



**ROSINTER**  
RESTAURANTS

## 9M 2011 unaudited IFRS financial results

Investors and Analysts Presentation

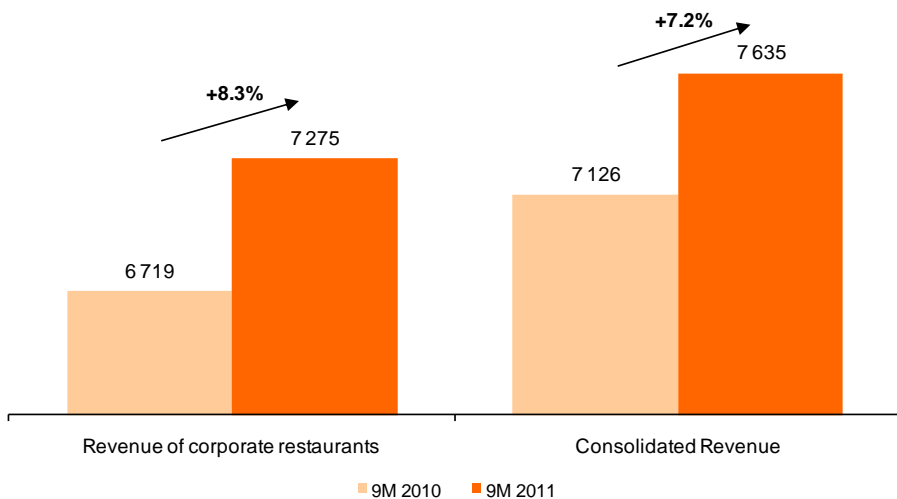


9 December 2011

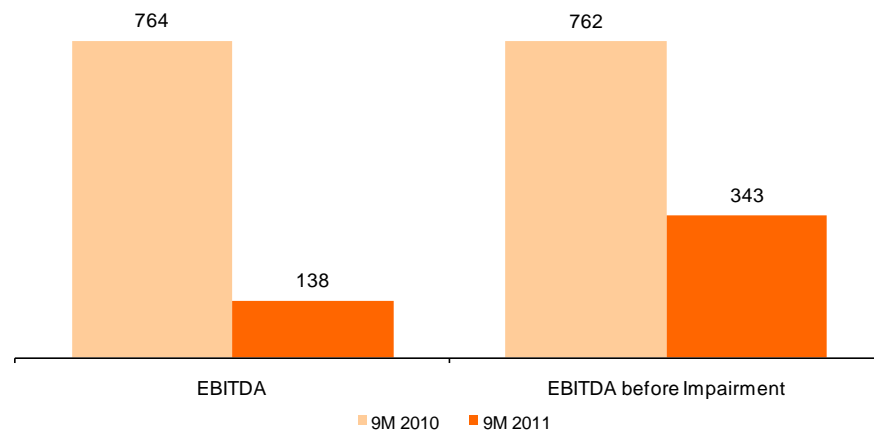
This presentation contains “forward-looking statements” which include all statements other than statements of historical fact. Such forward-looking statements can often be identified by words such as “plans”, “expects”, “intends”, “estimates”, “will” “may”, “continue”, “should” and similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's and/or its Management control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as at the date as of which they are made, and the Company and/or its Management does not intend and has no duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained herein to reflect any change in the Company's and/or its Management expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change by the Company's own discretion without notice of any kind and form.

