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Moscow, April 25, 2017

PRESS RELEASE

ROSINTER REPORTS 2016 OPERATING AND AUDITED FINANCIAL RESULTS:

REVENUE in accordance with IFRS AMOUNTED TO RUB 7,207 MLN

EBITDA MARGIN BEFORE IMPAIRMENT AND WRITE-OFFS AMOUNTED TO 10.0%

PJSC Rosinter Restaurants Holding (Rosinter), the leading casual dining restaurants chain in Russia and CIS (Moscow Exchange MICEX-RTS ticker: ROST), announced today its operating and financial results for 2016 prepared in accordance with IFRS. This press release is available on www.rosinter.com.

2016 FINANCIAL HIGHLIGHTS

- Consolidated revenue in accordance with IFRS amounted to RUB 7,207 mln
- EBITDA[1] before impairment and write-offs increased to RUB 718 mln from RUB 303 mln in 2015, EBITDA[1] margin before impairment and write-offs increased to 10.0% from 4.0% in 2015
- Net profit for amounted to RUB 6 mln

2016 OPERATING HIGHLIGHTS

Gross Revenue, 2016	Average Check, 2016	Number of Transactions, 2016
(0.1)%	11.7%	(10.6)%

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Sergey Zaytsev, President and Chief Executive Officer, commented:

"According to Rosstat the turnover of the restaurant market decreased by 3.8% in 2016. At the same time, according to analysts, casual dining segment showed the greatest decline - at the level of 11%. The revenue of Rosinter corporate restaurants decreased by 6.5% compared to the results for the year 2015, mainly due to the closure of unprofitable restaurants, that was partially offset by the opening of the new ones.

It is important to notice that in 2016 comparable restaurants under the brands "IL Patio" and TGI FRIDAYS demonstrated the dynamics opposite to the market with the revenue growth of 5% and 4%, respectively. In general, the revenue of comparable restaurants for the year 2016 has not significantly changed. This was achieved due to the Company's focus on the development of food quality and service improvement, progressive pricing strategy, activation of the "Honoured Guest" loyalty program and effective marketing campaigns.

Rosinter expanded its presence in airports by opening restaurants "IL Patio", "American Bar and Grill" and a coffee shop Costa Coffee at the international airport Strigino in Nizhny Novgorod in 2016. We opened the third McDonald's franchise at Sheremetyevo airport at the end of 2016. In addition, the Company has opened 9 Shikari restaurants in Moscow, Ekaterinburg and Minsk, the financial results of which meet our expectations.

The Company intends to speed up the renewal of key portfolio brands. The updated test locations showed the expected average revenue growth up to 15%. "Rosinter" will continue to pay particular attention to the relationship with guests, the development of quality of products and services, including delivery service, and will continue to work on the main cost items to enhance profitability of the business."

