**DO & CO Aktiengesellschaft**

# First Quarter of 2016/2017 (unaudited)

RESTAURANTS
HOTEL
LOUNGES
CATERING

# CONTENTS

# Group management report for the first quarter of 2016/2017 (unaudited)

## 1. Key Figures of the DO & CO Group in accordance with IFRS

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

| | | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 [1] |
|---|---|---|---|
| Sales | m€ | 254.51 | 229.43 |
| EBITDA | m€ | 22.95 | 21.14 |
| EBITDA margin | % | 9.0% | 9.2% |
| EBIT | m€ | 14.44 | 13.17 |
| EBIT margin | % | 5.7% | 5.7% |
| Profit before income tax | m€ | 13.75 | 13.72 |
| Net result | m€ | 6.75 | 6.65 |
| Net result margin | % | 2.7% | 2.9% |
| Employees | | 10,093 | 9,532 |
| Equity [2,3] | m€ | 253.72 | 237.06 |
| Equity ratio [2,3] | % | 37.5% | 38.7% |
| Net debt (net financial liabilities) | m€ | -26.94 | 95.16 |
| Net debt to EBITDA | | -0.29 | 1.12 |
| Net gearing [2] | % | -10.6% | 40.1% |
| Working capital [2] | m€ | -28.21 | 6.99 |
| Cash flow from operating activities | m€ | 32.90 | 18.67 |
| Cash flow from investing activities | m€ | -22.27 | -14.26 |
| Free cash flow | m€ | 10.63 | 4.41 |
| ROS | % | 5.4% | 6.0% |

1 … 1st Quarter 2015/2016 adjusted (see Section 1.3 in the Notes)
2 … Adjusted by proposed dividend payments
3 … Calculation method changed over the previous year (see Glossary)

### Key figures per share

| | | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 [1] |
|---|---|---|---|
| EBITDA per share | € | 2.36 | 2.17 |
| EBIT per share | € | 1.48 | 1.35 |
| Earnings per share | € | 0.69 | 0.68 |
| Equity per share (book entry) [2] | € | 20.78 | 19.95 |
| High [3] | € | 107.60 | 85.00 |
| Low [3] | € | 78.00 | 64.03 |
| Price at the end of the period [3] | € | 78.90 | 84.05 |
| Number of shares at the end of the period | TPie | 9,744 | 9,744 |
| Market capitalization at the end of the period | m€ | 768.80 | 818.98 |

1 … 1st Quarter 2015/2016 adjusted (see Section 1.3 in the Notes)
2 … Calculation method changed over the previous year (see Glossary)
3 … Closing price

# 2. Business development

## 2.1. Sales

In the first quarter of the business year 2016/2017, the DO & CO Group generated sales in the amount of € 254.51m, representing an increase of 10.9% or € 25.08m on the prior year.

| Sales | | 1st Quarter | | | |
|---|---|---|---|---|---|
| | | 2016/2017 | 2015/2016 [1] | Change | Change in % |
| Airline Catering | m€ | 158.58 | 151.05 | 7.54 | 5.0% |
| International Event Catering | m€ | 54.03 | 36.42 | 17.61 | 48.3% |
| Restaurants, Lounges & Hotel | m€ | 41.90 | 41.96 | -0.06 | -0.2% |
| **Group Sales** | | **254.51** | **229.43** | **25.08** | **10.9%** |

1... 1st Quarter 2015/2016 adjusted (see Section 1.3 in the Notes)

| Share of Group Sales | | 1st Quarter | |
|---|---|---|---|
| | | 2016/2017 | 2015/2016 [1] |
| Airline Catering | % | 62.3% | 65.8% |
| International Event Catering | % | 21.2% | 15.9% |
| Restaurants, Lounges & Hotel | % | 16.5% | 18.3% |
| **Group Sales** | | **100.0%** | **100.0%** |

1... 1st Quarter 2015/2016 adjusted (see Section 1.3 in the Notes)

In the first quarter of the business year 2016/2017, sales of the **Airline Catering division** grew by € 7.54m from € 151.05m to € 158.58m. This is an increase of 5.0%. The Airline Catering division's sales represent 62.3% of the Group's sales (PY: 65.8%).

The increase in sales of the Airline Catering division resulted in particular from the positive development at the locations in Germany, Poland, the USA and Great Britain, with this development being due to the expansion of the business volume with existing customers. The locations in Turkey, Italy and Austria reported low growth. A significant sales reduction was reported for Ukraine.

In the first quarter of the business year 2016/2017, sales of the **International Event Catering division** rose by € 17.61m from € 36.42m to € 54.03m. This is an increase of 48.3%. The International Event Catering division's sales represent 21.2% of the Group's sales (PY: 15.9%).

This significant rise in sales is mainly due to hosting the UEFA EURO 2016 in France.

In the first quarter of the business year 2016/2017, sales of the **Restaurants, Lounges & Hotel division** decreased by € 0.06m from € 41.96m to € 41.90m. The Restaurant, Lounges & Hotel division's sales represent 16.5% of the Group's sales (PY: 18.3%).

## 2.2. Earnings

The DO & CO Group's EBITDA stands at € 22.95m, meaning an increase on the prior year's EBITDA of € 1.81m. The EBITDA margin is 9.0% (PY: 9.2%).

Consolidated earnings before interest and taxes (EBIT) of the DO & CO Group amount to € 14.44m for the first quarter of the business year 2016/2017 and are thus up by € 1.27m on the prior year. In the first quarter of the business year 2016/2017, the EBIT margin stands at 5.7% (PY: 5.7%).

| **Group** | | **1st Quarter** | | | |
|---|---|---|---|---|---|
| | | **2016/2017** | **2015/2016 [1]** | **Change** | **Change in %** |
| **Sales** | **m€** | **254.51** | **229.43** | **25.08** | **10.9%** |
| Other operating income | m€ | 3.34 | 5.64 | -2.31 | -40.8% |
| Cost of materials | m€ | -112.79 | -99.65 | -13.14 | -13.2% |
| Personnel expenses | m€ | -80.72 | -76.39 | -4.32 | -5.7% |
| Other operating expenses | m€ | -40.78 | -38.16 | -2.61 | -6.9% |
| Result of equity investments accounted for using the equity method | m€ | -0.61 | 0.27 | -0.88 | -327.6% |
| **EBITDA - Operating result before amortisation / depreciation** | **m€** | **22.95** | **21.14** | **1.81** | **8.6%** |
| Amortisation / depreciation and impairments | m€ | -8.51 | -7.97 | -0.54 | -6.8% |
| **EBIT - Operating result** | **m€** | **14.44** | **13.17** | **1.27** | **9.7%** |
| Financial result | m€ | -0.70 | 0.55 | -1.25 | -226.1% |
| **Profit before income tax** | **m€** | **13.75** | **13.72** | **0.02** | **0.2%** |
| Income tax | m€ | -3.45 | -2.56 | -0.89 | -34.7% |
| **Profit after tax** | **m€** | **10.30** | **11.16** | **-0.87** | **-7.8%** |
| Therof net profit attributable to non-controlling interests | m€ | -3.54 | -4.51 | 0.97 | 21.5% |
| **Therof net profit attributable to shareholders of DO & CO Aktiengesellschaft (Net result)** | **m€** | **6.75** | **6.65** | **0.10** | **1.5%** |
| EBITDA margin | % | 9.0% | 9.2% | | |
| EBIT margin | % | 5.7% | 5.7% | | |
| Employees | | 10,093 | 9,532 | 561 | 5.9% |

1... 1st Quarter 2015/2016 adjusted (see Section 1.3 in the Notes)

In absolute figures, cost of materials rose by € 13.14m (+13.2%) from € 99.65m to € 112.79m, with sales growing by 10.9%. Cost of materials as a proportion of sales thus increased from 43.4% to 44.3%.

