

**DO & CO Restaurants & Catering AG**

**First Quarter 2012/2013  
(unaudited)**



RESTAURANTS  
HOTEL  
LOUNGES  
CATERING

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# Management Report on the DO & CO Group for the First Quarter of 2012/2013 (unaudited)

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

The abbreviations and calculations are explained in the Glossary of Key Figures

		1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Sales	m €	151.55	116.95	466.35	426.07
EBITDA	m €	13.20	10.77	51.52	45.84
EBITDA margin	%	8.7%	9.2%	11.0%	10.8%
EBIT	m €	9.28	6.79	32.40	28.32
EBIT margin	%	6.1%	5.8%	6.9%	6.6%
Profit before taxes	m €	10.17	7.65	35.58	30.85
Consolidated result	m €	5.71	4.31	19.33	15.43
Employees		4,362	4,043	4,166	3,794
Equity <sup>1</sup>	m €	168.51	146.45	161.64	143.58
Equity ratio <sup>1</sup>	%	49.9%	54.3%	56.8%	57.8%
Net debts	m €	-98.20	-115.75	-85.04	-109.31
Net gearing	%	-58.3%	-79.0%	-52.6%	-76.1%
Working Capital	m €	76.24	82.79	92.39	78.02
Operational cash-flow	m €	21.06	10.52	45.67	57.67
Cash-Flow from investing activities	m €	3.25	-2.26	-62.55	-15.96
Free cash-flow	m €	24.31	8.26	-16.88	41.71
ROS	%	6.7%	6.5%	7.6%	7.2%
ROE	%	4.5%	3.0%	17.4%	13.4%

1 ... Adjusted to take designated dividend payments and bookvalue of goodwill into account

## Per Share Ratios

(calculated with the weighted number of issued shares)

		1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
EBITDA per share	€	1.35	1.11	5.29	5.49
EBIT per share	€	0.95	0.70	3.32	3.39
Earnings per share	€	0.59	0.44	1.98	1.85
Equity (book entry) <sup>1</sup>	€	17.29	15.03	16.59	17.19
High <sup>2</sup>	€	31.99	34.00	35.30	33.45
Low <sup>2</sup>	€	26.55	29.00	23.50	15.00
Price at the end of the period <sup>2</sup>	€	29.50	34.00	29.18	30.15
Weighted number of shares <sup>3</sup>	TPie	9,744	9,744	9,744	8,350
Number of shares at the end of the period <sup>3</sup>	TPie	9,744	9,744	9,744	9,744
Market capitalization at the end of the period	m €	287.45	331.30	284.33	293.78

1 ... Adjusted to take designated dividend payments and bookvalue of goodwill into account

2 ... Closing price

3 ... Adjusted by own shares held

## Sales

In the first quarter of 2012/2013, the DO & CO Group recorded sales of EUR 151.55m, an increase of 29.6% or EUR 34.60m over the corresponding period of the previous business year.

Sales		1 <sup>st</sup> Quarter			
		2012/2013	2011/2012	Change	Change in %
Airline Catering	m €	92.81	85.62	7.19	8.4%
International Event Catering	m €	33.00	15.32	17.68	115.4%
Restaurants, Lounges & Hotel	m €	25.73	16.01	9.73	60.8%
<b>Group Sales</b>		<b>151.55</b>	<b>116.95</b>	<b>34.60</b>	<b>29.6%</b>

Share of Group Sales		1 <sup>st</sup> Quarter	
		2012/2013	2011/2012
Airline Catering	%	61.2%	73.2%
International Event Catering	%	21.8%	13.1%
Restaurants, Lounges & Hotel	%	17.0%	13.7%
<b>Group Sales</b>		<b>100.0%</b>	<b>100.0%</b>

The **Airline Catering** division managed to boost its sales during the first quarter of 2012/2013 by EUR 7.19m from EUR 85.62m to EUR 92.81m, even though it was faced with a difficult market.

DO & CO's international locations in New York, London, Milan and Frankfurt managed to grow at a highly satisfactory rate. A sales growth was also achieved by the locations in Turkey. Moreover, starting in June 2012 the sales rung up by Kyiv Catering LLC were for the first time included in the profit and loss statement for the Group. In Austria, sales declined in the first quarter of 2012/2013, due to the austerity programmes implemented by main customers in the first quarter of business year 2012/2013.

In the **International Event Catering** division, sales in the first quarter of 2012/2013 rose from EUR 15.32m in the previous year's period to EUR 33.00m. This hefty rise was predominantly due to the catering provided for the UEFA's EURO 2012 football championship in Poland and Ukraine.

At EUR 25.73m, sales of the **Restaurants, Lounges & Hotel** division for the first quarter of 2012/2013 were above the previous year's level by 60.8% (PY: EUR 16.01m). The increase was mostly the result of the division's takeover of the catering for the Austrian Federal Railways with effect from 1 April 2012. An added factor was greater sales in the lounges segment. Notable in this respect was the lounge at the Istanbul-Ataturk airport which the division has been managing since the second quarter of the 2011/2012 business year. Overall sales were also boosted by the new gastronomic venture at Bodrum Airport.

## Earnings

Consolidated earnings before interest and taxes (EBIT) for the DO & CO Group amounted to EUR 9.28m for the first quarter of the 2012/2013 business year, higher by EUR 2.49m than in the previous year's first quarter. The EBIT margin increased from 5.8% in the previous business year to 6.1% in the first quarter of 2012/2013. EBITDA for the DO & CO Group was EUR 13.20m, or an increase of EUR 2.43m in year-on-year terms. The EBITDA margin was 8.7% (PY: 9.2%).

Group	1 <sup>st</sup> Quarter				
	2012/2013	2011/2012	Change	Change in %	
Sales	m €	151.55	116.95	34.60	29.6%
EBITDA	m €	13.20	10.77	2.43	22.5%
Depreciation/amortization	m €	-3.92	-3.98	0.06	1.6%
EBIT	m €	9.28	6.79	2.49	36.7%
EBITDA margin	%	8.7%	9.2%		
EBIT margin	%	6.1%	5.8%		
Employees		4,362	4,043	319	7.9%

Costs of materials and services as a proportion to sales were cut back from 43.2% in the previous year to 42.1%. In absolute figures, the cost of materials rose by EUR 13.33m (+26.4%), compared with a sales growth rate of +29.6%.

Personnel expenses in terms of sales grew from 31.4% to 32.1% in the first quarter of 2012/2013. In absolute figures, they rose from EUR 36.71m to EUR 48.60m.

Depreciation and amortization amounted to EUR 3.92m for the first quarter of 2012/2013, or below the previous year's level.

Other operating expenses grew by EUR 8.65m or 41.2%.

The tax ratio (taxes as a proportion of untaxed income) was 26.2% in the first quarter of 2012/2013 (PY: 26.6%).

For the first quarter of 2012/2013, the Group achieved a profit of EUR 5.71m, an increase of EUR 1.40m over the corresponding quarter in the previous year. Earnings per share were EUR 0.59.

## Balance Sheet

Current assets were EUR 24.99m higher than at the balance sheet date of 31 March 2012. This is due to an expansion of business activities, notable examples of which are the handling of the UEFA EURO 2012 as well as the initial consolidation of Kyiv Catering LLC and Henry am Zug GmbH.

Consolidated equity (adjusted by scheduled dividend payments and goodwill book values) recorded a rise of EUR 11.26m, from EUR 161.64m as of 31 March 2012 to EUR 168.51m on 30 June 2012.

The equity ratio (after adjustment by scheduled dividend payments and goodwill book values) was 49.9% (vs. 56.8% on 31 March 2012). The reason for the lower equity ratio is similarly to be found in the expansion of business which in turn caused the balance sheet total to be increased.

Current liabilities showed a sharp rise of EUR 41.14m to EUR 141.43m compared to the previous year's balance sheet date. Once again, the root cause is to be found in the enlargement of the company's business activities.

## **Cash Flow**

At EUR 21.06m, the operating cash flow was higher by EUR 10.54m than in the corresponding period in the previous year. This is the result of better earnings for the period and changes in the working capital.

Cash flow from investments is positive, amounting to EUR 3.25m (PY: EUR -2.26m). Investments in fixed and tangible assets were made to the tune of EUR 10.64m. Added to this is a positive effect from the change in liquid funds associated with the initial consolidation of Kyiv Catering LLC and amounting to EUR 14.00m.

Cash flow from financing activities totaled EUR -9.09m (PY: EUR 0m). This results from a dividend payment made by a Turkish subsidiary and a reduction in financial liabilities at the Ukrainian subsidiary Kyiv Catering LLC.

## **Employees**

The average number of employees increased from 4,043 to 4,362 in year-on-year terms. This change was due mostly to the enlargement of the company's business activities in Turkey.

## Airline Catering

Drawing on its unique, innovative and competitive product portfolio, the Airline Catering division contributes the largest share of the sales of the DO & CO Group.

