

**DO & CO Aktiengesellschaft**

**First Half Year 2014/2015**



RESTAURANTS  
HOTEL  
LOUNGES  
CATERING

## CONTENT

<b>Group Management Report for the First Half Year 2014/2015</b> .....	<b>1</b>
1. Key Figures of the DO & CO Group under IFRS .....	1
2. Sales .....	2
3. Earnings .....	3
4. Balance sheet .....	3
5. Employees .....	4
6. Airline Catering .....	5
7. International Event Catering .....	7
8. Restaurants, Lounges & Hotel .....	8
9. DO & CO stock / investor relations .....	9
10. Outlook .....	13
<b>Interim Consolidated Financial Statements for the 1<sup>st</sup> Half Year 2014/2015 of DO &amp; CO Aktiengesellschaft in accordance with IFRS (condensed)</b> .....	<b>14</b>
1. Consolidated Statement of Financial Position as of 30 September 2014.....	15
2. Consolidated Income Statement for the 1 <sup>st</sup> Half Year 2014/2015.....	16
3. Consolidated Statement of Other Comprehensive Income for the 1 <sup>st</sup> Half Year 2014/2015 .....	17
4. Consolidated Statement of Cashflows .....	18
5. Consolidated Statement of Changes in Equity .....	19
<b>Notes to the Consolidated Financial Statements for the 1<sup>st</sup> Half Year 2014/2015</b> .....	<b>20</b>
1. General Information .....	20
1.1. Basis .....	20
1.2. Accounting and Valuation Methods .....	20
1.3. Scope of Consolidation.....	21
1.4. Seasonality .....	22
2. Selected Comments to the Consolidated Statement of Financial Position .....	23
2.1. Fixed assets .....	23
2.2. Other current assets.....	23
2.3. Shareholders' equity.....	23
2.4. Other provisions .....	24
2.5. Trade accounts payable .....	24
3. Selected Comments on the consolidated income statement .....	24
3.1. Sales .....	24
3.2. Financial result .....	24
3.3. Earnings per share .....	25
4. Comments on the Consolidated Statement of Cash Flows .....	25
5. Additional disclosures .....	26
5.1. Additional disclosures on financial instruments.....	26
5.2. Other financial liabilities.....	28
5.3. Risk Management.....	28
5.4. Segment reporting .....	29
5.5. Significant events after the reporting period (subsequent report) .....	30
5.6. Related party disclosures .....	30
<b>Statements by all Legal Representatives Pursuant to Section 87 (1) 3 of the Austrian Stock Exchange Act</b> .....	<b>31</b>
<b>Report on the review of the condensed interim consolidated financial statements</b> .....	<b>32</b>

# Group Management Report for the First Half Year 2014/2015

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

		1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half Year 2013/2014	2 <sup>nd</sup> Quarter 2014/2015	2 <sup>nd</sup> Quarter 2013/2014
Sales	m€	395.65	330.69	206.26	168.76
EBITDA	m€	40.14	34.58	23.25	20.31
EBITDA margin	%	10.1%	10.5%	11.3%	12.0%
EBIT	m€	28.90	25.67	17.41	15.95
EBIT margin	%	7.3%	7.8%	8.4%	9.5%
Profit before taxes	m€	41.99	26.37	27.07	16.40
Net result	m€	25.53	14.58	16.42	9.44
Net result margin	%	6.5%	4.4%	8.0%	5.6%
Employees		8,687	6,992	8,982	7,258
Equity <sup>1</sup>	m€	158.21	189.90	158.21	189.90
Equity ratio <sup>1</sup>	%	30.6%	55.8%	30.6%	55.8%
Net debts	m€	11.06	-51.46	11.06	-51.46
Net gearing	%	7.0%	-27.1%	7.0%	-27.1%
Working Capital	m€	119.62	67.41	119.62	67.41
Cashflow from operating activities	m€	41.64	12.20	23.36	-5.21
Cashflow from investing activities	m€	-39.90	-4.09	-9.27	2.81
Free cashflow	m€	1.74	8.11	14.09	-2.40
ROS	%	10.6%	8.0%	13.1%	9.7%

1 ... Adjusted by bookvalue of goodwill

## Key figures per share

		1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half Year 2013/2014	2 <sup>nd</sup> Quarter 2014/2015	2 <sup>nd</sup> Quarter 2013/2014
EBITDA per share	€	4.13	3.55	2.40	2.08
EBIT per share	€	2.97	2.63	1.80	1.64
Earnings per share	€	2.63	1.50	1.69	0.97
Equity (book entry) <sup>1</sup>	€	16.28	19.49	16.33	19.49
High <sup>2</sup>	€	55.05	40.39	55.05	36.48
Low <sup>2</sup>	€	38.20	31.39	45.75	31.39
Price at the end of the period <sup>2</sup>	€	51.51	33.15	51.51	33.15
Number of shares at the end of the period <sup>3</sup>	TPie	8,770	9,744	8,770	9,744
Number of weighted shares <sup>3</sup>	TPie	9,717	9,744	9,691	9,744
Market capitalization at the end of the period	m €	451.72	323.01	451.72	323.01

1 ... Adjusted by bookvalue of goodwill

2 ... Closing price

3 ... Adjusted by own shares hold as of balance sheet day

## 2. Sales

In the first half of its 2014/2015 business year, the DO & CO Group recorded sales of € 395.65m, an increase of 19.6% or € 64.96m over the same period in the previous year.

Sales	1 <sup>st</sup> Half Year				2 <sup>nd</sup> Quarter			
	2014/2015	2013/2014	Change	Change in %	2014/2015	2013/2014	Change	Change in %
Airline Catering m€	267.72	239.50	28.22	11.8%	142.66	124.70	17.97	14.4%
International Event Catering m€	48.55	30.73	17.82	58.0%	22.01	12.21	9.81	80.3%
Restaurants, Lounges & Hotel m€	79.38	60.46	18.92	31.3%	41.58	31.85	9.73	30.6%
<b>Group Sales</b>	<b>395.65</b>	<b>330.69</b>	<b>64.96</b>	<b>19.6%</b>	<b>206.26</b>	<b>168.76</b>	<b>37.50</b>	<b>22.2%</b>

Share of Group Sales	1 <sup>st</sup> Half Year		2 <sup>nd</sup> Quarter	
	2014/2015	2013/2014	Change	Change in %
Airline Catering %	67.7%	72.4%	69.2%	73.9%
International Event Catering %	12.3%	9.3%	10.7%	7.2%
Restaurants, Lounges & Hotel %	20.1%	18.3%	20.2%	18.9%
<b>Group Sales</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Sales by the **Airline Catering division** rose by € 28.22m in the first half of 2014/2015, growing from € 239.50m to € 267.72m in spite of a challenging market.

The Group's international locations achieved substantial growth over the first half year of the previous business year. Turkish DO & CO reported a satisfactory development of its business in the first half of 2014/2015, especially with regard to Turkish Airlines.

The DO & CO locations at New York John F. Kennedy, London Heathrow, Frankfurt and Munich boosted their sales by expanding their business volume with existing customers and the acquisition of new customers.

The Airline Catering division's locations in Poland reported stable sales figures. Locations at Milan Malpensa and Kiev reported declines in their sales figures.

The Austrian location added moderate growth to the Group's sales.

Sales of the **International Event Catering division** for the first half of 2014/2015 increased to € 48.55m (as compared to € 30.73m in the first half of 2013/2014). A special contributor was Arena One GmbH, a subsidiary which was first incorporated in the last quarter of 2013/2014 and which handled the catering for 17 football matches at the Allianz Arena in Munich as well as numerous other events in the first half of the current business year.

Moreover, the division once again organised many major events throughout the second quarter of the business year, including five Formula 1 Grands Prix races, the CHIO in Aachen and the Beach Volleyball grand slam at the Wörthersee in Carinthia.

At € 79.38m, sales by the **Restaurants, Lounges & Hotel** division during the first half of 2014/2015 were 31.3% above the level of the first half of 2013/2014 (€ 60.46m in the first half of 2013/2014).

The growth in the division's sales was driven mostly by the good performance of the lounges, retail and railway catering units. New locations for the Company's airport gastronomy and staff restaurants, the acquisition of French company Hédiard and incorporation of last year's acquisition Arena One fuelled the expansion of the division's business volume.

### 3. Earnings

Consolidated operating profit (EBIT) for the DO & CO Group amounted to € 28.90m for the first half of the 2014/2015 business year, € 3.23m higher than in the corresponding period of the previous year. The EBIT margin was 7.3% (against 7.8% in the first half of 2013/2014). EBITDA for the DO & CO Group was € 40.14m (first half of 2013/2014: € 34.58m). The EBITDA margin was 10.1% (vs. 10.5% in the first half of 2013/2014).

