



**ROSINTER**  
RESTAURANTS



## **Interim Results Presentation For the 6 months ended June 30 2008**



**Telephone number:**

**PIN code: 1871743**

***Participant access number:***

+1 718 354 1385	USA Toll
1888 935 4575	USA Freephone
+33(0)1 70 99 43 04	France Toll
+44 (0)20 7806 1951	UK Toll
+34 91 788 9937	Spain Toll
+32 (0)2 789 8726	Belgium Toll
+49 (0)69 5007 1305	Germany Toll
810 800 2545 1012	Russian Freephone
+7 495 789 8156	Russian Toll

**Rosinter's participants:**

**Lori Daytner, President and CEO**






**Alexander Roslavitsev, CFO**

**Giulio D'Erme, Head of sales and marketing**

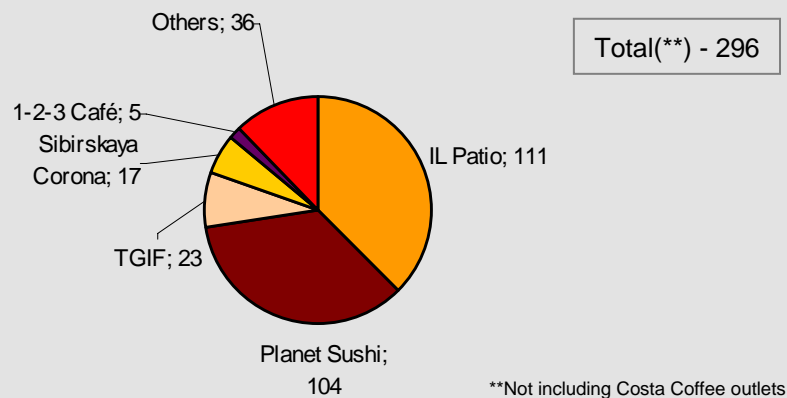
**Amin Muci, Head of Investor Relations**

OJSC Rosinter Restaurants Holding's Unaudited Interim Condensed Financial Statements for the six-month period ended June 30, 2008 are available for download in our web page [www.rosinter.com](http://www.rosinter.com) Investor Relations section at: [http://holding.rosinter.com/invest/financial\\_results/](http://holding.rosinter.com/invest/financial_results/)

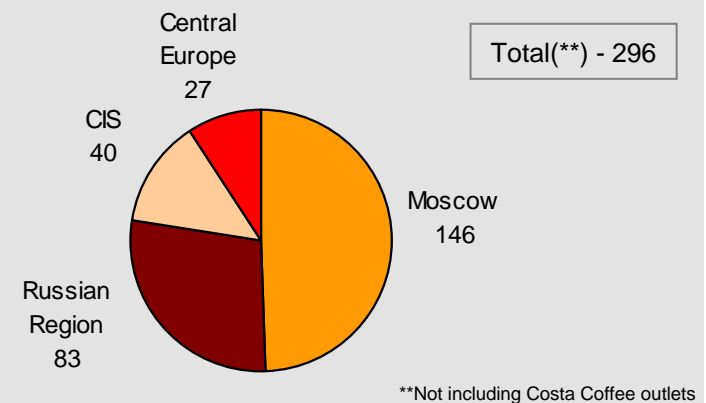
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<b>Market Segment</b>	Casual Dining Restaurants
<b>Market Position</b>	#1
<b>Key brands</b>	     
<b>Number of Restaurants</b>	296 restaurants, of which 80 are franchised, plus 8 Costa Coffee outlets (*)
<b>Average check</b>	38\$ by check (US\$21 by guest)
<b>Total floor area, sq.m.</b>	62,800 for corporate restaurants and 18,600 for franchised restaurants
<b>Number of clients served</b>	Approx. 13.6 million in 2007 (approx. 37,300 per day)
<b>Employees</b>	Approx. 7,700 employees as of December 31, 2007

**Brands portfolio**



**Locations by region, #**



\*Source: Company data, September 30<sup>th</sup>, 2008

## Development highlights

- Increased geographical coverage to 32 cities in 9 countries by September 30 2008, from 25 cities and 8 countries by end 2007
- 64 net openings, including 17 franchises, (+129% vs. 9 months of 2007) for a total of 296 restaurants (+27.6% YTD)
- Franchise coverage extended to Russian regions
- 8 openings of Costa Coffee in Moscow and St. Petersburg
- We will deliver our guidance of 90 restaurants (including 27 franchised) by the end 2008