On a global scale, the DO & CO gourmet kitchens in New York, London, Frankfurt, Munich, Milan, Malta, Salzburg, Vienna, Linz, Graz, Kiev and nine further locations in Turkey 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 important domestic customers such as the Austrian Airlines Group and NIKI as well as a number of renowned international airlines such as Turkish Airlines, British Airways, Singapore Airlines, Oman Air, Cathay Pacific, Emirates Airlines, Etihad Airways, Qatar Airways, Royal Air Maroc, South African Airways, Jet Airways, Iberia, Air France and Asiana Airlines.

Airline Catering		1 <sup>st</sup> Quarter			
		2012/2013	2011/2012	Change	Change in %
Sales	m €	92.81	85.62	7.19	8.4%
EBITDA	m €	8.27	8.02	0.25	3.1%
Depreciation/amortization	m €	-3.01	-3.50	0.49	14.0%
EBIT	m €	5.26	4.52	0.74	16.3%
EBITDA margin	%	8.9%	9.4%		
EBIT margin	%	5.7%	5.3%		
Share of Group Sales	%	61.2%	73.2%		

In the first quarter of the 2012/2013 business year, the Airline Catering division rang up sales of EUR 92.81m (PY: EUR 85.62m), a growth of 8.4% over the previous year. The division contributed 61.2% to the Group's overall sales (PY: 73.2%).

EBITDA and EBIT were further improved. At EUR 8.27m, EBITDA was EUR 0.25m (+3.1%) over the corresponding periode in the previous year. EBIT rose from EUR 4.52m to EUR 5.26m (+16.3%). The EBITDA margin amounted to 8.9% in the first quarter of this business year (PY: 9.4%); the EBIT margin was raised from 5.3% to 5.7%.

The international locations all reported notable increases in their sales for the first quarter of the 2012/2013 business year.

At New York's John F. Kennedy Airport, newly acquired customers Asiana Airlines and Egypt Air contributed to the growth, as did the excellent business development with existing customers. The New York unit moreover managed essentially to complete nearly its extension works in the first quarter. Once the logistics centre has been finished, the original unit will be used solely as a gourmet kitchen. This has considerably expanded the capacity of the location. In a similar vein, the units at London Heathrow, Milan Malpensa and Frankfurt each boosted their sales by extending their business volume with existing customers and adding new ones.

Turkish DO & CO, the 50:50 joint venture of DO & CO and Turkish Airlines in Turkey, is able to report pleasant business both with Turkish Airlines and with third parties in the first quarter of 2012/2013. Furthermore, negotiations with Turkish Airlines were completed so that our successful cooperation is set to continue for another five years.

As of June 2012, Kyiv Catering LLC was incorporated in the consolidated financial statements. DO & CO had acquired 51% of the largest airline caterer in Ukraine. With a market share of 60%, Kiev-domiciled Kyiv Catering LLC is the market leader for airline catering in the region, employing more than 500 staff.

The Austrian units reported a decline in sales, the result of austerity programmes instituted by major customers. Other news items are that at the start of the business year Austrian Airlines introduced a new meal ordering system with "DO & CO à la carte meals" which allows passen-

gers to order a DO & CO "à la carte" meal when buying a ticket, but also one hour before takeoff (in Vienna).



## International Event Catering

Sales at the International Event Catering division in the first quarter of 2012/2013 were pushed up by EUR 17.68m to EUR 33.00m (PY: EUR 15.32m), a growth that was mostly driven by the catering provided for the UEFA's EURO 2012.

At EUR 3.31m, the division's EBITDA was substantially above that for the corresponding period in the previous year (EUR 1.52m). The EBITDA margin was 10.0% (PY: 9.9%). EBIT was increased from EUR 1.33m in the corresponding period in the previous year to EUR 2.90m. The EBIT margin was 8.8% (PY: 8.7%).

International Event Catering		1 <sup>st</sup> Quarter			
		2012/2013	2011/2012	Change	Change in %
Sales	m €	33.00	15.32	17.68	115.4%
EBITDA	m €	3.31	1.52	1.79	117.8%
Depreciation/amortization	m €	-0.41	-0.19	-0.22	-115.6%
EBIT	m €	2.90	1.33	1.57	118.1%
EBITDA margin	%	10.0%	9.9%		
EBIT margin	%	8.8%	8.7%		
Share of Group Sales	%	21.8%	13.1%		

In the first quarter of the 2012/2013 business year, the **Major Events** segment fully focused on UEFA's EURO 2012 in Poland and Ukraine. From the opening match in Warsaw on 8 June to the final in Kiev on 1 July, altogether 85,000 VIP guests were treated to DO & CO's high-class culinary performance. DO & CO handled the VIP hospitality for all 31 matches in eight different venues.

Similarly to EURO 2008, DO & CO acted as the hospitality production manager for UEFA organizing the catering for the world's third-largest sports event, the responsibility extending not just to the catering but also to the entire related infrastructure. From the planning stage to the setting-up and dismantling, DO & CO made certain that tents, furniture, decorations and services (such as entertainment, hostesses, security and cleaning) would be provided exactly on schedule.

Moreover and starting already at the end of April, DO & CO provided the catering for UEFA staff working at the various venues. Altogether, more than 42,000 lunch boxes and 121,000 hot meals were served over a period of ten weeks. Players, umpires and other people employed with organizing the tournament were all ensured a constant supply of refreshments.

Quite apart from this extra-large sports event, the segment handled six Formula 1 grands prix: in Shanghai, Bahrain, Barcelona, Monaco, Montreal and Valencia, more than 18,000 VIPs enjoyed the delights of DO & CO's supreme catering.

Another highlight of the quarter was the annual tennis tournament in Madrid as part of the ATP Masters Series. DO & CO was responsible for the culinary services to 34,000 VIP guests and the tennis players themselves.

Another item on the segment's agenda was the UEFA Champions League final at the Munich Allianz Arena in mid-May, where DO & CO indulged 6,000 VIP guests with its culinary treats. Same as every year, in May and June two major horse shows were once again held in Carinthia where DO & CO acted as host to more than 4,300 VIPs.

In the first quarter of the 2012/2013 business year, cooperation with Fortnum & Mason was further intensified. For the first time visitors to the Chelsea Flower Show held in May enjoyed the delicacies of DO & CO Catering.

The **Classic Events** segments similarly reported an pleasant sales growth rate in the first quarter of 2012/2013.

## Restaurants, Lounges & Hotel

In the first quarter of the 2012/2013 business year, the Restaurants, Lounges & Hotel division was able to raise its sales from EUR 16.01m in the corresponding period in the previous year by 60.8% to EUR 25.73m, a rise that was chiefly due to the new railway segment.

At EUR 1.61m, EBITDA was higher by 31.5% (PY: EUR 1.23m). At 6.3%, the EBITDA margin was lower than the level in the corresponding period in the previous year of 7.7%. EBIT increased from EUR 0.93m, in the first quarter of the previous year, to EUR 1.11m. The EBIT margin was 4.3% (PY: 5.8%).

Restaurants, Lounges & Hotel		1 <sup>st</sup> Quarter			
		2012/2013	2011/2012	Change	Change in %
Sales	m €	25.73	16.01	9.73	60.8%
EBITDA	m €	1.61	1.23	0.39	31.5%
Depreciation/amortization	m €	-0.50	-0.29	-0.21	-70.7%
EBIT	m €	1.11	0.93	0.18	19.3%
EBITDA margin	%	6.3%	7.7%		
EBIT margin	%	4.3%	5.8%		
Share of Group Sales	%	17.0%	13.7%		

The Restaurants, Lounges & Hotel division spans the following segments: restaurants, lounges, hotel, Demel, staff restaurants, retail und railway.

With effect on 1 April 2012, DO & CO took over the catering for all long-distance trains run by the Austrian Federal Railways. With its "Henry am Zug", DO & CO took an important strategic step towards a new market segment. DO & CO provides the catering for 160 trains per day. In the first quarter, the segment concentrated on integrating the processes into the DO & CO Group. A new, quality-focused concept will be implemented gradually over several phases within the next few months.

The opening of the Check-In-3 terminal at Vienna Airport gave DO & CO an opportunity to expand in its retail, Demel and lounges segments. On 5 June 2012, DO & CO launched another "Henry – the art of living" shop, a Demel café and a Demel shop at the new terminal. DO & CO was also entrusted with handling the Vienna Airport Lounges and the new Austrian Airlines Lounges at the Skylink.

Similarly, DO & CO exploited further avenues to expansion at Bodrum Airport in Turkey. Starting in May 2012, DO & CO was put in charge of the entire airport catering at the new international terminal. At this location, DO & CO operates two more "Henry – the art of living" shops, numerous other outlets and a restaurant for airport staff.

A highly satisfactory development can also be reported by the lounges segment. Of particular note is the excellent performance of the lounge at Istanbul-Ataturk, newly opened in the second quarter of the 2011/2012 business year.

