

**DO & CO Aktiengesellschaft**

**First Quarter of 2017/2018  
(unaudited)**



RESTAURANTS  
HOTEL  
LOUNGES  
CATERING

# CONTENTS

<b>Group Management Report for the 1<sup>st</sup> Quarter of 2017/2018 (unaudited)</b> .....	<b>1</b>
1. Key Figures of the DO & CO Group under IFRS .....	1
2. Business Development.....	2
2.1. Revenue .....	2
2.2. Result.....	3
2.3. Statement of Financial Position .....	3
2.4. Employees .....	4
2.5. Airline Catering .....	4
2.6. International Event Catering.....	4
2.7. Restaurants, Lounges & Hotel .....	5
2.8. Share / Investor Relations.....	5
3. Outlook.....	9
<b>Interim Consolidated Financial Statements for the 1<sup>st</sup> Quarter of 2017/2018 of DO &amp; CO Aktiengesellschaft pursuant to IFRS (unaudited)</b> .....	<b>10</b>
1. Consolidated Statement of Financial Position as of 30 June 2017 (unaudited) .....	11
2. Consolidated Income Statement for the 1 <sup>st</sup> Quarter of 2017/2018 (unaudited).....	12
3. Consolidated Statement of Comprehensive Income (unaudited).....	13
4. Consolidated Statement of Cash Flows (unaudited) .....	14
5. Consolidated Statement of Changes in Equity (unaudited).....	15
6. Segment Reporting (unaudited) .....	16
<b>Condensed Notes to the Consolidated Financial Statements for the 1<sup>st</sup> Quarter of 2017/2018 (unaudited)</b> .....	<b>18</b>
1. General information.....	18
1.1. Basis .....	18
1.2. Accounting and valuation methods .....	18
1.3. Scope of consolidation .....	19
1.4. Seasonality .....	19
2. Comments on the Consolidated Statement of Financial Position .....	20
2.1. Shareholders' equity.....	20
3. Comments on the Consolidated Income Statement.....	20
3.1. Revenue .....	20
3.2. Other operating income .....	20
3.3. Result of equity investments accounted for using the equity method .....	20
3.4. Earnings per share .....	20
4. Additional Disclosures.....	21
4.1. Additional disclosures on financial instruments.....	21
4.2. Significant events after the reporting period (subsequent report) .....	22
4.3. Related party disclosures .....	22
<b>Statements by the Management Board</b> .....	<b>23</b>
<b>Glossary</b> .....	<b>24</b>

# Group Management Report for the 1<sup>st</sup> Quarter of 2017/2018 (unaudited)

## 1. Key Figures of the DO & CO Group under IFRS

The calculations of the key figures are presented in the Glossary of Key Figures.

		1 <sup>st</sup> Quarter 2017/2018	1 <sup>st</sup> Quarter 2016/2017
Revenue	m€	219.95	254.51
EBITDA	m€	18.75	22.95
EBITDA margin	%	8.5%	9.0%
EBIT	m€	10.99	14.44
EBIT margin	%	5.0%	5.7%
Profit before income tax	m€	9.49	13.75
Net result	m€	4.72	6.75
Net result margin	%	2.1%	2.7%
Cash flow from operating activities	m€	14.78	33.89
Cash flow from investing activities	m€	-15.04	-22.28
Free cash flow	m€	-0.26	11.61
EBITDA per share	€	1.92	2.36
EBIT per share	€	1.13	1.48
Earnings per share	€	0.48	0.69
ROS	%	4.3%	5.4%

		30 June 2017	31 March 2017
Equity <sup>1</sup>	m€	244.59	247.56
Equity ratio <sup>1</sup>	%	38.1%	39.8%
Net debt (net financial liabilities)	m€	12.08	10.08
Net debt to EBITDA		0.14	0.11
Net gearing	%	4.9%	4.1%
Working capital	m€	-12.04	-8.22
Equity per share (book entry) <sup>1</sup>	€	20.09	20.18
High <sup>2</sup>	€	69.44	107.60
Low <sup>2</sup>	€	58.44	52.42
Price at the end of the period <sup>2</sup>	€	61.81	60.89
Number of shares at the end of the period	TPie	9,744	9,744
Market capitalization at the end of the period	m€	602.28	593.31
Employees		9,578	9,576

1 ... Adjusted by proposed dividend payments

2 ... Closing price

## 2. Business Development

Group		1 <sup>st</sup> Quarter			
		2017/2018	2016/2017	Change	Change in %
<b>Revenue</b>	<b>m€</b>	<b>219.95</b>	<b>254.51</b>	<b>-34.56</b>	<b>-13.6%</b>
Other operating income	m€	4.94	3.34	1.60	47.9%
Cost of materials	m€	-95.05	-112.79	17.74	15.7%
Personnel expenses	m€	-72.66	-80.72	8.06	10.0%
Other operating expenses	m€	-38.32	-40.78	2.45	6.0%
Result of equity investments accounted for using the equity method	m€	-0.10	-0.61	0.51	82.8%
<b>EBITDA - Operating result before amortisation / depreciation and effects from impairment tests</b>	<b>m€</b>	<b>18.75</b>	<b>22.95</b>	<b>-4.20</b>	<b>-18.3%</b>
Amortisation / depreciation and effects from impairment tests	m€	-7.75	-8.51	0.75	8.8%
<b>EBIT - Operating result</b>	<b>m€</b>	<b>10.99</b>	<b>14.44</b>	<b>-3.45</b>	<b>-23.9%</b>
Financial result	m€	-1.50	-0.70	-0.80	-115.4%
<b>Profit before income tax</b>	<b>m€</b>	<b>9.49</b>	<b>13.75</b>	<b>-4.25</b>	<b>-31.0%</b>
Income tax	m€	-2.67	-3.45	0.78	22.5%
<b>Profit after tax</b>	<b>m€</b>	<b>6.82</b>	<b>10.30</b>	<b>-3.48</b>	<b>-33.8%</b>
Therof net profit attributable to non-controlling interests	m€	-2.10	-3.54	1.44	40.7%
<b>Therof net profit attributable to shareholders of DO &amp; CO Aktiengesellschaft (Net result)</b>	<b>m€</b>	<b>4.72</b>	<b>6.75</b>	<b>-2.04</b>	<b>-30.2%</b>
EBITDA margin	%	8.5%	9.0%		
EBIT margin	%	5.0%	5.7%		
Employees		9,578	10,093	-515	-5.1%

### 2.1. Revenue

In the first quarter of the business year 2017/2018, the DO & CO Group recorded revenue in the amount of € 219.95m, representing a decline of -13.6% or € -34.56m on the previous year.

