

BUSINESS RESULT FOR THE FIRST QUARTER 2002/2003

(1 APRIL 2002 to 30 JUNE 2002)

DO & CO on target - despite unfavourable framework conditions

Sales (EUR 24.51 million), EBITDA margin (8.3 %) and EBIT margin (2.1 %) stable

VIENNA – 29 August 2002 - DO & CO Restaurants & Catering AG today announced the results for the first quarter 2002/2003 (1 April 2002 to 30 June 2002) in accordance with IAS. In this quarter, DO & CO reported sales of EUR 24.51 million, which means a marginal decline by 0.7 % over the same period of the previous year (EUR 24.68 million).

SALES BY DIVISION First Quarter (April-June)	2002/2003	2001/2002	Increase/decrease	
	in m €	in m €	in m €	in %
Airline Catering	10.64	12.44	-1.80	- 14.5%
International Event Catering	8.65	8.77	-0.12	- 1.4%
Restaurants & Bars	5.22	3.47	1.75	+ 50.4%
Group sales	24.51	24.68	-0.17	- 0.7%

The divisions in detail show a decline in sales by 14.5 % to EUR 10.64 million (previous year: EUR 12.44 million) in Airline Catering. This expected decline is the consequence of a generally poor growth in the aviation industry, with lower passenger numbers and associated cuts in airline catering on the one hand, and on the other hand the results for the reference period in the previous year were exceptionally high due to the acquisition of new airlines last year. The International Event Catering Division remained more or less stable at the previous year's level with sales of EUR 8.65 million and a slight decline by EUR 0.12 Mio (-1.4 %). The Restaurants & Bars Division, however, reported a satisfying increase in sales by EUR 1.75 million or 50.4 %, mainly due to the inclusion of Demel.

The consolidated operating result (EBIT) of the DO & CO group after depreciation of goodwill was only slightly lower in the first quarter of 2002/2003 – for the above reasons – namely EUR 0.02 million or 3.7 %. With an EBITDA of EUR 2.04 million (previous year: EUR 2.04 million) DO & CO was able to keep the EBITDA margin stable at 8.3 %. Both the result of ordinary business with an increase by 5.8 % or EUR 0.03 million to EUR 0.55 million and the consolidated result, which increased by 2.7 % to EUR 0.30 million, showed a positive trend.

GROUP	2002/2003	2001/2002	Increase/decrease	
First Quarter (April - June)	in m €	in m €	in m €	in %
Sales	24.51	24.68	-0.17	- 0.7%
EBITDA	2.04	2.04	0.00	0.0%
Depreciation/amortization *	-1.52	-1.50	-0.02	- 1.3%
EBIT	0.52	0.54	-0.02	- 3.7%
EBITDA margin	8.3%	8.3%		
EBIT margin	2.1%	2.2%		
Employees	959	941	18	+ 1.9%

* incl. amortization of goodwill

Development of the three divisions of DO & CO AG in detail:

1. AIRLINE CATERING

AIRLINE CATERING	2002/2003	2001/2002	Increase/decrease	
First Quarter (April - June)	in m €	in m €	in m €	in %
Sales	10.64	12.44	-1.80	- 14.5%
EBITDA	0.84	0.96	-0.12	- 12.5%
Depreciation/amortization*	-0.80	-0.91	0.11	+ 12.1%
EBIT	0.04	0.05	-0.01	- 20.0%
EBITDA margin	7.9%	7.7%		
EBIT margin	0.4%	0.4%		
Share in consolidated sales	43.4%	50.4%		

* incl. amortization of goodwill

The general framework conditions in the airline industry are still characterised by the poor economic situation. This is manifested in particular by the cancellation of individual flight connections and the reduction in seat capacities by several airlines. By broadening the customer base, DO & CO has succeeded in compensating for a large part of the declining trend, thus escaping the effects of a slump in this segment.

At the locations Vienna, Salzburg, Milan, Munich, Frankfurt, Berlin, New York and Miami, the following airlines are serviced by DO & CO: Luda Air, Luda Air Italy, British Airways, Turkish Airlines, Iberia, Austrian Airlines, Air Mauritius, Crossair, Luxair, Royal Air Maroc and Air Alps. Moreover, VG Airlines in New York was acquired as an additional customer with one daily flight to Brussels in the first quarter of 2002/2003.

In the first quarter of 2002/2003, the EBITDA decreased by EUR 0.12 million or 12.5 % to EUR 0.84 million. The EBITDA margin, however, was increased from 7.7 % to 7.9 %. Due to lower

depreciation during the period under review, the EBIT of EUR 0.04 million (previous year: EUR 0.05 million) remained only slightly below the reference value. After closing the first quarter, it was possible to acquire more new airline customers, namely: Emirates and South African Airways ex Milan.