<p><b><i>Solid Sales Growth</i></b></p>	<ul style="list-style-type: none"> <li>• Consolidated revenue increased by 7.2% supported by 3.1% same-store sales growth</li> <li>• Average check increase resulting from a new pricing policy became key driver of like-for-like sales growth</li> </ul>
<p><b><i>Cost of Goods Sold</i></b></p>	<ul style="list-style-type: none"> <li>• Our deliberate policy of step-by-step price revisions with partial coverage of the supplies inflation resulted in F&amp;B cost increase by 50 bpts as percentage of sales YoY in 9M 2011</li> <li>• Average check growth and cost control initiatives resulted in F&amp;B cost decline to 22.5% as percentage of sales in 3Q 2011 from 23.7% in 2Q 2011 and 24.3% in 1Q 2011</li> </ul>
<p><b><i>Payroll and social taxes</i></b></p>	<ul style="list-style-type: none"> <li>• Social taxes increased from 26% to 34% starting January 1, 2011</li> <li>• Restaurant staff wages realigned for 2011</li> <li>• Payroll cost increased by 230 bpts as percentage of sales YoY in 9M 2011</li> <li>• Productivity growth initiatives resulted in Payroll cost decline to 20.8% as percentage of sales in 3Q 2011 from 23.4% in 2Q 2011 and 25.0% in 1Q 2011</li> </ul>
<p><b><i>Margins</i></b></p>	<ul style="list-style-type: none"> <li>• Gross profit increased to 22.0% as percentage of sales in 3Q 2011 from 18.6% in 2Q 2011 and 17.2% in 1Q 2011</li> <li>• Impairment provision of RUB 204.8 mln resulted in EBITDA contraction and Net losses of RUB 276.6 mln in 9M 2011</li> <li>• EBITDA margin increased to 7.6% in 3Q 2011 as compared to negative EBITDA figures in first half of 2011</li> </ul>
<p><b><i>Network expansion</i></b></p>	<ul style="list-style-type: none"> <li>• 12 new corporate and 18 new franchise restaurants opened in 9M 2011</li> <li>• Company admits very selective approach to corporate sites approval to ensure high quality of new stores</li> </ul>