Revenue		1 <sup>st</sup> Quarter			
		2017/2018	2016/2017	Change	Change in %
Airline Catering	m€	143.50	158.58	-15.08	-9.5%
International Event Catering	m€	35.91	54.03	-18.12	-33.5%
Restaurants, Lounges & Hotel	m€	40.53	41.90	-1.37	-3.3%
<b>Group Revenue</b>		<b>219.95</b>	<b>254.51</b>	<b>-34.56</b>	<b>-13.6%</b>

Share of Group Revenue		1 <sup>st</sup> Quarter	
		2017/2018	2016/2017
Airline Catering	%	65.2%	62.3%
International Event Catering	%	16.3%	21.2%
Restaurants, Lounges & Hotel	%	18.4%	16.5%
<b>Group Revenue</b>		<b>100.0%</b>	<b>100.0%</b>

In the first quarter of the business year 2017/2018, revenue of the **Airline Catering division** fell by € -15.08m from € 158.58m to € 143.50m. This represents a decrease of -9.5%. The Airline Catering division's revenue produced 65.2% of the Group's overall revenue (PY: 62.3%).

With regard to the decline in revenue reported by the Airline Catering division, the significant depreciation of the Turkish lira against the euro is particularly worth mentioning. Based on the historic average rates of the previous quarter of the business year 2016/2017, the Airline Catering division would report a decline in sales of only approx. -1% on the previous year.

In the first quarter of the business year 2017/2018, revenue of the **International Event Catering division** fell by € -18.12m from € 54.03m to € 35.91m. This represents a decrease of -33.5%. The International Event Catering division's revenue produced 16.3% of the Group's overall revenue (PY: 21.2%).

The significant decline in revenue in the International Event Catering division is chiefly due to the missing activities during the European football championship compared to the previous year.

In the first quarter of the business year 2017/2018, revenue of the **Restaurants, Lounges & Hotel division** decreased by € -1.37m from € 41.90m to € 40.53m. This represents a decrease of -3.3%. The Restaurants, Lounges & Hotel division's revenue produced 18.4% of the Group's overall revenue (PY: 16.5%).

In the Restaurants, Lounges & Hotel division, it is particularly the area of lounges as well as retail that contribute to this decline in revenue.

## 2.2. Result

Other operating income amounts to € 4.94m (PY: € 3.34m), representing an increase of € +1.60m.

In absolute figures, cost of materials fell by € -17.74m (-15.7%), from € 112.79m to € 95.05m, at a revenue reduction rate of -13.6%. Cost of materials as a proportion of revenue thus decreased slightly from 44.3% to 43.2%.

Personnel expenses in absolute figures fell from € 80.72m to € 72.66m (-10.0%) in the first quarter of 2017/2018. In relation to revenue, personnel expenses thus decreased from 31.7% to 33.0%.

Other operating expenses show a decrease of € -2.45m or -6.0%. Accordingly, operating expenses made up 17.4% of revenue (PY: 16.0%).

The result of investments accounted for using the equity method amounts to € -0.10m (PY: € -0.61m) in the first quarter of the business year 2017/2018.

The EBITDA margin stands at 8.5% (PY: 9.0%) in the first quarter of the business year 2017/2018.

In the first quarter of the business year 2017/2018, amortisation/depreciation and effects from impairment tests amounted to € 7.75m, representing a decrease of € -0.75m on the previous year (PY: € 8.51m).

The EBIT margin was 5.0% in the first quarter of the business year 2017/2018 (PY: 5.7%).

The financial result for the first quarter of the business year 2017/2018 declined from € -0.70m to € -1.50m and mainly comprises interest for the corporate bond placed at the beginning of 2014.

Income tax amounts to € 2.67m (PY: € 3.45m) for the first quarter of the business year 2017/2018 representing a decrease of € -0.78m. The tax ratio (taxes as a proportion of untaxed income) was 28.2% in the first quarter of the business year 2017/2018 (PY: 25.1%).

For the first quarter of the business year 2017/2018, the Group achieved a profit after income tax of € 6.82m, a decrease of € -3.48m on the previous year. Thus reflecting a decrease of € -33.8% in the profit after income tax in comparison to the previous year. € 2.10m (PY: € 3.54m) of the profit after income tax is attributable to non-controlling interests.

The net profit attributable to the shareholders of DO & CO Aktiengesellschaft (net result) therefore amounts to € 4.72m (PY: € 6.75m). Earnings per share are therefore € 0.48 (PY: € 0.69).

## 2.3. Statement of Financial Position

The Group's equity (adjusted for the designated dividends) amounts to € 244.59m as of 30 June 2017. The equity ratio thus is 38.1% as of 30 June 2017.

## 2.4. Employees

The average number of staff (full-time equivalent) in the first quarter of the business year 2017/2018 was 9,578 (PY: 10,093 employees). This means a decrease of -515 members of staff on the prior year. Reasons for this decline are in particular the reduction of employees in Turkey as a reaction of the lower order levels.

## 2.5. Airline Catering

Airline Catering		1 <sup>st</sup> Quarter			
		2017/2018	2016/2017	Change	Change in %
Revenue	m€	143.50	158.58	-15.08	-9.5%
EBITDA	m€	12.43	15.80	-3.37	-21.4%
Depreciation/amortisation	m€	-5.71	-6.02	0.31	5.2%
Effects from impairment tests	m€	0.00	-0.42	0.42	100.1%
EBIT	m€	6.72	9.36	-2.64	-28.2%
EBITDA margin	%	8.7%	10.0%		
EBIT margin	%	4.7%	5.9%		
Share of Group Revenue	%	65.2%	62.3%		

The major part of DO & CO's locations reports increases in revenue in their local currency. It is particularly the locations in Germany, the US, Great Britain, Poland and Italy that report a positive development. With regard to Ukraine, a downward trend in the business development was reported, particularly due to the loss of the most important customer who now does his own catering. NIKI transferred its business to Germany and Switzerland and implemented a buy-on-board concept. Consequently, the revenue generated with NIKI has decreased.

In Turkey, one of the key markets of DO & CO, revenue declined by -8.6% in the local currency (Turkish lira). The decrease in revenue translates to a decline by -24.1% in the consolidated income statement of DO & CO due to the depreciation of the Turkish lira against the euro. Since the main portion of costs is incurred in the local currency, the margins remain basically unaffected by this development.

