

Results for the 2016/2017 business year (1 April 2016 to 31 March 2017)

- **Revenue and margins at previous year's level**
 - despite difficult market environment and negative currency effects

REVENUE	EUR	913.44m	- 0.3 %
EBITDA	EUR	91.89m	- 0.8 %
EBIT	EUR	56.24m	+ 1.3 %

VIENNA - 29 June 2017 - DO & CO Aktiengesellschaft is publishing its results under IFRS for the 2016/2017 business year (1 April 2016 to 31 March 2017) today.

In its 2016/2017 business year, the DO & CO Group recorded a revenue of € 913.44m, a decrease of -0.3% or € -3.02m over its previous business year, caused by negative currency effects of about € 48m (mainly Turkish lira and British pound). Adjusted by this the Group revenue increased by 5% compared to the previous year.

Revenue	BY 2016/17 in Mio €	BY 2015/16 in Mio €	Change in Mio €	Change in %
Group revenue	913.44	916.47	-3.02	-0.3%
Airline Catering	597.46	631.26	-33.80	-5.4%
International Event Catering	146.33	117.68	28.65	24.3%
Restaurants, Lounges & Hotel	169.66	167.52	2.13	1.3%

DO & CO is pleased to report, that despite a difficult market environment the Group's EBITDA and EBIT margin remained stable or was slightly increased compared prior year.

Group	BY 2016/17 in Mio €	BY 2015/16 in Mio €	Change in Mio €	Change in %
Revenue	913.44	916.47	-3.02	-0.3%
EBITDA	91.89	92.68	-0.78	-0.8%
Depreciation/impairment	-35.66	-37.16	1.51	4.1%
EBIT	56.24	55.51	0.72	1.3%
Net Result	20.83	28.25	-7.42	-26.3%
EBITDA margin	10.1%	10.1%		
EBIT margin	6.2%	6.1%		
Employees	9,576	9,655	-79	-0.8%

The EBITDA of the DO & CO Group was € 91.89m (PY: € 92.68m). The EBITDA margin was 10.1% (PY: 10.1%). Consolidated earnings before interest and tax (EBIT) of the DO & CO Group amounted to € 56.24m for the 2016/2017 business year, € 0.72m higher than in the previous year. The EBIT margin was 6.2% (PY: 6.1%). The net result of the business year 2016/2017 amounts to € 20.83m (PY: € 28.25m).

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

1. AIRLINE CATERING

Airline Catering	BY 2016/17 in Mio €	BY 2015/16 in Mio €	Change in Mio €	Change in %
Revenue	597.46	631.26	-33.80	-5.4%
EBITDA	70.63	75.35	-4.71	-6.3%
Depreciation/impairment	-25.69	-25.41	-0.28	-1.1%
EBIT	44.94	49.94	-4.99	-10.0%
EBITDA margin	11.8%	11.9%		
EBIT margin	7.5%	7.9%		
Share of Group Revenue	65.4%	68.9%		

In the business year 2016/2017, the Airline Catering division achieved a revenue of € 597.46m (PY: € 631.26m), a decline of 5.4% compared to the previous year. The division contributed 65.4% of the Group's overall revenue (PY: 68.9%). EBITDA and EBIT decreased during the business year 2016/2017 compared to the previous year due to a decline in revenue as well as an increase in amortisation/depreciation: at € 70.63m, EBITDA fell by € 4.71m (-6.3%) on the previous business year. EBIT declined from € 49.94m to € 44.94m (-10.0%). The EBITDA margin was 11.8% in the business year 2016/2017 (PY: 11.9%). The EBIT margin was 7.5% (PY: 7.9%).

Throughout the business year 2016/2017, the Airline Catering division faced again a highly competitive and volatile market environment. Despite these difficult market conditions, DO & CO managed to retain the EBITDA margin and gain new customers.

TURKEY

The business year 2016/2017 was a challenging year for the Turkish location and the Turkish aviation industry. Substantial cost-saving programmes as well as negative currency effects led to a corresponding decline in revenue. The revenue in Turkey declines by -1.7% in Turkish lira. The devaluation of Turkish lira to the Euro results in a revenue decline of -12.2% in Euro in the consolidated income statement of DO & CO.

