

Results for the first half year of 2018/2019

(1 April 2018 to 30 September 2018)

- **DO & CO wins tender for**
 - **British Airways**
 - **Iberia and Iberia Express**
- **and extends partnership with Turkish Airlines**
- **improved net result - stable margins**

REVENUE	EUR 433.91m	- 3.7%
EBITDA	EUR 42.42m	- 3.7%
EBIT	EUR 27.58m	- 0.5%
NET RESULT	EUR 15.96m	+ 28.5%

VIENNA – 15 November 2018 - DO & CO Aktiengesellschaft is publishing its results under IFRS for the first half of the business year 2018/2019 (1 April 2018 to 30 September 2018) today. In the first half of the business year 2018/2019, the DO & CO Group recorded revenue in the amount of EUR 433.91m, representing a decline of -3.7% or EUR -16.84m on the same period of the previous year.

Divisions and Group	1 st HY 2018/19 in Mio €	1 st HY 2017/18 in Mio €	Change in Mio €	Change in %
Airline Catering	305.06	303.80	1.27	0.4%
International Event Catering	70.43	65.72	4.71	7.2%
Restaurants, Lounges & Hotel	58.42	81.23	-22.82	-28.1%
Group revenue	433.91	450.75	-16.84	-3.7%
EBITDA	42.42	44.04	-1.62	-3.7%
Depreciation/impairment	-14.84	-16.31	1.47	9.0%
EBIT	27.58	27.73	-0.15	-0.5%
Net Result	15.96	12.42	3.54	28.5%
EBITDA margin	9.8%	9.8%		
EBIT margin	6.4%	6.2%		
Net result margin	3.7%	2.8%		
Employees	9,773	9,897	-124	-1.3%

The EBITDA of the DO & CO Group was EUR 42.42m (PY: EUR 44.04m). The EBITDA margin was 9.8% (PY: 9.8%). Consolidated earnings before interest and tax (EBIT) of the DO & CO Group amounted to EUR 27.58m for the first half of the business year 2018/2019, EUR -0.15m lower than in the previous year. The EBIT margin was 6.4% (PY: 6.2%). The net result improved from EUR 12.42m in the previous year to EUR 15.96m in the first half of the business year 2018/2019.

The decline in revenue was particularly due to negative currency effects (EUR 59.7m). When excluding the above negative effect, the Group would show a growth in revenue of 9.5%.

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

1. AIRLINE CATERING

Airline Catering	1 st HY 2018/19 in Mio €	1 st HY 2017/18 in Mio €	Change in Mio €	Change in %
Revenue	305.06	303.80	1.27	0.4%
EBITDA	30.40	33.50	-3.10	-9.2%
Depreciation/impairment	-11.14	-12.22	1.08	8.8%
EBIT	19.26	21.27	-2.02	-9.5%
EBITDA margin	10.0%	11.0%		
EBIT margin	6.3%	7.0%		
Share in consolidated sales	70.3%	67.4%		

In this division, DO & CO management reports particularly positive developments. On 11 September 2018, after a tendering procedure that took more than 1.5 years, DO & CO was awarded the contract for providing catering and handling services on all British Airways short-haul and long-haul flights ex London Heathrow.

At the same time, DO & CO was commissioned by Iberia and Iberia Express to provide catering and handling services on all flights ex Madrid Barajas. In both cases, services will be provided as of spring 2020, with the contracts concluded for a period of 10 years, respectively. British Airways and Iberia/Iberia Express are two further "homebase carriers" who put their trust in DO & CO Gourmet Entertainment. DO & CO's focus in innovation, market-fresh products, stable and reliable quality, and reactive processes have proven to be successful in competing at a global level and within well established markets.

The major part of DO & CO's locations reports increases in revenue. Particularly the locations in the US, Austria, Great Britain, and Poland report a positive development. With regard to Germany, a downward trend in the business development was reported, particularly due to the insolvency of NIKI's parent company Air Berlin.

In Turkey, revenue showed a substantial increase by 31% in the local currency (Turkish lira), among others due to the favourable development of passenger numbers at Turkish Airlines. However, in the consolidated income statement, DO & CO reports a decline in revenue of -10.6% due to the depreciation of the Turkish lira against the euro.