## 2.6. International Event Catering

International Event Catering		1 <sup>st</sup> Quarter			
		2017/2018	2016/2017	Change	Change in %
Revenue	m€	35.91	54.03	-18.12	-33.5%
EBITDA	m€	4.06	5.32	-1.26	-23.7%
Depreciation/amortisation	m€	-1.19	-1.29	0.10	7.9%
EBIT	m€	2.87	4.03	-1.16	-28.7%
EBITDA margin	%	11.3%	9.8%		
EBIT margin	%	8.0%	7.5%		
Share of Group Revenue	%	16.3%	21.2%		

The strong decline in revenue in this division is particularly due to the missing activities during the football championship compared to the previous year.

In the first quarter of the business year 2017/2018, seven Formula 1 grand prix races took place. The VIP guests enjoyed DO & CO catering at its best in Shanghai, Bahrain, Sochi, Barcelona, Monaco, Montreal and Baku. Further, DO & CO has been responsible for the Formula 1 VIP hospitality infrastructure. This includes the provision of non-catering services, such as tents, furniture, security, decoration and entertainment. The DO & CO team has also provided the catering of the Mercedes Motorhomes.

Moreover, the DO & CO event team was again in charge of the catering to VIP guests and the tennis players themselves at the ATP Tennis Masters Series in Madrid. One more highlight of the

event calendar was the UEFA Champions League final held at the national stadium of Wales in Cardiff, with DO & CO being responsible for the culinary delights.

## 2.7. Restaurants, Lounges & Hotel

Restaurants, Lounges & Hotel		1 <sup>st</sup> Quarter			
		2017/2018	2016/2017	Change	Change in %
Revenue	m€	40.53	41.90	-1.37	-3.3%
EBITDA	m€	2.26	1.83	0.43	23.6%
Depreciation/amortisation	m€	-0.82	-0.77	-0.05	-6.2%
Effects from impairment tests	m€	-0.04	0.00	-0.04	0.0%
EBIT	m€	1.41	1.06	0.35	33.0%
EBITDA margin	%	5.6%	4.4%		
EBIT margin	%	3.5%	2.5%		
Share of Group Revenue	%	18.4%	16.5%		

In mid-June 2017, DO & CO opened the first gourmet shop under the Henry brand in Kiev.

With their joint venture, DO & CO and Nespresso also opened their second Nespresso Café in London at the end of June 2017. Fresh products from the London-based DO & CO gourmet kitchen and Nespresso coffee are served in Soho.

Overall, the division reports stable business.

## 2.8. Share / Investor Relations

### Stock market overview

During the reporting period, the overall European stock index EuroStoxx 50 fell by -1.7%. The US stock index Dow Jones Industrial and the DAX reported a slight increase of 3.3% and 0.1%, respectively.

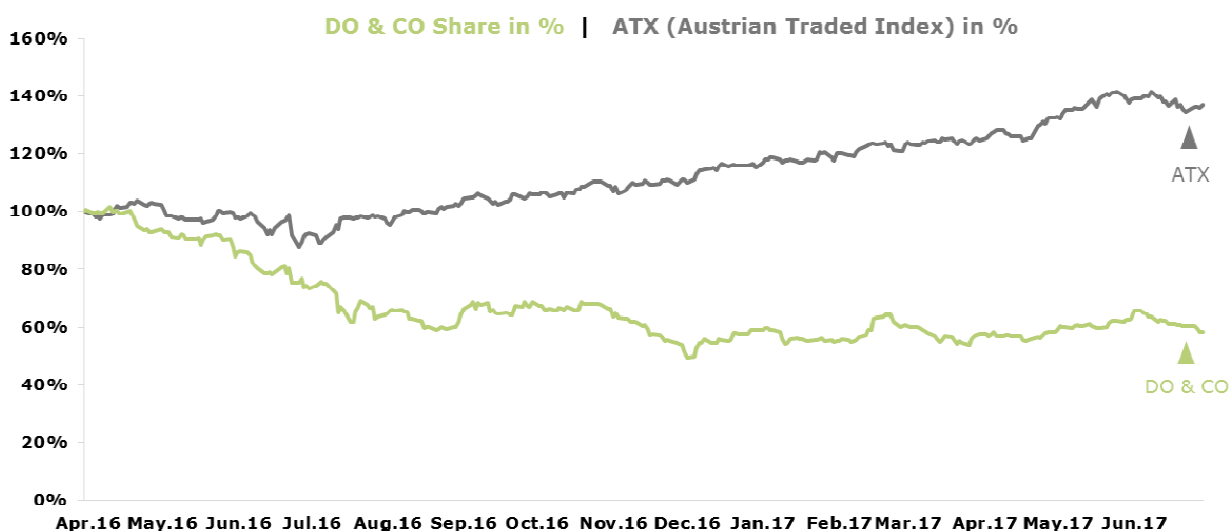
The Vienna Stock Exchange index ATX continued to move upwards. Altogether, the ATX rose by 9.8% from 2,828.79 points on 31 March 2017 to 3,106.66 points on 30 June 2017.

The Istanbul Stock Exchange also reported a positive performance in the reporting period. The Turkish BIST 100 rose by 12.9% during the reporting period, closing at 100,440.40 points on 30 June 2017.