After the catering contract with Turkish Airlines expired at the end of 2016 the contract was successfully extended for another two years, with a renewal option for Turkish Airlines for another year.

AUSTRIA

In the business year 2016/2017, the Austrian location reported stable revenues compared to the previous year. However at the end of the business year NIKI substantially reduced its fleet in Austria (only five of the previously 22 airplanes are based in Austria).

US

The location at New York's JFK Airport reported increased revenues, mostly with existing customers such as Etihad Airways, Emirates and Ukraine International Airlines. As of March 2017, for the first time deliveries are made to Lufthansa, the new customer at New York's JFK, with one daily flight to Munich and two daily flights to Frankfurt. DO & CO has therefore substantially improved its market position at this strategically important location. The unit at Chicago O'Hare, DO & CO's second location in North America increased its business on the previous year. With EVA Air, the company won another customer in the business year 2016/2017.

GREAT BRITAIN

The location at London Heathrow reported a revenue increase of +7.1% in British pound, however translated into Euro a revenue decline of -6.7%. This development is exclusively due to the depreciation of the British pound against the reporting currency. When using the local reporting currency, since the main portion of costs is incurred in local currency, margins remain basically unaffected by the depreciation of the British pound.

GERMANY

At the German locations (Frankfurt, Munich, Düsseldorf and Berlin), revenue surged thanks to an expansion of business with existing customers and the acquisition of new customers (acquired already in autumn 2015). In this context, it should also be reported that Thai Airways became a new customer towards the end of the business year 2016/2017 with two daily flights ex Frankfurt and one daily flight ex Munich.

POLAND

The Polish Airline Catering locations reported revenue increases as a result of expanded business activities with existing customers and the acquisition of new customers. It should be highlighted that the unit has won Air China as a new customer and has been catering for this customer in Warsaw since September 2016.

UKRAINE

The Airline Catering location in Kiev reports a strong decline in business. The considerable decline in the volume delivered to Ukraine International Airlines (the major customer at the Airline Catering location in Kiev) in the first half of the business year 2016/2017 led to a decline in revenue.

ITALY

At Milan's Malpensa, the business volume further increased which is particularly due to the existing customers Singapore Airlines and Oman Air. In April 2017 Thai Airways also became a new customer at this location.

2. INTERNATIONAL EVENT CATERING

International Event Catering	BY 2016/17 in Mio €	BY 2015/16 in Mio €	Change in Mio €	Change in %
Revenue	146.33	117.68	28.65	24.3%
EBITDA	11.79	9.30	2.49	26.8%
Depreciation/impairment	-5.07	-5.07	0.00	-0.1%
EBIT	6.72	4.23	2.49	58.9%
EBITDA margin	8.1%	7.9%		
EBIT margin	4.6%	3.6%		
Share of Group Revenue	16.0%	12.8%		

The International Event Catering division generated a revenue of € 146.33m in the business year 2016/2017 (PY: € 117.68m). EBITDA was € 11.79m (PY: € 9.30m), with an EBITDA margin of 8.1% (PY: 7.9%). EBIT amounted to € 6.72m (PY: € 4.23m), and the EBIT margin was 4.6% (PY: 3.6%).

The strong revenue increase achieved in this division is particularly due to the European football championship UEFA EURO 2016 in France. DO & CO, respectively Hédiard Paris, was the Hospitality Production Management Company at one of the biggest sports events that has ever been held in Europe. In the course of this sports event, 110,000 VIP guests were treated with culinary delights during 51 football matches in 9 cities and 10 different stadiums.

In the business year 2016/2017 DO & CO was the culinary host for following events:

- 18 Formula 1 grand prix races in 18 different countries
- 45 football matches at the Allianz Arena
- a large range of events at the Olympic Park in Munich
- ATP Tennis Masters Series in Madrid
- UEFA Europa League final in Basel
- UEFA Champions League final in Milan
- equestrian tournament CHIO Aachen
- several events in Austria (Hahnenkamm ski race at Kitzbühel, beach volleyball tournament in Klagenfurt, the Four Hills Tournament at Bergisel and at Bischofshofen)
- Miami Major beach volleyball tournament in Fort Lauderdale / US
- film festival at the Rathausplatz in Vienna

