cash flow</b>	<b>-14,210.2</b>	<b>-7,435.6</b>	<b>-9,952.9</b>
<b>Financial cash flow</b>			
Non-current loans drawn (+)	16,060.0	21,500.0	21,740.0
Non-current loans repaid (-)	-2,972.6	-16,153.5	-19,791.7
Current loans drawn (+)/repaid (-)	3,734.3	1,575.8	-1,207.1
Dividends paid	-5,831.3	-4,562.8	-4,573.9
<b>Finance net cash flow</b>	<b>10,990.4</b>	<b>2,359.5</b>	<b>-3,832.7</b>
<b>Change in liquid assets</b>	<b>326.3</b>	<b>-239.3</b>	<b>-264.1</b>
<b>Liquid assets 1 Jan</b>	<b>1,871.1</b>	<b>2,135.1</b>	<b>2,135.1</b>
<b>Change</b>	<b>326.3</b>	<b>-239.3</b>	<b>-264.1</b>
<b>Liquid assets 31 Jun</b>	<b>2,197.3</b>	<b>1,895.8</b>	<b>1,871.1</b>

## 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
<b>Equity on 1 Jan 2017</b>	<b>150.0</b>	<b>36,586.1</b>	<b>-13.3</b>	<b>-191.4</b>	<b>6,541.4</b>	<b>220.0</b>	<b>43,292.8</b>	<b>669.0</b>	<b>43,961.8</b>
<b>Comprehensive income of the review period</b>									
Profit from review period					789.5		789.5	109.7	899.2
Other comprehensive income items (after taxes)							0.0		0.0
Financial assets available for sale					2.9		2.9		2.9
<b>Total comprehensive income for the financial period</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>792.4</b>	<b>0.0</b>	<b>792.4</b>	<b>109.7</b>	<b>902.1</b>
Other changes			8.8				8.8		8.8
<b>Other changes, total</b>	<b>0.0</b>	<b>0.0</b>	<b>8.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8.8</b>		<b>8.8</b>
<b>Transactions with shareholders</b>							<b>0.0</b>		<b>0.0</b>
Equity loans							0.0		0.0
Dividend distribution					-4,985.9		-4,985.9	-456.6	-5,442.5
New issue		2,445.9					2,445.9	582.3	3,028.2
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 change in controlling interest					-1,597.9		-1,597.9	258.2	-1,339.7
Changes in minority shareholders' shares that led to a change in controlling interest							0.0	-25.2	-25.2
<b>Transactions with shareholders, total</b>	<b>0.0</b>	<b>2,445.9</b>	<b>0.0</b>	<b>0.0</b>	<b>-6,583.8</b>	<b>0.0</b>	<b>-4,137.9</b>	<b>358.8</b>	<b>-3,779.1</b>
<b>Equity on 30 June 2017</b>	<b>150.0</b>	<b>39,032.0</b>	<b>-4.5</b>	<b>-191.4</b>	<b>749.9</b>	<b>220.0</b>	<b>39,956.0</b>	<b>1,137.6</b>	<b>41,093.6</b>

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
<b>Equity on 1 Jan 2016</b>	<b>150.0</b>	<b>33,937.3</b>	<b>-13.3</b>	<b>-972.6</b>	<b>6,293.1</b>	<b>220.0</b>	<b>39,614.5</b>	<b>428.9</b>	<b>40,043.4</b>
<b>Comprehensive income of the review period</b>									
Profit from review period					745.1		745.1	-36.5	708.6
Other comprehensive income items (after taxes)							0.0		0.0
Financial assets available for sale							0.0		0.0
<b>Total comprehensive income for the financial period</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>745.1</b>	<b>0.0</b>	<b>745.1</b>	<b>-36.5</b>	<b>708.6</b>
<b>Transactions with shareholders</b>							<b>0.0</b>		<b>0.0</b>
Equity loans							0.0		0.0
Dividend distribution					-4,356.8		-4,356.8	-201.5	-4,558.3
New issue							0.0		0.0
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 change in controlling interest					-1.6		-1.6	-7.0	-8.7
<b>Transactions with shareholders, total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-4,358.4</b>	<b>0.0</b>	<b>-4,358.4</b>	<b>-208.5</b>	<b>-4,566.9</b>
<b>Equity on 30 June 2016</b>	<b>150.0</b>	<b>33,937.3</b>	<b>-13.3</b>	<b>-972.6</b>	<b>2,679.8</b>	<b>220.0</b>	<b>36,001.2</b>	<b>183.9</b>	<b>36,185.1</b>

# SIX-MONTHLY REPORT NOTES

## 1. ACCOUNTING PRINCIPLES

This unaudited six-monthly 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 six-monthly report should be read together with the 2016 IFRS consolidated financial statements. The six-monthly 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 1 January 2017. The changes are described in the 2016 IFRS consolidated financial statements. The changes do not have a significant effect on the six-monthly report.