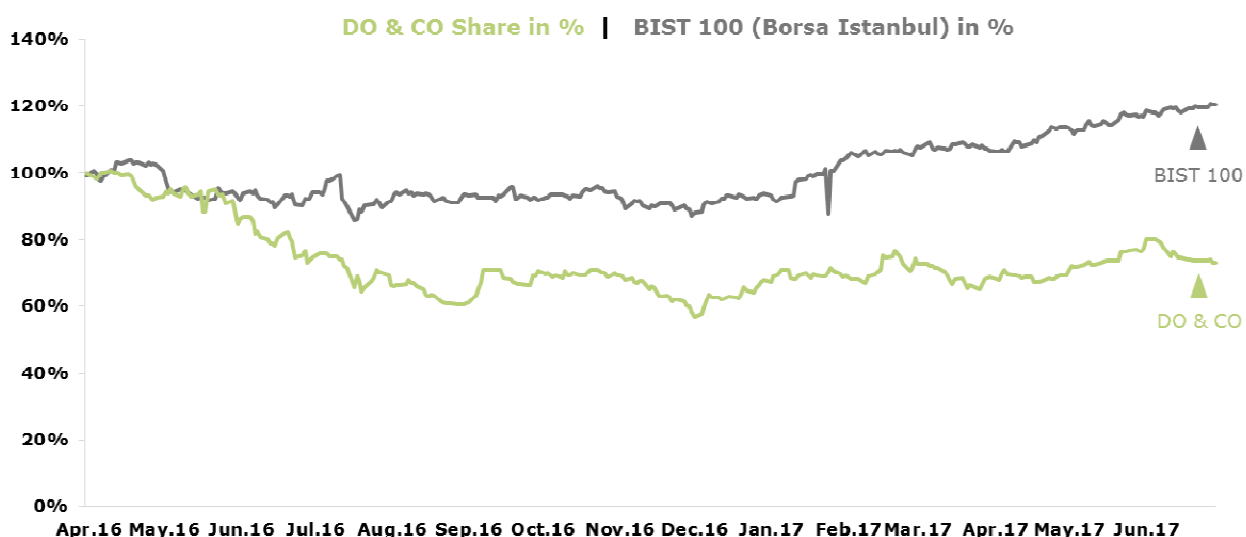
### DO & CO shares

In the first quarter of the business year 2017/2018, the DO & CO shares gained in value on the Vienna and Istanbul stock exchanges.

On the Vienna Stock Exchange, the DO & CO share gained 1.5%, closing at € 61.81 on 30 June 2017.



On the Istanbul Stock Exchange, DO & CO's share gained 6.0%, closing at TRY 250.10 on 30 June 2017.



## Trading volumes

On the Vienna Stock Exchange, an average of € 945k in DO & CO shares was traded daily during the first quarter of the business year 2017/2018, compared to an average daily trading volume of € 493k in DO & CO shares on the Istanbul Stock Exchange in the same period. The trading volume in Vienna thus was higher than the one on the Istanbul Stock Exchange. Together, the two stock exchanges traded € 1,438k or 22,658 shares as a daily average. The daily trading volume thus increased on the previous year in number (PY: 19,296 shares).

	Vienna Stock Exchange		Istanbul Stock Exchange		Total	
	1 <sup>st</sup> Quarter		1 <sup>st</sup> Quarter		1 <sup>st</sup> Quarter	
	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017
Volume in shares*	14,864	11,757	7,794	7,539	22,658	19,296
Turnover in k€*	945	1,079	493	699	1,438	1,779

\*Daily average traded volume of the DO & CO shares



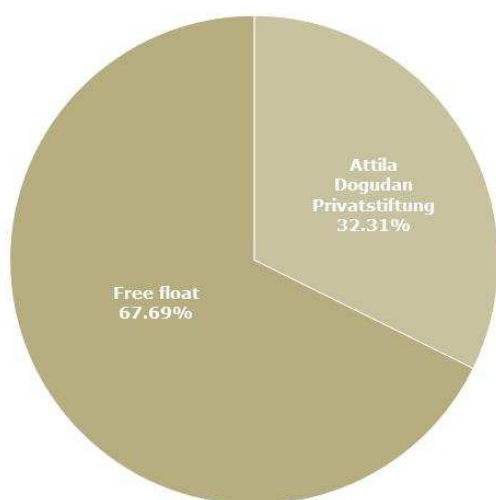
## Share indices

		<b>1<sup>st</sup> Quarter 2017/2018</b>	<b>1<sup>st</sup> Quarter 2016/2017</b>
High <sup>1</sup>	€	69.44	107.60
Low <sup>1</sup>	€	58.44	78.00
Share price at the end of the period <sup>1</sup>	€	61.81	78.90
Number of shares at the end of the period	TPie	9,744	9,744
Market capitalisation at the end of the period	m€	602.28	768.80

1 ... Closing price

## Shareholder structure of DO & CO Aktiengesellschaft

On 30 June 2017, 67.69% of the shares are in free float. The remaining share of 32.31% is held by the private foundation Attila Dogudan Privatstiftung. This figure includes a stake of 1.59% provided for management and staff participation.



## Information on the DO & CO shares

ISIN	AT0000818802
Reuters Code	DOCO.VI, DOCO.IS
Bloomberg Code	DOC AV, DOCO.TI
Indices	ATX Prime, WBI, BIST ALL
WKN	081880
Listed in	Vienna, Istanbul
Currency	EUR, TRY

## Financial calendar

16 November 2017  
15 February 2018

Results for the first half year of 2017/2018  
Results for the first three quarters of 2017/2018

## **Investor relations**

In the first quarter of the business year 2017/2018, the management of DO & CO Aktiengesellschaft held talks with numerous institutional investors and financial analysts.

Analyses and reports involving DO & CO's share are currently published by ten international institutions:

- Kepler Cheuvreux
- Renaissance Capital
- Wood & Company
- Erste Bank
- HSBC
- Raiffeisen Centrobank
- İş Investment
- Ünlü & Co
- Garanti Securities
- GSC Research
- Global Menkul Degerler

Analysts have an average price target of € 74.72 (status: 30 June 2017).

All published materials and information on DO & CO's share are posted under Investor Relations on the DO & CO website at **[www.doco.com](http://www.doco.com)**.

For more information please contact:

Investor relations

Email: **[investor.relations@doco.com](mailto:investor.relations@doco.com)**

### **3. Outlook**

With its diverse distribution facilities, a broad brand portfolio and activities in numerous regions, DO & CO is in an excellent position to face challenging market conditions and expects good development opportunities also in the future.

#### **ESTABLISHMENT OF NEW GOURMET KITCHENS IN LOS ANGELES AND PARIS**

The first DO & CO gourmet kitchen in Los Angeles will open already on September, 1st. The first customer for airline catering will be Emirates. Immediately afterwards Cathay Pacific will follow on October, 1<sup>st</sup> with 3 to 4 flights daily from Los Angeles to Hong Kong.

The next gourmet kitchen in Paris is already under construction. This unit is planned to be opened until end of 2017 and will produce delicatessen for Hédiard as well as fresh gourmet menus for prime airlines.

#### **TURKEY**

With regard to the commitment in Turkey it has to be noted that DO & CO is going to continue to invest in Turkey. DO & CO is fully committed to its long-term projects in Turkey. Regarding the new airport in Istanbul a decision is not yet taken, but is expected within the next weeks. The duration of the existing contract with Turkish airlines relates to the activities on the existing airport, respectively until the finalisation of the new catering building at the new airport in Istanbul.

#### **RETAIL & HENRY GOURMET SHOPS**

With regard to retail, additional gourmet shops will be opened under the Henry brand in Vienna and London in the business year 2017/2018.