DO & CO intensifies cooperation with the Lufthansa Group. After Lufthansa at New York JFK and the extension of the cooperation with Austrian Airlines, SWISS was acquired as a further customer for the first time as well. Starting at the beginning of July 2018, catering services are provided to SWISS on one daily flight from Los Angeles to Zurich. With Emirates, Cathay Pacific and SWISS, DO & CO now has three customers at the newly opened location in Los Angeles.

At the Incheon / South Korea location, Ethiopian Airlines was acquired as a further customer. DO & CO is providing catering services on eight flights per week since June 2018.

2. INTERNATIONAL EVENT CATERING

International Event Catering	1 st HY 2018/19 in Mio €	1 st HY 2017/18 in Mio €	Change in Mio €	Change in %
Revenue	70.43	65.72	4.71	7.2%
EBITDA	8.05	5.94	2.11	35.6%
Depreciation/impairment	-2.28	-2.41	0.13	5.6%
EBIT	5.77	3.53	2.25	63.7%
EBITDA margin	11.4%	9.0%		
EBIT margin	8.2%	5.4%		
Share in consolidated sales	16.2%	14.6%		

Seven Formula 1 grand prix races took place in the second quarter of the business year 2018/2019. The VIP guests enjoyed DO & CO catering at its best in Spielberg, Silverstone, Hockenheim, Budapest, Spa, Monza and Sochi.

Moreover, in the second quarter of the business year 2018/2019, DO & CO also was the culinary host for guests at, i.a.:

- the equestrian tournament CHIO in Aachen,
- numerous football matches of FC Bayern Munich, Juventus Turin Football Club, FK Austria Vienna and FC Redbull Salzburg,
- activities at Munich's Olympic Park, and
- the Beach Volleyball Major Series in Vienna.

3. RESTAURANTS, LOUNGES & HOTEL

Restaurants, Lounges & Hotel	1 st HY 2018/19 in Mio €	1 st HY 2017/18 in Mio €	Change in Mio €	Change in %
Revenue	58.42	81.23	-22.82	-28.1%
EBITDA	3.97	4.61	-0.64	-13.8%
Depreciation/impairment	-1.42	-1.68	0.26	15.2%
EBIT	2.54	2.93	-0.38	-13.0%
EBITDA margin	6.8%	5.7%		
EBIT margin	4.4%	3.6%		
Share in consolidated sales	13.5%	18.0%		

This division reports increased margins and decreases in revenue mainly due to the termination of train catering services for the Austrian federal railways (ÖBB) as of 31 March 2018.

Activities at the restaurants, cafés, at Gourmet Retail, at the airline lounges, staff restaurants and in airport gastronomy are in line with plans and expectations.

SHARE

As of 24 September 2018, DO & CO was once again included in the Austrian leading index ATX. The development of DO & CO's share in the reporting period is very positive as it gained 45.8% at the Vienna Stock Exchange and 115.5% at the Istanbul Stock Exchange.

OUTLOOK

After winning the two important tender for British Airways and Iberia/Iberia Express, as well as the agreement to extend business relations with Turkish Airlines for another 15 years at the new airport in Istanbul and further airports in Turkey (subject to approval by the competent authorities and bodies as well as a satisfactory contractual documentation), efforts to successfully implement these projects within the coming years have now been initiated.

DO & CO is committed to keep offering its product portfolio on the market in an innovative, customer-focused and efficient way and also continues to participate in tender at the various locations. The individual results of these tender will be reported on an ongoing basis.

After successfully completing the large tender, a strong focus is put on developing the Retail business, particularly with regard to Hédiard and Henry.

With its excellently trained staff, diverse distribution facilities, a broad brand portfolio and activities in numerous regions, DO & CO is in an excellent position to face challenging market conditions and expects good development opportunities also in the future in order to achieve growth at sustainable margins organically or through reasonable acquisitions.

Investor Relations

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ISIN	AT0000818802
Security abbreviation	DOC, DOCO
Reuters	DOCO.VI, DOCO.IS
Bloomberg	DOC AV, DOCO. TI
Number of shares	9,744,000
Listed nominal amount	19,488,000 EUR
Indices	ATX, ATX Prime, BIST ALL
Official quotation	Vienna, Istanbul
Currency	EUR, TRY
Initial listing	30 June 1998 (Vienna Stock Exchange) 2 Dec 2010 (Istanbul Stock Exchange)

Financial calendar

14 February 2019

Results for the first three quarters of 2018/2019