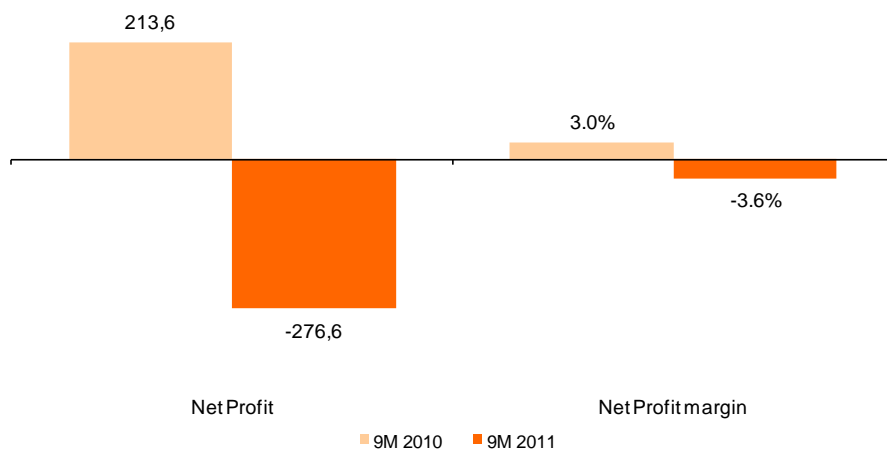
## Net Revenue, Rub mln



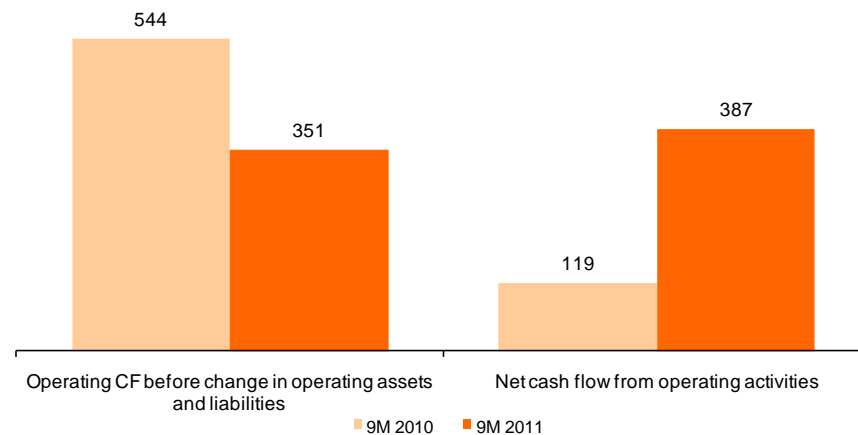
## EBITDA, Rub mln



## Net Profit, Rub mln



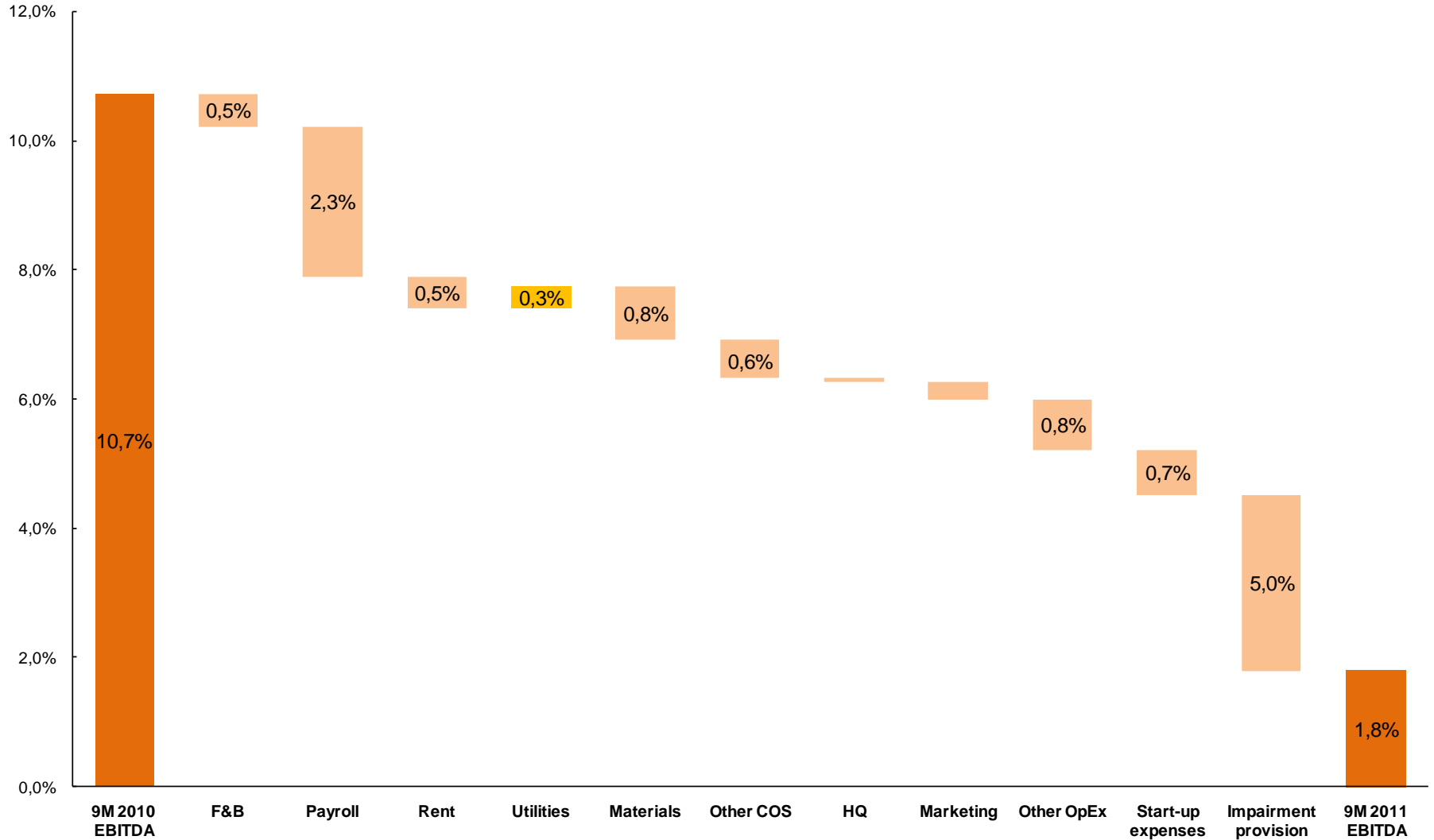
## Operating Cash Flow, Rub mln



- Consolidated revenue increased by 7.2% following 3.1% same-store sales growth in 9M 2011 and the increasing contribution of restaurants opened since 2H 2009
- Cost of sales increased by 4.4% as percentage of revenue driven mainly by increase in food and beverage cost margin, payroll expenses, and materials
- SG&A expenses increased by 0.2% as percentage of revenue driven mainly by higher marketing expenses
- Start-up expenses increased reflecting higher number of corporate openings
- Impairment losses of RUB 204.8 mln accrued to reflect more conservative outlook on a number of corporate outlets

<i>(RUB thousand)</i>	<b>9M 2011</b>		<b>9M 2010</b>	
<b>Net revenue</b>	<b>7 635 191</b>	<b>100,0%</b>	<b>7 125 650</b>	<b>100,0%</b>
Incl. Revenue from restaurants	7 275 260	95,3%	6 719 073	94,3%
Incl. Revenue from franchising	237 075	3,1%	192 022	2,7%
<b>Cost of Sales</b>	<b>6 162 135</b>	<b>80,7%</b>	<b>5 438 079</b>	<b>76,3%</b>
Incl. Food and beverages	1 795 770	23,5%	1 640 400	23,0%