## Development related expenses

- Substantial progress in consolidating our Hub City structure that will support corporate and franchise growth
- Increased development related expenses:
  - Incremental SG&A expenses in 2008 related to set up of Hub City Structure
  - Increased start-up expenses due to:
    - ✓ Increased number of sites under construction;
    - ✓ Increase in average start-up expenses per store

## Revenue growth

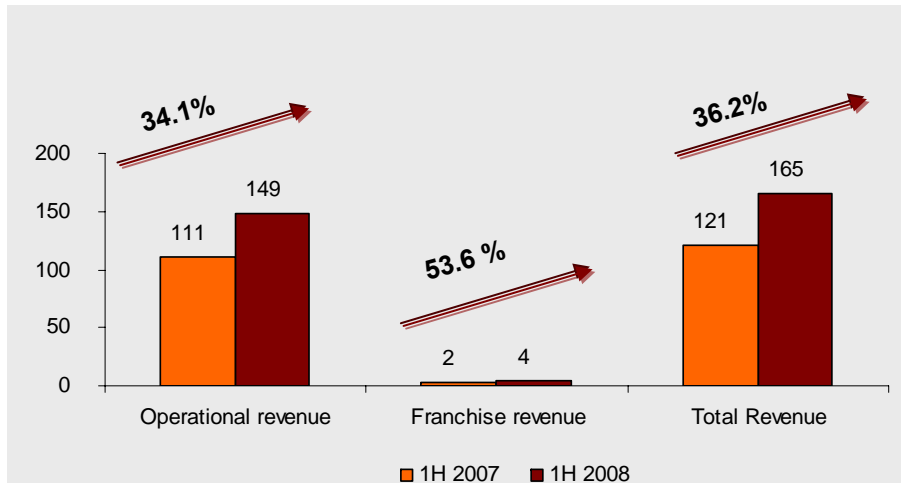
- 35.0% y-o-y revenue growth to US\$ 254.7 mln in first 9 months of 2008
- SSSG of 26.3% in US\$ and 17.0% in local currencies in 9 months 2008 vs. 12.4% and 6.4% in US\$ and local currencies in 9 months 2007
- Traffic growth of 6.0% in 9 months 2008 vs. 1.8% in 9 months 2007

## Investments update

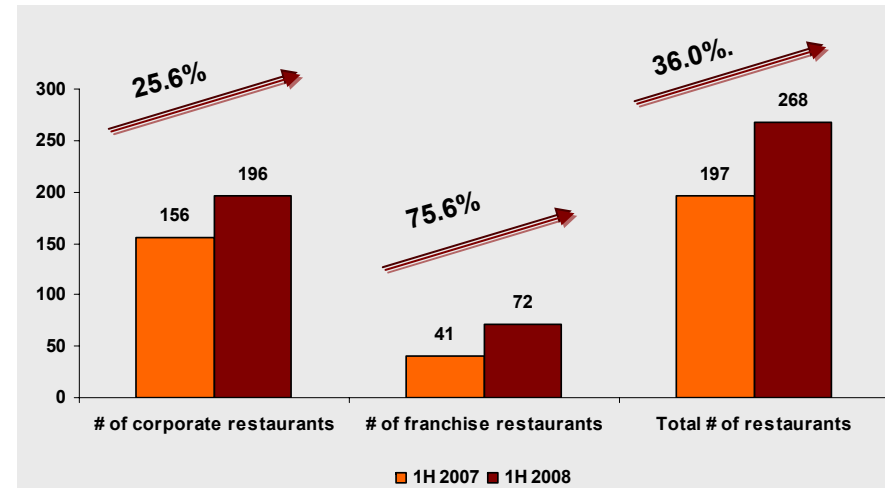
- Purchase of Pulkovo Airport F&B operation, previously under management contract is a strategic move into the concession business
- Acquisition of two of our regional partners' stakes