In the first quarter of the business year 2016/2017, personnel expenses in absolute figures rose from € 76.39m to € 80.72m. In relation to sales, personnel expenses thus fell from 33.3% to 31.7%.

Other operating expenses rose by € 2.61m or 6.9%. In relation to sales, operating expenses thus represent 16.0% (PY: 16.6%).

Amortisation / depreciation and impairments amount to € 8.51m, thus exceeding the prior year's figure by € 0.54m (PY: € 7.97m) in the first quarter of the business year 2016/2017. In the first quarter of the business year 2016/2017, DO & CO recognized impairment for property, plant and equipment in the amount of € 0.42m. This impairment is allocated to the Airline Catering division in the Ukraine and results from a decline in expected sales.

The financial result fell from € 0.55m to € -0.70m in the first quarter of the business year 2016/2017.

The tax ratio (i.e., taxes as a proportion of untaxed income) stands at 25.1% in the first quarter of the business year 2016/2017 (PY: 18.7%).

The Group’s profit after tax is € 10.30m in the first quarter of the business year 2016/2017 and thus is by € 0.87m below the prior year's level. This means a decrease of 7.8% on the prior year.

The net profit attributable to the shareholders of DO & CO Aktiengesellschaft (Net result) is € 6.75m (PY: € 6.65m). Earnings per share thus amount to € 0.69 (PY: € 0.68).

## 2.3. Consolidated statement of financial position

In the first quarter of the business year 2016/2017, current assets increased by € 33.01m from € 332.68m to € 365.69m. This increase is due to the expansion of the business activities and due to hosting the UEFA EURO 2016.

The Group's equity (adjusted for the designated dividends) amounts to € 253.72m as of 30 June 2016. The equity ratio thus is 37.5% as of 30 June 2016.

Current provisions and liabilities report an increase by € 39.75m to € 232.64m in comparison with the reporting date 31 March 2016. This increase is due to the expansion of the business activities and prepayments made in connection with the UEFA EURO 2016.

## 2.4. Employees

The average number of staff (full-time equivalent) in the first quarter of the business year 2016/2017 was 10,093 (PY: 9,532 (after retrospective adjustment, see Section 1.3. in the Condensed Notes to the Consolidated Financial Statements)). This means an increase of 561 members of staff on the prior year, which is mainly due to an expansion of the business activities in Turkey, Germany and Great Britain.

## 2.5. Airline Catering

With its unique, innovative and competitive product portfolio, the Airline Catering division generates the largest share of the DO & CO Group's sales.

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

DO & CO's customer portfolio includes a large number of airlines. Among these airlines are prestigious customers such as: Turkish Airlines, British Airways, Emirates, Etihad Airways, Qatar Airways, Cathay Pacific, Austrian Airlines, Singapore Airlines, Air France, South African Airlines, LOT Polish Airlines, Oman Air, Royal Air Maroc, Korean Air, EVA Air, Egypt Air, Royal Jordanian, China Airlines, NIKI, Pegasus Airlines and Asiana Airlines.

| **Airline Catering** | | **1st Quarter** | | | |
|---|---|---|---|---|---|
| | | **2016/2017** | **2015/2016 [1]** | **Change** | **Change in %** |
| Sales | m€ | 158.58 | 151.05 | 7.54 | 5.0% |
| EBITDA | m€ | 15.80 | 16.26 | -0.46 | -2.8% |
| Depreciation/amortisation | m€ | -6.02 | -5.08 | -0.95 | -18.6% |
| Impairment | m€ | -0.42 | 0.00 | -0.42 | |
| EBIT | m€ | 9.36 | 11.18 | -1.82 | -16.3% |
| EBITDA margin | % | 10.0% | 10.8% | | |
| EBIT margin | % | 5.9% | 7.4% | | |
| Share of Group Sales | % | 62.3% | 65.8% | | |

1... 1st Quarter 2015/2016 adjusted (see Section 1.3 in the Notes)

In the first quarter of the business year 2016/2017, the Airline Catering division rang up sales of € 158.58m (PY: € 151.05m), meaning an increase of 5.0% on the prior year. The Airline Catering division's sales represent 62.3% of the Group's sales (PY: 65.8%).
At € 15.80m, EBITDA thus is below the prior-year figure by € 0.46m (-2.8%). EBIT stands at € 9.36m and thus is below the prior-year figure of € 11.18m. The EBITDA margin of the first quarter of the business year 2016/2017 is 10.0% (PY: 10.8%). The EBIT margin is 5.9% (PY: 7.4%).

Turkish DO & CO reported low growth (measured in euros) in the first quarter of the business year 2016/2017. At the Skytrax 2016[1] Awards, Turkish Airlines – with Turkish DO & CO as its catering partner – was awarded the prestigious "Best Airline in Europe" and "Best Business Class Airline Catering" awards.

At Chicago O'Hare, the business volume has developed favourably. DO & CO has a roster of currently seven customers at this airport, including Emirates, British Airways, Cathay Pacific, Turkish Airlines, Austrian Airlines, Finnair and Etihad Airways. The business volume at the second location in North America, New York's John F. Kennedy airport, has developed particularly positively with the existing customers Etihad Airways and British Airways.

The development at London Heathrow was also satisfactory, with a favourable growth to be reported most notably with British Airways.

Furthermore, DO & CO has decided to strengthen its buy-on-board offer concepts in airline catering. To this end, a joint venture was founded in April 2016 to participate in airline catering tenders.

At the German locations, sales rose as a result of an expansion of DO & CO's business activities with existing customers and the acquisition of new customers. In this context, the Group is pleased to report that Emirates has been a new customer in Munich (since October

[1] Source:http://www.worldairlineawards.com

2015) and in Düsseldorf (since December 2015). Cathay Pacific joined DO & CO's roster in Frankfurt in May 2015 and Düsseldorf in September 2015. In Düsseldorf, DO & CO acquired a property in close proximity to the airport in December 2015 to establish a new gourmet kitchen.