Group	1 <sup>st</sup> Half Year				2 <sup>nd</sup> Quarter				
	2014/2015	2013/2014	Change	Change in %	2014/2015	2013/2014	Change	Change in %	
Sales	m€	395.65	330.69	64.96	19.6%	206.26	168.76	37.50	22.2%
EBITDA	m€	40.14	34.58	5.56	16.1%	23.25	20.31	2.94	14.5%
Depreciation/amortisation	m€	-11.24	-8.91	-2.33	-26.1%	-5.84	-4.36	-1.49	-34.1%
EBIT	m€	28.90	25.67	3.23	12.6%	17.41	15.95	1.46	9.1%
Profit before taxes	m€	41.99	26.37	15.62	59.2%	27.07	16.40	10.67	65.1%
Net result	m€	25.53	14.58	10.95	75.1%	16.42	9.44	6.98	73.9%
EBITDA margin	%	10.1%	10.5%			11.3%	12.0%		
EBIT margin	%	7.3%	7.8%			8.4%	9.5%		
Employees		8,687	6,992	1,695	24.2%	8,982	7,258	1,724	23.7%

At 43.4%, the cost of materials and services as a proportion of sales was practically at the level of the first half of the previous year (first half of 2013/2014: 42.3%). In absolute figures, expenditure on materials rose by € 31.83m (+22.8%), compared to sales growth of 19.6%.

Personnel expenses in terms of sales increased to 33.3% (against 31.8% in the first half of the previous business year). In absolute figures, they rose from € 105.13m to € 131.85m.

Depreciation and amortisation, at € 11.24m, were higher in the first half of 2014/2015 than in the first half of the previous year (€ 8.91m).

Other operating expenses increased slightly by € 0.39m respectively 0.6%.

The financial result improved from € 0.70m to € 13.08m in the first half of 2014/2015, due to the impact on the result of the fair value measurement of the total return equity swap concluded with UniCredit Bank AG (cf. Section 5.1. of the Notes to the Consolidated Financial Statements).

The tax ratio (taxes as a proportion of untaxed income) was 25.7% in the first half of 2014/2015 (compared to 25.3% in the first half of the previous year).

For the first half of 2014/2015, the Group achieved a consolidated result of € 25.53m (first half of 2013/2014: € 14.58m). Earnings per share were thus € 2.63 (against € 1.50 for the first half of 2013/2014).

### 4. Balance sheet

Non-current assets increased by € 49.95m to € 246.86m from 31 March 2014, the consequence, mainly, of the initial consolidation of Financière Hédiard SA and an expansion of business activities (cf. Section 2.1. in the Notes to the Consolidated Financial Statements).

Current assets decreased by € 22.13m from 31 March 2014, consequent on an increase of other current assets from an expansion of business activities and the first consolidation of Financière Hédiard S.A., offset by a reduction in liquid funds.

Consolidated equity (adjusted for goodwill book values) fell by € 21.20m, from € 179.41m<sup>1</sup> on 31 March 2014 to € 158.21m on 30 September 2014. This reduction was due mostly to the acquisition of treasury shares consequent on the early termination of the total return equity swap concluded with UniCredit Bank AG. DO & CO treated the repurchase of own shares as a redemption of equity. The amount of € 46.15m deducted from equity comprises the cash

<sup>1</sup> Value as of 31 March 2014 adjusted due to a mathematical error.

purchase price of € 29.60m for the own shares, the fair value of the swap of € 16.33m, and the transaction costs of € 0.22m which are directly due to the repurchase (cf. Section 5.1. in the Notes to the Consolidated Financial Statements).

As a result, the equity ratio (adjusted by the goodwill book values) was 30.6% on 30 September 2014 (31 March 2014: 36.1%).

Driven by the expansion of business activities, current provisions and liabilities have risen by € 45.69m to € 174.68m compared to the balance sheet date of the previous business year.

## **5. Employees**

The average number of employees increased to 8,687 (full-time equivalents) as of 30 September 2014, an increase of 1,695 over the same period last year. This rise was due mostly to the incorporation of Arena One GmbH and Hédiard SA, as well as an expansion of business in Turkey and the US.

## 6. Airline Catering

Having established a unique, innovative and competitive product portfolio, the Airline Catering division contributes the largest share to the overall sales of the DO & CO Group.

On a global scale, the DO & CO gourmet kitchens in New York, Chicago, London, Istanbul, Frankfurt, Munich, Milan, Malta, Warsaw, Kiev, Vienna and other locations in Austria, Turkey and Poland are setting new standards in the premium segment of the airline catering business.

DO & CO has built up a customer portfolio consisting of more than 60 airlines. This clientele includes major players such as the Austrian Airlines Group, NIKI, Turkish Airlines, British Airways, Emirates Airline, Etihad Airways, Qatar Airways, Cathay Pacific, Singapore Airlines, South African Airlines, LOT Polish Airlines, Oman Air, Royal Air Maroc, EVA Air, China Southern Airlines, Royal Jordanian, China Airlines, Pegasus Airlines and Asiana Airlines.

Airline Catering		1 <sup>st</sup> Half Year				2 <sup>nd</sup> Quarter			
		2014/2015	2013/2014	Change	Change in %	2014/2015	2013/2014	Change	Change in %
Sales	m€	267.72	239.50	28.22	11.8%	142.66	124.70	17.97	14.4%
EBITDA	m€	30.46	27.36	3.10	11.3%	18.06	16.47	1.59	9.7%
Depreciation/amortisation	m€	-7.63	-7.08	-0.55	-7.8%	-3.95	-3.47	-0.47	-13.6%
EBIT	m€	22.83	20.28	2.55	12.6%	14.12	12.99	1.12	8.6%
EBITDA margin	%	11.4%	11.4%			12.7%	13.2%		
EBIT margin	%	8.5%	8.5%			9.9%	10.4%		
Share of Group Sales	%	67.7%	72.4%			69.2%	73.9%		

During the first half of 2014/2015, the Airline Catering division rang up sales of € 267.72m (first half of 2013/2014: € 239.50m), a growth rate of 11.8% over the first half year of the previous year. The division contributed 67.7% of the Group's overall sales (first half of 2013/2014: 72.4%).

EBITDA and EBIT increased again: at € 30.46m, EBITDA rose by € 3.10m (+11.3%) over the previous year's first half. EBIT grew from € 20.28m to € 22.83m (+12.6%). The EBITDA margin was 11.4% in the first half of 2014/2015, compared to 11.4% in the corresponding period of the previous business year. The EBIT margin was 8.5% (against 8.5% in the first half of 2013/2014).

The international locations all reported substantial growth over the first half of the previous business year.

Turkish DO & CO performed well during the first six months of the 2014/2015 business year, especially in its dealings with Turkish Airlines. The Flying Chefs concept is being developed and expanded. It should be noted that Turkish Airlines won the award for best business class catering worldwide at the Skytrax 2014 World Airline Awards<sup>2</sup>. Moreover, business flourished thanks to airlines newly acquired as customers since the first half of 2013/2014, including Iberia, Royal Flight, China Southern Airlines and KLM Royal Dutch Airlines. It should also be noted that the Company's location at Atatürk Airport was adapted and expanded by 5,500 square metres of new floor space.

The location at New York's John F. Kennedy Airport reported thriving sales and added more growth by gaining Ukraine International Airlines (five departures per week) as a new customer.

An event of note in the second quarter of the 2014/2015 business year was the opening of a 10,000 square metres state-of-the-art gourmet kitchen at Chicago O'Hare. The airport handles up to 70m air passengers per year, placing it among the five biggest airports worldwide. Launched in early August 2014, the location had as its first customer Emirates Airline, which is now served by altogether eight DO & CO locations.

The situation is equally good at London Heathrow, where DO & CO enjoyed satisfactory growth rates with its existing customers, in particular Emirates Airline and British Airways. Additional business came in from new customer South African Airways.

<sup>2</sup> Source: [http://www.worldairlineawards.com/Awards\\_2014/jcatering.htm](http://www.worldairlineawards.com/Awards_2014/jcatering.htm)

The German locations at Frankfurt and Munich were also characterised by growing business, especially from South African Airways which has been catered for from both locations since March 2014. Business with Etihad Airways and Qatar Airlines also thrived at Munich Airport.

Sales were down at Milan's Malpensa, due to the loss of Emirates Airline. However on a satisfactory note, DO & CO has been catering for the Qatar Airways daily flight ex Milan Malpensa since 1 June 2014. With this, DO & CO now provides catering services to Qatar Airways at seven of its locations. Similarly, business with Singapore Airlines, a good customer for many years, has been doing well.

In spite of the still tense situation in eastern Ukraine, sales figures by the Airline Catering unit in Kiev declined only slightly over the first half of the previous business year.

The Polish locations for DO & CO's airline catering similarly kept their business stable throughout the period under review.

Austrian locations managed moderate growth. Notable events are the addition to the list of DO & CO customers of Air China and Ethiopian Airlines with four departures each per week. DO & CO's à la carte menus, introduced in 2012 in cooperation with Austrian Airlines, sold well.



## 7. International Event Catering

The International Event Catering division generated sales of € 48.55m in the first half of 2014/2015 (compared to € 30.73m in the corresponding period of the previous year).

For the first half of 2014/2015, the division reported an EBITDA of € 4.44m (first half of 2013/2014: € 3.44m). The EBITDA margin was 9.1% (11.2% in the first half year of 2013/2014). EBIT amounted to € 2.35m (vs. € 2.85m in the first half of 2013/2014), and the EBIT margin was 4.8% (against 9.3% in the first half of 2013/2014). The lower EBITDA margin experienced by the International Event Catering division compared to the previous business year is chiefly the result of the new incorporation of Arena One GmbH. In the second quarter of 2014/2015, business at Arena One GmbH suffered the usual seasonal weakness. In addition, the management undertook reorganisation measures which further impacted on the result. Higher writeoffs and the lower EBIT margin were also due to the takeover of Arena One GmbH. The writeoffs concerned contributions granted towards building costs for Arena One GmbH and capitalised customer contracts.