The restaurants and Demel cafés segments did equally well in the first quarter of 2012/2013.

## DO & CO Stock/ Investor Relations

### Stock market overview

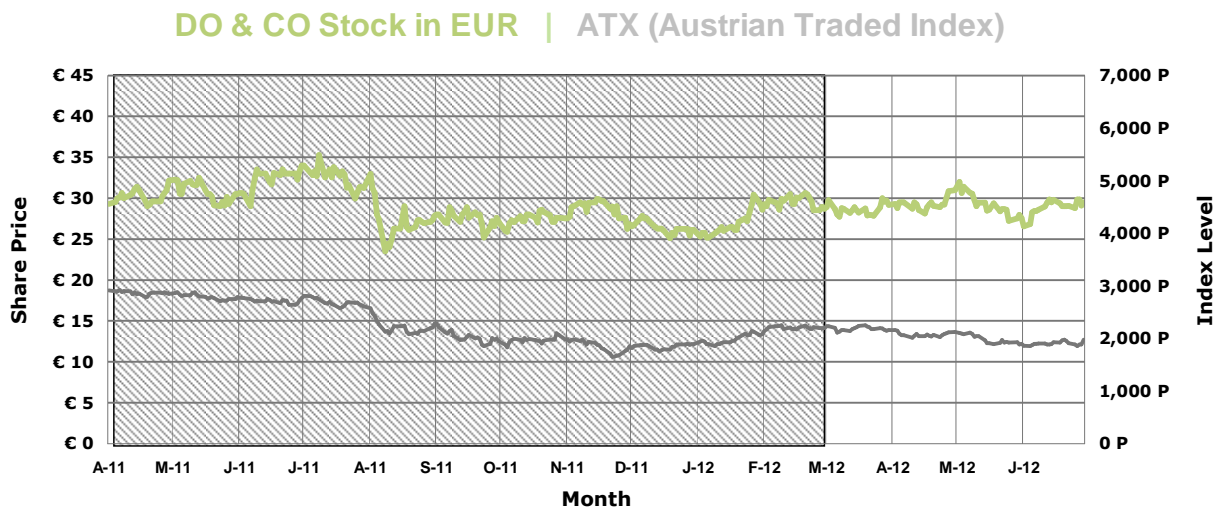
Stock markets were rather sluggish in the first quarter of the 2012/2013 business year. Their negative and volatile performance was due chiefly to the uncertainties as to further economic developments and the tensions pervading the euro zone.

During the reporting period, the ATX dropped from 2,159.06 points on 30 March 2012 to 1,975.35 points on 29 June 2012, a decline of 8.5%. The Istanbul stock exchange managed to maintain its level during the first quarter of the 2012/2013 business year. The Turkish ISE 100 index increased by 0.2%, closing at 62,543.49 points.

### DO & CO Stock

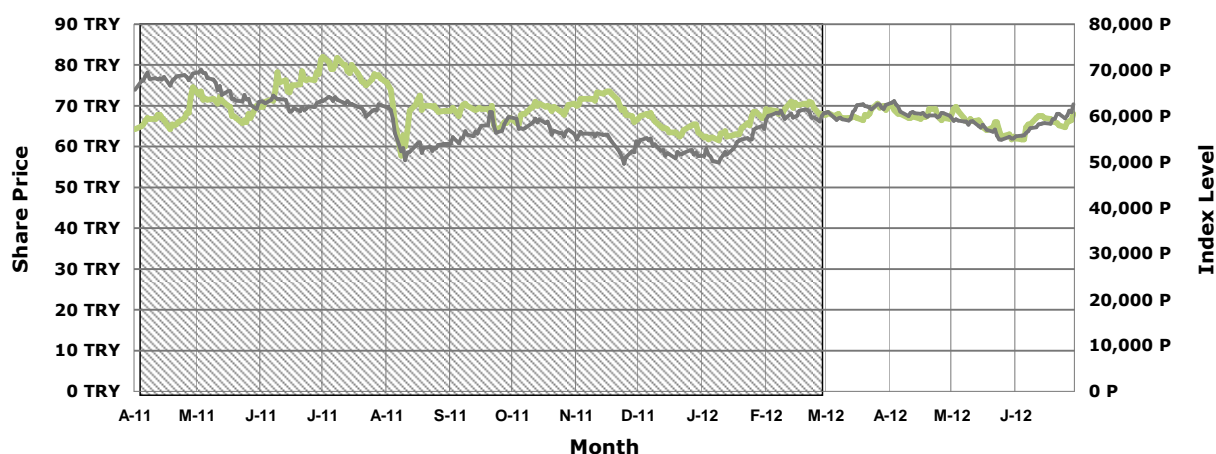
DO & CO stock performed well on the stock exchanges of both Vienna and Istanbul.

While the ATX lost 8.5% over the reporting period, the DO & CO share price rose by 1.1%. DO & CO stock closed at a price of EUR 29.50 on 29 June 2012.



At the Istanbul Stock Exchange, the DO & CO share lost 1.4%, closing at TRY 68.00 on 29 June 2012.

### DO & CO Stock in TRY | ISE 100 (Istanbul Stock Exchange)



### Trading Volume

In the first quarter of the 2012/2013 business year, the average daily trading volume for DO & CO stock at the Istanbul Stock Exchange was TRY 1.07m, a figure that once again substantially exceeded that on the Vienna Stock Exchange. On the latter, the average daily trading volume in DO & CO stock in the first quarter of the 2012/2013 business year, at TEUR 100.85.

### General Meeting of Shareholders

The 14<sup>th</sup> ordinary general meeting of shareholders of DO & CO Restaurants & Catering AG, held on 5 July 2012, decided to pay out a dividend of EUR 0.45 per dividend-bearing share for business year 2011/2012.

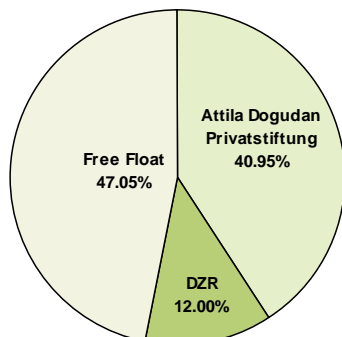
### Share Indices

		1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
High <sup>1</sup>	€	31.99	34.00	35.30	33.45
Low <sup>1</sup>	€	26.55	29.00	23.50	15.00
Price at the end of the period	€	29.50	34.00	29.18	30.15
Weighted number of shares	TPie	9,744	9,744	9,744	8,350
Number of shares at the end of the period	TPie	9,744	9,744	9,744	9,744
Market capitalization at the end of the period	m €	287.45	331.30	284.33	293.78

1 ... Closing price

## Shareholders' Structure at DO & CO Restaurants & Catering AG

Private foundation Attila Dogudan Privatstiftung holds a stake of 40.95% as of 30 June 2012. DZR Immobilien und Beteiligungs GmbH (an indirectly wholly-owned subsidiary of Raiffeisen-Holding Niederösterreich-Wien reg. Gen.m.b.H.) holds a stake of 12.00%. The remaining shares of 47.05% are in the free float.



## Information on the DO & CO Stock

ISIN	AT0000818802
Reuters Code	DOCO.VI, DOCO.IS
Bloomberg Code	DOC AV, DOCO.IT
Indices	ATX Prime, ISE100
WKN	081880
Listed at	Vienna, Istanbul
Currency	EUR; TRY

## Financial Calendar

15 November 2012	Result of the first half year of 2012/2013
07 February 2013	Result of the first three quarters of 2012/2013

## Investor Relations

In the first quarter of the 2012/2013 business year, the management of DO & CO Restaurants & Catering AG held talks with many institutional investors and financial analysts, mostly in the course of investor conferences and road shows. These talks took place in London, Frankfurt, Prague, Vienna, Istanbul and Moscow.

Analyses and reports involving the DO & CO stock are currently published by eight international institutions:

- Erste Bank
- Wood Company
- Renaissance Capital
- İş Investment
- Eczacıbaşı Securities
- Garanti Securities
- Kepler Capital Markets
- BGC Partners

Analysts on average have an upside target of EUR 39.01 (status: 31 July 2012).

All our published materials and information on the DO & CO stock 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)

## Outlook

The Airline Catering division remains affected by the high volatility and considerable dynamism of the market situation.

The division intends to continue concentrating its sales activities on the DO & CO locations, expanding its business relations with existing customers and acquiring new additions to its stock of clients.

Works to expand the unit at the New York location are being finished. On 1 August catering will be launched for the daily Etihad long-distance flight to Abu Dhabi. Furthermore, British Airways was obtained as a new customer which is of considerable strategic importance. Starting in September, the catering for ten daily long-range flights to London Heathrow and London City will be supplied by DO & CO.

After Kyiv Catering LLC was incorporated in the DO & CO Group on 31 May, efforts will be made over the next months to integrate its business into the Group. In the medium term, DO & CO aims to grow in Ukraine not just with its airline catering but also with the Viennese coffee shop culture, gourmet shops and event catering.