Incl. Payroll and related taxes	1 758 878	23,0%	1 475 276	20,7%
Incl. Materials	244 960	3,2%	170 660	2,4%
<b>Gross profit</b>	<b>1 473 056</b>	<b>19,3%</b>	<b>1 687 571</b>	<b>23,7%</b>
SG&A expenses	1 208 567	15,8%	1 112 563	15,6%
Start-up expenses for new restaurants	88 281	1,2%	32 579	0,5%
Other operating income	(34 073)	-0,4%	(22 082)	-0,3%
Other operating expenses	180 246	2,4%	103 092	1,4%
Losses/(Gains) from impairment	204 784	2,7%	(2 432)	0,0%
<b>Operating profit/(loss)</b>	<b>(174 749)</b>	<b>-2,3%</b>	<b>463 851</b>	<b>6,5%</b>
Financial expenses, net	127 574	1,7%	158 806	2,2%
Foreign exchange losses, net	20 478	0,3%	4 302	0,1%
Share of losses/(gains) of JV and associates	(813)	0,0%	22 233	0,3%
<b>Profit/(Loss) before tax</b>	<b>(321 988)</b>	<b>-4,2%</b>	<b>278 510</b>	<b>3,9%</b>
Income tax	(45 383)	-0,6%	64 869	0,9%
<b>Net profit/(loss)</b>	<b>(276 605)</b>	<b>-3,6%</b>	<b>213 641</b>	<b>3,0%</b>
Operating profit/(loss)	(174 749)	-2,3%	463 851	6,5%
Depreciation and amortization	312 661	4,1%	300 603	4,2%
<b>EBITDA<sup>(1)</sup></b>	<b>137 912</b>	<b>1,8%</b>	<b>764 454</b>	<b>10,7%</b>
Losses/(Gains) from impairment	204 784	2,7%	(2 432)	0,0%
<b>EBITDA before Impairment</b>	<b>342 696</b>	<b>4,5%</b>	<b>762 022</b>	<b>10,7%</b>