2. INTERNATIONAL EVENT CATERING

INTERNATIONAL EVENT CATERING	2002/2003	2001/2002	Increase/decrease	
	in m €	in m €	in m €	in %
First Quarter (April - June)				
Sales	8.65	8.77	-0.12	- 1.4%
EBITDA	0.94	0.92	0.02	+ 2.2%
Depreciation/amortization *	-0.51	-0.50	-0.01	- 2.0%
EBIT	0.43	0.42	0.01	+ 2.4%
EBITDA margin	10.9%	10.5%		
EBIT margin	5.0%	4.8%		
Share in consolidated sales	35.3%	35.5%		

* incl. amortization of goodwill

The sales of the International Event Catering in the first quarter of 2002/2003 accounted for 35.3 % (2001/2002: 35.5 %) of total consolidated sales. Compared with the previous year, sales dropped only slightly by 1.4 % or EUR 0.12 million to EUR 8.65 million. The reason for this decrease is the tendency to cut costs at major events which is currently prevailing on this sector due to the poor economic climate. DO & CO was able to compensate for this insofar as the number of events catered for was increased over the same period of the previous year.

Despite the decrease in sales, the EBITDA increased by 2.2 % or EUR 0.02 million to EUR 0.94 million. DO & CO did not join in the price dumping strategy pursued by the competitors. This applies in particular to the German market, where we were not prepared to risk our reputation of top quality by granting unjustified price rebates. With an EBIT of EUR 0.43 million (previous year: EUR 0.42 million) we were able to increase the EBIT margin from 4.8 % in the previous year to 5.0 % in the period under review.

3. RESTAURANTS & BARS

RESTAURANTS & BARS First Quarter (April - June)	2002/2003	2001/2002	Increase/decrease	
	in m €	in m €	in m €	in %
Sales	5.22	3.47	1.75	+ 50,4%
EBITDA	0.26	0.16	0.10	+ 62,5%
Depreciation/amortization *	-0.21	-0.09	-0.12	- 133,3%
EBIT	0.05	0.07	-0.02	- 28,6%
EBITDA margin	5.0%	4.6%		
EBIT margin	1.0%	2.0%		
Share in consolidated sales	21.3%	14.1%		

* incl. amortization of goodwill

This division was again characterised by the integration of Demel in the DO & CO group in the first quarter of 2002/2003. Demel sales, which were not included in the reference period of the previous year, are mainly responsible for the increase in sales by EUR 1.75 million or 50.4 %. In addition, the catering business at the location Casino Baden (restaurants and bars as well as congress centre) was again able to improve its excellent capacities.

Whilst the EBITDA showed an increase by EUR 0.10 million or 62.5 % in this division, the EBIT has dropped by EUR 0.02 million or 28.6 % to EUR 0.05 million as a result of increased depreciation due to the acquisition of Demel.

Shares

The General Meeting of Shareholders on 10 July 2002 approved a distribution of profits of EUR 0.50 per share. At the same General Meeting of Shareholders, Dr. Christian Konrad was elected as a member of the Supervisory Board of DO & CO Restaurants & Catering AG. The other items on the agenda and the results of the individual votes taken are published on our homepage www.doco.com under Investor Relations.

Within the scope of the share repurchase programme started on 4 January 2002, DO & CO had repurchased 97,392 shares of stock at an average price of EUR 35.38 until the General Meeting of Shareholders on 10 July 2002; this is equivalent to 6 % of the capital stock.

In the period between 1 January 2002 and 21 August 2002, the price of the DO & CO share increased by 65.5 %, thus outperforming the ATX which showed a decrease by 1.5 %. As in the first quarter of the calendar year 2002, the DO & CO share was again the top performer in ATX – Prime in the first half of the year. The market capitalisation at the closing rate of EUR 37.98 on 21 August 2002, thus totalled EUR 61.68 million.

OUTLOOK

The management of DO & CO does not anticipate any significant changes in the difficult framework situation for the remaining business year 2002/2003. In particular, the situation in the aviation industry will remain unfavourable due to the global economic situation, the associated reduction in passenger volumes, and the airlines' reconsideration of catering strategies.

To partly offset the consequences of declining passenger volumes in the Airline Catering Division as a result of the overall economic climate, DO & CO will continue to expand its customer base with the acquisition of new airline customers. Since July 2002, DO & CO has been catering for two new airlines. DO & CO caters for both **South African Airways** with 3 flights per week and **Emirates** with 4 flights per week at the location Milan Malpensa.

Despite the difficult framework situation the management expects from today's point of view that the results for the business year 2002/2003 will meet the expectation of the analysts.