The International Event Catering division will be kept busy over the coming months by numerous national as well as international events that call for its gastronomic catering services.

In July, DO & CO will be once again responsible for catering at the CHIO show jumping event in Aachen and the annual beach volleyball tournament at Klagenfurt/Wörthersee. Additionally, the joint venture operated by Fortnum & Mason and DO & CO will organize the culinary side of the Tatton Flower Show in the United Kingdom.

As a fixture of the second quarter, VIP guests at the Formula 1 grands prix in Europe (UK, Germany, Hungary, Belgium and Italy) will once again be cosseted with DO & CO food. The third quarter, on the other hand, will be given over to the grands prix organized overseas. This year there will be a grand prix in Austin, Texas, newly added to the schedule.

The Restaurants, Lounges & Hotel division will concentrate on retail and the new railway catering segment over the next months. After the Austrian Railways catering was handed over on 1 April 2012, the next months will see the phased implementation of a new and quality-focused concept.

DO & CO's retail segment is preparing to open three new units in Vienna.

The division is also progressing the construction works for the new hotel in Istanbul which is scheduled to be opened in late 2013.

Continuing its activities of past quarters, DO & CO is evaluating on an ongoing basis possible targets for acquisitions in many markets that cover its airline catering, restaurants and retail segments.

It should be noted that the board of DO & CO Restaurants & Catering AG has been reinforced with new members. With this, DO & CO Restaurants & Catering AG will be able to better utilize and focus on the diverse challenges and opportunities of its various markets, and the company is thus 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 potential growth opportunities.



# Glossary of Key Figures

## EBITDA margin

Ratio of EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) to sales

## EBIT margin

Ratio of EBIT (Earnings before Interest and Taxes) to sales

## Equity ratio

Shows the relationship of equity capital, adjusted by dividend payments and book values for goodwill, to total capital

## Net debts

Financial liabilities less cash and cash equivalents and marketable securities listed under current assets

## Gearing ratio

Financial management expressed as the ratio of net debts to equity (adjusted by dividend payments and book values for goodwill)

## Working capital

The surplus of current assets above and beyond short-term borrowed capital

## Free cash flow

Cash flow from operating activities plus cash flow from investing activities

## ROS – Return on sales

Return on sales, i.e. the ratio of the result on ordinary activities to sales

## ROE – Return on equity

The ratio of taxed earnings (before amortization of goodwill) to average equity after dividend distribution and deduction of the book values of goodwill

**Consolidated Financial Statements**  
**for the First Quarter of 2012/2013 (unaudited)**

of the DO & CO Group according to IFRS

## Consolidated Balance Sheet as of 30 June 2012 (unaudited)

Note	Assets in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
	Intangible assets	15,444	18,208	14,685	19,922
	Tangible assets	94,477	58,035	67,468	58,830
	Financial assets	2,018	1,994	1,882	1,850
(1)	<b>Fixed assets</b>	<b>111,939</b>	<b>78,237</b>	<b>84,034</b>	<b>80,601</b>
(2)	Other long-term assets	4,626	3,282	4,519	3,277
	<b>Long-term assets</b>	<b>116,565</b>	<b>81,519</b>	<b>88,553</b>	<b>83,878</b>
(3)	Inventories	14,995	14,964	11,465	13,436
(4)	Trade accounts receivable	66,851	43,074	44,800	31,870
(4)	Other Short-term accounts receivable and assets	38,708	15,086	55,754	11,308
(5)	Cash and cash equivalents	101,497	115,745	85,041	109,312
	<b>Current assets</b>	<b>222,052</b>	<b>188,868</b>	<b>197,060</b>	<b>165,926</b>
	Deferred taxes	3,043	3,338	2,963	2,794
	<b>Total assets</b>	<b>341,659</b>	<b>273,726</b>	<b>288,576</b>	<b>252,598</b>
Note	Liabilities and shareholders' equity in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
	Nominal capital	19,488	19,488	19,488	19,488
	Capital reserves	70,602	70,602	70,602	70,602
	Revenue reserves	63,133	47,215	43,805	31,787
	Foreign currency translation reserve	-5,610	-8,287	-7,335	-6,927
	Special item	349	0	0	0
	Consolidated result	5,715	4,310	19,328	15,428
	<b>Equity attributable to the shareholders of DO &amp; CO AG</b>	<b>153,677</b>	<b>133,329</b>	<b>145,888</b>	<b>130,379</b>
	Minority interests	23,278	20,586	24,191	20,665
(6)	<b>Shareholders' equity</b>	<b>176,955</b>	<b>153,915</b>	<b>170,079</b>	<b>151,044</b>
(7)	Long-term provisions	19,203	17,145	18,210	17,062
(8)	Other long-term liabilities	4,071	0	0	0
	<b>Long-term liabilities</b>	<b>23,274</b>	<b>17,145</b>	<b>18,210</b>	<b>17,062</b>
(9)	Short-term provisions	70,850	50,470	48,542	43,278
	Short-term financial liabilities	3,299	0	0	0
(10)	Trade accounts payable	47,615	37,575	33,882	30,374
(11)	Other short-term liabilities	19,666	14,621	17,863	10,841
	<b>Current liabilities</b>	<b>141,430</b>	<b>102,666</b>	<b>100,286</b>	<b>84,493</b>
	<b>Total liabilities and shareholders' equity</b>	<b>341,659</b>	<b>273,726</b>	<b>288,576</b>	<b>252,598</b>

## Income Statement for the Group (unaudited)

for the first quarter of 2012/2013

Note	in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
(12)	<b>Sales</b>	<b>151,550</b>	<b>116,949</b>	<b>466,355</b>	<b>426,068</b>
(13)	Other operating income	3,690	1,991	12,108	10,296
(14)	Costs of materials and services	-63,799	-50,468	-193,660	-177,749
(15)	Personnel expenses	-48,601	-36,711	-149,454	-136,114
(16)	Depreciation of tangible fixed assets and Impairment of tangible fixed assets	-3,917	-3,979	-16,087	-17,524
(17)	Other operating expenses	-29,644	-20,992	-83,827	-76,658
	<b>EBIT - Operating result</b>	<b>9,279</b>	<b>6,790</b>	<b>32,397</b>	<b>28,321</b>
(18)	Financial result thereof from associated companies	887 149	859 144	3,184 186	2,528 462
	<b>Profit before taxes</b>	<b>10,166</b>	<b>7,649</b>	<b>35,582</b>	<b>30,848</b>
(19)	Income tax	-2,660	-2,032	-9,098	-8,452
	<b>Profit after taxes</b>	<b>7,506</b>	<b>5,617</b>	<b>26,484</b>	<b>22,397</b>
(20)	Minority interests	-1,791	-1,307	-7,156	-6,969
	<b>Consolidated result</b>	<b>5,715</b>	<b>4,310</b>	<b>19,328</b>	<b>15,428</b>

### Key Figures per share

	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Issued shares (in Pie)	9,744,000	9,744,000	9,744,000	9,744,000
Weighted shares (in Pie)	9,744,000	9,744,000	9,744,000	8,350,246
<b>Earnings per share</b>	<b>0.59</b>	<b>0.44</b>	<b>1.98</b>	<b>1.85</b>

## Statement of Cash Flows for the Group (unaudited)

in TEUR	1 <sup>st</sup> Quarter 2012 / 2013	1 <sup>st</sup> Quarter 2011 / 2012	Business Year 2011 / 2012	Business Year 2010 / 2011
<b>Profit before taxes</b>	<b>10,166</b>	<b>7,649</b>	<b>35,582</b>	<b>30,848</b>
+ Depreciation / amortization & impairment	3,917	3,979	19,584	17,524
-/+ Gains / losses from disposals of fixed assets	-6	-46	121	203
+/- Earnings from associated companies	-149	-144	-36	-200
<b>Cash-flow from result</b>	<b>13,928</b>	<b>11,438</b>	<b>55,250</b>	<b>48,375</b>
-/+ Increase / decrease in inventories and short-term accounts receivable	-20,936	-15,247	-15,418	-783
+/- Increase / decrease in provisions	20,461	6,094	4,528	4,822
+/- Increase / decrease in trade accounts payable and other liabilities	9,727	9,312	11,051	11,852
+/- Currency-related changes in non fund assets	-2,275	2,181	412	1,387
+/- Change in adjustment items from debt consolidation	1,327	-598	948	-734
- Income tax payments and changes in deferred taxes	-1,174	-2,657	-11,097	-7,251
<b>Cash-flow from operating activities</b>	<b>21,059</b>	<b>10,524</b>	<b>45,672</b>	<b>57,668</b>
+/- Income from disposals of tangible and intangible fixed assets	8	66	325	276
+/- Changes in cash and cash equivalents arising from changes to the scope of consolidation	13,995	0	0	12
- Outgoing payments from additions to tangible and intangible fixed assets	-10,638	-2,322	-22,648	-16,259
- Outgoing payments for additions to long-term investments and other current assets	-3	0	-40,146	-5
-/+ Increase / decrease in long-term receivables	-107	-6	-79	14
<b>Cash-flow from investing activities</b>	<b>3,254</b>	<b>-2,261</b>	<b>-62,548</b>	<b>-15,962</b>
- Dividend payment to shareholders	0	0	-3,410	-1,914
- Dividend payment to minority shareholder	-3,257	0	-2,101	-1,234
+ Capital increase and disposal of own shares	0	0	0	42,638
+/- Cash-flow from purchase of own shares	0	0	0	-274
+/- Increase / decrease in financial liabilities	-5,838	0	0	0
<b>Cash-flow from financing activities</b>	<b>-9,095</b>	<b>0</b>	<b>-5,512</b>	<b>39,216</b>
<b>Total cash-flow</b>	<b>15,218</b>	<b>8,263</b>	<b>-22,388</b>	<b>80,921</b>
Cash and cash equivalents at the beginning of the year	85,041	109,312	109,312	29,171
Effects of exchange rate changes on cash and cash equivalents	1,238	-1,830	-1,884	-780
Cash and cash equivalents at the end of the year	101,497	115,745	85,041	109,312
<b>Change in funds</b>	<b>15,218</b>	<b>8,263</b>	<b>-22,388</b>	<b>80,921</b>