#### **NEW ACQUISITIONS**

As in previous quarters, DO & CO continues to evaluate possible targets for acquisition in various markets.

Due to circumstances not controlled by DO & CO respectively single events, which do not take place every year, DO & CO is facing a reduction in revenue and result in particular markets. Currently the intention of the managements is not only to adapt costs to new conditions, but also to seek for sustainable growth with stable margins.

DO & CO's management is confident that it can continue its successful performance of the past years. A focus on innovation, superior product and service standards and excellently trained and committed staff continue to provide the underpinnings for DO & CO to make the best possible use of its available growth potential.

**Interim Consolidated Financial Statements  
for the 1<sup>st</sup> Quarter of 2017/2018  
of DO & CO Aktiengesellschaft pursuant to IFRS  
(unaudited)**

# 1. Consolidated Statement of Financial Position as of 30 June 2017 (unaudited)

Notes	Assets	in m€	30 June 2017	31 March 2017
	Intangible assets		58.54	59.90
	Property, plant and equipment		222.60	220.12
	Investment property		1.55	1.55
	Investments accounted for using the equity method		8.17	8.55
	Other financial assets		3.69	3.73
	Deferred tax assets		7.97	7.13
	Other non-current assets		13.00	13.00
	<b>Non-current assets</b>		<b>315.52</b>	<b>313.98</b>
	Inventories		25.14	24.58
	Trade receivables		113.55	99.33
	Other financial assets		16.94	16.21
	Income tax receivables		5.66	5.90
	Other non-financial assets		23.48	17.88
	Cash and cash equivalents		141.28	143.53
	<b>Current assets</b>		<b>326.04</b>	<b>307.43</b>
	<b>Total assets</b>		<b>641.56</b>	<b>621.41</b>
Notes	Shareholders' equity and liabilities	in m€	30 June 2017	31 March 2017
	Share capital		19.49	19.49
	Capital reserves		70.51	70.51
	Retained earnings		157.54	152.83
	Other comprehensive income		-43.15	-37.58
	Special item from transactions with non-controlling interests		-0.35	-0.32
	<b>Equity attributable to the shareholders of DO &amp; CO Aktiengesellschaft</b>		<b>204.03</b>	<b>204.93</b>
	Non-controlling interests		48.84	50.91
2.1.	<b>Shareholders' equity</b>		<b>252.88</b>	<b>255.84</b>
	Bond		148.84	148.76
	Provisions		23.27	23.24
	Deferred tax liabilities		2.20	3.18
	<b>Non-current liabilities</b>		<b>174.31</b>	<b>175.18</b>
	Other financial liabilities		49.05	49.87
	Trade payables		77.49	73.72
	Provisions		42.77	37.19
	Income tax liabilities		10.78	11.15
	Other liabilities		34.28	18.47
	<b>Current liabilities</b>		<b>214.37</b>	<b>190.39</b>
	<b>Total shareholders' equity and liabilities</b>		<b>641.56</b>	<b>621.41</b>

## 2. Consolidated Income Statement for the 1<sup>st</sup> Quarter of 2017/2018 (unaudited)

Notes	in m€	1 <sup>st</sup> Quarter 2017/2018	1 <sup>st</sup> Quarter 2016/2017
3.1.	<b>Revenue</b>	<b>219.95</b>	<b>254.51</b>
3.2.	Other operating income	4.94	3.34
	Cost of materials	-95.05	-112.79
	Personnel expenses	-72.66	-80.72
	Other operating expenses	-38.32	-40.78
3.3	Result of equity investments accounted for using the equity method	-0.10	-0.61
	<b>EBITDA - Operating result before amortisation / depreciation and effects from impairment tests</b>	<b>18.75</b>	<b>22.95</b>
	Amortisation / depreciation and effects from impairment tests	-7.75	-8.51
	<b>EBIT - Operating result</b>	<b>10.99</b>	<b>14.44</b>
	Financing income	0.64	0.60
	Financing expenses	-1.65	-1.29
	Other financial result	-0.49	0.00
	<b>Financial result</b>	<b>-1.50</b>	<b>-0.70</b>
	<b>Profit before income tax</b>	<b>9.49</b>	<b>13.75</b>
	Income tax	-2.67	-3.45
	<b>Profit after income tax</b>	<b>6.82</b>	<b>10.30</b>
	Thereof net profit attributable to non-controlling interests	-2.10	-3.54
	<b>Thereof net profit attributable to shareholders of DO &amp; CO Aktiengesellschaft (Net result)</b>	<b>4.72</b>	<b>6.75</b>
		<b>1<sup>st</sup> Quarter 2017/2018</b>	<b>1<sup>st</sup> Quarter 2016/2017</b>
	<b>Net result in m€</b>	<b>4.72</b>	<b>6.75</b>
	Number of shares at the end of the period (in Pie)	9,744,000	9,744,000
3.4.	<b>Basic/diluted earnings per share (in €)</b>	<b>0.48</b>	<b>0.69</b>

### 3. Consolidated Statement of Comprehensive Income (unaudited)

in m€	1 <sup>st</sup> Quarter 2017/2018	1 <sup>st</sup> Quarter 2016/2017
<b>Profit after income tax</b>	<b>6.82</b>	<b>10.30</b>
Differences of currency translation	-8.21	-0.03
Income tax	0.96	-0.35
<b>Total of items that will be reclassified subsequently to the income statement</b>	<b>-7.25</b>	<b>-0.37</b>
<b>Other comprehensive income after income tax</b>	<b>-7.25</b>	<b>-0.37</b>
<b>Total comprehensive income for the period</b>	<b>-0.43</b>	<b>9.93</b>
Thereof attributable to non-controlling interests	0.44	3.81
<b>Attributable to DO &amp; CO Aktiengesellschaft (Total result)</b>	<b>-0.86</b>	<b>6.11</b>