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Income Statement Summary

(RUB) thousands	12M 2016		12M 2015		% Change Y-o-Y
Net revenue	7,206,936	100.0 %	7,677,256	100.0 %	(6.1)%
<i>Incl. Revenue from restaurants</i>	6,976,945	96.8 %	7,465,837	97.2 %	(6.5)%
<i>Incl. Revenue from franchising</i>	161,712	2.2 %	161,482	2.1 %	0.1 %
Cost of sales	6,145,316	85.3 %	6,639,866	86.5 %	(7.4)%
<i>Incl. Food and beverages</i>	1,626,849	22.6 %	1,770,225	23.1 %	(8.1)%
<i>Incl. Payroll and related taxes</i>	1,541,791	21.4 %	1,670,030	21.8 %	(7.7)%
<i>Incl. Rent</i>	1,780,714	24.7 %	1,952,190	25.4 %	(8.8)%
Gross profit	1,061,620	14.7 %	1,037,390	13.5 %	2.3 %
SG&A Expenses	880,540	12.2 %	910,696	11.9 %	(3.3)%
<i>Incl. Payroll and related taxes</i>	494,131	6.9 %	521,398	6.8 %	(5.2)%
<i>Incl. Advertising</i>	81,055	1.1 %	106,480	1.4 %	(23.9)%
<i>Incl. Other expenses</i>	57,763	0.8 %	62,637	0.8 %	(7.8)%
Start-up expenses for restaurants	86,703	1.2 %	57,842	0.8 %	49.9 %
Other gains	463,815	6.4 %	30,858	0.4 %	1403.1 %
Other losses	63,847	0.9 %	59,222	0.8 %	7.8 %
<i>Incl. Loss on disposal of non-current assets</i>	39,319	0.5 %	43,771	0.6 %	(10.2)%
Profit from operating activities before impairment	494,345	6.9 %	40,488	0.5 %	1121.0 %
Loss from impairment of operating assets	39,679	0.6 %	388,575	5.1 %	(89.8)%
Profit/(loss) from operating activities after impairment	454,666	6.3 %	(348,087)	(4.5)%	(230.6)%
Financial expenses, net	354,929	4.9 %	270,993	3.5 %	31.0 %
Foreign exchange (loss)/gains, net	(46,000)	(0.6)%	178,143	2.3 %	(125.8)%
Share of profit of JV and associates	9,628	0.1 %	1,185	0.0 %	712.5 %
Profit/(loss) before income tax	63,365	0.9 %	(439,752)	(5.7)%	(114.4)%
Income tax (expense)/benefit	(56,929)	(0.8)%	48,136	0.6 %	(218.3)%
Net profit/(loss)	6,436	0.1 %	(391,616)	(5.1)%	(101.6)%
Profit from operating activities before impairment	494,345	6.9 %	40,488	0.5 %	1121.0 %
Depreciation and amortization	184,754	2.6 %	219,183	2.9 %	(15.7)%
Loss on disposal of non-current assets	39,319	0.5 %	43,771	0.6 %	(10.2)%
EBITDA before impairment and write-offs	718,418	10.0 %	303,442	4.0 %	136.8 %

Consolidated revenue for 2016 amounted to RUB 7,207 mln. Corporate restaurants revenue amounted to RUB 6,977 mln and decreased by 6.5% compared to 2015, mainly driven by the restaurants portfolio optimization. Revenue decreased by 10.5% in comparison with 2015 due to the exit from unprofitable locations. Increase of the revenue of new restaurants by 4.0% partly compensated this effect. Gross revenue for comparable restaurants for the year 2016 has not significantly changed as a result of the mixed impact of the average check growth by 11.7% and decrease in the number of transactions by 10.6%.

Gross profit margin increased to 14.7% in 2016 from 13.5% in 2015, what was mainly driven by decrease in rent costs and food and beverages cost, all measured as a percentage of total revenue.

Food and beverages increase by 50 basis points was mainly driven by inflation as result of long-term strategic relationships with suppliers, this item measured as a percentage of sales.

Rent decrease as a percentage of the revenue to 24.7% in 2016 from 25.4% in 2015 was driven by decrease in rent rates as a result of negotiations with landlords.

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Selling, general and administrative expenses decreased by RUB 23 mln, mainly driven by reduction of advertising expenses.

Start-up expenses for new restaurants increased in the 2016 by 40 basis points compared to 2015 as a result of opening new and renewal of existing restaurants.

Other gains increased by 600 basis points as a percentage of the total revenue due to the profit from the sale of the share in joint venture in the Great Britain and the sale of non-core operating business.

Loss from impairment of operating assets decreased to 0.6% of the revenue for the year 2016 compared to an impairment loss in the amount of 5.1% of the revenue for 2015. Operational performance of some restaurants for 2016 was better than expected and it resulted in reverse of the impairment recognized in the previous periods. Decrease of impairment loss resulted in improvement in net financial result for 2016. For more information see note 26 to the financial statements for 2016.

The increase of *net financial expenses* by 140 basis points was driven by increase in interest rates at the end of 2015, this item measured as a percentage of sales. The reduction of interest rates in 2016 will lead to the reduction in future finance costs.

