

Results for the 1st to 3rd Quarter of 2017/2018

(1 April 2017 to 31 December 2017)

- **First 3 quarters show good key figures**
- **Strong growth at worldwide locations**
- **Turkey saving programmes and negative currency effects continue to impact turnover and results**

VIENNA – 15 February 2018 - DO & CO Aktiengesellschaft is publishing its results under IFRS for the first three quarters of 2017/2018 (1 April 2017 to 31 December 2017) today. In the first three quarters of 2017/2018, the DO & CO Group recorded revenue in the amount of EUR 671.73m, a decrease of -8.9% or EUR -65.35m on the previous business year.

Divisions and Group	Q1-Q3 2017/18 in Mio €	Q1-Q3 2016/17 in Mio €	Change in Mio €	Change in %
Airline Catering	441.69	476.55	-34.86	-7.3%
International Event Catering	103.84	130.08	-26.24	-20.2%
Restaurants, Lounges & Hotel	126.20	130.45	-4.24	-3.3%
Group revenue	671.73	737.08	-65.35	-8.9%
EBITDA	65.32	73.32	-8.01	-10.9%
Depreciation/impairment	-24.25	-26.28	2.03	-7.7%
EBIT	41.07	47.04	-5.98	-12.7%
Net Result	19.52	21.09	-1.58	-7.5%
EBITDA margin	9.7%	9.9%		
EBIT margin	6.1%	6.4%		
Net result margin	2.9%	2.9%		
Employees	9,852	9,888	-36	-0.4%

The EBITDA of the DO & CO Group was EUR 65.32m (PY: EUR 73.32m). The EBITDA margin was 9.7% (PY: 9.9%). Consolidated earnings before interest and tax (EBIT) of the DO & CO Group amounted to EUR 41.07m for the first three quarters of 2017/2018, EUR 5.98m lower than in the same period of the previous year. The EBIT margin was 6.1% (PY: 6.4%). The net result for the first three quarters of 2017/2018 amounted to EUR 19.52m (PY: EUR 21.09m). The net result margin in the first three quarters of the business year 2017/2018 is 2.9% (PY: 2.9%).

These KPIs have been influenced in particular by the following external factors:

- Negative currency effects amounting to EUR 53m
 - Cost-cutting measures in Airline Catering in Turkey
 - No European football championship, which only takes place every 4 years
 - Significant reduction of the business volume with airline customer NIKI
- + Favourable growth particularly in Germany, the US, the UK, Italy and Poland
- + Opening of gourmet kitchen in Los Angeles
- + Juventus Turin Football Club as a new customer

A detailed account of the development of the three divisions of the DO & CO Group is given below:

1. AIRLINE CATERING

Airline Catering	Q1-Q3 2017/18 in Mio €	Q1-Q3 2016/17 in Mio €	Change in Mio €	Change in %
Revenue	441.69	476.55	-34.86	-7.3%
EBITDA	45.48	53.47	-8.00	-15.0%
Depreciation/impairment	-18.13	-19.66	1.53	-7.8%
EBIT	27.34	33.82	-6.47	-19.1%
EBITDA margin	10.3%	11.2%		
EBIT margin	6.2%	7.1%		
Share in consolidated sales	65.8%	64.7%		

In the third quarter of the business year 2017/2018, the successful start-up with the premium customer Cathay Pacific at the new location in Los Angeles was reported. Since 1 October 2017, DO & CO has handled the catering for Cathay Pacific on 3 to 4 flights per day from Los Angeles to Hong Kong. Reporting up to 75 million passengers, Los Angeles International Airport is the third-largest airport in the US and the seventh-largest airport in the world. In addition to the New York JFK and Chicago O'Hare locations, this is now the third DO & CO location in the US.

The major part of DO & CO's locations reports increases in revenue. Particularly the locations in Germany, the US, Poland, the UK and Italy report a positive development. With regard to Ukraine, a downward trend in the business development was reported, particularly due to the loss of the most important customer who now does his own catering.

In Turkey, one of the key markets of DO & CO, revenue decreased by -3.1% in the local currency (Turkish lira). The decrease in revenue translates into a decline of -21.8% in the consolidated income statement of DO & CO due to the depreciation of the Turkish lira against the Euro. Since the main portion of costs is incurred in the local currency, the margins remain basically unaffected by this development.