## 4. Consolidated Statement of Cash Flows (unaudited)

in m€	1 <sup>st</sup> Quarter 2017/2018	1 <sup>st</sup> Quarter 2016/2017
<b>Profit before income tax</b>	<b>9.49</b>	<b>13.75</b>
+/- Amortisation / depreciation and effects from impairment tests	7.75	8.50
-/+ Gains / losses from disposals of non-current assets	0.11	-0.01
-/+ Gains / losses from associated companies measured at equity without cash effect	0.10	0.61
+/- Other non-cash expenses / income	1.11	0.18
+/- Interest result	1.01	0.74
<b>Gross cash flow</b>	<b>19.58</b>	<b>23.28</b>
-/+ Increase / decrease in inventories and other current assets	-26.31	-25.26
+/- Increase / decrease in provisions	6.32	4.35
+/- Increase / decrease in trade payables and other liabilities	19.60	33.80
- Income tax payments	-4.41	-2.28
<b>Cash flow from operating activities (net cash flow)</b>	<b>14.78</b>	<b>33.89</b>
+ Payments received for disposals of property, plant and equipment and intangible assets	0.08	0.02
+ Payments received for the disposal of other financial assets	0.01	0.22
- Additions to property, plant and equipment	-15.60	-16.06
- Additions to intangible assets	-0.15	-0.08
- Additions to associated companies measured at equity	0.00	-6.39
- Additions to other financial assets	-0.02	-1.02
+ Dividends received	0.00	0.48
+ Interest received	0.64	0.56
<b>Cash flow from investing activities</b>	<b>-15.04</b>	<b>-22.28</b>
- Dividend payment to non-controlling interests	0.00	-2.29
- Repayment of financial liabilities	-0.21	-0.06
- Interest paid	-0.08	-1.12
<b>Cash flow from financing activities</b>	<b>-0.29</b>	<b>-3.47</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-0.54</b>	<b>8.14</b>
Cash and cash equivalents at the beginning of the period	143.53	171.91
Effects of exchange rate changes on cash and cash equivalents (opening balance)	-1.50	0.05
Effects of exchange rate changes on cash and cash equivalents (movement)	-0.21	0.00
Cash and cash equivalents at the end of the period	141.28	180.10
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-0.54</b>	<b>8.14</b>



## 5. Consolidated Statement of Changes in Equity (unaudited)

in m€	Equity of the shareholders of DO & CO Aktiengesellschaft						Special item from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
	Share capital	Capital reserves	Retained earnings	Currency translation differences	Revaluation IAS 19	Other comprehensive income				
<b>As of 1 April 2017</b>	<b>19.49</b>	<b>70.51</b>	<b>152.83</b>	<b>-34.84</b>	<b>-2.74</b>	<b>-0.32</b>	<b>204.93</b>	<b>50.91</b>	<b>255.84</b>	
Dividend payments 2016/2017							<b>0.00</b>	-2.54	-2.54	
Total result			4.72	-5.58			<b>-0.86</b>	0.44	-0.43	
Transactions with non-controlling interests							<b>-0.03</b>	0.03	0.00	
<b>As of 30 June 2017</b>	<b>19.49</b>	<b>70.51</b>	<b>157.54</b>	<b>-40.41</b>	<b>-2.74</b>	<b>-0.35</b>	<b>204.03</b>	<b>48.84</b>	<b>252.88</b>	
<b>As of 1 April 2016</b>	<b>19.49</b>	<b>70.51</b>	<b>140.28</b>	<b>-24.50</b>	<b>-1.37</b>	<b>-0.27</b>	<b>204.13</b>	<b>50.24</b>	<b>254.37</b>	
Dividend payments 2015/2016							<b>0.00</b>	-2.29	-2.29	
Total result			6.75	-0.64			<b>6.11</b>	3.81	9.93	
Transactions with non-controlling interests							<b>0.48</b>	-0.48	0.00	
<b>As of 30 June 2016</b>	<b>19.49</b>	<b>70.51</b>	<b>147.04</b>	<b>-25.15</b>	<b>-1.37</b>	<b>0.21</b>	<b>210.73</b>	<b>51.28</b>	<b>262.00</b>	

## 6. Segment Reporting (unaudited)

**Segment reporting by division** for the first quarter of the business year 2017/2018 and the first quarter of the business year 2016/2017 is as follows:

<b>1<sup>st</sup> Quarter 2017/2018</b>		<b>Airline Catering</b>	<b>International Event Catering</b>	<b>Restaurants, Lounges &amp; Hotel</b>	<b>Total</b>
Revenue	m€	143.50	35.91	40.53	219.95
EBITDA	m€	12.43	4.06	2.26	18.75
Depreciation/amortisation	m€	-5.71	-1.19	-0.82	-7.72
Effects from impairment tests	m€	0.00	0.00	-0.04	-0.03
EBIT	m€	6.72	2.87	1.41	10.99
EBITDA margin	%	8.7%	11.3%	5.6%	8.5%
EBIT margin	%	4.7%	8.0%	3.5%	5.0%
Share of Group Revenue	%	65.2%	16.3%	18.4%	100.0%
Total investments	m€	13.43	0.26	2.08	15.77

<b>1<sup>st</sup> Quarter 2016/2017</b>		<b>Airline Catering</b>	<b>International Event Catering</b>	<b>Restaurants, Lounges &amp; Hotel</b>	<b>Total</b>
Revenue	m€	158.58	54.03	41.90	254.51
EBITDA	m€	15.80	5.32	1.83	22.95
Depreciation/amortisation	m€	-6.02	-1.29	-0.77	-8.09
Effects from impairment tests	m€	-0.42	0.00	0.00	-0.42
EBIT	m€	9.36	4.03	1.06	14.44
EBITDA margin	%	10.0%	9.8%	4.4%	9.0%
EBIT margin	%	5.9%	7.5%	2.5%	5.7%
Share of Group Revenue	%	62.3%	21.2%	16.5%	100.0%
Total investments	m€	10.13	1.21	5.62	16.96

Both earnings figures, EBIT and EBITDA, are of relevance for the management with regard to control. Management predominantly focuses on EBIT in respect of resource allocation; EBIT therefore is the segment result within the meaning of IFRS 8. The values used for segment reporting comply with the accounting and valuation methods applied in the IFRS consolidated financial statements. The operating result (EBIT) is reported as segment result. The transfer prices are defined in line with the OECD Guidelines.