Forex loss amounted to RUB 46 mln in 2016 compared to the gain amounted to RUB 178 mln in 2015, as a result of changing dynamics of RUB exchange rate to other currencies in 2016.

Net Profit for 2016 amounted to RUB 6 mln versus the loss in amount of RUB 392 mln in 2015. As a result, *net profit margin* stood at 0.1% in 2016 compared to net loss margin of 5.1% in 2015.

EBITDA^[1] before impairment and write-offs amounted to RUB 718 mln in 2016. *EBITDA^[1] margin before impairment and write-offs* amounted to 10.0% in 2016, that is 600 basis points increase from 4.0% in 2015.

Cash Flow Performance

(RUB) thousands	12M 2016	12M 2015	% Change Y-o-Y
Net cash flow from operating activities	(100,167)	189,651	(152.8)%
<i>Incl. Cash flow before changes in operating assets and liabilities</i>	317,626	294,416	7.9 %
<i>Incl. Changes in operating assets and liabilities</i>	(88,703)	157,238	(156.4)%
<i>Incl. Financial and tax cash outflow</i>	(329,090)	(262,003)	25.6 %
Net cash flow used in investing activities	102,307	(194,614)	(152.6)%
Net cash flow from financing activities	9,987	31,302	(68.1)%
Effect of exchange rates on cash and cash equivalents	(302)	4,646	(106.5)%
Net increase in cash and cash equivalents	11,825	30,985	(61.8)%
Cash & Cash equivalents at beginning of period	101,596	70,611	43.9 %
Cash & Cash equivalents at end of period	113,421	101,596	11.6 %

Net cash outflow from operating activities amounted of RUB 100 mln in 2016 as a result of interest payments growth and investment in working capital in 2016.

Net cash inflow used in investing activities amounted to RUB 102 mln in 2016 from net cash outflow RUB 195 mln in 2015 mainly due to the increase in new restaurants openings and proceeds from the sale of non-core operating business.

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Net cash flow from financing activities decreased by 68.1% to RUB 10 mln for 2016 from RUB 31 mln for 2015 due to stabilization of debt portfolio and one-time gain from the sale of a portion of treasury shares for RUB 38 mln in 2015.

Debt and Liquidity

(RUB) thousands	12M 2016		12M 2015		% Change Y-o-Y
Total Gross Debt	1,960,507	100.0 %	1,935,524	100.0 %	1.3 %
Short-term	85,229	4.3 %	1,346,083	69.5 %	(93.7)%
Long-term	1,875,278	95.7 %	589,441	30.5 %	218.1 %
Net Debt	1,847,086	94.2 %	1,833,928	94.8 %	0.7 %
Net Debt / EBITDA before impairment and write-offs ^[2]	2.5x		6.0x		-

Total gross debt of the Group stood at RUB 1,961 mln as of December 31, 2016. Net debt increased by 0.7% in 2016 when compared with the corresponding figures as of December 31, 2015. Debt portfolio is ruble denominated with fixed interest rates and the maturity profile of our debt portfolio is mainly long-term. The share of long-term debt is 96% of gross amount of debt portfolio.

Gross debt maturity schedule as of December 31, 2016 is illustrated below.

(RUB) mln	Within 6M (1H 2017)	6M-12M (2H 2017)	12M-18M (1H 2018)	18M+	Total
Gross debt maturity	77 3.9 %	8 0.4 %	754 38.5 %	1,122 57.2 %	1,961 100.0 %

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^[1] EBITDA is calculated by adding back depreciation and amortization to profit from operating activities after impairment. EBITDA measures are not measurements of our operating performance under IFRS and should not be considered as an alternative to profit for the year, operating profit or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities or as a measure of our liquidity. Our approach to calculating EBITDA may differ from the approach of other companies.

^[2] EBITDA is calculated over the 12 preceding calendar months.

^[3] Calculation is based on gross operating sales data (including VAT) for the pool of currently operating mature restaurants, which had operated for 18 months as of 31 December 2016.