## Changes in Shareholders' Equity for the Group (unaudited)

in TEUR	The imputable share to shareholders of the DO & CO AG										Total	Minority interests	Shareholders' equity
	Nominal capital	Capital reserves	Revenue reserves	Consolidated Result	Currency translation differences of subsidiaries	Effect of Net Investment Approach	Deferred Taxes	Own shares	Special item Minority interests	Other comprehensive income			
<b>As of 31 March 2011</b>	19,488	70,602	31,787	15,428	-53	-9,237	2,363	0	0		130,378	20,665	151,044
Dividend payment 2010/2011											0		0
Profit carried forward 2010/2011			15,428	-15,428							0		0
Total result				4,310	-762	-808	210				2,951	-80	2,871
Changes in own shares											0		0
<b>As of 30 June 2011</b>	19,488	70,602	47,215	4,310	-815	-10,044	2,573	0	0		133,329	20,586	153,914
<b>As of 31 March 2012</b>	19,488	70,602	43,805	19,328	-1,409	-7,939	2,013	0	0		145,888	24,191	170,079
Addition of minority interests											0	3,471	3,471
Dividend payment 2011/2012											0	-3,257	-3,257
Profit carried forward 2011/2012			19,328	-19,328							0		0
Total result			0	5,715	399	1,841	-514				7,440	2,692	10,132
Changes in acquisition of minority interests										349	349	-3,820	-3,471
<b>As of 30 June 2012</b>	19,488	70,602	63,133	5,715	-1,010	-6,099	1,499	0	349		153,677	23,278	176,955

## Statement of Comprehensive Income for the Group (unaudited)

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
<b>Profit after taxes</b>	<b>7,506</b>	<b>5,617</b>	<b>26,484</b>	<b>22,397</b>
Differences of Currency translation	1,299	-2,149	-2,885	-2,067
Effect of Net Investment Approach	1,841	-808	1,298	-890
Income Tax of other comprehensive income and expensive	-514	210	-350	156
<b>Other comprehensive income after taxes</b>	<b>2,626</b>	<b>-2,746</b>	<b>-1,937</b>	<b>-2,802</b>
<b>Total comprehensive income for the period</b>	<b>10,132</b>	<b>2,871</b>	<b>24,547</b>	<b>19,595</b>
Attributable to minority interests	2,692	-80	5,627	5,458
Attributable to shareholders of parent company	7,440	2,951	18,920	14,137

## Subsidiaries

of DO & CO Restaurants & Catering AG as of 30 June 2012

Company	Place of registration	Country	Share of stock in %	Controlling Company <sup>1</sup>	Currency	Nominal Capital in TDC <sup>2</sup>
<b>Companies included in full in the consolidated accounts</b>						
DO & CO Party-Service & Catering GmbH	Vienna	A	100.0	DCAG	EUR	36 3)
DO & CO im Haas Haus Restaurantbetriebs GmbH	Vienna	A	100.0	DCAG	EUR	36 3)
DO & CO Catering-Consult & Beteiligungs GmbH	Vienna	A	100.0	DINV	EUR	36
DO & CO - Salzburg Restaurants & Betriebs GmbH	Salzburg	A	100.0	DCAG	EUR	36 3)
DO & CO - Baden Restaurants & Veranstaltungen GmbH	Baden	A	100.0	DCAG	EUR	36 3)
DO & CO Albertina GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
AIOLI Airline Catering Austria GmbH	Vienna-Airport	A	100.0	DCAG	EUR	36 3)
AIOLI Restaurants & Party-Service GmbH	Vienna	A	100.0	DCAG	EUR	36 3)
K.u.K. Hofzuckerbäcker Ch. Demel's Söhne GmbH	Vienna	A	100.0	DCCC	EUR	799 4)
Demel Salzburg Cafe-Restaurant Betriebs GmbH	Salzburg	A	100.0	DCAG	EUR	35 3)
B & B Betriebsrestaurants GmbH	Vienna	A	100.0	DCAG	EUR	36 3)
DO & CO Airport Hospitality GmbH	Vienna	A	100.0	DCCC	EUR	35 4)
(vormals: Cafe-Restaurant & Catering im Casino Wien GmbH)	Vienna	A	100.0	DCCC	EUR	35
DO & CO im PLATINUM Restaurantbetriebs GmbH	Vienna	A	90.0	DCCC	EUR	35
DO & CO Airline Catering Austria GmbH	Vienna	A	100.0	DCAG	EUR	150 3)
Sky Gourmet-airline catering and logistics GmbH	Vienna-Airport	A	100.0	DCCC	EUR	800 4)
DO & CO (Deutschland) Holding GmbH	Kelsterbach	D	100.0	DINV	EUR	25
DO & CO München GmbH	Schwaig/Oberding	D	100.0	DDHO	EUR	25 5)
DO & CO Frankfurt GmbH	Kelsterbach	D	100.0	DDHO	EUR	25 5)
DO & CO Berlin GmbH	Berlin	D	100.0	DDHO	EUR	25 5)
DO & CO Lounge GmbH	Frankfurt	D	100.0	DDHO	EUR	25 5)
DO & CO Italy S.r.l.	Vizzola Ticino	I	100.0	DCAG	EUR	1,275
DO & CO Restauración & Catering Espana, S.L.	Barcelona	E	100.0	DINV	EUR	3
DO & CO International Catering Ltd.	Feltham	GB	100.0	DINV	EUR	30 6)
DO & CO Event & Airline Catering Ltd.	Feltham	GB	100.0	DINV	GBP	0
DO & CO International Investments Ltd.	London	GB	100.0	DCAG	EUR	0 6)
Total Inflight Solution GmbH	Vienna	A	100.0	DCCC	EUR	35 4)
DO & CO Museum Catering Ltd.	London	GB	100.0	DINV	GBP	0
DO & CO Holdings USA, Inc.	Wilmington	USA	100.0	DINV	USD	100
DO & CO Miami Catering, Inc.	Miami	USA	100.0	DHOL	USD	1
DO & CO New York Catering, Inc.	New York	USA	100.0	DHOL	USD	1
DO & CO - Restauração e Catering, Sociedade Unipessoal, Lda	Lissabon	P	100.0	DINV	EUR	5
DOCO Istanbul Catering ve Restaurant Hiz. Tic. ve San. A.S.	Istanbul	TK	100.0	DINV	TRY	750
THY DO & CO Ikram Hizmetleri A.S.	Istanbul	TK	50.0	DIST	TRY	30,000
DO & CO Event Austria GmbH	Vienna	A	100.0	DCAG	EUR	100 3)
DO & CO Catering & Logistics Austria GmbH	Vienna	A	100.0	DCAG	EUR	100 3)
DO & CO International Event AG	Zug	CH	100.0	DINV	CHF	100
DO & CO International Catering & Logistics AG	Zurich	CH	100.0	DINV	CHF	100
Sky Gourmet Slovensko s.r.o.	Bratislava	SK	100.0	DSKY	EUR	63 7)
DO & CO Olympiapark München Restaurant GmbH	Munich	D	100.0	DDHO	EUR	25 5)
DO & CO Olympiapark München Catering GmbH	Munich	D	100.0	DDHO	EUR	25 5)
DEMEL New York Inc.	New York	USA	100.0	DHOL	USD	1
Do & Co Restaurantbetriebsgesellschaft m.b.H.	Vienna	A	100.0	DCAG	EUR	36 3)
Ibrahim Halil Dogudan Gesellschaft m.b.H.	Vienna	A	100.0	DCAG	EUR	36 3)
DO & CO Procurement GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
DO & CO Gourmet Kitchen Cold GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
DO & CO Gourmet Kitchen Hot GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
DO & CO Pastry GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
DO & CO Airline Logistics GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
DO & CO Facility Management GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
DO & CO Special Hospitality Services GmbH	Vienna	A	100.0	DCAG	EUR	35 3)
DO & CO Hospitality Management Poland Sp. z o.o.	Warsaw	PL	99.0	DCCC	ZŁ	5 9)
DO & CO Events Poland Sp. z o.o.	Warsaw	PL	99.0	DCCC	ZŁ	5 9)
DO & CO Ukraine Limited Liability Company	Kiev	UA	99.0	DCCC	EUR	50 9)
Kyiv Catering LLC	Kiev	UA	51.0	DCNL	UAH	1
Henry am Zug GmbH	Vienna	A	100.0	DCCC	EUR	35
DO & CO Netherlands Holding B.V.	The Hague	NL	51.0	DINV	EUR	20
<b>Companies included at equity in the consolidated accounts</b>						
Sky Gourmet Malta Ltd.	Fgura	MT	40.0	DSKY	EUR	1 8)
Sky Gourmet Malta Inflight Services Ltd.	Fgura	MT	40.0	DSKY	EUR	1 8)
ISS Ground Services GmbH	Vienna	A	49.0	DTIS	EUR	218
Fortnum & Mason Events Ltd.	London	GB	50.0	DLHR	GBP	0