3. RESTAURANTS, LOUNGES & HOTEL

Restaurants, Lounges & Hotel	BY 2016/17 in Mio €	BY 2015/16 in Mio €	Change in Mio €	Change in %
Revenue	169.66	167.52	2.13	1.3%
EBITDA	9.47	8.04	1.43	17.8%
Depreciation/impairment	-4.89	-6.68	1.79	26.8%
EBIT	4.58	1.35	3.23	238.9%
EBITDA margin	5.6%	4.8%		
EBIT margin	2.7%	0.8%		
Share of Group Revenue	18.6%	18.3%		

In the business year 2016/2017, the Restaurants, Lounges & Hotel division achieved a revenue of € 169.66m (PY: € 167.52m), which translates into a revenue growth of 1.3%. The division's EBITDA was € 9.47m (PY: € 8.04m). The EBITDA margin was 5.6% (PY: 4.8%). EBIT, amounting to € 4.58m, was above the previous year's level (PY: € 1.35m). The EBIT margin was 2.7% (PY: 0.8%).

The Restaurants, Lounges & Hotel division consists of the following units: restaurants and Demel cafés, lounges, hotel, staff bistros, gourmet shops/ retail, airport gastronomy and railway catering.

While the existing units are reporting stable developments due to ongoing high utilisation, increases in the area of lounges and staff bistros were achieved.

Under their joint venture, DO & CO and Nespresso opened their first Nespresso Café in London at the end of June 2016. Situated in the City of London, at the prestigious location between the Bank of England and St. Paul's Cathedral, fresh products from the London DO & CO gourmet kitchen are served together with Nespresso coffee.

The flagship store of Hédiard, a subsidiary of DO & CO, located on Place de la Madeleine in Paris, is currently undergoing a thorough makeover.

The construction works for the hotel in Istanbul have further progressed. The opening of the hotel and the restaurant as well as the event location is planned for 2018.

SHARES

On the Vienna Stock Exchange, DO & CO share lost -42.6% during the 2016/2017 business year, closing at € 60.89 on 31 March 2017. On the Istanbul Stock Exchange, DO & CO share lost -30.2%, closing at TRY 235.90 on 31 March 2017.

OUTLOOK

After an exceptionally challenging business year 2016/2017, driven by market conditions which could not be influenced by DO & CO and strong negative currency effects, DO & CO was nevertheless able to achieve stable revenue and results. The DO & CO management expects the beginning of the business year 2017/2018 to be a phase of consolidation whereas increases in all areas are targeted for in the second half of the year.

With the opening of

- new gourmet kitchens in Los Angeles and Paris,
- the hotel, restaurants and event location in Istanbul
- Hédiard in Paris and
- further cafés and gourmet shops in New York, London and Vienna

new markets and additional growth potential will be generated.

During a product design phase of 1.5 years an innovative and high quality board service was developed for British Airways for its long-haul business class, which will be tested on

London – New York with 10 daily flights beginning in September 2017. DO & CO is proud to contribute further product improvements together with British Airways.

During the previous year a number of international awards were received by airline customers of DO & CO. Thus DO & CO will continue to differentiate itself through innovation, best quality and service.

Therefore new customers and further increases can be expected in the area of Airline Catering and Lounges.

With regard to the commitment in Turkey it has to be noted that DO & CO is going to continue its activities in Turkey as planned. DO & CO is fully committed to its long-term projects in Turkey.

DO & CO's management is 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 continue to provide the underpinnings for DO & CO to make the best possible use of its available growth potential.

Thanks to its highly diverse distribution channels, a widespread brand portfolio and activities in a large number of regions, DO & CO is in an excellent position to cope with a challenging market and continues to be confident of future growth prospects.

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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,WIB, BIST ALL, BIST 100

Official quotation

Vienna, Istanbul

Currency

EUR, TRY

Initial listing

30.06.1998 (VSE)

02.12.2010 (ISE)

Financial Calendar:

17 July 2017

Cut-off date for the General Meeting of Shareholders

27 July 2017

General Meeting of Shareholders for the business year 2016/2017

31 July 2017

Ex dividend day

1 August 2017

Cut-off date for dividends

14 August 2017

Dividend payment date

17 August 2017

Results for the first quarter of 2017/2018

16 November 2017

Results for the first half of 2017/2018

15 February 2018

Results for the first three quarters of 2017/2018