Some information in this review may contain "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", "believes", "anticipates", "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 review are provided as at the date of this review and are subject to change by the Company's own discretion without notice of any kind and form.

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Note to Editors:

As of 31 December 2016 PJSC Rosinter Restaurants Holding is the leading casual dining restaurant company in Russia and CIS, which operates 302 outlets in 33 cities in Russia, CIS and Central Europe, including Baltic countries. The chain has 264 casual dining stores, including 109 franchised restaurants, and 38 Costa Coffee outlets. The Company develops its own brands IL Patio, Planet Sushi, Planeta Café, Shikari, American Bar and Grill, Mama Russia, and operates under franchise agreements a chain of American restaurants TGI FRIDAYS and a chain of British coffee shops Costa Coffee. In March 2012 RAZVITIYE ROST LLC (a subsidiary of PJSC Rosinter Restaurants Holding) has acquired the right to develop McDonald's brand on a franchise basis in Moscow and Saint Petersburg transportation hubs. Rosinter Restaurants Holding is listed on the Moscow Exchange MICEX-RTS (www.moex.com) under the stock ticker ROST.

Company site: www.rosinter.com

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APPENDIX

Consolidated statement of financial position

At December 31, 2016

(All amounts are in thousands of Russian roubles, unless specified otherwise)

	Notes	December 31, 2016	December 31, 2015
ASSETS			
Non-current assets			
Property and equipment	6	1,545,967	1,508,321
Intangible assets	7	49,520	42,306
Goodwill	8	143,137	143,137
Investments in joint ventures	9	–	1,185
Long-term loans due from related parties	10	–	8,206
Deferred income tax asset	11	200,668	264,808
Rent deposits and other non-current assets		178,762	165,810
		2,118,054	2,133,773
Current assets			
Inventories	12	168,245	160,359
VAT and other taxes recoverable		84,954	105,186
Income tax recoverable		11,088	8,165
Trade and other receivables	13	83,976	97,529
Advances paid	14	100,022	138,149
Receivables from related parties	10	171,613	208,373
Short-term loans		876	2,973
Short-term loans due from related parties	10	14,415	14,415
Cash and cash equivalents	15	113,421	101,596
		748,610	836,745
TOTAL ASSETS		2,866,664	2,970,518
EQUITY AND LIABILITIES			
Equity			
Equity attributable to equity holders of the parent entity			
Share capital	16	2,767,015	2,767,015
Additional paid-in capital		2,090,217	2,090,217
Treasury shares	16	(260,667)	(260,667)
Other capital reserves		12,593	14,443
Accumulated losses		(4,913,369)	(4,919,610)
Translation difference		(420,472)	(446,682)
		(724,683)	(755,284)
Non-controlling interests		(6,081)	(5,502)
		(730,764)	(760,786)
Non-current liabilities			
Long-term loans and borrowings	18	1,875,278	589,441
Long-term liabilities to partners	19	–	16,165
Deferred income tax liabilities	11	10,972	12,927
		1,886,250	618,533
Current liabilities			
Trade and other payables	20	1,412,327	1,540,151
Short-term loans and borrowings	18	85,229	1,346,083
Payables to related parties	10	28,237	35,554
Short-term loans due to related parties	10	6,412	976
Deferred income		42,752	24,500
Income tax payable		136,221	165,507
		1,711,178	3,112,771
TOTAL EQUITY AND LIABILITIES		2,866,664	2,970,518

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Consolidated statement of profit or loss

For the year ended December 31, 2016

(All amounts are in thousands of Russian roubles, unless specified otherwise)