- 1) DCAG = DO & CO Restaurants & Catering Aktiengesellschaft  
DCCC = DO & CO Catering-Consult & Beteiligungs GmbH  
DHOL = DO & CO Holdings USA, Inc.  
DINV = DO & CO International Investments Ltd.  
DDHO = DO & CO (Deutschland) Holding GmbH  
DSKY = Sky Gourmet - airline catering and logistics GmbH  
DIST = DOCO Istanbul Catering ve Restaurant Hiz. Tic. ve San A.S.  
DTIS = Total Inflight Solution GmbH  
DLHR = DO & CO Event & Airline Catering Ltd.  
DNHO = DO & CO Netherlands Holding B.V.

- 2) TDC = in thousands of domestic currency units  
3) There is a profit transfer agreement between these companies and the DO & CO Restaurants & Catering Aktiengesellschaft.  
4) There is a profit transfer agreement between these companies and the DO & CO Catering-Consult & Beteiligungs GmbH.  
5) There is a profit transfer agreement between these companies and the DO & CO (Deutschland) Holding GmbH.  
6) The nominal capital was initially paid in GBP.  
7) The nominal capital was initially paid in SKK.  
8) The nominal capital was initially paid in MTL.  
9) 1% of each was held by DO & CO Event Austria GmbH.

## **Notes to the Consolidated Financial Statements (unaudited)**

### **I. General Information**

#### 1. Basic Principles

DO & CO Restaurants & Catering AG is an international catering group with headquarter in Vienna, Austria. It conducts business in three segments: Airline Catering, International Event Catering, and Restaurants, Lounges & Hotel.

Its reporting date is March 31.

The interim financial statements of all subsidiaries included here were properly prepared in accordance with the International Financial Reporting Standards (IFRS) valid for the business year 2012/2013 as applied in the European Union and in application of the parent's standard group-wide accounting and valuation principles.

The interim financial statements as of 30 June 2012 were prepared in accordance with IAS 34 (Interim Financial Reporting). The consolidated interim financial statements do not contain all information and disclosures that the annual financial statements do and should be viewed in conjunction with the consolidated financial statements as of 31 March 2012.

The interim financial statements as of 30 June 2012 is neither audited nor reviewed.

Unless otherwise indicated, the interim financial statements are stated in thousands of euros (TEUR), as are the figures in the Notes. In adding up rounded figures and percentages, rounding differences may occur due to the use of automated computing aids.

#### 2. Accounting and Valuation Principles

The accounting and valuation principles were the same as those applied in the previous year's consolidated financial statements.

Futures and options traded on the occasion of a merger are shown in the annual accounts as follows:

When a merger is first included, an item is shown in equity for minority shareholders. Subsequently, changes in the assets position of the minority shareholders are considered directly in the equity pursuant to the rules of IAS 27, at the end of each reporting period. Correspondingly, the parent company recognizes the financial liability from the option writer's position without affecting net income ("minorities" special item) as a derivative pursuant to IAS 39 as a long-term financial liability. In subsequent periods during the term of the derivative, the amounts considered in the equity at the relevant reporting date are removed. Differences between the removed equity amounts and the amount of financial liability recognised or adjusted

are reported in accordance with the regulations to map transactions between shareholder groups within the equity of a parent company. The mapping in the balance sheet assumes that the parent company's shareholders acquire the re-recognized asset of the minority shareholders at each balance sheet date.

### 3. Scope of Consolidation

The following companies will be newly included in the consolidated financial statements in the first quarter of the 2012/2013 business year:

Full consolidation	Percentage share	Date of initial consolidation	
Kyiv Catering LLC	51%	31 May 2012	controlling majority
Henry am Zug GmbH	100%	1 April 2012	controlling majority

No goodwill was capitalized to facilitate the additions to the consolidated group.

In the interim financial statements the acquisitions contributed TEUR 8,646 to the Group's sales revenues and TEUR 767 to the result after taxes on earnings. Had the businesses been acquired at the start of the business year, this would have had negligible effects on the sales revenues and the result after taxes on earnings.

The impact on the interim financial statements is as follows:

	in TEUR
Long-term assets	18,678
Short-term assets	9,635
Long-term debts	257
Short-term debts	17,407

The acquired companies were incorporated in the consolidated financial statements by carrying the fair values of the assets, debts and contingent debts computed as provided for in IFRS 3 as of the date of acquisition, with due consideration of the relevant depreciations. Due to uncertainties of evaluation, the figures for intangible assets, accounts payable and provisions are preliminary as provided for in IFRS 3.

### 4. Currency Translation

The interim financial statements of the foreign subsidiaries were translated in accordance with the functional currency principle as outlined in IAS 21 (The Effects of Changes in Foreign Exchange Rates). The functional currency of the foreign companies is the national currency of their country of registration since the subsidiaries are financially, economically and organizationally independent in their conduct of business. The only exceptions are two British companies.

The interim financial statements of ten foreign subsidiaries with registered offices outside the Community Territory of the Member States of the European Union and each with two subsidiaries with registered offices in the United Kingdom and Poland as well as one subsidiary in the Ukraine were translated in accordance with the principles of the modified current rate method. The balance sheet items were valued at the mean rate on the reporting date of 30 June 2012. Income and expenses on the income statement were translated at the annual average rate.

Translation differences on the reporting date arising from the balance sheet were allocated to shareholders' equity without affecting profit and loss. Translation differences between the reporting date rate within the balance sheet and the average rate in the income statement were offset in shareholders' equity.



Non-realized translation adjustments in conjunction with monetary items economically allocable to a share in an associated company, particularly borrowings under company loans issued to subsidiaries, were recognized with no effect on profit or loss in an adjustment item from currency translation and offset in shareholders' equity.

The exchange rates applied in currency conversion for significant currencies developed as follows:

1 Euro corresponds to:	Reporting Date Rate		Cum. Average Rate	
	30 June 2012	30 June 2012	30 June 2012	30 June 2012
US Dollar	1.259000	1.445300	1.274700	1.456600
British Pound	0.806800	0.902550	0.809400	0.888767
Turkish Lira	2.283400	2.350000	2.303067	2.301167
Swiss Franc	1.203000	1.207100	1.201900	1.240433
Zloty	4.248800	-	4.272900	-
Ukrainian Hryvnia	10.305000	-	10.419367	-

## 5. Seasonal Nature of Business

Fluctuations in business volume are significant in Airline Catering and International Event Catering. The larger volume of flights and passengers among airline customers especially in the first and second quarters of the business year due to the holiday and charter season have a major influence on Airline Catering whereas for International Event Catering the main factor is the changing dates of large-scale sports events.

## II. Notes to the Statement of Financial Position and Income Statement for the Group

### II.1. Statement of Financial Position for the Group

#### (1) Fixed Assets

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Intangible assets	15,444	18,208	14,685	19,922
Tangible assets	94,477	58,035	67,468	58,830
Financial assets	2,018	1,994	1,882	1,850
<b>Total</b>	<b>111,939</b>	<b>78,237</b>	<b>84,034</b>	<b>80,601</b>

The investments item contains stakes in Sky Gourmet Malta Ltd., Sky Gourmet Malta Inflight Services Ltd., ISS Ground Services GmbH and Fortnum & Mason Events Ltd, all of which are included in the consolidated financial statements at equity.