**External revenue** of the DO & CO Group can be broken down by **geographical regions** according to the location of the subsidiary as follows:

<b>1<sup>st</sup> Quarter 2017/2018</b>		<b>USA</b>	<b>Germany</b>	<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Sales	m€	24.01	35.34	46.67	65.31	48.62	219.95
Share of Group Revenue	%	10.9%	16.1%	21.2%	29.7%	22.1%	100.0%
<b>1<sup>st</sup> Quarter 2016/2017</b>		<b>USA</b>	<b>Germany</b>	<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Sales	m€	22.09	32.05	49.39	85.65	65.34	254.51
Share of Group Revenue	%	8.7%	12.6%	19.4%	33.7%	25.7%	100.0%

**Non-current assets pursuant to IFRS 8 by geographical regions** (excl. income tax receivables and deferred taxes) as of 30 June 2017 and 31 March 2017 are presented below:

<b>30 June 2017</b>		<b>USA</b>	<b>Germany</b>	<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Non-current assets	m€	46.85	44.50	32.05	96.06	88.09	307.56

<b>31 March 2017</b>		<b>USA</b>	<b>Germany</b>	<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Non-current assets	m€	42.06	44.64	32.40	99.77	87.99	306.85

# **Condensed Notes to the Consolidated Financial Statements for the 1<sup>st</sup> Quarter of 2017/2018 (unaudited)**

## **1. General information**

### **1.1. Basis**

DO & CO Aktiengesellschaft (DO & CO, the Company), domiciled in 1010 Vienna, Stephansplatz 12, is the parent company of an international catering group. It conducts business in the three divisions Airline Catering, International Event Catering, and Restaurants, Lounges & Hotel.

The reporting date is 31 March.

The interim financial statements of all subsidiaries included in the consolidated financial statements were properly prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU that are effective for the business year 2017/2018, and in accordance with group-wide accounting principles set out by the parent company.

The interim consolidated financial statements as of 30 June 2017 were prepared in accordance with IAS 34 (Interim Financial Reporting). The interim consolidated financial statements do not contain all information and disclosures that are included in the financial statements, and should be read in connection with the consolidated financial statements as of 31 March 2017.

Unless otherwise stated, the interim consolidated financial statements were prepared in millions of euros (m€), figures in the notes are also given in millions of euros (m€). Both individual figures and total amounts represent the smallest rounding difference. When the reported individual figures are aggregated, slight differences to the reported total amounts may therefore arise.

The interim consolidated financial statements as of 30 June 2017 have neither been audited nor reviewed.

### **1.2. Accounting and valuation methods**

The accounting and valuation methods applied in the course of the preparation of these interim consolidated financial statements comply with those used in the consolidated financial statements as of 31 March 2017.

No new and/or amended standards and interpretations became effective in the first quarter of the business year 2017/2018 or were adopted early on a voluntary basis.

For further information on the accounting and valuation methods applied, we refer to the consolidated financial statements as of 31 March 2017 that form the basis of these condensed interim consolidated financial statements.

The preparation of the interim consolidated financial statements in accordance with generally accepted accounting and valuation methods requires assumptions and estimates to be made which have an effect on the amount and the presentation of the reported assets and liabilities, on the disclosed contingent assets and liabilities at the end of the interim reporting period, as well as on the income and expenses reported during the reporting period. Although these estimates are made to the best of our knowledge based on current transactions, the actual values may in the end deviate from these estimates.

### **1.3. Scope of consolidation**

There have been no changes to the scope of consolidation as compared to 31 March 2017.

### **1.4. Seasonality**

Airline Catering and International Event Catering are subject to fluctuations in business volume. Whereas increased flight and passenger numbers are of significant importance for airline customers particularly in the first and second quarter of the business year due to the holiday and charter season, the changing dates for major sporting events are key in International Event Catering. In the first quarter this seasonality is reflected in the working capital structure.

## 2. Comments on the Consolidated Statement of Financial Position

### 2.1. Shareholders' equity

By resolution of the 19th General Meeting of Shareholders of DO & CO Aktiengesellschaft held on 27 July 2017, a dividend of € 0.85 per dividend-bearing share for the business year 2016/2017 was approved.

Furthermore, the members of the Management Board were granted the right to acquire shares of their own (on exchange/off exchange) to an extent of 10% of the nominal capital.

## 3. Comments on the Consolidated Income Statement

### 3.1. Revenue

One reason for the decline in revenues in the Airline Catering division is the significant loss in value of the Turkish lira against the euro. Furthermore, Turkish DO & CO initiated a cost-cutting programme for its main customer Turkish Airlines in the business year 2016/2017, resulting in a corresponding reduction of revenues. The significant revenue decrease in the International Event Catering division is particularly due to the missing activities during the European football championship compared to the previous year.

### 3.2. Other operating income

The costs estimated to be incurred by the social plan in the course of the reorganisation of the French subsidiary have decreased as a result of reaching an agreement with the employee representatives and obtaining the approval by the authorities. The provision was therefore partially released.

### 3.3. Result of equity investments accounted for using the equity method

In the first quarter of the business year 2017/2018 € 0.18m proportionate losses were recorded off-balance sheet.

### 3.4. Earnings per share

	1 <sup>st</sup> Quarter 2017/2018	1 <sup>st</sup> Quarter 2016/2017
<b>Net result in m€</b>	<b>4.72</b>	<b>6.75</b>
Number of shares at the end of the period (in Pie)	9,744,000	9,744,000
<b>Basic/diluted earnings per share (in €)</b>	<b>0.48</b>	<b>0.69</b>

## 4. Additional Disclosures

### 4.1. Additional disclosures on financial instruments

The carrying amounts of the financial instruments, classified in measurement categories pursuant to IAS 39, and the fair values allocated to classes are presented in the table below:

in m€	Carrying amount 30 June 2017	Measurement category according to IAS 39	Fair Value	Level
Other financial assets (non-current) <sup>1</sup>	3.69			
Investments and securities	0.47	AFS		
Other non-current assets	3.22	AFS		
Trade receivables	113.55	LaR		
Other financial assets (current)	16.94	LaR		
Cash and cash equivalents	141.28	AFS		
<b>Total assets</b>	<b>275.45</b>			
Bond	148.84	FLAC	162.20	1
Other financial liabilities (current)	49.05	FLAC		
Loan	4.51	FLAC	3.96	3
Miscellaneous other current financial liabilities	44.53	FLAC		
Trade payables	77.49	FLAC		
<b>Total liabilities</b>	<b>275.38</b>			

in m€	Carrying amount 31 March 2017	Measurement category according to IAS 39	Fair Value	Level
Other financial assets (non-current) <sup>1</sup>	3.73			
Investments and securities	0.47	AFS		
Other non-current assets	3.25	AFS		
Trade receivables	99.33	LaR		
Other financial assets (current)	16.21	LaR		
Cash and cash equivalents	143.53	AFS		
<b>Total assets</b>	<b>262.80</b>			
Bond	148.76	FLAC	162.33	1
Other financial liabilities (current)	49.87	FLAC		
Loans	4.85	FLAC	4.23	3
Miscellaneous other current financial liabilities	45.02	FLAC		
Trade payables	73.72	FLAC		
<b>Total liabilities</b>	<b>272.35</b>			

1... Measured at cost pursuant to IAS 39

LaR: Loans and Receivables; AFS: Available-for-Sale Financial Assets; FLAC: Financial Liabilities at Amortised Cost.