The Airline Catering location at the Kiev airport reports a strong downward trend in business development. The significant reduction of the delivery volume to Ukraine International Airlines, the major customer at the airline catering location in Kiev, led to this decline in sales. As a result in the first quarter of the business year 2016/2017 DO & CO recognized impairment for property, plant and equipment in the amount of € 0.42m.

The airline catering locations in Poland reported an upward trend in business development with existing customers in the first quarter of the business year 2016/2017. With Air Canada, a new customer was included in the roster.

At Malpensa, in Milan, the business volume remained stable. The Austrian location developed also in a stable manner in the first quarter of the business year 2016/2017.

## 2.6. International Event Catering

In the first quarter of the business year 2016/2017, the International Event Catering division generated sales of € 54.03m (PY: € 36.42m), meaning an increase of 48.3% on the prior year. The International Event Catering division's share represents 21.2% of the Group's sales (PY: 15.9%).
In the first quarter of the business year 2016/2017, the International Event Catering division's EBITDA stands at € 5.32m (PY: € 3.05m). The EBITDA margin is 9.8% (PY: 8.4%). EBIT is € 4.03m (PY: € 1.94m) in the first quarter of the business year 2016/2017. The EBIT margin is 7.5% (PY: 5.3%).

| **International Event Catering** | | **1st Quarter** | | | |
|---|---|---|---|---|---|
| | | **2016/2017** | **2015/2016** | **Change** | **Change in %** |
| Sales | m€ | 54.03 | 36.42 | 17.61 | 48.3% |
| EBITDA | m€ | 5.32 | 3.05 | 2.27 | 74.2% |
| Depreciation/amortisation | m€ | -1.29 | -1.11 | -0.18 | -16.0% |
| EBIT | m€ | 4.03 | 1.94 | 2.09 | 107.6% |
| EBITDA margin | % | 9.8% | 8.4% | | |
| EBIT margin | % | 7.5% | 5.3% | | |
| Share of Group Sales | % | 21.2% | 15.9% | | |

In the first quarter of the business year 2016/2017, the focus of the International Event Catering division was on the UEFA EURO 2016 in France. In the first quarter of the business year 2016/2017, from the opening match on 10 June 2016 in Paris up to 30 June 2016, a total of more than 80,000 VIP guests enjoyed the culinary treats at 45 matches. In the first and second quarter of the business year 2016/2017, a total of approximately 110,000 VIP guests enjoyed DO & CO's culinary delights at 51 matches.

Hédiard, a subsidiary of DO & CO, was the hospitality production manager and in this function was responsible for the entire infrastructure as well as the catering for the UEFA under this project. From the planning stage to the set-up and dismantling, DO & CO perfectly organised the provision of tents, furniture, decoration as well as the rendering of services covering entertainment, hostesses, security and cleaning. DO & CO also provided for the catering for UEFA staff, football players, referees and other groups involved in the organisation of the tournament. The series, starting with Portugal in 2004, Austria-Switzerland in 2008 and Poland-Ukraine in 2012, was thus successfully continued with the UEFA EURO 2016 in France.

In addition to this main event in the sports calendar, the Formula 1 Grands Prix and other main sporting events were also of importance for the International Event Catering division.

In the first quarter of the business year 2016/2017, seven Formula 1 Grands Prix took place. The VIP guests enjoyed DO & CO catering at its best in Bahrain, Shanghai, Sochi, Barcelona, Monaco, Montreal and Baku (for the first time in 2016). DO & CO has also 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. Since the current season, DO & CO caters at the Mercedes motorhomes.

In addition at the Tennis Masters Series in Madrid, the DO & CO event team was once again in charge of the catering for VIP guests and the tennis players. The UEFA Champions League final in Milan and the Europa League Final in Basel are two additional highlights where DO & CO was responsible for the culinary delights.

In the first quarter of the business year 2016/2017, Arena One in Munich, a subsidiary of DO & CO, handled the catering for a total of 10 football matches at the Allianz Arena. Its services comprise full-scale catering for the VIP and public areas for all games of FC Bayern Munich and 1860 Munich, as well as organising numerous sporting and business events at the Allianz Arena. Arena One also organised numerous events at the Olympic Park Munich.

## 2.7. Restaurants, Lounges & Hotel

In the first quarter of the business year 2016/2017, the Restaurants, Lounges & Hotel division accounted for sales of € 41.90m (PY: € 41.96m), which translates into a decrease of -0.2%. The Restaurants, Lounges & Hotel division’s sales represent 16.5% of the Group’s sales (PY: 18.3%).
EBITDA is € 1.83m (PY: € 1.83m). The EBITDA margin is 4.4% (PY: 4.4%). At € 1.06m, EBIT exceeds the previous year’s level (PY: € 0.05m). The EBIT margin is 2.5% (PY: 0.1%).

| **Restaurants, Lounges & Hotel** | | **1st Quarter** | | | |
|---|---|---|---|---|---|
| | | **2016/2017** | **2015/2016** | **Change** | **Change in %** |
| Sales | m€ | 41.90 | 41.96 | -0.06 | -0.2% |
| EBITDA | m€ | 1.83 | 1.83 | 0.00 | 0.1% |
| Depreciation/amortisation | m€ | -0.77 | -1.78 | 1.00 | 56.5% |
| EBIT | m€ | 1.06 | 0.05 | 1.01 | 1927.8% |
| EBITDA margin | % | 4.4% | 4.4% | | |
| EBIT margin | % | 2.5% | 0.1% | | |
| Share of Group Sales | % | 16.5% | 18.3% | | |

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

The lounges unit generated sales increases in the first quarter of the business year 2016/2017. In this regard, it has to be highlighted that DO & CO has been operating lounges for Emirates, including a lounge in Frankfurt since October 2015 as well as a lounge in Munich and Düsseldorf, respectively, since November 2015. It is also notable that Turkish Airlines, with Turkish DO & CO as its catering partner, won the award for “Best Business Class Lounge Dining” at the Skytrax 2016[2] World Airline Awards.

With their joint venture, DO & CO and Nespresso opened their first Nespresso Café in London in June 2016. In the City of London, at a prestigious address located between the Bank of England and St. Paul’s Cathedral, fresh products from the London-based DO & CO gourmet kitchen and Nespresso coffee are served.

Regarding staff restaurants, which are located in Austria, Germany, Poland and Turkey, a satisfactory business development has been reported for the first quarter of the business year 2016/2017.

[2] Source:http://www.worldairlineawards.com

DO & CO gave up its airport gastronomy services at the airport in Bodrum in November 2015 and at Kyiv-Boryspil International Airport in December 2015.

The flagship store of Hédiard, which is a subsidiary of DO & CO, located at Place de la Madeleine in Paris, is currently undergoing refurbishment and is closed during the reconstruction phase.