	Notes	2016	2015
Revenue	21	7,206,936	7,677,256
Cost of sales	22	(6,145,316)	(6,639,866)
Gross profit		1,061,620	1,037,390
Selling, general and administrative expenses	23	(880,540)	(910,696)
Start-up expenses for restaurants		(86,703)	(57,842)
Other gains	25	463,815	30,858
Other losses	25	(63,847)	(59,222)
Profit from operating activities before impairment		494,345	40,488
Loss from impairment of operating assets	26	(39,679)	(388,575)
Profit/(loss) from operating activities after impairment		454,666	(348,087)
Financial income	27	1,637	6,511
Financial expense	27	(356,566)	(277,504)
Foreign exchange (loss)/gain, net		(46,000)	178,143
Gain from the joint ventures	9	9,628	1,185
Profit/(loss) before income tax		63,365	(439,752)
Income tax (expense)/benefit	11	(56,929)	48,136
Net profit/(loss) for the period		6,436	(391,616)
Attributable to:			
Equity holders of the parent entity		6,241	(392,932)
Non-controlling interests		195	1,316
Earnings per share	17		
Basic, earnings/(loss) per share, roubles		0.39	(24.96)
Diluted, earnings/(loss) per share, roubles		0.39	(24.77)

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Consolidated statement of cash flows

For the year ended December 31, 2016

(All amounts are in thousands of Russian roubles, unless specified otherwise)

	Notes	2016	2015
Operating activities			
Profit/(loss) before tax		63,365	(439,752)
<i>Adjustments to reconcile profit/(loss) before tax to net cash provided by operating activities:</i>			
Depreciation and amortization	22,23	184,754	219,183
Foreign exchange loss/(gains), net		46,000	(178,143)
Gain from sale of subsidiary and share in joint venture	25	(416,559)	–
Financial income	27	(1,637)	(6,511)
Financial expense	27	356,566	277,504
Allowance for impairment of advances paid, taxes recoverable and receivables	23	47,398	5,458
Allowance for impairment/(reversal of write-down) of inventories to net realisable value		6,861	(6,933)
Loss on disposal of non-current assets	25	39,319	43,771
Impairment of assets	26	39,679	388,575
Gain from joint ventures	9	(9,628)	(1,185)
Write off of trade and other payables	25	(20,226)	(9,797)
Reimbursement of VAT	25	(20,201)	–
Provision for contingent claims	25	3,785	2,226
Share based payment (benefit)/expenses	28	(1,850)	20
		317,626	294,416
<i>Changes in operating assets and liabilities:</i>			
(Increase)/Decrease in inventories		(15,806)	7,096
Decrease in advances, taxes recoverable, receivables, rent deposits and other non-current assets		42,160	53,063
Decrease in receivables from related parties		1,244	5,848
(Decrease)/increase in payables to related parties		(22,886)	6,769
(Decrease)/increase in trade and other payables		(93,415)	84,462
Net cash generated from operations		228,923	451,654
Interest paid		(323,666)	(254,057)
Interest received		2,757	2,050
Income tax paid		(8,181)	(9,996)
Net cash flows (used in)/generated from operating activities		(100,167)	189,651
Investing activities			
Purchases of property and equipment		(305,815)	(216,284)
Proceeds from repayment of loans issued to related parties		7,552	20,291
Purchase of intangible assets		(26,753)	(14,660)
Proceeds from disposal of property and equipment		21,745	4,186
Proceeds from repayment of loans issued to third parties		2,347	5,215
Dividends received		9,628	–
Net proceeds from sale of subsidiaries		393,603	6,638
Net cash flows generated from/(used in) investing activities		102,307	(194,614)

Continued on the next page

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Consolidated statement of cash flows (continued)

(All amounts are in thousands of Russian roubles, unless specified otherwise)

	Notes	2016	2015
Financing activities			
Proceeds from bank loans		152,109	230,668
Repayment of bank loans		(133,970)	(231,798)
Payments to partners	19	(12,923)	(4,887)
Repayment of related party loans		(293)	(97)
Proceeds from related party loans		5,729	–
Sale of treasury shares	16	–	38,445
Dividends paid to shareholders		(665)	(1,029)
Net cash flows generated from financing activities		9,987	31,302
Effect of exchange rate on cash and cash equivalents		(302)	4,646
Net increase in cash and cash equivalents		11,825	30,985
Cash and cash equivalents at beginning of the year		101,596	70,611
Cash and cash equivalents at end of the year		113,421	101,596