



# PRESS RELEASE

## Result for the first quarter of 2015/2016

(1 April 2015 to 30 June 2015)

- . sales and profit further increased
- . growth at all locations worldwide
- . unique product and service quality secures market position

|               |            |                   |                |
|---------------|------------|-------------------|----------------|
| <b>SALES</b>  | <b>EUR</b> | <b>228.05 Mio</b> | <b>+20.4 %</b> |
| <b>EBITDA</b> | <b>EUR</b> | <b>20.63 Mio</b>  | <b>+22.2 %</b> |
| <b>EBIT</b>   | <b>EUR</b> | <b>12.89 Mio</b>  | <b>+12.1 %</b> |

**VIENNA – 13 August 2015** – DO & CO Aktiengesellschaft is today publishing its results under IFRS for the first quarter of 2015/2016 business year (1 April 2015 to 30 June 2015).

In the first quarter of its 2015/2016 business year, the DO & CO Group recorded sales of € 228.05m, an increase of 20.4% or € 38.66m over the relevant quarter of the previous business year.

| <b>Sales</b>                    | <b>Q1 2015/2016<br/>in Mio €</b> | <b>Q1 2014/2015<br/>in Mio €</b> | <b>Change<br/>in Mio €</b> | <b>Change<br/>in %</b> |
|---------------------------------|----------------------------------|----------------------------------|----------------------------|------------------------|
| Airline Catering                | 149.67                           | 125.06                           | 24.61                      | 19.7%                  |
| International<br>Event Catering | 36.42                            | 26.53                            | 9.89                       | 37.3%                  |
| Restaurants, Lounges<br>& Hotel | 41.96                            | 37.80                            | 4.16                       | 11.0%                  |
| <b>Group sales</b>              | <b>228.05</b>                    | <b>189.39</b>                    | <b>38.66</b>               | <b>20.4%</b>           |

At the same time, earnings of the DO & CO Group also improved over those in the corresponding quarter of the previous year.

| <b>Group</b>            | <b>Q1 2015/2016<br/>in Mio €</b> | <b>Q1 2014/2015<br/>in Mio €</b> | <b>Change<br/>in Mio €</b> | <b>Change<br/>in %</b> |
|-------------------------|----------------------------------|----------------------------------|----------------------------|------------------------|
| Sales                   | 228.05                           | 189.39                           | 38.66                      | 20.4%                  |
| EBITDA                  | 20.63                            | 16.89                            | 3.74                       | 22.2%                  |
| Depreciation/impairment | -7.74                            | -5.39                            | -2.35                      | -43.6%                 |
| EBIT                    | 12.89                            | 11.49                            | 1.39                       | 12.1%                  |
| Net Result              | 6.41                             | 9.11                             | -2.70                      | -29.6%                 |
| EBITDA margin           | 9.0%                             | 8.9%                             |                            |                        |
| EBIT margin             | 5.7%                             | 6.1%                             |                            |                        |
| Employees               | 9,496                            | 8,393                            | 1,103                      | 13.1%                  |

Please see explanation regarding net result\* below

EBITDA of the DO & CO Group was € 20.63 (PY: € 16.89m). The EBITDA margin was 9.0% (PY: 8.9%). Consolidated earnings before interest and tax (EBIT) of the DO & CO Group amounted to € 12.89m for the first quarter of 2015/2016, € 1.39m higher than in the same period of the previous year. The EBIT margin was 5.7% (PY: 6.1%).

The net result\* in the first quarter of 2015/2016 was € 6.41m (PY: € 9.11m). The reduction in the net result is due to the positive one-off effect resulting from the derivative transaction carried out with UniCredit in the previous business year based on DO & CO shares ("Total Return Equity Swap") of € 3.43m.

Adjusted by this positive one-off effect, the net result was € 5.67m in the first quarter of the previous year. Accordingly, the net result for the first quarter of 2015/2016 is € 0.74m or 13.0% higher than the net result of the previous year.