Preparing the consolidated financial statements in accordance with the IFRS requires the use of the management's evaluations and presumptions, which affects the amounts of assets and liabilities as well as profits and costs on the balance sheet. Although the assessments are based on the management's best perception at the moment, it is possible that realisations may deviate from the original assessments and presumptions.

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

## 2. SEGMENT INFORMATION

The Group's operating segments, which are also reported segments, are the Group's strategic business units: restaurants and labour hire. These business units produce different products and services and they are managed as separate units, since their business requires applying 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, Colorado Bar & Grill, Stefan's Steakhouse, 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 April–30 June 2017				1 April–30 June 2016			
	Restaurants	Labour hire	Eliminations	Group	Restaurants	Labour hire	Eliminations	Group
Turnover	29,048.4	17,459.9	-2,921.6	43,586.7	26,523.7	8,524.2	-3,101.5	31,946.4
Other operating income	545.3	21.3	-163.9	402.7	1,018.9	0.1	-117.8	901.2
EBITDA	2,830.5	1,216.9	-144.4	3,903.0	3,563.8	815.8	-104.2	4,275.4
Depreciations	-2,434.1	-375.4	144.4	-2,665.1	-2,223.7	-682.2	104.2	-2,801.7
Operating profit	396.4	841.5	0.0	1,237.9	1,340.1	133.6	0.0	1,473.7
Profit/loss before taxes	217.6	657.0	0.0	874.6	1,060.8	65.7	-11.7	1,114.8

	1 January–30 June 2017				1 January–30 June 2016				1 January–31 December 2016			
	Restaurants	Labour hire	Eliminations	Group	Restaurants	Labour hire	Eliminations	Group	Restaurants	Labour hire	Eliminations	Group
Turnover	54,609.2	26,120.2	-5,173.1	75,556.3	49,648.0	15,050.9	-5,540.9	59,158.0	107,544.2	34,129.4	-11,601.7	130,071.9
Other operating income	1,064.5	35.5	-302.3	797.7	1,605.6	1.6	-226.6	1,380.6	3,036.2	69.2	-571.5	2,533.9
EBITDA	5,462.7	1,977.8	-266.3	7,174.2	5,879.5	1,373.5	-199.5	7,053.5	16,475.1	3,441.5	-517.8	19,398.8
Depreciations	-4,701.0	-754.6	266.3	-5,189.4	-4,517.3	-1,058.3	199.6	-5,376.0	-9,074.1	-1,844.6	517.8	-10,400.9
Operating profit	761.7	1,223.2	0.0	1,984.9	1,362.2	315.2	0.0	1,677.5	7,401.0	1,596.9	0.0	8,997.9
Profit/loss before taxes	498.4	973.5	0.0	1,471.8	1,009.4	170.2	-11.7	1,167.9	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–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.**

**In the labour hire segment in 1 January–30 June 2017, asset transfer tax in the amount of EUR 138,189.74 was recorded as a non-recurring costs for a subsidiary trade.**

### 3. 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 Näsilinnä, 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.

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

Intangible assets .....	341.4
Tangible assets .....	614.7
Inventories .....	124.2
Current receivables .....	25.9
Cash and cash equivalents .....	7.2
<b>Assets in total.....</b>	<b>1,113.3</b>
Deferred tax liabilities .....	36.0
Financial liabilities .....	150.4
Other payables .....	179.7
<b>Liabilities total .....</b>	<b>366.0</b>
<b>Net assets .....</b>	<b>747.3</b>

#### Generation of goodwill through acquisitions:

Total purchase consideration .....	2,228.9
Minority shareholders' share .....	4.8
Net identifiable assets of the acquired entity .....	747.3
<b>Goodwill .....</b>	<b>1,476.8</b>

### Acquired subsidiaries and business operations, acquisition cost calculation unfinished

With a deed of sale dated 27 January 2017, Restamax Plc bought the business and fixed assets of a restaurant situated at Eteläesplanadi 22. The right of ownership 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.