International Event Catering		1 <sup>st</sup> Half Year				2 <sup>nd</sup> Quarter			
		2014/2015	2013/2014	Change	Change in %	2014/2015	2013/2014	Change	Change in %
Sales	m€	48.55	30.73	17.82	58.0%	22.01	12.21	9.81	80.3%
EBITDA	m€	4.44	3.44	1.00	29.0%	2.21	1.58	0.63	39.6%
Depreciation/amortisation	m€	-2.09	-0.59	-1.50	-254.5%	-1.08	-0.20	-0.88	-433.3%
EBIT	m€	2.35	2.85	-0.50	-17.5%	1.13	1.38	-0.25	-18.3%
EBITDA margin	%	9.1%	11.2%			10.0%	12.9%		
EBIT margin	%	4.8%	9.3%			5.1%	11.3%		
Share of Group Sales	%	12.3%	9.3%			10.7%	7.2%		

Of particular note among expansion activities pursued by the International Event Catering division is Arena One GmbH which was included in the DO & CO Group on 1 January 2014. For the first half of the 2014/2015 business year it was busy with numerous sporting and business events, catered for 17 football matches at the Allianz Arena and handled many events at the Olympic Hall in Munich.

The Major Events unit concentrated on the Formula 1 grand prix races and several large-scale sports challenges.

For the eleven Formula 1 races held during the first half of 2014/2015, more than 34,000 VIP guests were regaled with the choicest treats prepared by DO & CO. The racing schedule in the second quarter took place in Europe with the grand prix in the United Kingdom, Germany, Hungary, Belgium and Italy.

Starting in May 2014, DO & CO has also been responsible for the Formula 1 infrastructure. This includes the provision of non-catering services such as tents, furniture, security, decorations and entertainment for the premium hospitality sector of Formula 1. For DO & CO this contract for the provision of infrastructure services is a major strategic step into a new market that further strengthens its position as a full-service hospitality provider.

The second quarter also saw several important sports events catered for by DO & CO. In addition to the CHIO in Aachen and a dressage event in Carinthia, they included the beach volleyball tournament at the Wörthersee in Carinthia, a summer highlight that involved DO & CO cosseting 5,000 VIP guests over six days.

In a similar vein, the Classic Events Austria unit reported slightly decreasing business for the first half of the 2014/2015 business year.

Another event of note was the annual film festival on the square in front of Vienna's City Hall. DO & CO was again in charge of planning, organising, setting up and providing the gastronomical logistics for a gourmet food market that is unique in Europe. In the 65 days of the event over 750,000 visitors would leave well satisfied with their culinary experience.

## 8. Restaurants, Lounges & Hotel

In the first half of 2014/2015, the Restaurants, Lounges & Hotel division accounted for sales of € 79.38m (first half of 2013/2014: € 60.46m), which translates into a growth rate of 31.3%. The division's EBITDA was € 5.24m (vs. € 3.78m in the first half of 2013/2014). The EBITDA margin was 6.6% (against 6.2% in the first half of 2013/2014). EBIT, amounting to € 3.72m, was above the corresponding period in the previous year (€ 2.54m). The EBIT margin was 4.7% (compared to 4.2% in the first half of 2013/2014).

Restaurants, Lounges & Hotel		1 <sup>st</sup> Half Year				2 <sup>nd</sup> Quarter			
		2014/2015	2013/2014	Change	Change in %	2014/2015	2013/2014	Change	Change in %
Sales	m€	79.38	60.46	18.92	31.3%	41.58	31.85	9.73	30.6%
EBITDA	m€	5.24	3.78	1.46	38.6%	2.98	2.26	0.72	32.1%
Depreciation/amortisation	m€	-1.52	-1.24	-0.28	-22.4%	-0.82	-0.68	-0.14	-20.1%
EBIT	m€	3.72	2.54	1.18	46.6%	2.17	1.58	0.59	37.2%
EBITDA margin	%	6.6%	6.2%			7.2%	7.1%		
EBIT margin	%	4.7%	4.2%			5.2%	5.0%		
Share of Group Sales	%	20.1%	18.3%			20.2%	18.9%		

The Restaurants, Lounges & Hotel division consists of the following units: restaurants, lounges, hotel, Demel, staff restaurants, retail, airport gastronomy and railway catering.

The Lounges unit achieved satisfactory growth rates in the first half of 2014/2015, fuelled chiefly by business in lounges operated for Turkish Airlines and Emirates Airline. It is also notable that Turkish Airlines won the award for best business class lounge dining worldwide at the Skytrax 2014 World Airline Awards<sup>3</sup>.

The restaurants and Demel Cafés did well in the first six months of the 2014/2015 business year. Conversion works at the Albertina restaurant were completed and the location was reopened in early June 2014. The unit's portfolio was enlarged over the first half of 2013/2014 by the takeover of Arena One GmbH and its several locations at the Munich Olympic Park.

Compared to the first six months of 2013/2014, the staff restaurant unit added 24 canteens through the acquisition of Arena One GmbH, located in all parts of Germany. In May 2014, another staff restaurant run by the unit began operations at a pharmaceutical company in Vienna.

The positive trend in the retail business continued: in August 2014, a Henry pop-up shop was opened at Mariahilferstraße in Vienna. Another four locations have been contracted for and two of them will be opened in the course of the 2014/2015 business year.

The unit in charge of airport gastronomy took one more step towards expansion: a Henry pop-up shop was opened at the Pier West / C Gates of Vienna Airport, which will cover the gastronomic needs of guests until completion of the new food court envisaged for November 2014. Altogether, four units will be established on a total floor space of 750 square metres. Similarly, the Henry shops at Kiev-Boryspil Airport helped to boost the unit's sales figures substantially above the level of the six corresponding months of the previous business year.

An event of particular note was the takeover of Hédiard. Founded in 1854, the French food company is one of the leading luxury food and delicatessen brands in Paris and operates franchises in Europe, Asia and the Middle East.

In recent years, Hédiard found itself in deep waters economically and had to file for insolvency proceedings in October 2013. DO & CO acquired the company on 9 July 2014 and closed the insolvency proceedings. Restructuring started immediately after the acquisition and DO & CO has since begun the process of integrating the newcomer into the DO & CO Group.

The operating loss in the second quarter 2014/2015 was offset by a termination payment obtained for a shop closed in the course of reorganisation.

<sup>3</sup> Source: [http://www.worldairlineawards.com/Awards\\_2014/jloungeDining.htm](http://www.worldairlineawards.com/Awards_2014/jloungeDining.htm)

## 9. DO & CO stock / investor relations

### Stock market overview

The reporting period was marked by the patchy development of international stock markets. Generally, business sentiment in Europe was influenced negatively by geopolitical crisis, which have also affected the economic performance in the euro zone.

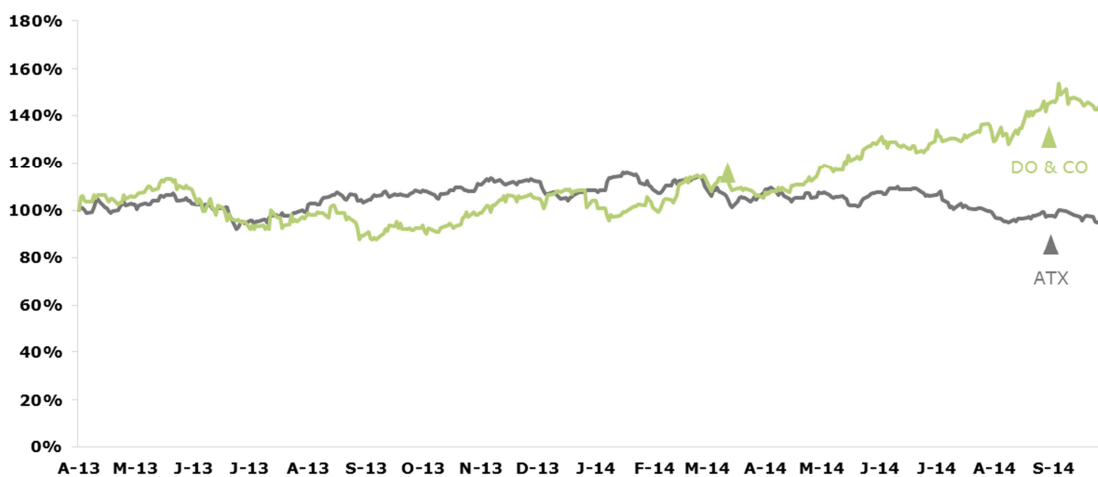
During the reporting period, the ATX declined from 2,523.82 on 31 March 2014 to 2,203.94 on 30 September 2014, corresponding to a loss of 12.7%. The Istanbul Stock Exchange gained momentum during the reporting period, with the Turkish BIST 100 rising by 7.5% and closing at 74,937.81 on 30 September 2014.

### DO & CO stock

DO & CO shares put in a good performance on the stock exchanges of both Vienna and Istanbul, their value growing substantially vis-à-vis the index during the reporting period.