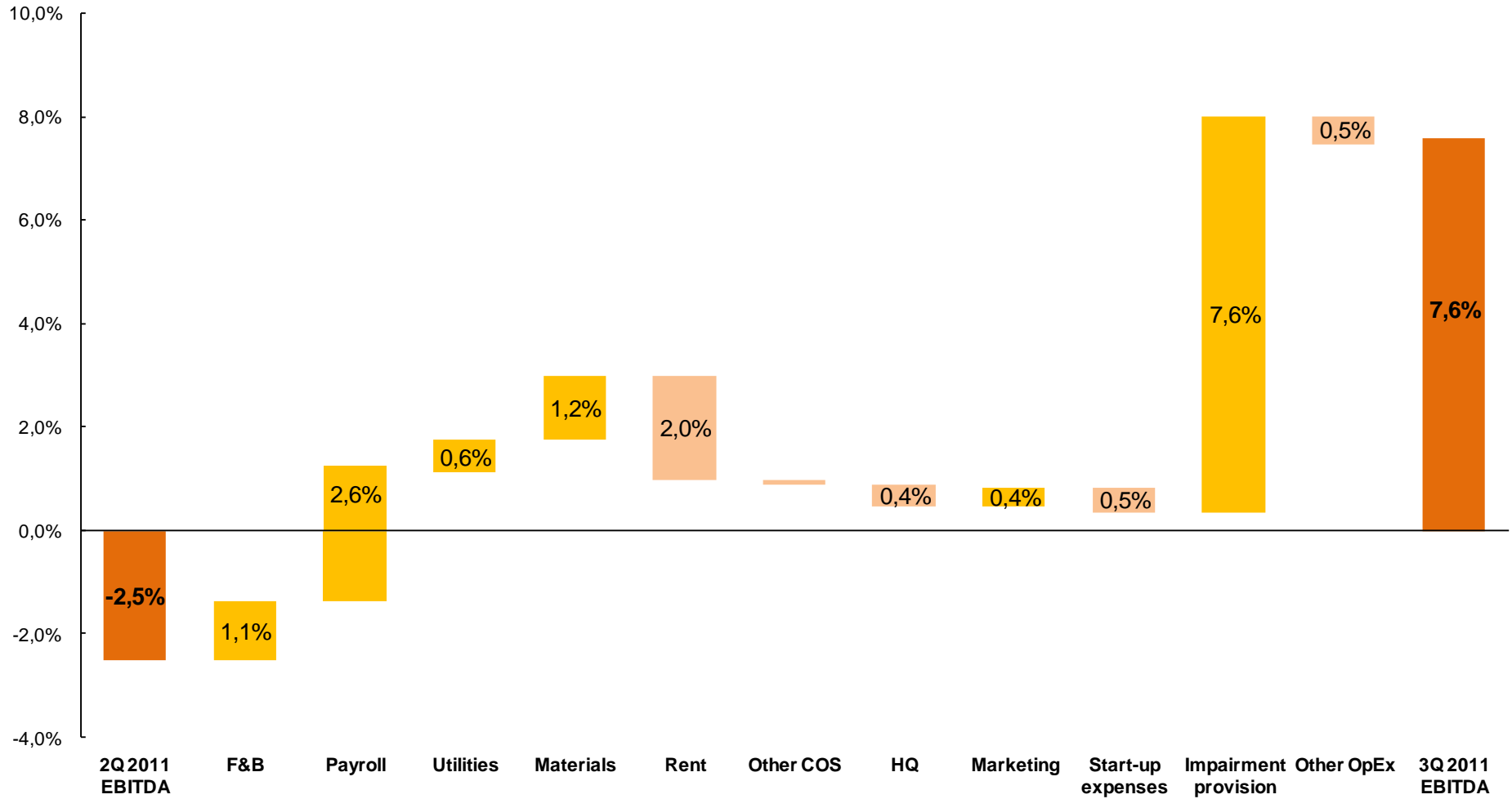
# 9M 2011 EBITDA margin walk-forward



- Average check growth and cost control initiatives resulted in F&B cost decline to 22.5% as percentage of sales in 3Q 2011 from 23.7% in 2Q 2011
- Productivity growth initiatives resulted in Payroll cost decline to 20.8% as percentage of sales in 3Q 2011 from 23.4% in 2Q 2011
- Gross profit margin increased to 22.0% in 3Q 2011 reflecting lower food and beverage cost and payroll expenses as percentage of revenue
- Better operating performance resulted in increase of EBITDA margin to 7.6% in 3Q 2011 as compared to negative EBITDA in 2Q 2011