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 will be transferred once the entire sale price has been paid.

With a deed of sale dated 5 May 2017, Restamax Plc's subsidiary engaging in the restaurant business bought the business operations and fixed assets of a restaurant located in Pori. The right of ownership was transferred on 5 May 2017.

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

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

Intangible assets .....	8.0
Tangible assets .....	669.7
Inventories .....	155.4
Current receivables .....	126.5
Cash and cash equivalents .....	552.6
<b>Assets in total.....</b>	<b>1,512.1</b>
Financial liabilities .....	50.0
Other payables .....	348.0
<b>Liabilities total .....</b>	<b>398.0</b>
<b>Net assets .....</b>	<b>1,114.1</b>

### Generation of goodwill through acquisitions:

Total purchase consideration.....	2,921.9
Minority shareholders' share .....	-68.7
Net identifiable assets of the acquired entity .....	1,114.1
<b>Goodwill .....</b>	<b>1,876.5</b>

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 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.

The acquisition of the share capital of Pasiassi Oy (Banssi Henkilöstöpalvelut) includes a possible additional purchase price obligation. Restamax Plc's management consider the realisation of the additional purchase price unlikely.

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

Intangible assets .....	7.2
Tangible assets .....	35.1
Inventories .....	112.4
Investments .....	0.9
Non-current receivables .....	1.0
Current receivables .....	2,633.7
Cash and cash equivalents .....	970.5
<b>Assets in total.....</b>	<b>3,760.8</b>
Financial liabilities .....	61.2
Other payables .....	3,308.6
<b>Liabilities total .....</b>	<b>3,369.8</b>
<b>Net assets .....</b>	<b>391.0</b>

**Generation of goodwill through acquisitions:**

Total purchase consideration.....	7,609.8
Net identifiable assets of the acquired entity .....	391.0
<b>Goodwill .....</b>	<b>7,218.8</b>



### Shareholding sold

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

Name	Shareholding sold	Location	Date of control transfer
Max Siivouspalvelut Oy	70%	Tampere	28/02/2017

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

Property, plant and equipment .....	1.9
Other assets.....	176.6
Liabilities .....	-106.6
<b>Net assets, total .....</b>	<b>72.0</b>

Goodwill impairment allocated to sales of shares in Max Siivouspalvelut Oy. Impairment losses are entered in the extensive 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 1 July 2017, Restamax Plc’s subsidiary engaging in the labour hire business bought 100% of the shares in Job Services One Oy. The right of ownership of the shares was transferred on 1 July 2017. A portion of the purchase price was paid with shares of the Restamax Oyj subsidiary, which are subject to a fixed-term repurchase obligation.

#### 4. INTANGIBLE AND TANGIBLE ASSETS

Intangible assets and goodwill	30/06/2017	30/06/2016	31/12/2016
Book value 1 Jan	47,435.8	43,801.7	43,801.7
Business acquisitions	10,914.9	1,905.1	5,798.3
Additions	540.9	662.5	1,037.9
Depreciations, amortisations and impairment	-1,320.9	-1,611.6	-2,808.4
Deductions	-100.6	-108.6	-393.6
<b>Book value at the end of the review period</b>	<b>57,470.1</b>	<b>44,649.1</b>	<b>47,435.8</b>
Tangible assets	30/06/2017	30/06/2016	31/12/2016
Book value 1 Jan	28,834.3	29,003.3	29,003.3
Business acquisitions	1,319.5	629.5	1,144.9
Additions	3,691.0	4,646.2	6,495.6
Depreciations, amortisations and impairment	-3,868.4	-3,764.4	-7,592.6
Deductions	-216.6	-190.7	-216.9
<b>Book value at the end of the review period</b>	<b>29,759.7</b>	<b>30,323.9</b>	<b>28,834.3</b>

## 5. ASSOCIATED COMPANY EVENTS

### Transactions with associated companies

EUR thousand	Sales	Acquisitions	Receivables	Liabilities
30/06/2017	300.4	1,883.5	323.7	215.6
30/06/2016	236.7	1,071.9	476.9	957.4
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

As of 30 June 2017, Restamax's Executive Team consists of the following members:

Jarno Suominen, Temporary CEO, 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, left Restamax on 30 June 2017.