With regard to railway catering, DO & CO Aktiengesellschaft announced on 30 March 2016 that its subsidiaries terminated the contract with ÖBB-Personenverkehr AG. In the first quarter of the business year 2016/2017, the business activities were continued by DO & CO. Further cooperation is currently being evaluated.

In March 2016 Do & Co Restaurantbetriebsgesellschaft m.b.H., which owns the Haas Haus property was deconsolidated. In this context, the decrease of rental income and expenses, especially depreciation, compared to the corresponding period of the previous year should be noted.

## 2.8. DO & CO shares / investor relations

### Stock market overview

The result of the British Brexit referendum was the defining event in the first quarter of the business year 2016/2017 and led to increased uncertainty on the European stock markets.

The ATX fell from 2,270.38 points as of 31 March 2016 to 2,095.96 points on 30 June 2016 during the reporting period. This means a loss of 7.7%. The Istanbul Stock Exchange also reported a negative development in the first quarter of the business year 2016/2017. The BIST 100, which is the Turkish leading index, fell from 83,268.04 to 76,817.19 points as of 30 June 2016 (-7.7%).

### DO & CO share

After the share price had gained more than 50% on the Vienna Stock Exchange and 75% on the Istanbul Stock Exchange in the past business year 2015/2016, DO & CO's share was subject to a decline in the first quarter of the business year 2016/2017.

On the Vienna Stock Exchange, DO & CO's share fell by 25.6% in the first quarter of the business year 2016/2017, reporting a closing rate of € 78.90 on 30 June 2016.

On the Istanbul Stock Exchange, DO & CO's share lost 25.3%, closing at TRY 252.30 on 30 June 2016.


## Trading volumes

The average daily trading volume of DO & CO shares on the Vienna Stock Exchange stood at € 1,079t in the first quarter of the business year 2016/2017. The average daily trading volume of DO & CO shares on the Istanbul Stock Exchange stood at € 699t in the first quarter of the business year 2016/2017. In consequence, the trading volume on the Istanbul Stock Exchange is below the trading volume on the Vienna Stock Exchange. Taking the trading volumes of the two stock exchanges, they traded a daily average of € 1,779t or 19,296 shares.

| | Vienna Stock Exchange | | Istanbul Stock Exchange | | Total | |
|---|---|---|---|---|---|---|
| | 1st Quarter | | 1st Quarter | | 1st Quarter | |
| | 2016/2017 | 2015/2016 | 2016/2017 | 2015/2016 | 2016/2017 | 2015/2016 |
| Volume in shares* | 11,757 | 9,648 | 7,539 | 11,232 | 19,296 | 20,880 |
| Turnover in €t* | 1,079 | 715 | 699 | 831 | 1,779 | 1,546 |

*Daily average traded volume of the DO & CO shares

## General meeting of shareholders

At the 18th ordinary general meeting of shareholders of DO & CO Aktiengesellschaft, which took place on 21 July 2016, a dividend of € 0.85 per dividend-bearing share was resolved for the business year 2015/2016.

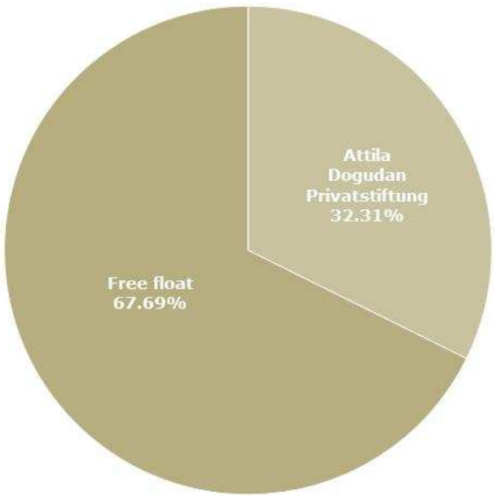
## Share indices

| | | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 |
|---|---|---|---|
| High [1] | € | 107.60 | 85.00 |
| Low [1] | € | 78.00 | 64.03 |
| Price at the end of the period [1] | € | 78.90 | 84.05 |
| Number of shares at the end of the period | TPie | 9,744 | 9,744 |
| Market capitalisation at the end of the period | m€ | 768.80 | 818.98 |

1 … Closing price

## Shareholder structure of DO & CO Aktiengesellschaft

On 30 June 2016, 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, BIST 100 |
| WKN | 081880 |
| Listed in | Vienna, Istanbul |
| Currency | EUR, TRY |

## Financial calendar

| | |
|---|---|
| 17 November 2016 | Results for the first half year of 2016/2017 |
| 16 February 2017 | Results for the first three quarters of 2016/2017 |

## Investor relations

In the first quarter of the business year 2016/2017, the management of DO & CO Aktiengesellschaft held talks with numerous institutional investors and financial analysts. These talks took place in Austria and Turkey.

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
- BGC Partners
- Ünlü & Co
- Garanti Securities

Analysts have an average price target of € 103.85 (status: 30 June 2016).

All published materials and information on DO & CO's share are posted under Investor Relations on the DO & CO website at **www.doco.com**.

For more information please contact:

Investor relations
Email: **investor.relations@doco.com**

# 3. Outlook

In the **Airline Catering** division the planned establishment of a gourmet kitchen in Paris is to be reported. In order to handle its catering for the UEFA EURO 2016, DO & CO has set up a production facility at Argenteuil in Paris which is to be converted into an airline catering location.

Moreover, in Turkey, Turkish DO & CO is in negotiations with Turkish Airlines regarding the renewal of the airline catering supply contract. The current contract expires at the end 2016.

DO & CO acquired a property in Düsseldorf in December 2015. It is planned to establish the 29th DO & CO gourmet kitchen. The location is right next to the airport and represents the potential for further growth of the German Airline Catering division, and it is scheduled to serve existing as well as new customers of DO & CO in the future.

DO & CO is evaluating another expansion with regard to airline catering in the USA. In addition to existing gourmet kitchens in New York and Chicago, Washington, Boston, Los Angeles and San Francisco are taken into evaluation as possible new locations.

With regard to the **International Event Catering** division, DO & CO is going to provide catering services to the VIP guests of the beach volleyball tournament in Poreč Major at the beginning of July 2016 and for the VIP guests at the beach volleyball tournament in Klagenfurt am Wörthersee at the end of July.

Mid-July 2016, DO & CO is going to once more provide for the catering at the equestrian tournament CHIO in Aachen.

In the second quarter of the business year 2016/2017, the VIP guests of the Formula 1 Grands Prix in Europe (Spielberg, Silverstone, Budapest, Hockenheim, Spa and Monza) will be served culinary delights by DO & CO.

It should also be noted that DO & CO provides ongoing catering for league, cup and Champions League games at the Allianz Arena in Munich.