#### (2) Other Long-term Assets

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Other long-term assets	4,626	3,282	4,519	3,277
<b>Total</b>	<b>4,626</b>	<b>3,282</b>	<b>4,519</b>	<b>3,277</b>

The other long-term assets of subsidiaries included in the consolidated accounts pertain primarily to long-term capitalized advance income tax payments by DO & CO Restaurants & Catering AG due to the latter having a business year ending on 31 March 2012 and thus diverging from the calendar year and due to deposit payments put down for leased facilities.

#### (3) Inventories

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Raw materials and supplies	7,978	6,350	6,166	5,953
Goods	7,018	8,614	5,299	7,482
<b>Total</b>	<b>14,995</b>	<b>14,964</b>	<b>11,465</b>	<b>13,436</b>

#### (4) Trade Accounts Receivable and Other Current Accounts Receivable and Assets

The short-term assets with a residual term of less than one year can be summarized as follows:

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
<b>Trade accounts receivable</b>	<b>66,851</b>	<b>43,074</b>	<b>44,800</b>	<b>31,870</b>
Accounts receivable from companies with distributed ownership	616	786	616	784
Other accounts receivable and assets	35,264	12,404	53,778	9,275
Prepaid expenses	2,828	1,896	1,359	1,250
Other current assets	0	0	0	0
<b>Total of other current accounts receivable and other current assets</b>	<b>38,708</b>	<b>15,086</b>	<b>55,754</b>	<b>11,308</b>
<b>Total</b>	<b>105,559</b>	<b>58,160</b>	<b>100,554</b>	<b>43,178</b>

## (5) Cash and Cash Equivalents

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Cash, checks	1,683	463	353	242
Cash at banks	99,814	115,282	84,688	109,071
<b>Total</b>	<b>101,497</b>	<b>115,745</b>	<b>85,041</b>	<b>109,312</b>

## (6) Shareholders' Equity

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Capital stock	19,488	19,488	19,488	19,488
Capital reserves	70,602	70,602	70,602	70,602
Revenue reserves	63,133	47,215	43,805	31,787
Foreign currency translation reserve	-5,610	-8,287	-7,335	-6,927
Consolidated result	5,715	4,310	19,328	15,428
Special item	349	0	0	0
<b>Equity attributable to the shareholders of DO &amp; CO AG</b>	<b>153,677</b>	<b>133,329</b>	<b>145,888</b>	<b>130,379</b>
Minority interests	23,278	20,586	24,191	20,665
<b>Total</b>	<b>176,955</b>	<b>153,915</b>	<b>170,079</b>	<b>151,044</b>

## (7) Long-term Provisions

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Provisions for severance payments PBO	13,832	12,597	13,063	12,631
Provisions for long-service anniversary payments PBO	4,370	3,693	3,971	3,555
Provisions for deferred tax	399	228	574	249
Provisions for pension payments	558	551	558	551
Other Provisions	45	76	45	76
<b>Total</b>	<b>19,203</b>	<b>17,145</b>	<b>18,210</b>	<b>17,062</b>

## (8) Other long-term liabilities

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Other liabilities	4,071	0	0	0
<b>Total</b>	<b>4,071</b>	<b>0</b>	<b>0</b>	<b>0</b>

## (9) Short-term Provisions

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Provisions for taxation	10,059	7,951	8,308	6,747
Other personnel provisions	14,893	12,529	13,642	12,337
Deliveries and services not yet invoiced	13,530	7,904	3,254	3,951
Other provisions	32,368	22,087	23,338	20,242
<b>Total</b>	<b>70,850</b>	<b>50,470</b>	<b>48,542</b>	<b>43,278</b>

## (10) Short-term financial liabilities

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
Current account	3,299	0	0	0
<b>Total</b>	<b>3,299</b>	<b>0</b>	<b>0</b>	<b>0</b>

## (11) Trade Accounts Payable and Other Short-term Liabilities

in TEUR	30 June 2012	30 June 2011	31 March 2012	31 March 2011
<b>Trade accounts payable</b>	<b>47,615</b>	<b>37,575</b>	<b>33,882</b>	<b>30,374</b>
Advance payments received on orders	7,680	1,348	5,534	321
Other liabilities	10,313	10,571	11,471	9,372
Deferred income	1,673	2,702	858	1,148
<b>Total other short-term liabilities</b>	<b>19,666</b>	<b>14,621</b>	<b>17,863</b>	<b>10,841</b>
<b>Total</b>	<b>67,281</b>	<b>52,196</b>	<b>51,745</b>	<b>41,215</b>

## Contingent Liabilities and Other Contingencies

in TEUR	30 June 2012	30 June 2011
Securities	11,921	11,381

As was the case the previous year, the amounts recorded under this item still pertain to guarantees of supply from Turkey and to bank guarantees to secure claims in connection with leases and to collateralize refunds of advance tax payments from the Italian fiscal authorities.

## II.2. Income Statement for the Group

The consolidated income statement was prepared in accordance with the total cost method.

### (12) Sales

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Airline Catering	92,811	85,616	349,811	327,178
International Event Catering	33,004	15,324	46,010	36,647
Restaurants, Lounges & Hotel	25,734	16,008	70,536	62,244
<b>Total</b>	<b>151,550</b>	<b>116,949</b>	<b>466,355</b>	<b>426,068</b>

### (13) Other Operating Income

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Proceeds of the disposal of fixed assets	8	66	190	138
Income from the release of provisions	98	385	4,105	4,635
Release of provisions for bad debts	6	7	113	281
Insurance payments	5	24	166	163
Rent income	23	24	97	174
Exchange rate differences	2,528	1,024	4,587	2,327
Miscellaneous operating income	1,023	460	2,851	2,577
<b>Total</b>	<b>3,690</b>	<b>1,991</b>	<b>12,108</b>	<b>10,296</b>

### (14) Costs of Materials and Services

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Costs of materials (including goods purchased for resale)	50,674	41,409	163,785	149,674
Costs of services	13,126	9,059	29,875	28,074
<b>Total</b>	<b>63,799</b>	<b>50,468</b>	<b>193,660</b>	<b>177,749</b>

### (15) Personnel Expenses

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Wages and salaries	39,312	29,281	116,587	106,823
Expenses for severance payments	1,181	953	5,124	3,168
Expenses for legally mandated social security contributions and for related costs	6,752	5,353	23,058	21,080
Other social expenses	1,356	1,124	4,685	5,043
<b>Total</b>	<b>48,601</b>	<b>36,711</b>	<b>149,454</b>	<b>136,114</b>

## (16) Depreciation of Tangible Fixed Assets and Amortization of Intangible Fixed Assets

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Scheduled amortization and depreciation	3,917	3,979	16,087	17,524
Impairment of tangible and intangible fixed assets	0	0	3,038	0
<b>Total</b>	<b>3,917</b>	<b>3,979</b>	<b>19,125</b>	<b>17,524</b>

## (17) Other Operating Expenses

The composition of other operating expenses was as follows:

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Other taxes (excluding income taxes)	467	388	1,361	1,277
Rentals, leases and operating costs (including airport fees)	13,565	11,154	45,163	43,335
Travel and communication expenses	6,144	2,546	8,495	6,836
Transport, vehicle expenses and maintenance	3,762	3,055	10,539	9,534
Insurance	196	205	882	833
Legal, auditing and consulting expenses	1,290	657	3,835	3,241
Other personnel costs	164	159	615	594
Miscellaneous operating expenses	1,817	1,234	4,216	4,813
Value adjustments, losses on bad debts	130	50	1,365	529
Exchange rate differences	1,364	1,012	4,863	3,046
Accounting losses from the disposal of fixed assets	2	20	310	341
Other administrative expenses	744	511	2,182	2,278
<b>Total</b>	<b>29,644</b>	<b>20,992</b>	<b>83,827</b>	<b>76,658</b>

## (18) Financial Result

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
<b>Income from participations</b>				
Results from investments	149	144	186	462
of which from associated companies	149	144	186	462
<b>Total income from participations</b>	<b>149</b>	<b>144</b>	<b>186</b>	<b>462</b>
<b>Result from other financial activities</b>				
Income from other securities carried under fixed assets	5	5	5	5
Interest and similar income	746	711	3,062	2,121
Interest and similar expenses	-13	-1	-68	-60
<b>Total result from other financial activities</b>	<b>738</b>	<b>715</b>	<b>2,999</b>	<b>2,066</b>
<b>Total</b>	<b>887</b>	<b>859</b>	<b>3,184</b>	<b>2,528</b>

## (19) Taxes on Income and Earnings

in TEUR	1 <sup>st</sup> Quarter 2012/2013	1 <sup>st</sup> Quarter 2011/2012	Business Year 2011/2012	Business Year 2010/2011
Income tax expenses	3,238	2,902	9,340	7,791
thereof non periodic	0	0	28	-1
Deferred tax	-578	-869	-242	660
<b>Total</b>	<b>2,660</b>	<b>2,032</b>	<b>9,098</b>	<b>8,452</b>

This item contains income tax paid or owed by DO & CO Restaurants & Catering AG and its subsidiaries and the provisions for deferred taxes.