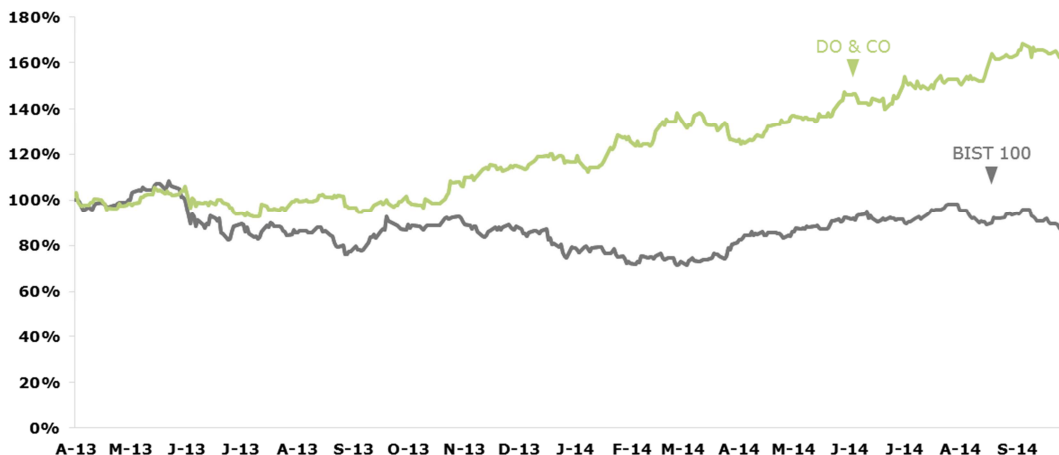
On the Vienna Stock Exchange, DO & CO shares gained 37.0%, closing at € 51.51 on 30 September 2014.

DO & CO Stock in % | ATX (Austrian Traded Index) in %



On the Istanbul Stock Exchange, DO & CO shares rose by 31.0%, closing at TRY 148.00 on 30 September 2014.

DO & CO Stock in % | BIST 100 (Borsa Istanbul) in %



## Trading volumes

In the first half of the 2014/2015 business year, the average daily trading volume for DO & CO shares on the Istanbul Stock Exchange was € 370t. On the Vienna Stock Exchange, an average of € 268t of DO & CO stock was traded per day. Thus the volume in Istanbul was higher than in Vienna. Together, the two stock exchanges reported an average daily trading volume of € 638t.

	Vienna Stock Exchange		Istanbul Stock Exchange		Total	
	1 <sup>st</sup> Half Year		1 <sup>st</sup> Half Year		1 <sup>st</sup> Half Year	
	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
Volume in stocks*	5,796	6,131	8,577	9,585	14,373	15,716
Turnover in €t*	268	213	370	337	638	551

\*Daily average traded volume of DO & CO stock

## Dividend payment

A dividend of € 0.85 per dividend-bearing share as resolved on by the 16<sup>th</sup> Ordinary General Meeting for the 2013/2014 business year on 3 July 2014 (previous business year: € 0.50) was paid on 21 July 2014.

## Share indices

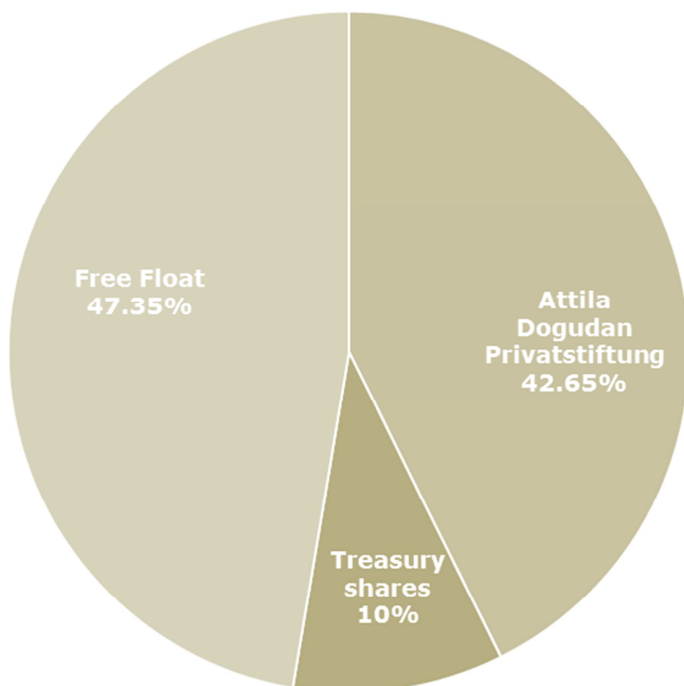
		1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half Year 2013/2014	2 <sup>nd</sup> Quarter 2014/2015	2 <sup>nd</sup> Quarter 2013/2014
High <sup>1</sup>	€	55.05	40.39	55.05	36.48
Low <sup>1</sup>	€	38.20	31.39	45.75	31.39
Price at the end of the period <sup>1</sup>	€	51.51	33.15	51.51	33.15
Number of shares at the end of the period <sup>2</sup>	TPie	8,770	9,744	8,770	9,744
Number of weighted shares <sup>2</sup>	TPie	9,717	9,744	9,691	9,744
Market capitalization at the end of the period	m€	451.72	323.01	451.72	323.01

1 ... Closing price

2 ... Adjusted by own shares hold as of balance sheet day

## Shareholder structure of DO & CO Aktiengesellschaft

As of 30 September 2014, the private foundation Attila Dogudan Privatstiftung holds a stake of 42.65% in DO & CO Aktiengesellschaft. This includes a share of 1.69% planned for management and employee participation purposes and managed by Attila Dogudan Privatstiftung. UniCredit Bank AG, domiciled in Munich (a subsidiary of UniCredit SpA domiciled in Rome) sold its shareholding of 10% to DO & CO Aktiengesellschaft after 31 March 2014. DO & CO Aktiengesellschaft thus holds now own shares in the extent of 10% of its nominal capital as of 30 September 2014. The remaining 47.35% are in the free float (cf. Section 5.1. of the Notes to the Consolidated Financial Statements).



### Information on the DO & CO shares

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

### Financial calendar

12 February 2015

Results for the first three quarters of 2014/2015

## **Investor relations**

In the second quarter of the 2014/2015 business year, the management of DO & CO Aktiengesellschaft held talks with many institutional investors and financial analysts, mostly in the course of investor conferences and road shows. These talks took place in Frankfurt, Istanbul, London, Paris, Warsaw and Vienna.

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

- Kepler Cheuvreux
- Renaissance Capital
- Wood & Company
- Erste Bank
- HSBC
- İş Investment
- Finansinvest
- Global
- BGC Partners

Analysts on average have a price target of € 55.76 (status: 14 November 2014).

All published materials and information on DO & CO's shares are posted under Investor Relations on the DO & CO homepage 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)**

## 10. Outlook

The Airline Catering division has launched a programme of enlargement at its two locations in Istanbul. The location at Atatürk Airport is being adapted and extended by 11,000 square metres, while the unit at Sabiha Gökçen Airport is envisaged to be enlarged by 15,000 to 20,000 square metres.

The new gourmet kitchen at Chicago O'Hare has already gained new customers: British Airways (from October 2014) and Cathay Pacific (from November 2014).

DO & CO is also expanding in Asia. By the end of 2015, a new gourmet kitchen is to be set up at Seoul Incheon Airport jointly with Sharp Aviation K, Inc. of South Korea. Incheon, hub for Korean Air and Asiana Airlines, is the largest airport in South Korea and one of the largest in all of Asia.

Instability in eastern Ukraine has continued throughout the first two quarters of the current business year. It is extremely difficult to assess further developments and their impact on the business and profit of DO & CO Kiev. The DO & CO management is keeping a close watch on events in order to be able to respond quickly and effectively.

As regards the Austrian location, starting in late November 2014, DO & CO obtained the catering for a daily flight operated by NIKI out of Vienna International Airport to Abu Dhabi International Airport.

During the second half of the business year, the International Event Catering division will once again indulge Formula 1 VIP guests at the grands prix races in Japan, Sochi (a first in 2014), Austin and Abu Dhabi.

DO & CO relegated competitors to their places when it successfully bid for the catering and infrastructure at the UEFA EURO 2016 football championship in France. Following 2004, 2008 and 2012, DO & CO will for the fourth time in a row handle the European football championship on behalf of UEFA. Work on the preparations has already started and DO & CO will organise the tournament jointly with Hédiard, a newcomer to the Group, which was acquired in July 2014.

DO & CO is also handling the culinary side of matches within the scope of championships, cup tournaments and the Champions League held at the Allianz Arena and of the Spengler Cup in Davos.

The Restaurants, Lounges & Hotel division continues to focus on expanding its retail unit. Over the next months, two more Henry shops are scheduled to open in Vienna.

Construction works on the hotel in Istanbul are continuing. In addition to a hundred rooms, the hotel is to include a restaurant, bar, Demel shop and event location for up to 1,500 guests. The restaurant is scheduled to be opened in mid 2015. The hotel and event location are envisaged to open by the end of 2015.

In early October 2014, DO & CO launched its catering services for two new lounges operated by Lufthansa at London Heathrow. In the same month, a new Turkish Airlines business class lounge operated by Turkish DO & CO was opened on 770 square metres of space at Sabiha Gökçen Airport.

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

Overall, DO & CO's management is highly 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 provide the underpinnings for DO & CO to make the best possible use of all its growth potential.