Starting with the Austrian football Bundesliga season of 2016/2017, DO & CO is going to be in charge of the VIP catering for the guests of Austria Wien, a long-established football club in Vienna, at the Ernst-Happel-Stadion.

With regard to the **Restaurants, Lounges & Hotel** division, the construction works for the hotel in Istanbul are making further progress. The restaurant is set to be opened at the end of 2016. The hotel and the event location are planned to be opened in 2017.

With regard to railway catering, DO & CO Aktiengesellschaft announced on 30 March 2016 that its subsidiaries terminated the contract with ÖBB-Personenverkehr AG. The business activities are currently being continued by DO & CO. Further cooperation is currently being evaluated.

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

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.

The future projections presented in this report are based on current estimates and forecasts made by the Management Board and on information that is currently available to the Management Board. Such projections must not be understood as guarantees of future developments and outcomes. Rather, the future developments and results depend on a variety of factors. They include various risks and uncertainties and are based on assumptions that might not hold true.

# Interim Consolidated Financial Statements for the 1st Quarter of 2016/2017 of DO & CO Aktiengesellschaft in accordance with IFRS (unaudited)

# 1. Consolidated statement of financial position as of 30 June 2016 (unaudited)

| Notes | Assets in m€ | 30 June 2016 | 31 March 2016 |
|---|---|---|---|
| | Intangible assets | 64.17 | 66.30 |
| 2.1 | Property, plant and equipment | 221.04 | 210.37 |
| | Investment property | 1.55 | 1.55 |
| | Investments accounted for using the equity method | 10.16 | 4.28 |
| | Other non-current financial assets | 3.84 | 3.26 |
| | Income tax receivables | 0.23 | 0.23 |
| | Deferred tax assets | 9.83 | 9.32 |
| | **Non-current assets** | **310.82** | **295.31** |
| | Inventories | 27.71 | 26.17 |
| 2.2 | Trade receivables | 117.34 | 100.62 |
| | Other current financial assets | 9.58 | 10.10 |
| | Income tax receivables | 2.89 | 3.02 |
| | Other current non-financial assets | 28.07 | 20.87 |
| | Cash and cash equivalents | 180.10 | 171.91 |
| | **Current assets** | **365.69** | **332.69** |
| | **Total assets** | **676.51** | **628.00** |

| Notes | Shareholders' equity and liabilities in m€ | 30 June 2016 | 31 March 2016 |
|---|---|---|---|
| | Nominal capital | 19.49 | 19.49 |
| | Capital reserves | 70.51 | 70.51 |
| | Retained earnings | 140.28 | 112.03 |
| | Other comprehensive income | -26.52 | -25.87 |
| | Special item from transactions with non-controlling interests | 0.21 | -0.27 |
| | Net result | 6.75 | 28.25 |
| | **Equity attributable to the shareholders of DO & CO Aktiengesellschaft** | **210.73** | **204.13** |
| | Non-controlling interests | 51.28 | 50.24 |
| 2.3 | **Shareholders´ equity** | **262.00** | **254.37** |
| | Bond | 148.55 | 148.47 |
| | Other non-current financial liabilities | 4.55 | 4.44 |
| | Non-current provisions | 22.65 | 22.44 |
| | Deferred tax liabilities | 6.12 | 5.38 |
| | **Non-current provisions and liabilities** | **181.87** | **180.74** |
| | Current financial liabilities | 32.66 | 33.29 |
| 2.4 | Trade payables | 88.88 | 76.63 |
| | Current provisions | 50.22 | 40.81 |
| | Income tax liabilities | 9.98 | 9.18 |
| 2.5 | Other current liabilities | 50.91 | 32.98 |
| | **Current provisions and liabilities** | **232.64** | **192.89** |
| | **Total shareholders' equity and liabilities** | **676.51** | **628.00** |

# 2. Consolidated income statement for the 1st quarter of 2016/2017 (unaudited)

| Notes | in m€ | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 [1] |
|---|---|---|---|
| | **Sales** | **254.51** | **229.43** |
| | Other operating income | 3.34 | 5.64 |
| | Cost of materials | -112.79 | -99.65 |
| | Personnel expenses | -80.72 | -76.39 |
| | Other operating expenses | -40.78 | -38.16 |
| | Result of equity investments accounted for using the equity method | -0.61 | 0.27 |
| | **EBITDA - Operating result before amortisation / depreciation** | **22.95** | **21.14** |
| 3.1 | Amortisation / depreciation and impairments | -8.51 | -7.97 |
| | **EBIT - Operating result** | **14.44** | **13.17** |
| | Financial income | 0.60 | 2.03 |
| | Financial expenses | -1.29 | -1.48 |
| | **Financial result** | **-0.70** | **0.55** |
| | **Profit before income tax** | **13.75** | **13.72** |
| | Income tax | -3.45 | -2.56 |
| | **Profit after income tax** | **10.30** | **11.16** |
| | Thereof net profit attributable to non-controlling interests | -3.54 | -4.51 |
| | **Thereof net profit attributable to shareholders of DO & CO Aktiengesellschaft (Net result)** | **6.75** | **6.65** |

| | | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 [1] |
|---|---|---|---|
| | **Net result in m€** | **6.75** | **6.65** |
| | Number of shares at the end of the period (in Pie) | 9,744,000 | 9,744,000 |
| **3.2** | **Basic/diluted earnings per share (in €)** | **0.69** | **0.68** |

1… 1st Quarter 2015/2016 adjusted (see Section 1.3)

# 3. Consolidated statement of other comprehensive income (unaudited)

| in m€ | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 [1] |
|---|---|---|
| **Profit after income tax** | **10.30** | **11.16** |
| Differences of currency translation | -0.03 | -6.49 |
| Income tax | -0.35 | 0.09 |
| **Total of items that will be reclassified subsequently to the income statement** | **-0.37** | **-6.39** |
| Termination benefits and pension payments obligations | 0.00 | 0.00 |
| Income tax | 0.00 | 0.00 |
| **Total of items that will not be reclassified subsequently to the income statement** | **0.00** | **0.00** |
| **Other comprehensive income after income tax** | **-0.37** | **-6.39** |
| **Total comprehensive income for the period** | **9.93** | **4.77** |
| Thereof attributable to non-controlling interests | 3.81 | 2.20 |
| **Attributable to DO & CO Aktiengesellschaft (Total result)** | **6.11** | **2.57** |

1… 1st Quarter 2015/2016 adjusted (see Section 1.3)