(RUB thousand)	3Q 2011		2Q 2011	
<b>Net revenue</b>	<b>2 565 696</b>	<b>100,0%</b>	<b>2 580 376</b>	<b>100,0%</b>
Incl. Revenue from restaurants	2 446 797	95,4%	2 466 180	95,6%
Incl. Revenue from franchising	78 209	3,0%	82 959	3,2%
<b>Cost of Sales</b>	<b>2 000 801</b>	<b>78,0%</b>	<b>2 100 468</b>	<b>81,4%</b>
Incl. Food and beverages	578 549	22,5%	611 247	23,7%
Incl. Payroll and related taxes	533 047	20,8%	603 062	23,4%
Incl. Materials	73 168	2,9%	105 775	4,1%
<b>Gross profit</b>	<b>564 895</b>	<b>22,0%</b>	<b>479 908</b>	<b>18,6%</b>
SG&A expenses	398 642	15,5%	399 747	15,5%
Start-up expenses for new restaurants	31 247	1,2%	19 058	0,7%
Other operating income	(17 047)	-0,7%	(5 266)	-0,2%
Other operating expenses	49 109	1,9%	82 042	3,2%
Losses/(Gains) from impairment	13 702	0,5%	152 963	5,9%
<b>Operating profit/(loss)</b>	<b>89 242</b>	<b>3,5%</b>	<b>(168 636)</b>	<b>-6,5%</b>
Financial expenses, net	57 481	2,2%	41 576	1,6%
Foreign exchange losses, net	(15 314)	-0,6%	6 044	0,2%
Share of losses/(gains) of JV and associates	(315)	0,0%	(285)	0,0%
<b>Profit/(Loss) before tax</b>	<b>47 390</b>	<b>1,8%</b>	<b>(215 971)</b>	<b>-8,4%</b>
Income tax	2 485	0,1%	(40 909)	-1,6%
<b>Net profit/(loss)</b>	<b>44 905</b>	<b>1,8%</b>	<b>(175 062)</b>	<b>-6,8%</b>
Operating profit/(loss)	89 242	3,5%	(168 636)	-6,5%
Depreciation and amortization	105 848	4,1%	104 259	4,0%
<b>EBITDA<sup>[1]</sup></b>	<b>195 090</b>	<b>7,6%</b>	<b>(64 377)</b>	<b>-2,5%</b>
Losses from impairment	13 702	0,5%	152 963	5,9%
<b>EBITDA before Impairment</b>	<b>208 792</b>	<b>8,1%</b>	<b>88 586</b>	<b>3,4%</b>