**Interim Consolidated Financial Statements  
for the 1<sup>st</sup> Half Year 2014/2015  
of DO & CO Aktiengesellschaft in accordance  
with IFRS (condensed)**



# 1. Consolidated Statement of Financial Position as of 30 September 2014

Note	Assets in m€	30 Sep 2014	31 March 2014
2.1	Intangible assets	68.08	46.09
	Property, plant and equipment	162.24	131.49
	Investment Property	3.57	3.57
	Investments accounted for using the equity method	2.25	2.18
	Other financial assets	0.67	0.32
	Other assets	1.44	1.37
	Effective income tax receivables	1.23	3.79
	Deferred tax assets	7.39	8.11
	<b>Non-current assets</b>	<b>246.86</b>	<b>196.91</b>
	Inventories	24.19	22.16
	Trade accounts receivable	81.86	79.84
	Effective income tax receivables	1.08	8.40
2.2	Other assets	45.07	26.69
	Cash and cash equivalents	142.10	179.33
	<b>Current assets</b>	<b>294.29</b>	<b>316.42</b>
	<b>Total Assets</b>	<b>541.16</b>	<b>513.34</b>
Note	Shareholders' equity and liabilities in m€	30 Sep 2014	31 March 2014
	Nominal capital	19.49	19.49
	Capital reserves	71.02	70.60
	Retained earnings	94.26	76.48
	Other comprehensive income	-17.90	-21.65
	Own shares	-46.15	0.00
	Special item	1.15	1.32
	Consolidated result	25.53	26.07
	<b>Equity attributable to the shareholders of DO &amp; CO Aktiengesellschaft</b>	<b>147.41</b>	<b>172.31</b>
	Minority interests	35.17	31.08
2.3	<b>Shareholders' Equity</b>	<b>182.57</b>	<b>203.39</b>
	Personnel provisions	24.35	21.86
	Bond issued	148.06	147.92
	Non-current financial liabilities	4.67	4.05
	Deferred tax liabilities	6.83	7.13
	<b>Non-current provisions and liabilities</b>	<b>183.91</b>	<b>180.95</b>
2.4	Other provisions	71.70	58.77
	Current financial liabilities	0.44	0.51
2.5	Trade accounts payable	77.79	46.53
	Other current liabilities	24.75	23.19
	<b>Current provisions and liabilities</b>	<b>174.68</b>	<b>128.99</b>
	<b>Total shareholders' equity and liabilities</b>	<b>541.16</b>	<b>513.34</b>

## 2. Consolidated Income Statement for the 1<sup>st</sup> Half Year 2014/2015

Note	in m€	1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half year 2013/2014	2 <sup>nd</sup> Quarter 2014/2015	2 <sup>nd</sup> Quarter 2013/2014
3.1	<b>Sales</b>	<b>395.65</b>	<b>330.69</b>	<b>206.26</b>	<b>168.76</b>
	Other operating income	10.40	10.83	6.58	4.49
	Cost of materials and cost of purchased services	-171.69	-139.86	-88.68	-71.68
	Personnel expenses	-131.85	-105.13	-69.25	-52.19
	Other operating expenses	-62.83	-62.43	-31.97	-29.29
	Result of equity investments accounted for using the equity method	0.46	0.49	0.32	0.21
	<b>EBITDA- Operating result before depreciation/amortisation</b>	<b>40.14</b>	<b>34.58</b>	<b>23.25</b>	<b>20.31</b>
	Depreciation/ Amortisation	-11.24	-8.91	-5.84	-4.36
	<b>EBIT - Operating result</b>	<b>28.90</b>	<b>25.67</b>	<b>17.41</b>	<b>15.95</b>
	Financial income	1.24	1.37	0.41	0.91
	Financial expenses	-3.86	-0.68	-1.96	-0.46
3.2	Other financial result	15.70	0.01	11.21	0.00
	<b>Profit before income tax</b>	<b>41.99</b>	<b>26.37</b>	<b>27.07</b>	<b>16.40</b>
	Income tax	-10.79	-6.67	-7.37	-4.17
	<b>Profit after taxes</b>	<b>31.19</b>	<b>19.70</b>	<b>19.70</b>	<b>12.23</b>
	Minority interests	-5.67	-5.12	-3.27	-2.78
	<b>Net profit attributable to shareholders of DO &amp; CO Aktiengesellschaft (Net result)</b>	<b>25.53</b>	<b>14.58</b>	<b>16.42</b>	<b>9.44</b>
		<b>1<sup>st</sup> Half Year 2014/2015</b>	<b>1<sup>st</sup> Half year 2013/2014</b>	<b>2<sup>nd</sup> Quarter 2014/2015</b>	<b>2<sup>nd</sup> Quarter 2013/2014</b>
	Net result	<b>25.53</b>	<b>14.58</b>	<b>16.42</b>	<b>9.44</b>
	Average number of issued shares (in Pie)	9,717,377	9,744,000	9,691,043	9,744,000
	Issued shares (in Pie)	8,769,600	9,744,000	8,769,600	9,744,000
3.2	<b>Undiluted/diluted earnings per share (in €)</b>	<b>2.63</b>	<b>1.50</b>	<b>1.69</b>	<b>0.97</b>

### 3. Consolidated Statement of Other Comprehensive Income for the 1<sup>st</sup> Half Year 2014/2015

in m€	1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half Year 2013/2014	2 <sup>nd</sup> Quarter 2014/2015	2 <sup>nd</sup> Quarter 2013/2014
<b>Profit after taxes</b>	<b>31.19</b>	<b>19.70</b>	<b>19.70</b>	<b>12.23</b>
Differences of Currency translation	1.70	-9.78	-0.06	-2.56
Effect of Net Investment Approach	3.58	-2.22	3.29	-0.77
Deferred Taxes	-0.91	0.51	-0.83	0.77
<b>Total of items that will be reclassified subsequently to the income statement</b>	<b>4.38</b>	<b>-11.49</b>	<b>2.40</b>	<b>-2.55</b>
Revaluation IAS 19	0.23	-0.04	0.14	-0.01
Deferred Taxes	0.00	0.01	0.00	0.00
<b>Total of items that will not be reclassified subsequently to the income statement</b>	<b>0.24</b>	<b>-0.03</b>	<b>0.15</b>	<b>-0.01</b>
<b>Other comprehensive income after taxes</b>	<b>4.62</b>	<b>-11.52</b>	<b>2.55</b>	<b>-2.56</b>
<b>Total comprehensive income for the period</b>	<b>35.81</b>	<b>8.18</b>	<b>22.24</b>	<b>9.67</b>
Attributable to minority interests	6.53	0.12	3.43	0.00
<b>Attributable to shareholders of DO &amp; CO Aktiengesellschaft</b>	<b>29.28</b>	<b>8.06</b>	<b>18.81</b>	<b>9.67</b>

## 4. Consolidated Statement of Cashflows

in m€	1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half Year 2013/2014
<b>Profit before taxes</b>	<b>41.99</b>	<b>26.37</b>
+ Depreciation / amortization and impairment	11.24	8.91
-/+ Gains / losses from disposals of fixed assets	-0.05	2.88
+/- Earnings from associated companies without cash effect	-0.06	-0.49
-/+ Other non cash income/expense	-14.66	0.00
<b>Cashflow from result</b>	<b>38.46</b>	<b>37.67</b>
-/+ Increase / decrease in inventories and other current assets	-15.68	-24.60
+/- Increase / decrease in provisions	6.45	3.30
+/- Increase / decrease in trade accounts payable and other liabilities	17.34	2.94
- Income tax payments	-4.93	-7.13
<b>Cashflow from operating activities</b>	<b>41.64</b>	<b>12.20</b>
+/- Income from disposals of tangible and intangible fixed assets	0.45	0.12
+/- Changes in cash and cash equivalents arising from changes to the scope of consolidation	-9.43	0.00
- Additions to tangible and intangible fixed assets	-30.85	-18.66
- Additions to financial assets and marketable securities and other current assets	0.00	14.72
-/+ Increase / decrease in non-current receivables	-0.07	-0.27
<b>Cashflow from investing activities</b>	<b>-39.90</b>	<b>-4.09</b>
- Dividend payment to shareholders of DO & CO Aktiengesellschaft	-8.28	-4.87
- Dividend payment to minority shareholder	-2.61	-3.11
+/- Cash-flow from purchase of own shares	-29.82	0.00
+/- Increase / decrease in financial liabilities	0.55	-10.29
<b>Cashflow from financing activities</b>	<b>-40.16</b>	<b>-18.27</b>
<b>Total Cashflow</b>	<b>-38.42</b>	<b>-10.16</b>
Cash and cash equivalents at the beginning of the year	179.33	73.18
Effects of exchange rate changes on cash and cash equivalents	1.19	-5.44
Cash and cash equivalents at the end of the year	142.10	57.59
<b>Change in funds</b>	<b>-38.42</b>	<b>-10.16</b>

For explanations see Note 4.