# 1H 2008 Financial Performance Review

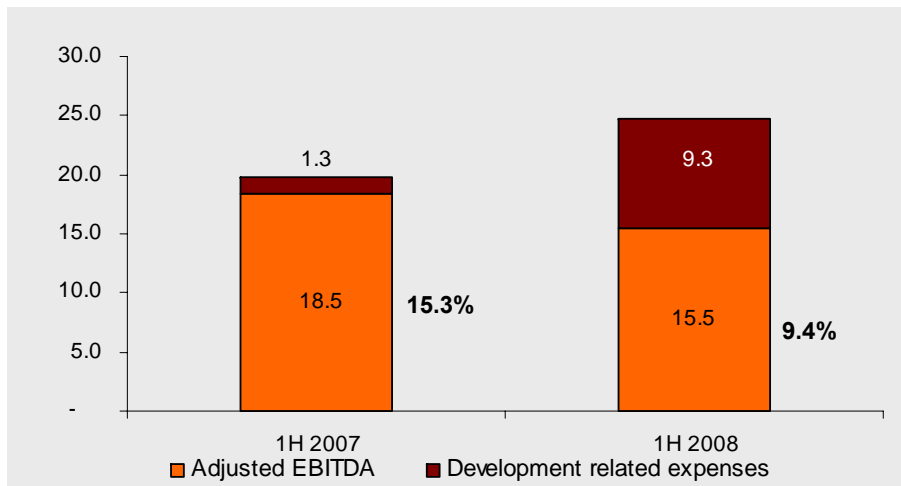
## Revenue dynamics, US\$ mln



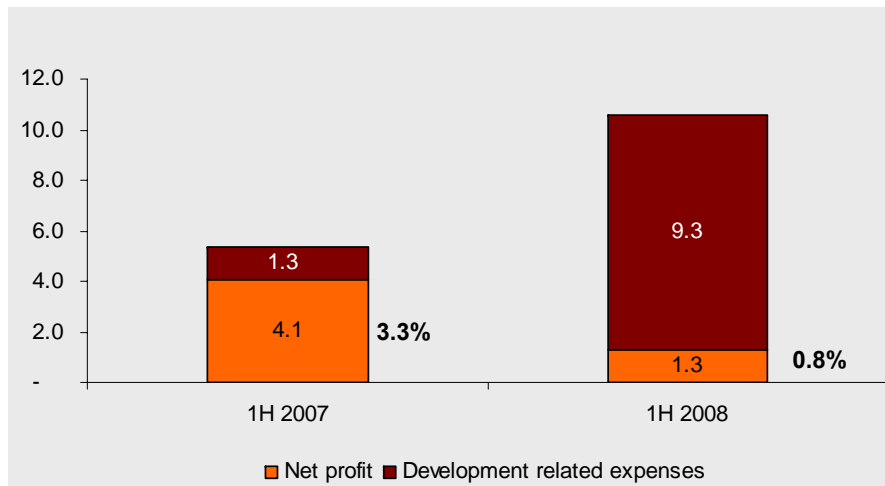
## Restaurant count growth



## Adjusted EBITDA\* dynamics, US\$ mln



## Net Profit dynamics, US\$ mln



(\*) Please, see the footnote on slide #8

- **36 net additions for a total number of 268 restaurants as of June 30 2008**  
*Including 27 corporate and 9 franchised versus 16 corporate and 7 franchised net additions in 1H 2007*
- **36.2% increase in Revenue**  
*US\$ 164.9 mln compared to US\$ 121.0 mln in 1H 2007*
- **Gross profit at US\$ 61.7 mln with Gross Margin at 37.4%** compared to 38.7% in 1H 2007, mainly due to an increase in labor costs at restaurant level
- **Development related expenses of US\$ 9.3 mln equivalent to 5.5% of 1H 2008 revenue** in comparison with US\$ 1.3 mln equivalent to 1.1% of 1H 2007 revenue
- **Profit from operating activities at US\$ 6.7 mln with Margin from operating activities at 4.1%** compared with 9.4% in 1H 2007, mainly due to the increase in development related expenses
- **Adjusted EBITDA at US\$ 15.5 mln with Adjusted EBITDA margin at 9.4%** compared with 15.3% in 1H 2007, mainly due to the increase in development related expenses as a percentage of revenue
- **Net Profit at US\$ 1.3 mln with Net Profit margin at 0.8%** compared with 3.3% in 1H 2007, mainly due to the increase in development related expenses