Below, a detailed account is given on the development of the three divisions of the DO & CO Group:

## 1. AIRLINE CATERING

| Airline Catering            | Q1 2015/2016<br>in Mio € | Q1 2014/2015<br>in Mio € | Change<br>in Mio € | Change<br>in % |
|-----------------------------|--------------------------|--------------------------|--------------------|----------------|
| Sales                       | 149.67                   | 125.06                   | 24.61              | 19.7%          |
| EBITDA                      | 15.75                    | 12.40                    | 3.35               | 27.0%          |
| Depreciation/impairment     | -4.86                    | -3.69                    | -1.17              | -31.7%         |
| EBIT                        | 10.90                    | 8.71                     | 2.18               | 25.0%          |
| EBITDA margin               | 10.5%                    | 9.9%                     |                    |                |
| EBIT margin                 | 7.3%                     | 7.0%                     |                    |                |
| Share in consolidated sales | 65.6%                    | 66.0%                    |                    |                |

In the first quarter of 2015/2016, the Airline Catering division generated sales of € 149.67m (PY: € 125.06m), a satisfactory rise of 19.7% over the previous year. The division contributed 65.6% of the Group's sales (PY: 66.0%). In the first three months of 2015/2016, EBITDA and EBIT increased once again: at € 15.75m, EBITDA grew by € 3.35m (+27.0%) over the same period last year. EBIT rose from € 8.71m to € 10.90m (+25.0%). The EBITDA margin was 10.5% (PY: 9.9%). The EBIT margin was 7.3% (PY: 7.0%).

It is very satisfactory to note that DO & CO's quality strategy is finding ever greater acceptance even in the highly volatile and price-sensitive airline catering segment.

Having a good product is of increasing importance for airlines, therefore many airlines are reconsidering their strategy and once again invest in a quality product and culinary treats on board as a feature to distinguish themselves from their competitors. International surveys have quite clearly found that, especially on long-distance flights, good food and appealing service have become an effective image-building marketing tool. For many airlines which want to improve their selling position through offering an innovative and better product, DO & CO is thus a sustainable and reliable partner that offers just the right brand portfolio.

When we look at the development of the various DO & CO gourmet kitchens/locations, we find that the key locations show strong growth rates, especially those in New York or London Heathrow although being exposed to particularly tough competition. In addition to catering services, DO & CO offers complete concepts which give customers added value while also being cost-efficient.

It is thus highly satisfactory for us that quality-focused premium airlines, such as Turkish Airlines, Emirates, Etihad, British Airways, Cathay Pacific, Austrian and many more, are DO & CO regulars on many airports where DO & CO operates a gourmet kitchen.

It should also be noted that DO & CO products not only create a considerable comfort factor among passengers, but also help strengthen the airlines' brand value and customer loyalty through widely recognised awards such as those by Skytrax.

## 2. INTERNATIONAL EVENT CATERING

| International Event Catering | Q1 2015/2016<br>in Mio € | Q1 2014/2015<br>in Mio € | Change<br>in Mio € | Change<br>in % |
|------------------------------|--------------------------|--------------------------|--------------------|----------------|
| Sales                        | 36.42                    | 26.53                    | 9.89               | 37.3%          |
| EBITDA                       | 3.05                     | 2.23                     | 0.82               | 36.7%          |
| Depreciation/impairment      | -1.11                    | -1.01                    | -0.11              | -10.8%         |
| EBIT                         | 1.94                     | 1.23                     | 0.71               | 58.0%          |
| EBITDA margin                | 8.4%                     | 8.4%                     |                    |                |
| EBIT margin                  | 5.3%                     | 4.6%                     |                    |                |
| Share in consolidated sales  | 16.0%                    | 14.0%                    |                    |                |

The International Event Catering division generated sales of € 36.42m in the first quarter of 2015/2016 (PY: € 26.53m). EBITDA amounted to € 3.05m (PY: € 2.23m). The EBITDA margin was 8.4% (PY: 8.4%). EBIT accounted for € 1.94m (PY: € 1.23m), and the EBIT margin was reported at 5.3% (PY: 4.6%).

In the first three months of its 2015/2016 business year, DO & CO was in charge of culinary treats for VIP guests at:

- six Formula 1 grand prix races,
- ATP tennis tournaments in Geneva and Madrid,
- the UEFA Champions League final in Berlin,
- the UEFA Europa League final in Warsaw,
- the beach volleyball tournament at Porec,
- the Chelsea Flower Show in London, and
- many activities at the Munich Olympic Park and Allianz Arena, the home of FC Bayern Munich and TSV 1860 München.