2. INTERNATIONAL EVENT CATERING

International Event Catering	Q1-Q3 2017/18 in Mio €	Q1-Q3 2016/17 in Mio €	Change in Mio €	Change in %
Revenue	103.84	130.08	-26.24	-20.2%
EBITDA	10.77	11.96	-1.19	-10.0%
Depreciation/impairment	-3.64	-3.94	0.30	-7.7%
EBIT	7.13	8.02	-0.89	-11.1%
EBITDA margin	10.4%	9.2%		
EBIT margin	6.9%	6.2%		
Share in consolidated sales	15.5%	17.6%		

The strong decline in revenue in this division is due to the missing activities during the European football championship compared to the previous year. However, it is encouraging that the margins of this division have continuously improved.

At the beginning of the business year 2017/2018, DO & CO was successful in acquiring Juventus Turin Football Club as a new customer. In the third quarter of the business year 2017/2018, DO & CO was responsible for the stadium catering of this traditional Turin football club, including two Champions League matches as well as six Serie A matches, the top division in Italian professional football, as well as one match of Coppa Italia, the annual national cup competition. Additionally, numerous events took place on non-match days.

Moreover, in the third quarter of the business year 2017/2018, DO & CO also was the culinary host for VIPs at, i.a.:

- The Formula 1 Grands Prix in Malaysia, Japan, the US, Mexico and Abu Dhabi,
- Several football matches at Allianz Arena, home of FC Bayern Munich, and
- Activities at the Olympic Park in Munich

3. RESTAURANTS, LOUNGES & HOTEL

Restaurants, Lounges & Hotel	Q1-Q3 2017/18 in Mio €	Q1-Q3 2016/17 in Mio €	Change in Mio €	Change in %
Revenue	126.20	130.45	-4.24	-3.3%
EBITDA	9.07	7.89	1.18	15.0%
Depreciation/impairment	-2.48	-2.68	0.20	-7.6%
EBIT	6.60	5.21	1.39	26.7%
EBITDA margin	7.2%	6.0%		
EBIT margin	5.2%	4.0%		
Share in consolidated sales	18.8%	17.7%		

The division reports increased margins at a slight decline in revenue.

With regard to this division, it has also to be reported that the train catering service agreement with the Austrian federal railways, ÖBB, ends on 31 March 2018. The employees employed for these services are transferred to the new catering supplier in line with Austrian labour law provisions.

OUTLOOK

Besides the continuous involvement of DO & CO in tenders for individual customers at various DO & CO locations, DO & CO is currently participating in several major tenders in Vienna, in Madrid and especially in London. Decisions are expected to be taken within the next months.

Furthermore, it can be reported that Qatar Airways has intensified the cooperation with DO & CO at two additional locations, Seoul/Korea and Chicago/US.

The rendering of train catering services for the Austrian federal railways (ÖBB) ends on 31 March 2018 as reported.

After the difficult year in Turkey (cost-cutting measures and strong negative currency effects), DO & CO sees itself to be once again in a good position to take on new tasks. The broad brand portfolio and activities in numerous divisions and regions give DO & CO reason to expect a favourable business development also in the future.

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ISIN

AT0000818802

Security abbreviation
Reuters
Bloomberg
Number of shares
Listed nominal amount
Indices
Official quotation
Currency
Initial listing

DOC, DOCO
DOCO.VI, DOCO.IS
DOC AV, DOCO. TI
9,744,000
19,488,000 EUR
ATX Prime, ACPS, AXGP, BIST ALL
Vienna, Istanbul
EUR, TRY
30.06.1998 (VSE)
02.12.2010 (BIST)

Financial calendar:

14 June 2018	Results for the business year 2017/2018
2 July 2018	Record date for General Meeting of Shareholders for the business year 2017/2018
12 July 2018	General Meeting of Shareholders for the business year 2017/2018
16 July 2018	Ex dividend day
17 July 2018	Record date for dividends
30 July 2018	Dividend payment date
14 August 2018	Results for the first quarter of 2018/2019
15 November 2018	Results for the first half year of 2018/2019
14 February 2019	Results for the first three quarters of 2018/2019