## 1H 2008 Income Statement

(US\$ thousands)	1H 2008	1H 2007	Variation %
<b>Revenue</b>	<b>164 909</b>	<b>121 036</b>	<b>36.2%</b>
Cost of sales	(103 221)	(74 182)	39.1%
<b>Gross profit</b>	<b>61 688</b>	<b>46 854</b>	<b>31.7%</b>
<b>Gross margin, %</b>	<b>37.4%</b>	<b>38.7%</b>	<b>-1.3%</b>
SG&A	(52 213)	(33 909)	54.0%
Foreign exchange gains/(losses),net	(47)	306	-115.4%
Other operating expenses, net	(2 718)	(1 848)	47.1%
<b>Profit from operating activities</b>	<b>6 710</b>	<b>11 403</b>	<b>-41.2%</b>
<b>Margin from operating activities, %</b>	<b>4.1%</b>	<b>9.4%</b>	<b>-5.4%</b>
Financial expense, net	(3 556)	(5 909)	-39.8%
<b>Profit before income tax</b>	<b>3 154</b>	<b>5 494</b>	<b>-42.6%</b>
Income tax (expense) / benefit	(1 859)	(1 443)	28.8%
<b>Net profit for the year</b>	<b>1 295</b>	<b>4 051</b>	<b>-68.0%</b>
<b>Net Margin, %</b>	<b>0.8%</b>	<b>3.3%</b>	<b>-2.6%</b>
<b>Adjusted EBITDA (*)</b>	<b>15 465</b>	<b>18 475</b>	<b>-16.3%</b>
<b>Adjusted EBITDA Margin, %</b>	<b>9.4%</b>	<b>15.3%</b>	<b>-5.9%</b>

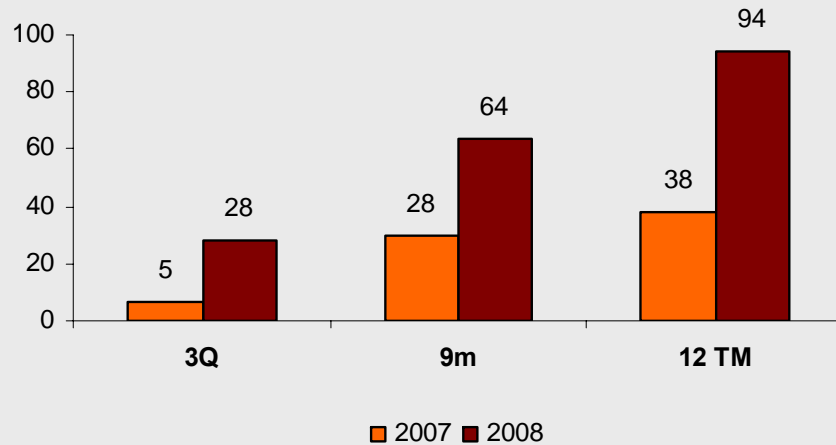
(\*) The company uses Adjusted EBITDA, i.e., the recurrent EBITDA generated by the operations of the company, as a measure to track improvement in overall recurrent operational profitability. To obtain EBITDA we add "Increase in amounts due under "partnership agreements" that corresponds to profit due during the year to our partners, in order to obtain the total EBITDA produced by our business and have a figure that could be compared with those of other companies in our sector. To obtain the Adjusted EBITDA we add to EBITDA "other gain/(losses), net" which consists primarily of transactions that in management's opinion are of a non-recurring nature. Please refer to Note 21 of Financial Statements.