# 3Q 2011 EBITDA margin walk-forward

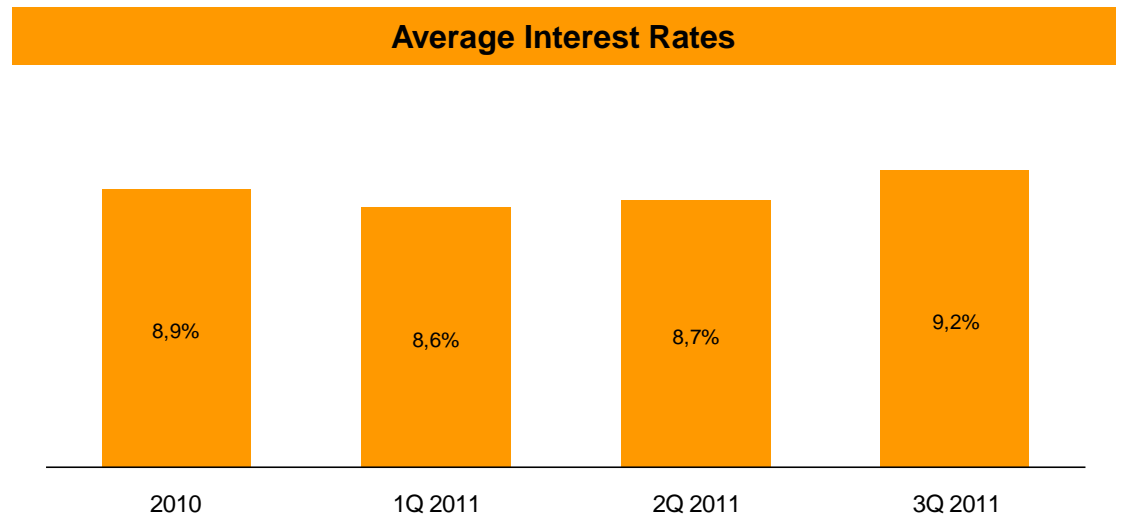
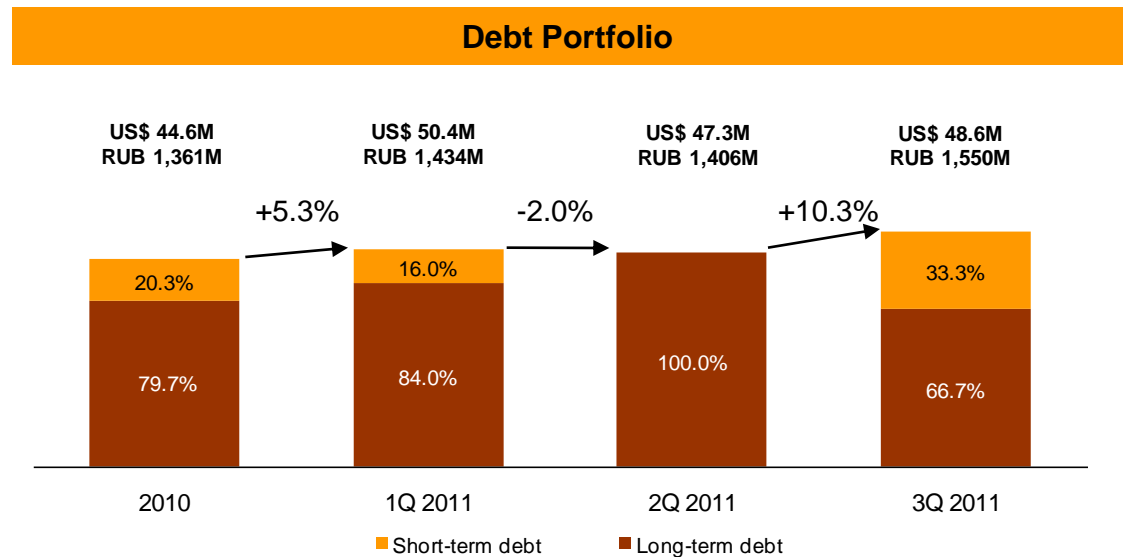




- Operating margins reduction resulted in the decrease of operating cash flow before changes in operating assets and liabilities by 35.5%
- Overall net cash from operating activities increased in 9M 2011 as reflection of working capital rebalancing in 9M 2010
- New cash used in investing activities increased in 9M 2011 reflecting greater investments in new corporate openings

<i>(RUB thousand)</i>	<b>9M 2011</b>	<b>9M 2010</b>
<b>Net cash flow from/(used in) operating activities</b>	<b>386 995</b>	<b>118 926</b>
Incl. Cash flow before changes in operating assets and liabilities	350 882	544 067
Incl. Change in operating assets and liabilities	36 113	(425 141)
<b>Net cash flow used in/(from) investing activities</b>	<b>(455 651)</b>	<b>(205 097)</b>
<b>Net cash flow from financing activities</b>	<b>78 425</b>	<b>299 225</b>
Effect of exchange rate changes	(7 179)	(10 055)
<b>Net increase in cash &amp; cash equivalents</b>	<b>2 590</b>	<b>202 999</b>
Cash & cash equivalents at beginning of the period	216 510	113 243
Cash & cash equivalents at end of the period	219 100	316 242