Income Statement

	in TEUR	1. Quarter 2002 / 2003	1. Quarter 2001 / 2002	Business Year 2001 / 2002	Business Year 2000 / 2001
Sales		24.506	24.680	91.826	89.691
Other operating income		762	185	2.283	1.956
Costs of materials and services		-7.657	-8.521	-29.334	-31.834
Payroll costs		-9.415	-8.995	-34.693	-32.007
Depreciation of tangible fixed assets and amortization of intangible fixed assets		-1.187	-1.184	-5.635	-4.343
Amortization of goodwill		-334	-316	-1.337	-1.206
Other operating expenses		-6.153	-5.307	-19.631	-18.918
EBIT - Operating result		521	542	3.479	3.340
Financial result		27	-24	-1.271	-181
Result from ordinary business activities		548	518	2.208	3.159
Extraordinary result		0	0	-541	0
Income tax		-279	-264	-848	-1.610
Result after income tax		269	254	819	1.549
Minority interests		35	42	181	118
Consolidated result		304	296	1.001	1.667
Issued shares (number of individual shares)		1.527.236	1.624.000	1.623.250	1.624.000
Weighted shares (number of individual shares)		1.598.426	1.624.000	1.623.953	1.600.159
Earnings per share before amortization of goodwill and result from extraordinary activities		0,40	0,38	1,77	1,80
Earnings per share		0,19	0,18	0,62	1,04

Balance Sheet

ASSETS	30 June 2002 in TEUR	30 June 2001 in TEUR	31 March 2002 in TEUR	31 March 2001 in TEUR
Intangible assets	3.474	2.117	3.470	2.433
Tangible assets	32.281	37.718	35.823	37.323
Investments	439	278	467	280
Fixed assets	36.195	40.113	39.760	40.036
Other long-term assets	686	593	431	345
Long-term assets	36.880	40.706	40.191	40.381
Inventories	2.338	1.879	2.441	1.843
Trade accounts receivable	14.546	14.552	9.866	12.129
Other short-term accounts receivable and assets	2.887	2.280	3.274	3.782
Cash and cash equivalents	8.761	5.602	5.194	4.708
Current assets	28.531	24.313	20.775	22.462
Deferred taxes	2.226	989	2.228	989
Total assets	67.638	66.008	63.195	63.831
LIABILITIES AND SHAREHOLDERS' EQUITY	30 June 2002 in TEUR	30 June 2001 in TEUR	31 March 2002 in TEUR	31 March 2001 in TEUR
Capital stock	11.802	11.802	11.802	11.802
Capital reserves	13.081	13.081	13.081	13.081
Revenue reserves	5.963	4.642	5.543	4.704
Foreign currency translation reserve	-367	4.066	3.089	3.080
Treasury stock	-3.422	0	-23	0
Consolidated result	1.305	1.962	1.001	1.667
Minority interests	-336	-209	-344	-161
Shareholders' equity	28.027	35.345	34.150	34.174
Long-term provisions	3.985	2.383	4.189	2.377
Other long-term liabilities	2.179	2.157	1.943	2.296
Long-term liabilities	6.165	4.540	6.132	4.673
Short-term provisions	14.480	9.066	13.655	8.019
Short-term financial liabilities	4.600	1.405	0	5.728
Trade accounts payable	8.312	8.195	6.445	7.321
Other short-term liabilities	6.054	7.457	2.813	3.918
Current liabilities	33.447	26.123	22.913	24.985
Total liabilities and shareholders' equity	67.638	66.008	63.195	63.831

Cash - Flow Statement

in TEUR	1. Quarter 2002 / 2003	1. Quarter 2001 / 2002	Business Year 2001 / 2002	Business Year 2000 / 2001
Cash-flow from operating activities	3.716	6.191	8.502	3.830
Cash-flow from investing activities	-1.318	-1.004	-1.601	-15.712
Cash-flow from financing activities	1.201	-4.322	-6.563	5.117
Total cash-flow	3.599	865	338	-6.765
Cash and cash equivalents at the beginning of the year	5.194	4.708	4.708	12.714
Cash and cash equivalents at the end of the year	8.761	5.602	5.194	4.708
Free Cash-Flow	2.398	5.187	6.901	-11.882

Development of shareholder's equity

in TEUR	2002 / 2003	2001 / 2002
Shareholder's equity as of 31 March	34.150	34.174
Consolidated result in reporting period	304	296
Changes in foreign currency translation reserve	-3.457	986
Changes in treasury stock	-3.399	0
Other changes	420	-63
Changes in minority interests	8	-48
Shareholder's equity as of 30 June	28.027	35.345

Further information:

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Reuters Code: DOCO.VI
 Bloomberg Code: DOC AV
 Homepage of the Vienna Stock Exchange: www.wienerboerse.at
 Securities code: DOC
 Securities number: 081880
 ISIN Code: AT0000818802
 Trading segment: Official trading
 Market segment: Prime Market
 Included in the following indexes: WBI, ATX Prime
 Number of shares: 1,624,000
 Par value: 11,802,068 €
 First traded: June 30, 1998

Financial Calendar:

Business results for the first half year (April to September 2002)
 Business results for the first three quarters (April to December 2002)

21 November 2002
 25 February 2003