## Positive margin dynamics (pre development related expenses)

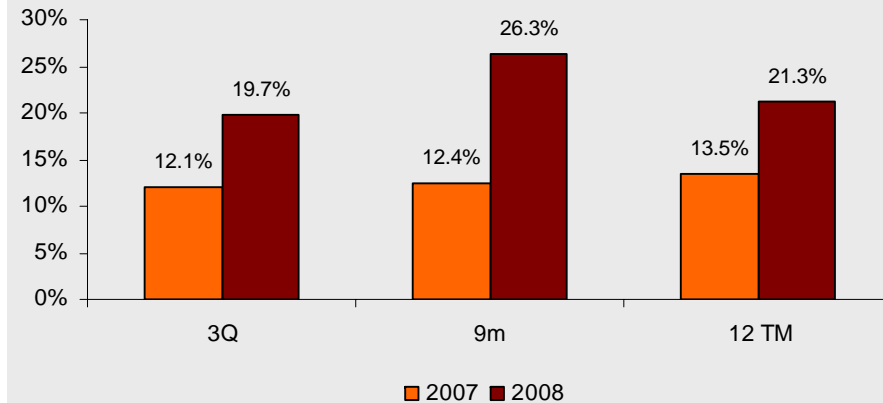
	1H 2008	2007	2H 2007	1H 2007
<b>Revenue, US thousands</b>	<b>164 909</b>	<b>264 801</b>	<b>143 765</b>	<b>121 036</b>
<b>COS</b>	<b>62.6%</b>	<b>62.9%</b>	<b>64.3%</b>	<b>61.3%</b>
COGS	26.3%	27.4%	28.0%	26.7%
COL	20.3%	19.8%	21.2%	18.1%
Rent	10.9%	11.0%	10.6%	11.4%
Other COS	5.2%	4.7%	4.5%	5.0%
<b>Gross Margin</b>	<b>37.4%</b>	<b>37.1%</b>	<b>35.7%</b>	<b>38.7%</b>
<b>SG&amp;A</b>	<b>31.7%</b>	<b>27.9%</b>	<b>27.8%</b>	<b>28.0%</b>
SG&A excluding development related expenses	26.1%	26.0%	25.2%	26.9%
<b>Development related expenses</b>	<b>5.5%</b>	<b>1.9%</b>	<b>2.6%</b>	<b>1.1%</b>
Start-up expenses for new restaurants	4.1%	1.9%	2.6%	1.1%
Roll-out of regional HUBs	1.4%			
<b>EBIT</b>	<b>4.1%</b>	<b>8.6%</b>	<b>7.9%</b>	<b>9.4%</b>
<b>Adjusted EBITDA (*)</b>	<b>9.4%</b>	<b>14.7%</b>	<b>14.1%</b>	<b>15.3%</b>
<b>Net Profit</b>	<b>0.8%</b>	<b>2.3%</b>	<b>1.3%</b>	<b>3.3%</b>
EBIT before development related expenses	9.6%	10.5%	10.5%	10.5%
Adj. EBITDA before development related expenses	14.9%	16.6%	16.7%	16.4%
Net Profit before development related expenses	6.3%	4.2%	3.9%	4.4%

## 3Q 2008 trading update highlights

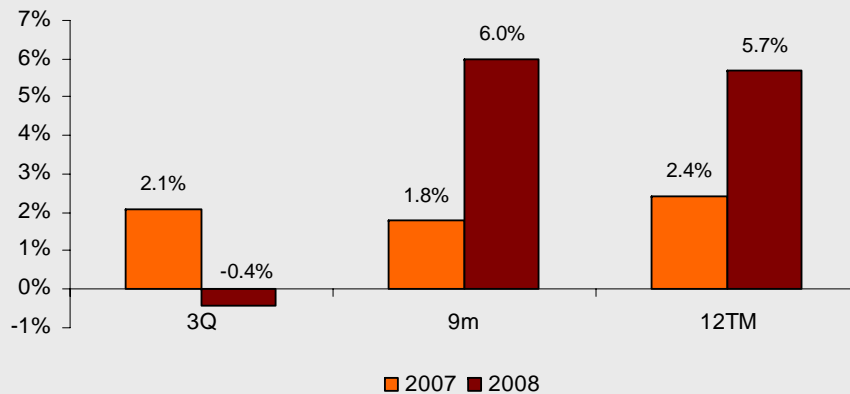
### Total net openings



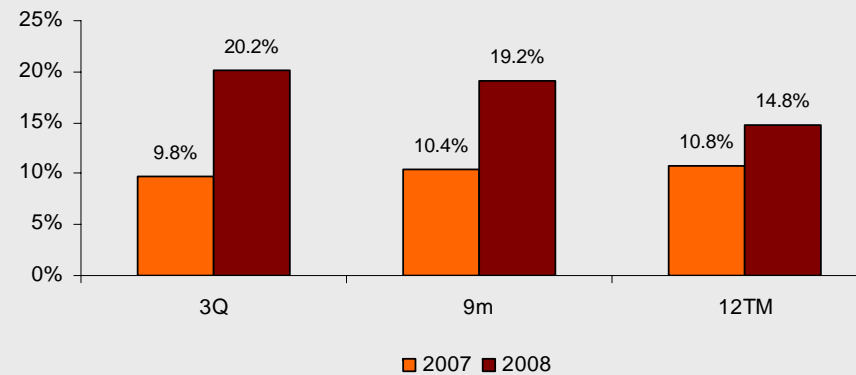
### SSSG (US\$)



### Transactions count growth



### Average transaction (US\$)



**Note:** 12TM means twelve trailing months ending September 30

## Strategy Update.

### **FOCUS:**

Our current focus is to manage very prudently our cash flow, pace our current development plan, reduce our short-term debt exposure and take advantage of sizeable growth opportunities that might show up in our sector

### **Brand Value Proposals:**

- We have not seen changes in our consumers' consumptions patterns that we could associate to the crisis
- We are already preparing menu and promotion proposals to be able to react very fast to changing market conditions if needed