### 3. RESTAURANTS, LOUNGES & HOTEL

| Restaurants, Lounges & Hotel | Q1 2015/2016<br>in Mio € | Q1 2014/2015<br>in Mio € | Change<br>in Mio € | Change<br>in % |
|------------------------------|--------------------------|--------------------------|--------------------|----------------|
| Sales                        | 41.96                    | 37.80                    | 4.16               | 11.0%          |
| EBITDA                       | 1.83                     | 2.25                     | -0.43              | -18.9%         |
| Depreciation/impairment      | -1.78                    | -0.70                    | -1.08              | -153.7%        |
| EBIT                         | 0.05                     | 1.55                     | -1.50              | -96.6%         |
| EBITDA margin                | 4.4%                     | 6.0%                     |                    |                |
| EBIT margin                  | 0.1%                     | 4.1%                     |                    |                |
| Share in consolidated sales  | 18.4%                    | 20.0%                    |                    |                |

In the first quarter of 2015/2016, the Restaurants, Lounges & Hotel division accounted for sales of € 41.96m (PY: € 37.80m), an increase of 11.0%. The division's EBITDA was € 1.83m (PY: € 2.25m) The EBITDA margin was 4.4% (PY: 6.0%). At € 0.05m, EBIT declined compared to the previous year's level (PY: € 1.55m). The EBIT margin was 0.1% (PY: 4.1%).

While restaurants, cafés, airport gastronomy and retail performed well, railway catering pressured margins in the first quarter. The additional sales gap is caused by the reconstruction of Hédiard at Place de la Madeleine in Paris which during the whole realisation phase will continue to pressure the division's margin until its reopening.

## **DO & CO SHARES**

DO & CO shares put in a good performance on the stock exchanges of both Vienna and Istanbul. On the Vienna Stock Exchange, DO & CO shares gained 21.7% in the first quarter of 2015/2016, closing at € 84.05 on 30 June 2015. On the Istanbul Stock Exchange, DO & CO shares rose by 28.3%, closing at TRY 247.00 on 30 June 2015.

Proposed by the Managing and Supervisory Boards, the Ordinary General Meeting of Shareholders of DO & CO Aktiengesellschaft held on 2 July 2015 resolved to distribute a dividend of € 1.20 (a basic dividend of € 0.85 and a special dividend of € 0.35) for the business year of 2014/2015.

## **OUTLOOK**

The DO & CO management foresees continued growth at a stable rate and attractive margins for the current business year.

DO & CO's uncompromising innovation and quality drive is expected to produce ongoing satisfactory performance rates throughout all divisions.

A good example of the sustainability achieved by the quality strategy is the newly opened DO & CO gourmet kitchen in Chicago which after less than one year has already obtained seven major top carriers as its customers, among them names such as Emirates, Etihad, Cathay Pacific, British Airways, Turkish Airlines, Austrian Airlines and Finnair.

Business is also increasing with British Airways. In addition to supplying business class and first class meals to outgoing flights from New York JFK to London, DO & CO is now providing the same service to flights from London to New York. Added to this are the meals for all short-distance flights ex London.

DO & CO does similarly well in Germany. Emirates renewed its contract in Frankfurt and entrusted DO & CO the catering for all its outgoing flights from Munich and Düsseldorf. Further business derives from lounges at the airports of Frankfurt, Munich and Düsseldorf. After having signed on in Frankfurt, Cathay Pacific joined the DO & CO portfolio in Düsseldorf as well.

The International Event Catering division concentrates on the equestrian European Championships in Aachen (August 2015) as well as several Formula 1 grand prix races.

DO & CO is also pleased to note the close cooperation with FC Bayern Munich at the Allianz Arena. For the first time we see a jointly realised within the Arena's VIP "Säbener Lounge".

In the segments of restaurants, cafés and airport gastronomy likewise good occupancy is to be expected. The retail unit is set to grow through its different brands.

If targets for acquisition should come up, DO & CO will evaluate the relevant market.

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

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|-----------------------|--------------------------------------|
| ISIN                  | AT0000818802                         |
| Security abbreviation | DOC, DOCO                            |
| Reuters               | DOCO.VI, DOCO.IS                     |
| Bloomberg             | DOC AV, DOCO. TI                     |
| Numbers of Shares     | 9,744,000                            |
| Listed nominal        | 19,488,000 EUR                       |
| Indices               | ATX Prime, BIST ALL                  |
| Official quotation    | Vienna, Istanbul                     |
| Currency              | EUR, TRY                             |
| Initial listing       | 30.06.1998 (VSE)<br>02.12.2010 (ISE) |

### **Financial Calendar:**

19 November 2015  
19 February 2016

Results for the first half year of 2015/2016  
Results for the first three quarters of 2015/2016