# 4. Consolidated statement of cash flows (unaudited)

| | in m€ | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 [1] |
|---|---|---|---|
| | **Profit before income tax** | **13.75** | **13.72** |
| + | Depreciation / amortisation and impairments | 8.51 | 7.97 |
| - | Reversal of impairment loss | -0.01 | 0.00 |
| -/+ | Gains / losses from disposals of non-current assets | -0.01 | -0.11 |
| +/- | Gains / losses from associated companies measured at equity without cash effect | 0.61 | -0.27 |
| +/- | Other non cash expense / income | 0.18 | -1.21 |
| +/- | Interests and dividends | -0.90 | -0.43 |
| | **Gross cash flow** | **22.12** | **19.67** |
| -/+ | Increase / decrease in inventories and other current assets | -25.26 | -21.43 |
| +/- | Increase / decrease in provisions | 9.50 | 6.63 |
| +/- | Increase / decrease in trade payables and other liabilities | 28.82 | 18.15 |
| - | Income tax payments | -2.28 | -4.34 |
| | **Cash flow from operating activities (net cash flow)** | **32.90** | **18.67** |
| + | Income from disposals of property, plant and equipment and intangible assets | 0.02 | 0.11 |
| + | Payments received for the disposal of other financial assets | 0.22 | 0.00 |
| - | Additions to property, plant and equipment and investment property | -16.06 | -14.14 |
| - | Additions to intangible assets | -0.08 | -0.25 |
| - | Additions to associated companies measured at equity | -6.39 | 0.00 |
| - | Additions to other financial assets | -1.02 | -0.51 |
| + | Dividends received | 0.48 | 0.01 |
| + | Interests received | 0.56 | 0.52 |
| | **Cash flow from investing activities** | **-22.27** | **-14.26** |
| - | Dividend payment to non-controlling interests | -2.29 | -2.54 |
| - | Capital repayment to non-controlling interests | 0.00 | -0.21 |
| - | Repayment of financial liabilities | -0.06 | 0.08 |
| - | Interests paid | -0.14 | -0.10 |
| | **Cash flow from financing activities** | **-2.49** | **-2.77** |
| | **Net increase/decrease in cash and cash equivalents** | **8.14** | **1.64** |
| | Cash and cash equivalents at the beginning of the period | 171.91 | 57.37 |
| | Effects of exchange rate changes on cash and cash equivalents | 0.05 | -1.38 |
| | Decrease / increase of liquid funds due to changes of scope of consolidation | 0.00 | 0.12 |
| | Cash and cash equivalents at the end of the period | 180.10 | 57.75 |
| | **Change in funds** | **8.14** | **1.64** |

1… 1st Quarter 2015/2016 adjusted (see Section 1.3)

Please refer to Section 4. for comments on the consolidated statement of cash flows.

# 5. Consolidated statement of changes in equity (unaudited)

| in m€ | Equity of the shareholders of DO & CO Aktiengesellschaft | | | | Other comprehensive income | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Nominal capital | Capital reserves | Retained earnings | Net result | Currency translation differences | Revaluation IAS 19 | Special item from transactions with non-controlling interests | Total | Non-controlling interests | Total equity |
| **As of 1 April 2015 [1]** | **19.49** | **70.51** | **93.36** | **35.11** | **-13.04** | **-2.21** | **-1.80** | **201.42** | **45.32** | **246.74** |
| Dividend payments 2014/2015 | | | | | | | | **0.00** | -2.54 | -2.54 |
| Profit carried forward 2014/2015 | | | 35.11 | -35.11 | | | | **0.00** | | 0.00 |
| Total result | | | | 6.65 | -4.08 | | | **2.57** | 2.20 | 4.77 |
| Transactions with non-controlling interests | | | | | | | 2.07 | **2.07** | -2.28 | -0.21 |
| **As of 30 June 2015** | **19.49** | **70.51** | **128.47** | **6.65** | **-17.12** | **-2.21** | **0.27** | **206.06** | **42.69** | **248.76** |
| **As of 1 April 2016** | **19.49** | **70.51** | **112.03** | **28.25** | **-24.50** | **-1.37** | **-0.27** | **204.13** | **50.24** | **254.37** |
| Dividend payments 2015/2016 | | | | | | | | **0.00** | -2.29 | -2.29 |
| Profit carried forward 2015/2016 | | | 28.25 | -28.25 | | | | **0.00** | | 0.00 |
| Total result | | | | 6.75 | -0.64 | | | **6.11** | 3.81 | 9.93 |
| Transactions with non-controlling interests | | | | | | | 0.48 | **0.48** | -0.48 | 0.00 |
| **As of 30 June 2016** | **19.49** | **70.51** | **140.28** | **6.75** | **-25.15** | **-1.37** | **0.21** | **210.73** | **51.28** | **262.00** |

1… 1 April 2015 adjusted (see Section 1.3)

# Condensed notes to the consolidated financial statements for the 1st quarter of 2016/2017 (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 2016/2017, and in accordance with group-wide accounting principles set out by the parent company.

The interim consolidated financial statements as of 30 June 2016 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 2016.

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 2016 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 2016.

The new and/or amended standards and interpretations effective in the business year 2016/2017 have no material impact on the financial position, financial performance and results of the Group as presented in the interim consolidated financial statements.

For further information on the accounting and valuation methods applied as well as with regard to the new standards effective as of 1 April 2016 (standards to be applied mandatorily by DO & CO), we refer to the consolidated financial statements as of 31 March 2016 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. Retrospective adjustments

Due to the retrospective inclusion of Oleander Group AG and its subsidiary Lasting Impressions Food Company Ltd. in the business year 2015/2016 DO & CO adjusted the comparative information for the first quarter of the business year 2015/2016 accordingly. We refer to the further explanations in the consolidated financial statements as of 31 March 2016 under Section 3.2. in the Notes.

## 1.4. Scope of consolidation

In the first quarter of the business year 2016/2017, the following company was consolidated for the first time:

- Versilia Solutions Limited (at equity; 50%)

In accordance with the joint venture agreement entered into between DO & CO International Investments Ltd. and Versilia Group Holdings Ltd., DO & CO International Investments Ltd. undertook to grant a loan at a maximum of up to GBP 5.00m to the joint venture Versilia Solutions Ldt. for the expansion of the companies' business activities. This obligation was not recognised in the consolidated financial statements.

As stipulated under an agreement, DO & CO and Nestlé Nespresso SA have undertaken to make additional contributions in proportion to their shares in the joint venture Nespresso – DO & CO SA so as to compensate, if necessary, for any losses up to a maximum amount of € 2.00m. This obligation was not recognised in the consolidated financial statements.

## 1.5. 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. Notes to the consolidated statement of financial position

## 2.1. Property, plant and equipment

In the first quarter of the business year 2016/2017, DO & CO recognised impairment for property, plant and equipment in the amount of € 0.42m. This impairment is allocated to the Airline Catering division in the Ukraine and results from a decline in expected sales. It is reported in the consolidated income statement under amortisation/depreciation and impairments.

## 2.2. Trade receivables

| in m€ | 30 June 2016 | 31 March 2016 |
|---|---|---|
| Trade receivables | 117.34 | 100.62 |

The increase compared to 31 March 2016 is mainly due to hosting the UEFA EURO 2016 in France as well as to the expansion of the business activities.