With regard to cash and cash equivalents, trade receivables as well as other current and non-current financial assets, the carrying amounts represent an adequate estimate of the fair values as the remaining maturities are short. The same applies to trade payables, other liabilities and current financial liabilities. The fair value is not disclosed in accordance with the exemption provision set forth under IFRS 7.29(a).

No changes in the accounting and valuation methods applied to the financial instruments have occurred in the interim reporting period compared to the financial statements as of 31 March 2017.

## 4.2. Significant events after the reporting period (subsequent report)

No significant events or developments occurred after 30 June 2017 that would be of importance with regard to the Group's financial situation and performance.

## 4.3. Related party disclosures

In the course of its ordinary business activities, DO & CO Aktiengesellschaft directly or indirectly maintains business relations with unconsolidated subsidiaries, joint ventures and associated companies.

Related parties mainly comprise members of the Management Board and the Supervisory Board or entities that are in the sphere of influence of members of the Management Board or Supervisory Board.

All business relations with related parties are carried out at arm's length conditions.

in m€	1st Quarter 2017/2018				1st Quarter 2016/2017			
	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries
Performed deliveries and services	0.00	0.00	0.10	0.22	0.00	0.00	0.21	0.17
Supplies received and services rendered	1.38	2.37	0.01	0.52	1.78	2.62	0.01	0.45
in m€	30 June 2017				31. März 2017			
	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries
Receivables	0.95	0.00	1.90	0.36	0.95	0.01	1.47	1.37
Payables	0.06	1.75	0.72	0.62	0.47	1.11	0.02	0.86
Granted loans	0.00	0.00	2.45	0.00	0.00	0.00	2.40	0.00



# Statements by the Management Board

We herewith certify to the best of our knowledge:

1. that the condensed interim consolidated financial statements of DO & CO Aktiengesellschaft prepared in conformity with the relevant accounting standards provide a fair presentation of the Group's assets and liabilities, financial situation and results of operations;
2. that the Group's quarterly report provides a fair presentation of the Group's assets and liabilities, financial situation and results of operations with regard to the significant events during the first three months of the business year and their impact on the condensed interim consolidated financial statements, and with regard to the main risks and uncertainties concerning the remaining nine months of the business year.

Vienna, 17 August 2017

The Management Board:

Attila DOGUDAN m.p.  
Chairman of the Management Board

Gottfried NEUMEISTER m.p.  
Member of the Management Board

# Glossary

			1 <sup>st</sup> Quarter 2017/2018	1 <sup>st</sup> Quarter 2016/2017
EBITDA margin in %	<u>EBITDA</u> External revenue	m€ 18.75 m€ 219.95	<b>8.5%</b>	9.0%
EBIT margin in %	<u>EBIT</u> External revenue	m€ 10.99 m€ 219.95	<b>5.0%</b>	5.7%
Return on Sales in %	<u>Profit before income tax</u> External revenue	m€ 9.49 m€ 219.95	<b>4.3%</b>	5.4%
Adjusted equity in m€	+ Shareholders' equity - (proposed) dividend payment	m€ 252.88 m€ 8.28	<b>244.59</b>	253.72
Equity ratio in %	<u>Adjusted equity</u> Total capital	m€ 244.59 m€ 641.56	<b>38.1%</b>	37.5%
Return on equity (ROE) in %	<u>Profit after income taxes (Q2-Q4 previous year + Q1 current year) <sup>2</sup></u> Ø adjusted equity <sup>1</sup>	m€ 30.33 m€ 252.74	<b>12.0%</b>	17.8%
Debt (financial liabilities) in m€	+ Bond + Other financial liabilities (non-current) + Current loans	m€ 148.84 m€ 0.00 m€ 4.51	<b>153.35</b>	153.16
Net debt (net financial liabilities) in m€	+ Debt - Cash and cash equivalents	m€ 153.35 m€ 141.28	<b>12.08</b>	-26.94
Net debt to EBITDA	<u>Net debt</u> EBITDA (Q2-Q4 previous year + Q1 current year) <sup>2</sup>	m€ 12.08 m€ 87.69	<b>0.14</b>	-0.29
Net gearing in %	<u>Net debt</u> Adjusted equity	m€ 12.08 m€ 244.59	<b>4.9%</b>	-10.6%
Surplus cash in m€	+ Cash and cash equivalents - 2% of revenue (Q2-Q4 previous year + Q1 current year) <sup>2</sup> - (proposed) dividend payment	m€ 141.28 m€ 17.58 m€ 8.28	<b>115.42</b>	152.98
Working capital in m€	+ Current assets - Current provisions and liabilities - Surplus cash - (proposed) dividend payment	m€ 326.04 m€ 214.37 m€ 115.42 m€ 8.28	<b>-12.04</b>	-28.22
Free cash flow in m€	+ Cash flow from operating activities + Cash flow from investing activities	m€ 14.78 m€ -15.04	<b>-0.26</b>	11.64
EPS (Earnings per Share) in €	<u>Net result</u> Number of shares	m€ 4.72 Mpie 9.74	<b>0.48</b>	0.69
Price/Earnings ratio	<u>Share price at the end of the period</u> EPS (Q2-Q4 previous year + Q1 current year) <sup>2</sup>	€ 61.81 € 1.93	<b>32.05</b>	27.11
Tax ratio in %	<u>Income tax</u> Profit before income tax	m€ 2.67 m€ 9.49	<b>28.2%</b>	25.1%
Adjusted EBIT in m€	EBIT - Rent income from investment property + Cost from investment property	m€ 10.99 m€ 0.00 m€ 0.00	<b>10.99</b>	14.44
Capital employed in m€	+ Adjusted equity + Non-current provisions and liabilities - Cash and cash equivalents - Investment property	m€ 244.59 m€ 174.31 m€ 141.28 m€ 1.55	<b>276.08</b>	253.94
Return on capital employed (ROCE) in %	<u>Adjusted EBIT (Q2-Q4 previous year + Q1 current year) <sup>2</sup></u> Ø Capital employed <sup>1</sup>	m€ 52.79 m€ 278.86	<b>18.9%</b>	18.8%

1 ... Calculated as the average amount by the end of the past four quarters and the amount at the beginning of the period under review

2 ... Calculated as the sum total of the past four quarters