Juha Helminen will step in as Restamax Plc's CEO on 1 September 2017.

Jarno Suominen will serve as Restamax Plc's temporary CEO for the period 22 May–31 August 2017.

Tero Kaikkonen will assume his duties as Restamax Plc's Development Director and a member of Executive Team on 1 September 2017.

Tomi Söderström will step in as Restamax Plc's Director of Operations and a member of Executive Team on 18 September 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	30/06/2017	30/06/2016	31/12/2016
In one year	14,387.0	12,782.7	13,271.1
In over one year and within five years maximum	37,526.1	34,890.8	32,893.9
In over five years	15,879.7	15,599.9	14,016.6
<b>Total</b>	<b>67,792.8</b>	<b>63,273.4</b>	<b>60,181.6</b>

In early 2017, TEUR 7,782.9 (TEUR 6,798.0 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	30/06/2017	30/06/2016	31/12/2016
In one year	985.8	897.7	990.6
In over one year and within five years maximum	1,088.7	1,462.8	1,516.7
In over five years	9.7	0.0	38.6
<b>Total</b>	<b>2,084.2</b>	<b>2,360.5</b>	<b>2,546.0</b>

### Guarantees and contingent liabilities

EUR thousand	30/06/2017	30/06/2016	31/12/2016
Liabilities with guarantees included on the balance sheet			
Loans from financial institutions, non-current	37,011.6	33,258.4	24,010.5
Loans from financial institutions, current	12,058.5	4,397.1	8,139.8
<b>Total</b>	<b>49,070.1</b>	<b>37,655.4</b>	<b>32,150.3</b>
Guarantees given on behalf of the Group			
Collateral notes secured by a mortgage	54,350.0	34,150.0	34,150.0
Real estate mortgages	4,096.8	2,500.0	4,096.8
Subsidiary shares	37,192.3	31,374.8	31,596.6
Other shares	164.8	164.8	164.8
Bank guarantees	3,230.3	2,623.3	3,717.8
Other guarantees	3,000.0	1,296.8	1,000.0
<b>Total</b>	<b>102,034.1</b>	<b>72,109.6</b>	<b>74,725.9</b>

EUR thousand	30/06/2017	30/06/2016	31/12/2016
Commitments			
Purchase commitment	200.0	200.0	200.0

Restamax Plc is committed to financing the associated company with a subordinated loan of max. EUR 2 million, if necessary.

## 7. KEY FIGURES

	1 April– 30 June 2017	1 April– 30 June 2016	1 January– 30 June 2017	1 January– 30 June 2016	1 January– 31 December 2016
Earnings per share, EUR	0.02	0.04	0.05	0.05	0.35
Operating profit %, <b>entire Group</b>	2.8%	4.6%	2.6%	2.8%	6.9%
Operating profit %, <b>restaurant</b>	1.4%	5.1%	1.4%	2.7%	6.9%
Operating profit %, <b>labour hire</b>	4.8%	1.6%	4.7%	2.1%	4.7%
EBITDA %, <b>entire Group</b>	9.0%	13.4%	9.5%	11.9%	14.9%
EBITDA %, <b>restaurant</b>	9.7%	13.4%	10.0%	11.8%	15.3%
EBITDA %, <b>labour hire</b>	7.0%	9.6%	7.6%	9.1%	10.1%
Return on equity, % (p.a.)			4.2%	3.7%	14.0%
Return on investment, % (p.a.)			4.9%	4.8%	11.9%
Equity ratio, %			35.3%	38.0%	45.2%
Gearing ratio, %			115.1%	99.8%	69.1%
Interest-bearing net liabilities			47,306.3	36,118.8	30,377.2
Net financial expenses	404.0	317.3	582.6	526.6	952.8
Material margin %, <b>restaurant</b>	73.4%	73.5%	73.6%	73.7%	74.6%
Staff expenses %, <b>restaurant</b>	29.2%	29.1%	29.3%	29.7%	28.1%
Staff expenses %, <b>labour hire</b>	85.1%	86.2%	85.0%	86.6%	85.5%
Average staff, <b>restaurant</b>					
Registered staff					
Full-time staff			312	274	270
Part-time staff translated into full-term staff			140	99	110
Rented workforce, translated into full-term staff			256	254	271
Average staff, <b>labour hire</b>					
Registered staff					
Full-time staff			1,142	434	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  
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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