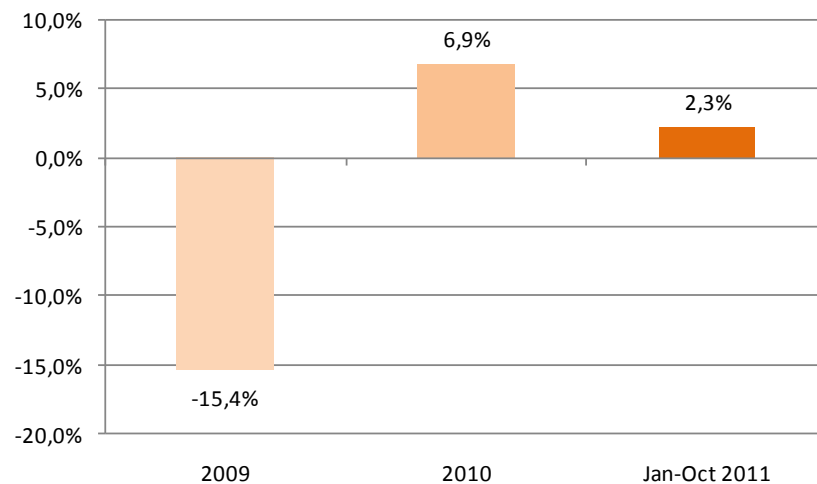
- In 9M 2011 gross debt increased by 13.8% to RUB 1,550 mln
- In 3Q 2011 gross debt increased by 10.3% vs. 2Q 2011
- Net debt increased by 16.2% leading to Net debt/EBITDA (12M rolling) ratio of 3.2x as of September 30, 2011
- Long-term component of the debt portfolio equaled 66.7% as of September 30, 2011



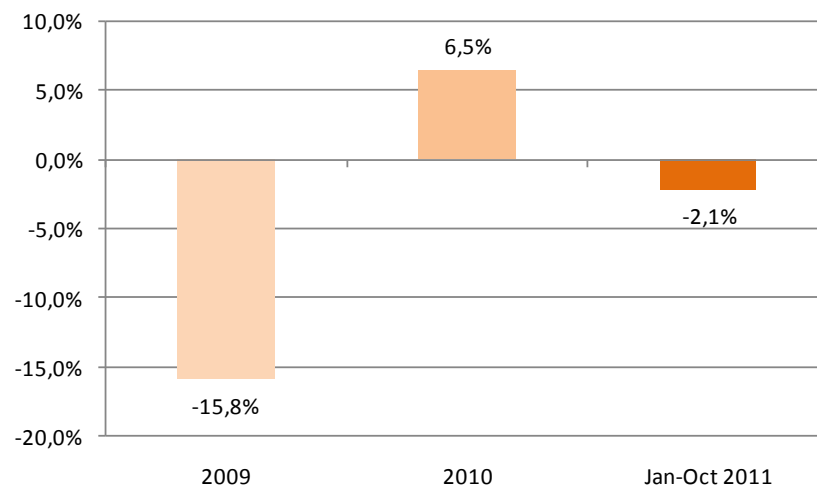
# Jan-Oct 2011: Same-store sales dynamics

- Same-store sales increased by 2.3% in Jan-Oct 2011
- Average check growth, resulting from a new pricing policy, became key driver of same-store sales growth
- Despite healthy growth in 2010 and partial recovery in Jan-Oct 2011 there is still significant room for further rebound in comparison with 2008 pre-crisis year

**Same-Store Sales dynamics (LFL), %**



**Number of transactions dynamics (LFL), %**



## Restaurant Network Expansion in YTD 2011 (09/12)

	2010	Openings	Closings	YTD 2011
Corporate	249	15	10	254
Franchised	113	25	11	127
<b>Total</b>	<b>362</b>	<b>40</b>	<b>21</b>	<b>381</b>

- As a part of profitable growth strategy our Company has successfully started corporate development program following the completion of SPO in mid-2010
- YTD 2011 (09/12), were opened 40 new outlets, including 15 corporate and 25 franchise
- Since the beginning of the year our Company has opened new franchise outlets in Azerbaijan and Irkutsk, which widened our geographical coverage to 43 cities in 10 countries



## Investor Relations Team

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