### **Funding and development:**

- So far, we have been having access to credit and given our credit track record and being a publicly traded company, we would expect our regular access to credit to continue once the market reaches some stability, although maybe at higher costs
- The reduction of our short-term debt exposure is a key focus
- We are pacing temporarily our development to the sites under construction and those investments giving short-term cash payback

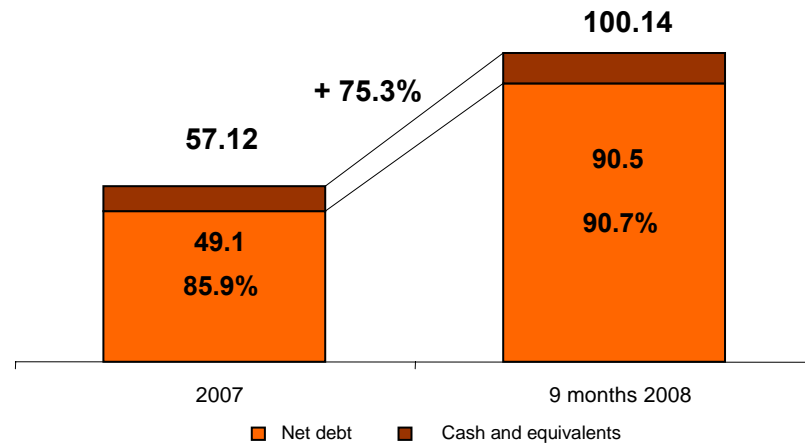
## 2008 guidance update

Given the increase in our average start-up expenses per restaurant, increased pipeline under construction, delays in openings and potential slowdown in consumption we adjust our guidance for 2008.

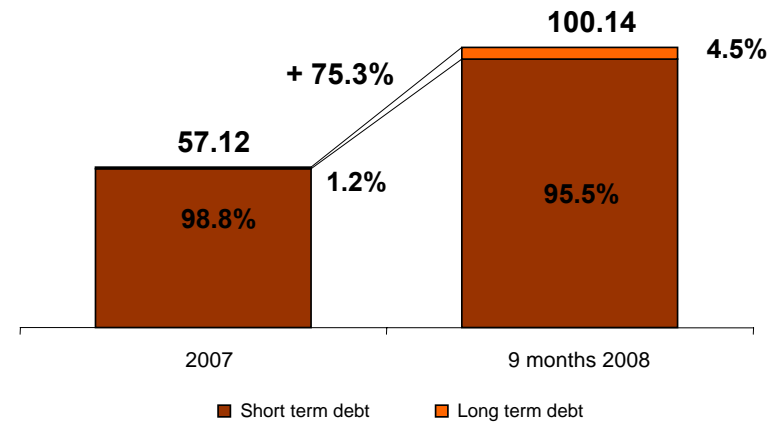
## Debt highlights

- Gross Debt increased by 75.3% from US \$57.1 mln to US\$100.1 mln
- No concentration of debt repayment during 4Q'07 and 1Q'8
- 96% of our debt is reported as short-term mainly due to bonds' put option in May 2009

Net debt (US\$ mln)



Gross Debt (US\$ mln)



## 2008 Guidance Update

	2008 Initial Guidance	2008 Updated Guidance	2007	Y-o-Y
Total net openings (*)	90	90	58	55%
Franchise net openings	27	27	16	69%
SSSG in US\$	20.0%	23.2%	13.5%	+ 9.7%
Average check growth in US\$	14.0%	17.9%	10.5%	+ 7.4%
Traffic growth	6.0%	4.4%	2.5%	+1.9%
Revenue (US\$ mln)	390 - 400	350 - 360	268	30.5% - 34.3%
Adjusted EBITDA before start up expenses (US\$ mln)	60.5 - 62.0	47.8 - 49.0	44	8.6% - 11.4%
%	15.5%	13.6%	16.4%	-2.8%
Total CAPEX (US\$ mln)	50	85	25	240%
Start up expenses for new corporate restaurants (US\$ mln)	10	19	5	280%



Towards our  
first 1,000  
restaurants

**Seasoned Leadership  
Team**

- Entrepreneurship
- Management team with 15 year experience
- High standard of corporate governance

**Successful Business  
Model**

- Stable
- Predictable
- Scalable

**Established Market  
Leader**

- Extensive geographic coverage
- Leading player in largest market in Moscow
- Strong brand awareness

**Attractive Market  
Dynamics**

- High growth of personal income
- Growing middle class
- Opportunities for consolidation