## 5. Consolidated Statement of Changes in Equity

In m€	The imputable share to shareholders of the DO & CO Aktiengesellschaft										Total	Minority interests	Shareholders' Equity
	Other comprehensive income												
	Nominal capital	Capital reserves	Retained earnings	Net Result	Currency translation differences	Effect of Net Investment Approach	Revaluation IAS 19	Own shares	Special Item Minority				
<b>As of 1 April 2013</b>	<b>19.49</b>	<b>70.60</b>	<b>58.75</b>	<b>22.81</b>	<b>-1.83</b>	<b>-5.44</b>	<b>-1.65</b>	<b>0.00</b>	<b>2.42</b>	<b>165.15</b>	<b>30.19</b>	<b>195.33</b>	
Restatement IAS 19	0.00	0.00	0.00	-0.19	0.00	0.00	0.19	0.00	0.00	0.00	0.00	0.00	
<b>As of 1 April 2013 - restated</b>	<b>19.49</b>	<b>70.60</b>	<b>58.75</b>	<b>22.62</b>	<b>-1.83</b>	<b>-5.44</b>	<b>-1.46</b>	<b>0.00</b>	<b>2.42</b>	<b>165.15</b>	<b>30.19</b>	<b>195.33</b>	
Additions to minority interests										<b>0.00</b>		0.00	
Dividend payment 2012/2013			-4.87							<b>-4.87</b>	-3.11	-7.99	
Profit carried forward 2012/2013			22.81	-22.81						<b>0.00</b>		0.00	
Total result				14.58	-4.78	-1.71				<b>8.06</b>	0.12	8.18	
Changes in acquisition of minority interests										-0.90	<b>-0.90</b>	0.90	
<b>As of 30 Sep 2013</b>	<b>19.49</b>	<b>70.60</b>	<b>76.68</b>	<b>14.39</b>	<b>-6.61</b>	<b>-7.15</b>	<b>-1.49</b>	<b>0.00</b>	<b>1.53</b>	<b>167.43</b>	<b>28.09</b>	<b>195.52</b>	
<b>As of 1 April 2014</b>	<b>19.49</b>	<b>70.60</b>	<b>76.48</b>	<b>26.07</b>	<b>-9.52</b>	<b>-10.38</b>	<b>-1.75</b>	<b>0.00</b>	<b>1.32</b>	<b>172.31</b>	<b>31.08</b>	<b>203.39</b>	
Additions to minority interests										<b>0.00</b>		0.00	
Dividend payment 2013/2014			-8.28							<b>-8.28</b>	-2.61	-10.89	
Changes own shares		0.42						-46.15		<b>-45.73</b>		-45.73	
Profit carried forward 2013/2014			26.07	-26.07						<b>0.00</b>		0.00	
Total result				25.53	0.84	2.68	0.24			<b>29.28</b>	6.53	35.81	
Changes in acquisition of minority interests										-0.17	<b>-0.17</b>	0.17	
<b>As of 30 Sep 2014</b>	<b>19.49</b>	<b>71.02</b>	<b>94.26</b>	<b>25.53</b>	<b>-8.68</b>	<b>-7.70</b>	<b>-1.52</b>	<b>-46.15</b>	<b>1.15</b>	<b>147.41</b>	<b>35.17</b>	<b>182.57</b>	

# Notes to the Consolidated Financial Statements for the 1<sup>st</sup> Half Year 2014/2015

## 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.

Balance sheet date is 31 March.

The interim financial statements of all subsidiaries included in the consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU that are effective for the business year 2014/2015, and in accordance with group-wide accounting principles established by the parent company.

The consolidated interim financial statements as of 30 September 2014 were prepared in accordance with IAS 34 (Interim Financial Reporting). The consolidated interim financial statements do not contain all information and disclosures that are included in the annual financial statements, and should be read in connection with the consolidated financial statements as of 31 March 2014.

Unless otherwise stated, the interim 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, it is therefore possible that slight differences to the reported total amounts may arise.

### 1.2. Accounting and Valuation Methods

The accounting and valuation methods applied in the course of the preparation of these interim consolidated financial statements are the same applied to the consolidated financial statements as of 31 March 2014, with the exception of the change in the measurement of the derivative stated in Section 5.1.

For further information on the accounting and valuation methods applied as well as with regard to the new standards effective as of 1 April 2014 (standards to be applied mandatorily by DO & CO), we also refer to the consolidated financial statements as of 31 March 2014 that form the basis of these condensed interim financial statements.

In the business year 2014/2015, the following new and revised standards are applied for the first time:

IFRS 10, "Consolidated Financial Statements", introduces a standardised concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The focus of this concept of control is on whether the group controls an investee, whether it is exposed to or has rights to variable returns from its involvement with the investee, and whether it has the ability to affect those returns through its power over the investee. IFRS 10 replaces the previously applicable consolidation guidelines pursuant to IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation – Special Purpose Entities". The first time application of this standard did not result in any changes in the scope of consolidation.

IFRS 11, "Joint Arrangements", governs the accounting for joint arrangements and replaces IAS 31 "Interests in Joint Ventures". Pursuant to IFRS 11, DO & CO classified its interests in joint arrangements either as joint operation (if the Group has rights to the assets and obligations for the liabilities relating to a joint arrangement) or as joint venture (if the Group only has rights to the net assets of a joint arrangement). The revaluation of the joint arrangements has not led to any change with regard to the accounting.

IFRS 12, "Disclosure of Interests in Other Entities", combines all disclosure requirements with regard to subsidiaries, associates and joint arrangements as well as unconsolidated 'structured entities'. It replaces the relevant provisions set forth in the standards IAS 27, IAS 28 and IAS 31 and requires more detailed disclosures in the consolidated financial statements as of 31 March 2015.

Taking into account other, newly applicable standards has also not resulted in any material changes in the interim consolidated financial statements.

The preparation of the condensed interim financial statements in accordance with generally applicable 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, the disclosed contingent assets and liabilities at the end of the interim reporting period, as well as the income and expenses reported during the 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**

In the first quarter of the business year 2014/2015, DO & CO Chicago Catering Inc., seated in Wilmington, was consolidated for the first time following the commencement of business by the entity.

With effect from 9 July 2014, DO & CO acquired 100% of the shares in Financière Hédiard SA, domiciled in Paris/France. Hédiard was founded in 1854 and is one of the leading luxury delicatessen and traiteur brands in Paris with franchisees primarily in Europe, Asia and the Middle East. In particular, DO & CO sees this acquisition as an opportunity to enter the French market with a strong food retail brand full of tradition. Further, following this acquisition, DO & CO managed to gain a prestigious location in Paris.

The purchase price allocation of the fair values calculated on a preliminary basis at 9 July 2014 was as follows:

in m€	
Purchase price paid in cash	10.00
minus net assets	1.34
Goodwill	8.66

€ 1,00 was paid for the shares in Financière Hédiard SA assumed, € 9,999,998.00 was paid for assumed receivables, and € 1,00 was paid for an assumed loan. The carrying amount of the receivables assumed amounted to € 44.61m as of 9 July 2014.

Goodwill arising from this acquisition mainly includes know-how, and benefits from synergies and market expansion. It cannot be used for tax purposes.

Net assets acquired can be broken down as shown below based on the determined fair values at the time of acquisition:

in m€	
Non-current assets	15.59
Current assets	9.08
Non-current liabilities	16.47
Current liabilities	6.87
<b>Net assets</b>	<b>1.34</b>
Goodwill	8.66
<b>Consideration transferred</b>	<b>10.00</b>

Trade accounts receivable assumed have a gross value of € 1.75m. The valuation allowance for expected bad debts amounts to € 1.34m. The fair value of these receivables amounts to € 0.41m.

The above mentioned figures are preliminary according to present knowledge.

If the shares had been acquired on 1 April 2014, the consolidated income statement and earnings per share (weighted) of DO & CO would have been affected as follows:

in m€	1 <sup>st</sup> Half Year	1 <sup>st</sup> Half Year
	2014/2015	2014/2015
	pro forma	stated
Sales	397.50	395.65
Net profit attributable to shareholders of DO & CO Aktiengesellschaft	20.64	25.53
Earnings per share in € (weighted)	2.12	2.63

## 1.4. Seasonality

Airline Catering and International Event Catering are subject to critical 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.



## 2. Selected Comments to the Consolidated Statement of Financial Position

### 2.1. Fixed assets

in m€	30 Sep 2014	31 March 2014
Intangible assets	68.08	46.09
Property, plant and equipment	162.24	131.49
Investment Property	3.57	3.57
Investments accounted for using the equity method	2.25	2.18
Other financial assets	0.67	0.32
Total	236.81	183.65

The increase in intangible assets mainly results from the initial consolidation of Financière Hédiard SA (cf. to Section 1.3.). Intangible assets were capitalised in the course of the purchase price allocation. The increase in property, plant and equipment is mostly due to the expansion of business activities.

### 2.2. Other current assets

in m€	30 Sep 2014	31 March 2014
Prepaid expenses	5.01	2.94
Derivative financial instrument	0.00	1.12
Other receivables and assets	40.06	22.63
Total	45.07	26.69

Other receivables and assets rose mainly due to the initial consolidation of Financière Hédiard SA.

### 2.3. Shareholders' equity

By resolution of the 16<sup>th</sup> General Meeting of Shareholders of DO & CO Aktiengesellschaft dated 3 July 2014, the distribution of a dividend of € 0.85 per dividend-bearing share for the 2013/2014 business year was approved.

DO & CO granted one member of the Management Board a one-time partial remuneration of 10,000 shares for the 2014/2015 business year. As set forth under the provisions of IFRS 2, the fair value of the service received was measured based on the fair value of the equity instruments granted at the grant date. At that time, the stock market price stood at € 42.2. No further conditions are attached to this right, which was immediately exercisable. The respective value of € 0.42m was fully recognised under personnel expenses together with a corresponding increase in equity.

As of 30 September 2014, DO & CO Aktiengesellschaft holds 974,400 own shares. This means a share of the nominal capital of 10% (cf. to Section 5.1.).