## 2.3. Shareholders' equity

By resolution of the 18th General Meeting of Shareholders of DO & CO Aktiengesellschaft held on 21 July 2016, a dividend of € 0.85 per dividend-bearing share for the business year 2015/2016 was approved.

## 2.4. Trade payables

| in m€ | 30 June 2016 | 31 March 2016 |
|---|---|---|
| Trade payables | 88.88 | 76.63 |

The increase compared to 31 March 2016 is due to hosting the UEFA EURO 2016 in France as well as to the expansion of the business activities.

## 2.5. Other current liabilities

| in m€ | 30 June 2016 | 31 March 2016 |
|---|---|---|
| Advanced payments received on orders | 2.11 | 2.81 |
| Other liabilities | 11.04 | 9.46 |
| Deferred income | 37.76 | 20.71 |
| Summe | 50.91 | 32.98 |

The increase compared to 31 March 2016 is mainly due to hosting the UEFA EURO 2016 in France.

# 3. Comments on the consolidated income statement

## 3.1. Amortisation/depreciation and impairments

| in m€ | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 |
|---|---|---|
| Amortisation and depreciation | -8.09 | -7.97 |
| Impairment | -0.42 | 0.00 |
| Total | -8.51 | -7.97 |

In the first quarter of the business year 2016/2017, DO & CO recognised impairment for property, plant and equipment in the amount of € 0.42m. This impairment is allocated to the Airline Catering division in the Ukraine and results from a decline in expected sales.

## 3.2. Earnings per share

| | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 |
|---|---|---|
| **Net result in m€** | **6.75** | **6.65** |
| Number of shares at the end of the period (in Pie) | 9,744,000 | 9,744,000 |
| **Basic/diluted earnings per share (in €)** | **0.69** | **0.68** |

# 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.

The gross cash flow amounts to € 22.12m, meaning an increase of € 2.45m compared to the prior-year period. Taking into account the changes in the working capital and the income tax payments, the cash flow from operating activities amounts to € 32.90m (first quarter 2015/2016: € 18.67m). With regard to the changes in the working capital it has to be noted that the trade payables and the current liabilities increased on the prior period due to the UEFA EURO 2016.

The cash flow from investing activities amounts to € -22.27m (first quarter 2015/2016: € -14.26m). Cash-effective investments in property, plant and equipment, investment property and intangible assets are € -16.14m (first quarter 2015/2016: € -14.39m).

The cash flow from financing activities is € -2.49m (first quarter 2015/2016: € -2.77m).

# 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:

| in m€ | Carrying amount 30 June 2016 | Measurement category according to IAS 39 | Fair Value | Level |
|---|---|---|---|---|
| Other non-current financial assets[1] | 3.84 | | | |
| Shares in affiliated companies | 0.20 | AfS | | |
| Securities | 0.21 | AfS | | |
| Loans | 0.00 | LaR | | |
| Other | 3.43 | LaR | | |
| Trade receivables | 117.34 | LaR | | |
| Other current financial assets | 9.58 | | | |
| Other current assets | 9.58 | LaR | | |
| Cash and cash equivalents | 180.10 | AfS | | |
| **Total assets** | **310.86** | | | |
| Bond | 148.55 | FLAC | 160.94 | 1 |
| Other non-current financial liabilities | 4.55 | FLAC | 3.74 | 3 |
| Current financial liabilities | 32.66 | FLAC | | |
| Trade payables | 88.88 | FLAC | | |
| **Total liabilities** | **274.63** | | | |

1… Measured at cost pursuant to IAS 39

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

| in m€ | Carrying amount 31 March 2016 | Measure-ment category according to IAS 39 | Fair Value | Level |
|---|---|---|---|---|
| Other non-current financial assets[1] | 3.26 | | | |
| Shares in affiliated companies | 0.17 | AfS | | |
| Securities | 0.25 | AfS | | |
| Loans | 0.01 | LaR | | |
| Other | 2.84 | LaR | | |
| Trade receivables | 100.62 | LaR | | |
| Other current financial assets | 10.10 | | | |
| Other current assets | 10.10 | LaR | | |
| Cash and cash equivalents | 171.91 | AfS | | |
| **Total assets** | **285.89** | | | |
| Bond | 148.47 | FLAC | 159.75 | 1 |
| Other non-current financial liabilities | 4.44 | FLAC | 4.33 | 3 |
| Current financial liabilities | 33.29 | FLAC | | |
| Trade payables | 76.63 | FLAC | | |
| **Total liabilities** | **262.84** | | | |

1… Measured at cost pursuant to IAS 39

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 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 method applied to the financial instruments have occurred in the interim reporting period compared to the financial statements as of 31 March 2016.

## 5.2. Contingencies and financial liabilities

The contingent liabilities of the DO & CO Group amount to € 23.84m as of 30 June 2016 (31 March 2016: € 24.06m) and comprise the following:

| in m€ | 30 June 2016 | 31 March 2016 |
|---|---|---|
| Guarantees | 22.57 | 22.87 |
| Other contractual obligations | 1.26 | 1.19 |
| Total | 23.84 | 24.06 |

All transactions reported under contingent liabilities refer to potential future obligations that are uncertain as of 30 June 2016 and where the occurrence of improbable future events would create obligations.

## 5.3. Segment reporting

**Segment reporting by division** for the first quarter of the business year 2016/2017 and the first quarter of the business year 2015/2016 is as follows:

| 1st Quarter 2016/2017 | | Airline Catering | International Event Catering | Restaurants, Lounges & Hotel | Total |
|---|---|---|---|---|---|
| Sales | 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 |
| Impairment | 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 Sales | % | 62.3% | 21.2% | 16.5% | 100.0% |
| Total investments | m€ | 10.13 | 1.21 | 5.62 | 16.96 |

| 1st Quarter 2015/2016 | | Airline Catering | International Event Catering | Restaurants, Lounges & Hotel | Total |
|---|---|---|---|---|---|
| Sales | m€ | 151.05 | 36.42 | 41.96 | 229.43 |
| EBITDA | m€ | 16.26 | 3.05 | 1.83 | 21.14 |
| Depreciation/amortisation | m€ | -5.08 | -1.11 | -1.78 | -7.97 |
| EBIT | m€ | 11.18 | 1.94 | 0.05 | 13.17 |
| EBITDA margin | % | 10.8% | 8.4% | 4.4% | 9.2% |
| EBIT margin | % | 7.4% | 5.3% | 0.1% | 5.7% |
| Share of Group Sales | % | 65.8% | 15.9% | 18.3% | 100.0% |
| Total investments | m€ | 12.28 | 1.51 | 0.71 | 14.50 |