## (20) Minority Interests

Minority interests in the annual profit of fully consolidated companies with minority interests amounted to TEUR 1,791 (PY: TEUR 1,307).

### III. Other Information

#### (21) Segment Reporting

The **segment reporting by division** for the first quarter 2012/2013 is as follows:

1 <sup>st</sup> Quarter 2012/2013		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Sales	m €	92.81	33.00	25.73	151.55
EBITDA	m €	8.27	3.31	1.61	13.20
Depreciation/amortization	m €	-3.01	-0.41	-0.50	-3.92
EBIT	m €	5.26	2.90	1.11	9.28
EBITDA margin	%	8.9%	10.0%	6.3%	8.7%
EBIT margin	%	5.7%	8.8%	4.3%	6.1%
Share of Group Sales	%	61.2%	21.8%	17.0%	100.0%
Investments	m €	8.36	1.34	1.13	10.83

The comparable previous year's period was as follows:

1 <sup>st</sup> Quarter 2011/2012		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Sales	m €	85.62	15.32	16.01	116.95
EBITDA	m €	8.02	1.52	1.23	10.77
Depreciation/amortization	m €	-3.50	-0.19	-0.29	-3.98
EBIT	m €	4.52	1.33	0.93	6.79
EBITDA margin	%	9.4%	9.9%	7.7%	9.2%
EBIT margin	%	5.3%	8.7%	5.8%	5.8%
Share of Group Sales	%	73.2%	13.1%	13.7%	100.0%
Investments	m €	4.20	0.26	0.04	4.51

**Segment assets** were as follows:

30 June 2012		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Fixed assets	m €	99.53	4.28	8.12	111.94
Inventories	m €	12.35	0.75	1.90	15.00
Trade accounts receivables	m €	51.31	5.95	9.59	66.85

The comparable previous year's period was as follows:

31 March 2012		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Fixed assets	m €	74.64	3.36	6.03	84.03
Inventories	m €	9.36	0.48	1.62	11.46
Trade accounts receivables	m €	38.79	3.36	2.65	44.80



The **segment reporting by region** (registered offices of the companies) for the first quarter 2012/2013 business year is as follows:

1 <sup>st</sup> Quarter 2012/2013		Austria	Turkey	Other Countries	Total
Sales	m €	46.19	45.88	59.48	151.55
Share of Group Sales	%	30.5%	30.3%	39.2%	100.0%

The comparable previous year's period was as follows:

1 <sup>st</sup> Quarter 2011/2012		Austria	Turkey	Other countries	Total
Sales	m €	39.86	41.57	35.52	116.95
Share of Group Sales	%	34.1%	35.5%	30.4%	100.0%

**Segment assets** were as follows:

30 June 2012		Austria	Turkey	Other Countries	Total
Fixed assets	m €	25.88	40.87	45.18	111.94
Inventories	m €	3.61	8.82	2.57	15.00
Trade accounts receivables	m €	23.02	23.81	20.02	66.85

The comparable previous year's period was as follows:

31 March 2012		Austria	Turkey	Other Countries	Total
Fixed assets	m €	22.67	36.75	24.62	84.03
Inventories	m €	2.39	7.43	1.64	11.46
Trade accounts receivables	m €	11.63	15.32	17.85	44.80

## (22) Major Events after the Balance Sheet Date (supplementary report)

Events after 30 June 2012 which would be of importance for evaluation as of the balance sheet day, such as unsettled suits, claims for damages or other obligations or possible losses which need to be posted or disclosed in accordance with IAS 10 (Events after the balance sheet date) were either accounted for in these interim group statements of DO & CO Restaurants & Catering AG or did not occur.

## (23) Related Party Disclosures

Raiffeisenlandesbank Niederösterreich-Wien AG is indirectly a related party as it holds a stake in DO & CO Restaurants & Catering AG through Raiffeisen-Holding Niederösterreich-Wien reg. Gen.m.b.H. or through the latter's indirectly wholly-owned subsidiary DZR Immobilien und Beteiligungs GmbH. Business relations with Raiffeisenlandesbank Niederösterreich-Wien AG were handled at terms and conditions customary for external customers. Within this scope rentals were paid to the amount of TEUR 208 (first quarter of 2011/2012: TEUR 198) and liabilities of TEUR 68 (31 March 2011: TEUR 2) are included in the figure. Business relations with UNIQA, also affiliated through Raiffeisen-Holding Niederösterreich-Wien reg. Gen.m.b.H., are also handled at terms and conditions customary for external customers. These include rental payments amounting to TEUR 287.

Business relations with companies or private foundations in which Supervisory or Management Board members of DO & CO Restaurants & Catering AG serve or regarding which they benefit were handled at terms and conditions customary for external customers. Companies in which Supervisory Board members Waldemar JUD and Werner SPORN have a substantial economic interest rendered legal consulting work amounting to TEUR 0 (first quarter of 2011/2012:

TEUR 0) in the first quarter 2012/2013. Rental agreements have been entered with a private foundation under the economic control of Attila Dogudan, amounting to TEUR 397 in the first quarter 2012/2013.

The Group has a 50% stake in THY DO & CO İkam Hizmetleri A.Ş. Turkish Airlines (Türk Hava Yollari A.O.) holds the remaining 50% stake in this company. THY DO & CO İkam Hizmetleri A.Ş. provides airline catering services to Turkish Airlines. All business relations were conducted at terms and conditions customary for external partners. Trade accounts receivable contain TEUR 19,665 in trade receivables owed by Turkish Airlines in connection with this business relationship (31 March 2012: TEUR 13,502).

DO & CO has a 49% stake in ISS Ground Services GmbH (associated company) and purchased TEUR 2,215 (first quarter of 2011/2012: TEUR 2,105) in services in the first quarter 2012/2013. The figures regarding this business relationship also include TEUR 1,098 (31 March 2012: TEUR 940) in liabilities owed to ISS Ground Services GmbH. All business relations were conducted at terms and conditions customary for external partners.

Vienna, 16 August 2012

The Management Board:

Attila DOGUDAN mp  
Chairman

Klaus PETERMANN mp  
Member

Gottfried NEUMEISTER mp  
Member

Haig ASENBAUER mp  
Member

## **Significant Differences between Austrian Accounting Standards and International Financial Reporting Standards (IFRS)**

**Goodwill from Capital Consolidation:** The Austrian Business Enterprise Code (UGB) permits the offsetting of retained earnings without effect to net income or capitalization of straight-line depreciation. IFRS 3, for its part, stipulates that goodwill be capitalized and subjected to an annual impairment test. Scheduled amortization has now been eliminated.

**Deferred Taxes:** In accordance with IAS/IFRS, deferred taxes are to be accrued for all temporary differences between the tax balance sheet and the IFRS balance sheet, applying the currently valid tax rate. The Austrian Business Enterprise Code (UGB) requires accrual of deferred taxes for temporary differences only if they involve deferred tax liabilities. In deviation from the regulations of the Austrian Business Enterprise Code, deferred tax assets under IFRS are also to be recognized for tax losses carried forward, insofar as it is likely that they can be offset against taxable profits in the future.

**Other provisions:** The Austrian Business Enterprise Code (UGB) is based on the principle of commercial prudence. IAS/IFRS, for its part, is geared to the determinability of payment obligations for which provisions should be formed and the degree of probability of the relevant events occurring. Unlike Austrian business enterprise law, IAS/IFRS does not permit expense provisions to be formed.

**Personnel provisions:** Under IAS/IFRS, personnel provisions (for termination benefits, pensions, long-service anniversary bonuses) are calculated on the basis of the projected benefit obligation method, applying the current interest rate on the capital market and taking into account future pay raises. According to the Austrian Business Enterprise Code (UGB), these provisions are calculated according to the part-value method.

**Sales of marketable securities:** According to the Austrian Business Enterprise Code, marketable securities are to be assessed at their market value or at most at their cost of acquisition. Under the IAS/IFRS, marketable securities are always assessed at market values.

**Valuation of foreign currency amounts:** Receivables and liabilities expressed in foreign currency are always valued on the reporting date at the rate prevailing on that date. As a result, any currency fluctuation is recorded in a manner affecting profit and loss. The Austrian Business Enterprise Code (UGB) takes a different approach. Only unrealized losses are recorded on the balance sheet in keeping with the imparity principle. Under IFRS, translation differences from debt consolidation in connection with inner-group loans are recorded under shareholders' equity as unrealized price gains or losses without an effect on profit or loss.

**Extraordinary result:** IFRS does not permit a company to record an extraordinary result; Austrian accounting rules do.

**Expanded disclosure obligation:** IAS/IFRS requires that the items on the balance sheet, income statement, cash flow statement and changes in shareholder's equity be explained in detail in the Notes. It also imposes additional disclosure obligations particularly as regards business segments and derivative financial instruments.