## 2.4. Other provisions

in m€	30 Sep 2014	31 March 2014
Tax Provisions	9.83	14.20
Other personnel provisions	18.50	21.67
Deliveries and services not yet invoiced	7.55	6.18
Other provisions	35.82	16.72
Total	71.70	58.77

The decline in income tax provisions is mainly due to the netting of corporate tax advances with the relevant provisions vis-à-vis the same tax authority. Other provisions rose mainly due to the initial consolidation of Financière Hédiard SA.

## 2.5. Trade accounts payable

in m€	30 Sep 2014	31 March 2014
Trade accounts payable	77.79	46.53
Total	77.79	46.53

The rise in trade accounts payable mainly results from the expansion of business activities.

## 3. Selected Comments on the consolidated income statement

### 3.1. Sales

in m€	1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half Year 2013/2014	2 <sup>nd</sup> Quarter 2014/2015	2 <sup>nd</sup> Quarter 2013/2014
Airline Catering	267.72	239.50	142.66	124.70
International Event Catering	48.55	30.73	22.01	12.21
Restaurants, Lounges & Hotel	79.38	60.46	41.58	31.85
Total	395.65	330.69	206.26	168.76

Sales with regard to the provision of services in connection with the F1 infrastructure in the amount of € 7.81m were netted against the respective expenses.

### 3.2. Financial result

in m€	1 <sup>st</sup> Half Year 2014/2015	1 <sup>st</sup> Half Year 2013/2014	2 <sup>nd</sup> Quarter 2014/2015	2 <sup>nd</sup> Quarter 2013/2014
Income from other securities	0.01	0.01	0.00	0.00
Other interest and similar income	1.24	1.37	0.41	0.91
Other interest and similar expenses	-3.86	-0.68	-1.96	-0.46
Other financial result	15.70	0.00	11.21	0.00
Total	13.08	0.70	9.66	0.45

The "other financial result" mainly pertains to effects from the fair value measurement of the total return equity swap entered into with UniCredit Bank AG that is recognised through profit or loss (cf. to Section 5.1.).

### 3.3. Earnings per share

	<b>1<sup>st</sup> Half Year 2014/2015</b>	<b>1<sup>st</sup> Half year 2013/2014</b>	<b>2<sup>nd</sup> Quarter 2014/2015</b>	<b>2<sup>nd</sup> Quarter 2013/2014</b>
Average number of Issued shares (in Pie)	9,717,377	9,744,000	9,691,043	9,744,000
<b>Undiluted/diluted earnings per share (in €)</b>	<b>2.63</b>	<b>1.50</b>	<b>1.69</b>	<b>0.97</b>

## 4. Comments on the Consolidated Statement of Cash Flows

The statement of cash flows from operating activities was prepared using the indirect method. Liquid funds correspond to cash and cash equivalents in the consolidated statement of financial position and include cash in hand, cheques and cash at banks.

Income tax payments are reported separately under the cash flow from operating activities. Interests received in the amount of € 0.71m and interests paid in the amount of € 0.16m are also allocated to operating activities.

The gross cash flow amounts to € 38.46m, meaning an increase of € 0.79m from the previous year. Taking into account the changes in the working capital and the income tax payments, the cash flow from operating activities amounts to € 41.64m (first half of 2013/2014: € 12.20m).

The cash flow from investing activities is negative, amounting to € -39.90m (first half of 2013/2014: € -4.09m). Cash-effective investments in property, plant and equipment (€ 29.23m) and intangible assets (€ 1.62m) are € -30.85m.

The cash flow from financing activities is € -40.16m (first half of 2013/2014: € -18.27m), which results on the one hand from the purchase of own shares and on the other hand from dividends paid to other shareholders.

## 5. Additional disclosures

### 5.1. 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:

	Carrying amount 30 Sep 2014	thereof application area of IFRS 7	Measure- ment category according to IAS 39	Fair Value of financial instruments within application area of IFRS 7	Level
in €m					
Other financial assets <sup>1</sup>	0.67	0.67			
Share of affiliated companies	0.10	0.10	AfS	-	
Securities	0.56	0.56	AfS	-	
Loans	0.01	0.01	LaR	-	
Other non-current assets	1.44	1.44	LaR	-	
Trade accounts receivable	81.86	81.86	LaR	-	
Other current assets	45.07	5.01			
Derivatives	0.00	0.00	HfT	-	
Other miscellaneous current assets	45.07	5.01	LaR	-	
Cash and cash equivalents	142.10	142.10	AfS	-	
<b>Total assets</b>	<b>271.13</b>	<b>231.07</b>			
Trade accounts payable	77.79	77.79	FLAC	-	1
Issued Bond	148.06	148.06	FLAC	157.65	1
Other current liabilities	24.75	6.80	FLAC	-	
Non-current financial liabilities	4.67	4.67			
Other financial liabilities	4.66	4.66	FLAC	4.23	3
Current financial liabilities	0.44	0.44	FLAC	-	
<b>Total liabilities</b>	<b>255.70</b>	<b>237.75</b>			

	Carrying amount 31 March 2014	thereof application area of IFRS 7	Measure- ment category according to IAS 39	Fair Value of financial instruments within application area of IFRS 7	Level
in €m					
Other financial assets <sup>1</sup>	0.32	0.32			
Share of affiliated companies	0.09	0.09	AfS	-	
Securities	0.21	0.21	AfS	-	
Loans	0.02	0.02	LaR	-	
Other non-current assets	1.37	1.37	LaR	-	
Trade accounts receivable	79.84	79.84	LaR	-	
Other current assets	26.69	4.06			
Derivatives	1.12	1.12	HfT	1.12	3
Other miscellaneous current assets	25.57	2.94	LaR	-	
Cash and cash equivalents	179.33	179.33	AfS	-	
<b>Total assets</b>	<b>287.55</b>	<b>264.92</b>			
Trade accounts payable	46.53	46.53	FLAC	-	1
Issued Bond	147.92	147.92	FLAC	151.02	1
Other current liabilities	23.19	7.20	FLAC	-	
Non-current financial liabilities	4.05	4.05			
Other financial liabilities	4.05	4.05	FLAC	3.86	3
Current financial liabilities	0.51	0.51	FLAC	-	
<b>Total liabilities</b>	<b>222.19</b>	<b>206.20</b>			

1...Due to materiality reasons, the fair value measurement of financial instruments of the AfS category was not recognised in profit or loss.

LaR: Loans and Receivables; AfS: Available-for-Sale Financial Assets; HfT: Held-For-Trading; FLAC: Financial Liabilities at Amortised Cost.

With regard to cash and cash equivalents, trade accounts receivable as well as other current and non-current assets, the carrying amounts represent an adequate estimate of the fair values as the remaining maturities are short. The same applies to trade accounts payable, 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).

On 20 December 2013, DO & CO entered into a total return equity swap with UniCredit Bank AG with 974,400 shares in DO & CO as an underlying asset. During its expected maximum life of 12 months, the agreement allowed for a swap of the profit as well as for a swap of the share price performance of the underlying asset against a floating rate. Under this agreement, DO & CO was also entitled to require a settlement over the swap's life by way of physical delivery of the underlying asset at a fixed purchase price of € 30.375 per share or by cash settlement. On 19 September 2014, DO & CO informed UniCredit Bank AG about its intention to exercise its right to prematurely settle the swap agreement by way of physical delivery. As a consequence, the total return equity swap was terminated on 26 September 2014 as set forth by the terms of the agreement as UniCredit Bank AG delivered the underlying asset to DO & CO, and DO & CO paid the determined purchase price to UniCredit Bank AG.

DO & CO treated the repurchase of own shares as if it were a repayment of equity. The total amount of € 46.15m deducted from equity contains the own shares' cash purchase price of € 29.60m, the fair value of the swap of € 16.33m and transaction costs of € 0.22m directly attributable to the repurchase.

DO & CO classified the swap agreement as a derivative financial instrument and recognised changes of the fair value directly in the consolidated income statement. The fair value of the derivative was determined using a measurement model taking into account the changes of the value of the significant mutual claims arising from the swap at the respective reporting date. Up until and including 30 June 2014, DO & CO had previously determined the performance of the underlying asset on the basis of a weighted average stock price of its share by taking into account a block discount derived from the transaction price of the share package at the time of the acquisition of the derivative.

The premature termination of the swap transaction required the derivative to be remeasured at the date of the acquisition of own shares. In order to determine the fair value as of 26 September 2014, DO & CO adjusted the measurement model previously used up until and including 30 June 2014 because the own shares were sold in the course of the preparation of these interim financial statements (cf. section 5.5.). A comparison of the purchase price of € 48.00 per share realised by means of accelerated bookbuilding with the average stock market price of the DO & CO share immediately prior to announcing the possible sale of own shares and after completion of the transaction resulted in an accounting block discount of 8.5% as of the interim financial reporting date 30 September 2014. The measurement of the total return equity swap based on the closing price of the DO & CO share as of 26 September 2014, taking into account the newly determined block discount, resulted in an income of € 15.21m. This income is reported in the income statement under financial income. The fair value belongs to the third fair value hierarchy level.

If DO & CO had not adjusted the measurement model, the reported income would have been lower by € 5.51m. If the block discount had been higher (lower) by 10%, the income from the disposal of the financial instrument measured at fair value would have been lower (higher) by € 0.43m.