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 sales** of the DO & CO Group can be broken down by **geographical regions** as follows:

| 1st Quarter 2016/2017 | | USA | Germany | Austria | Turkey | Other Countries | Total |
|---|---|---|---|---|---|---|---|
| Sales | m€ | 22.09 | 32.05 | 49.39 | 85.65 | 65.34 | 254.51 |
| Share of Group Sales | % | 8.7% | 12.6% | 19.4% | 33.7% | 25.7% | 100.0% |

| 1st Quarter 2015/2016 | | USA | Germany | Austria | Turkey | Other Countries | Total |
|---|---|---|---|---|---|---|---|
| Sales | m€ | 20.73 | 28.58 | 46.22 | 85.07 | 48.84 | 229.43 |
| Share of Group Sales | % | 9.0% | 12.5% | 20.1% | 37.1% | 21.3% | 100.0% |

**Non-current assets pursuant to IFRS 8 by geographical regions** (excl. income tax receivables and deferred taxes) as of 30 June 2016 and 31 March 2016 are presented below:

| **30 June 2016** | | **US** | **Germany** | **Austria** | **Turkey** | **Other Countries** | **Total** |
|---|---|---|---|---|---|---|---|
| Non-current assets | m € | 38.52 | 33.38 | 36.51 | 108.68 | 83.67 | 300.76 |

| **31 March 2016** | | **US** | **Germany** | **Austria** | **Turkey** | **Other Countries** | **Total** |
|---|---|---|---|---|---|---|---|
| Non-current assets | m€ | 37.21 | 34.47 | 35.54 | 100.34 | 78.20 | 285.76 |

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

No significant events or developments occurred after 30 June 2016 that would be of importance with regard to the Group's financial situation and performance.

## 5.5. 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.

| | **1st Quarter 2016/2017** | | | | **1st Quarter 2015/2016** | | | |
|---|---|---|---|---|---|---|---|---|
| in m€ | 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 | 0.21 | 0.17 | 0.01 | 0.02 | 0.70 | 0.42 |
| Supplies received and services rendered | 1.78 | 2.62 | 0.01 | 0.45 | 1.09 | 2.67 | 0.00 | 0.76 |

| | **30 June 2016** | | | | **31 March 2016** | | | |
|---|---|---|---|---|---|---|---|---|
| in m€ | 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 | 1.16 | 0.68 | 0.95 | 0.00 | 1.14 | 0.52 |
| Payables | 0.02 | 1.69 | 0.03 | 0.38 | 0.36 | 1.79 | 0.01 | 0.15 |
| Granted loans | 0.00 | 0.00 | 2.04 | 0.00 | 0.00 | 0.00 | 1.40 | 0.00 |

Vienna, 18 August 2016

The Management Board:

Attila DOGUDAN m.p.
Chairman of the Management Board

Haig ASENBAUER m.p.
Member of the Management Board

Gottfried NEUMEISTER m.p.
Member of the Management Board

Klaus PETERMANN m.p.
Member of the Management Board

# Glossary

| | | | 1st Quarter 2016/2017 | 1st Quarter 2015/2016 [1] |
|---|---|---|---|---|
| EBITDA margin in % | EBITDA / External sales | m€ 22.95 / m€ 254.51 | **9.0%** | 9.2% |
| EBIT margin in % | EBIT / External sales | m€ 14.44 / m€ 254.51 | **5.7%** | 5.7% |
| Return on Sales in % | Profit before income tax / External sales | m€ 13.75 / m€ 254.51 | **5.4%** | 6.0% |
| Adjusted equity[2] in m€ | + Shareholders´ equity<br>- (proposed) dividend payment | m€ 262.00<br>m€ 8.28 | **253.72** | 237.06 |
| Equity ratio[2] in % | Adjusted equity / Total capital | m€ 253.72 / m€ 676.51 | **37.5%** | 38.7% |
| Return on equity (ROE) in % | Profit after income taxes (Q2-Q4 previous year + Q1 current year) [3] / Ø adjusted equity [4] | m€ 43.82 / m€ 246.78 | **17.8%** | 20.8% |
| Debt (financial liabilities) in m€ | + Bond<br>+ Other non-current financial liabilities<br>+ Current loans | m€ 148.55<br>m€ 4.55<br>m€ 0.07 | **153.16** | 152.91 |
| Net debt (net financial liabilities) in m€ | + Debt<br>- Cash and cash equivalents | m€ 153.16<br>m€ 180.10 | **-26.94** | 95.16 |
| Net debt to EBITDA | Net debt / EBITDA (Q2-Q4 previous year + Q1 current year) [3] | m€ -26.94 / m€ 94.49 | **-0.29** | 1.12 |
| Net gearing in % | Net debt / Adjusted equity | m€ -26.94 / m€ 253.72 | **-10.6%** | 40.1% |
| Surplus cash[2] in m€ | + Cash and cash equivalents<br>- 2% of sales (Q2-Q4 previous year + Q1 current year) [3]<br>- (proposed) dividend payment | m€ 180.10<br>m€ 18.83<br>m€ 8.28 | **152.98** | 29.35 |
| Working capital in m€ | + Current assets<br>- Current provisions and liabilities<br>- Surplus cash<br>- (proposed) dividend payment | m€ 365.69<br>m€ 232.64<br>m€ 152.98<br>m€ 8.28 | **-28.21** | 6.99 |
| Free cash flow in m€ | + Cash flow from operating activities<br>+ Cash flow from investing activities | m€ 32.90<br>m€ -22.27 | **10.63** | 4.41 |
| EPS (Earnings per Share) in € | Net result / Number of shares | m€ 6.75 / Mpie 9.74 | **0.69** | 0.68 |
| Price/Earnings ratio | Share price at the end of the period / EPS (Q2-Q4 previous year + Q1 current year) [3] | € 78.90 / € 2.91 | **27.11** | 25.10 |
| Tax ratio in % | Income tax / Profit before income tax | m€ 3.45 / m€ 13.75 | **25.1%** | 18.7% |
| Adjusted EBIT in m€ | EBIT<br>- Rent income from investment property<br>+ Cost from investment property | m€ 14.44<br>m€ 0.00<br>m€ 0.00 | **14.44** | 12.72 |
| Capital employed in m€ | + Adjusted equity<br>+ Non-current provisions and liabilities<br>- Cash and cash equivalents<br>- Investment property | m€ 253.72<br>m€ 181.87<br>m€ 180.10<br>m€ 1.55 | **253.94** | 306.05 |
| Return on capital employed (ROCE) in % | Adjusted EBIT (Q2-Q4 previous year + Q1 current year) [3] / Ø Capital employed [4] | m€ 56.64 / m€ 301.89 | **18.8%** | 22.1% |

1 … Q1 2015/2016 adjusted (see Section 1.3 in the Notes)
2 … Calculation method changed over the previous year
3 … Calculated as the sum total of the past four quarters
4 … Calculated as the average amount by the end of the past four quarters and the amount at the beginning of the period under review