The table below presents the development of the derivative from 1 April until its disposal on 26 September 2014:

<b>in m€</b>	<b>Derivative financial instrument</b>
As of 1 April 2014	1.12
Additions	-
Disposals	-16.33
Profit /Loss income statement	15.21
Special item equity	-
<b>As of 30 Sep 2014</b>	<b>0.00</b>

No further changes in the accounting and valuation method applied to the financial instruments have occurred in the interim reporting period compared to the consolidated financial statements as of 31 March 2014.

## 5.2. Other financial liabilities

The contingent liabilities of the DO & CO Group amount to € 19.33m as of 30 September 2014 (31 March 2014: € 19.43m) and comprise the following:

<b>in m€</b>	<b>30 Sep 2014</b>	<b>31 March 2014</b>
Guarantees	13.16	13.34
Other contractual agreements	6.17	6.09
<b>Total</b>	<b>19.33</b>	<b>19.43</b>

All transactions reported under contingent liabilities refer to potential future obligations that still are completely uncertain as of 30 September 2014 and where the occurrence of the respective future events would create obligations.

## 5.3. Risk Management

Risk management processes and identified risks remained unchanged during the first half of the 2014/2015 business year.

## 5.4. Segment reporting

**Segment reporting by division** for the first half of the 2014/2015 business year and the first half of the 2013/2014 business year is as follows:

<b>1<sup>st</sup> Half Year 2014/2015</b>		<b>Airline Catering</b>	<b>International Event Catering</b>	<b>Restaurants, Lounges &amp; Hotel</b>	<b>Total</b>
Sales	m€	267.72	48.55	79.38	395.65
EBITDA	m€	30.46	4.44	5.24	40.14
Depreciation/amortisation	m€	-7.63	-2.09	-1.52	-11.24
EBIT	m€	22.83	2.35	3.72	28.90
EBITDA margin	%	11.4%	9.1%	6.6%	10.1%
EBIT margin	%	8.5%	4.8%	4.7%	7.3%
Share of Group Sales	%	67.7%	12.3%	20.1%	100.0%
Investments	m€	24.65	2.93	9.27	36.85

<b>1<sup>st</sup> Half Year 2013/2014</b>		<b>Airline Catering</b>	<b>International Event Catering</b>	<b>Restaurants, Lounges &amp; Hotel</b>	<b>Total</b>
Sales	m €	239.50	30.73	60.46	330.69
EBITDA	m €	27.36	3.44	3.78	34.58
Depreciation/amortization	m €	-7.08	-0.59	-1.24	-8.91
EBIT	m €	20.28	2.85	2.54	25.67
EBITDA margin	%	11.4%	11.2%	6.2%	10.5%
EBIT margin	%	8.5%	9.3%	4.2%	7.8%
Share of Group Sales	%	72.4%	9.3%	18.3%	100.0%
Investments	m €	14.84	0.30	5.18	20.32

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.

**External sales** of the DO & CO Group (based on the registered offices of the customer) can be broken down by **geographical regions** (Austria, Turkey and other countries) as follows:

<b>1<sup>st</sup> Half Year 2014/2015</b>		<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Sales	m€	96.45	153.85	145.35	395.65
Share of Group Sales	%	24.4%	38.9%	36.7%	100.0%

<b>1<sup>st</sup> Half Year 2013/2014</b>		<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Sales	m €	95.87	130.77	104.06	330.69
Share of Group Sales	%	29.0%	39.5%	31.5%	100.0%

**Fixed assets by geographical regions** were as follows at 30 September 2014 and 31 March 2014:

<b>30 September 2014</b>		<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Fixed Assets	m €	49.28	72.79	114.74	236.81

<b>31 March 2014</b>		<b>Austria</b>	<b>Turkey</b>	<b>Other Countries</b>	<b>Total</b>
Fixed Assets	m€	31.26	62.51	89.88	183.65

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

DO & CO Aktiengesellschaft purchased own shares from UniCredit Bank AG primarily to acquire one or more businesses, excluding any tendering rights of shareholders.

By resolution of the 16th General Meeting of Shareholders of DO & CO Aktiengesellschaft, the Management Board (i) was authorised, subject to approval of the Supervisory Board, to decide for the sale and/or use of purchased own shares to be carried out by another method than an offer for sale at the stock exchange or a sale by public offer, mutatis mutandis applying the provisions regarding the exclusion of subscription rights of shareholders, as well as to determine the conditions for sale, and (ii) was authorised to exercise this authorization in full or in part or also in several tranches and also in pursuit of one or more purposes by the Company.

In its report published on 17 October 2014, the Management Board stated that the negotiations on a transaction to acquire a company in the USA – which was to be acquired under terms setting forth that part of the purchase price for the respective company was to be paid in shares in DO & CO Aktiengesellschaft – have failed and that, as a consequence, the acquired shares cannot be used as an acquisition currency for an indefinite period of time. In this report, the Management Board also concludes that selling own shares to investors by way of accelerated bookbuilding is in the interest of the Company and the shareholders and thus is justified by good objective reasons. The Management Board of DO & CO Aktiengesellschaft therefore resolved on 31 October 2014 (inter alia) to make use of the authorisation to sell own shares and to sell up to 974,400 no-par shares of DO & CO Aktiengesellschaft over the counter to investors that are to be determined by way of accelerated bookbuilding. The Supervisory Board of the Company approved the resolution.

Based on accelerated bookbuilding, 974,400 no-par shares of DO & CO Aktiengesellschaft were thus sold on 6 November 2014 at a price of € 48.00 per share.

In addition, DO & CO founded a joint catering company for the Korean market together with Sharp Aviation K, Inc., Seoul. DO & CO and Sharp Aviation K, Inc. Each will each hold 50% in this company. The company will open a new gourmet kitchen in Seoul by the end of 2015.

There were no other significant events and developments after 30 September 2014 that would be of importance with regard to the Group's financial situation and performance.

## 5.6. 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.

in m€	1 <sup>st</sup> Half Year 2014/2015				1 <sup>st</sup> Half Year 2013/2014			
	Related persons and companies	Associated companies	Joint Ventures	Non-consolidated subsidiaries	Related persons and companies	Associated companies	Joint Ventures	Non-consolidated subsidiaries
Sales	0.00	0.03	0.81	4.82	0.00	0.11	0.63	0.00
Expenses	2.37	5.15	0.00	0.37	0.74	5.19	0.00	0.00

in m€	30 September 2014				31 March 2014			
	Related persons and companies	Associated companies	Joint Ventures	Non-consolidated subsidiaries	Related persons and companies	Associated companies	Joint Ventures	Non-consolidated subsidiaries
Receivables	0.00	0.03	0.63	8.40	0.72	0.03	0.55	7.98
Payables	0.43	1.80	0.00	0.23	0.17	1.52	0.01	0.29
Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



# **Statements by all Legal Representatives Pursuant to Section 87 (1) 3 of the Austrian Stock Exchange Act**

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 interim management report for the Group provides a fair presentation of the Group's assets and liabilities, financial situation and results of its operations with regard to the significant events during the first six 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 six months of the business year, and with regard to the main business transactions that are subject to disclosure and conducted with related parties.

Vienna, 20 November 2014

The Management Board:

Attila DOGUDAN mp  
Chairman

Haig ASENBAUER mp  
Member

Gottfried NEUMEISTER mp  
Member

Klaus PETERMANN mp  
Member

# Report on the review of the condensed interim consolidated financial statements

## *Introduction*

We have reviewed the accompanying condensed interim consolidated financial statements of DO & CO Aktiengesellschaft, Vienna, for the period from 1 April 2014 to 30 September 2014. The condensed interim consolidated financial statements comprise the consolidated statement of financial position as of 30 September 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the period from 1 April 2014 to 30 September 2014 and the condensed notes, which comprise a condensed presentation of material accounting principles and other explanatory notes.

The Company's management is responsible for the preparation of these condensed interim consolidated financial statements in accordance with IFRS for interim reporting as adopted by the EU. Our responsibility is to give a review summary on these condensed interim consolidated financial statements based on our review.

## *Scope of the review*

We have performed the review in accordance with the relevant expert opinions and standards, in particular KFS/PG 11 "Guidelines for the review of financial statements" and the International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information by the Independent Auditor of the Entity." The review of interim financial statements includes interviews, primarily with persons responsible for finance and accounting, and analytical assessments and other surveys. A review is significantly less in scope than an audit and requires less evidence, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit and that the financial statements are free from material misstatement. Accordingly, we do not express an audit opinion.

## *Review summary*

Based on our review, no matters have come to our attention that cause us to presume that the accompanying condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRS for interim reporting as adopted by the EU.

## *Statement on the group management report for the half-year and on the statement of the legal representatives pursuant to Sec. 87 BörseG*

We have read the group management report for the half-year as of 30 September 2014 and made an assessment as to whether it does not show any obvious inconsistencies with the condensed interim consolidated financial statements. In our opinion, the group management report for the half-year does not contain any obvious inconsistencies with the condensed interim consolidated financial statements.

The half-year financial report contains the statement of the legal representatives required by Sec. 87 (1) No. 3 BörseG.

Vienna, 20 November 2014

**PKF CENTURION**  
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH  
MEMBER FIRM OF PKF INTERNATIONAL LIMITED

Mag. Günther Prindl, m.p.  
Austrian Certified Public Accountant

Dr. Andreas Staribacher, m.p.  
Austrian Certified Public Accountant