



THE GOURMET
ENTERTAINMENT
COMPANY



ANNUAL REPORT 2018 | 2019

ANNUAL REPORT



The “**Spaghetti-Eater**”, illustrating the cover of this magazine is a subject from a six-part **Epicure Series** which Erich Sokol † created exclusively for DO & CO. Pay particularly close attention to the details. Even if you have followed this well-known Austrian caricaturist’s work for years, you will always discover something new. This is a principle by which we also apply our corporate philosophy. As one of the first to accompany DO & CO along its way, Erich Sokol showed us what quality living is all about. As a visionary he helped shape the company in important ways throughout its formative years. He was the one who composed the unmistakable DO & CO logo – a symbol for “a fantastic grocer who makes you question, where this place had been all your life?” We shall be forever in his debt.

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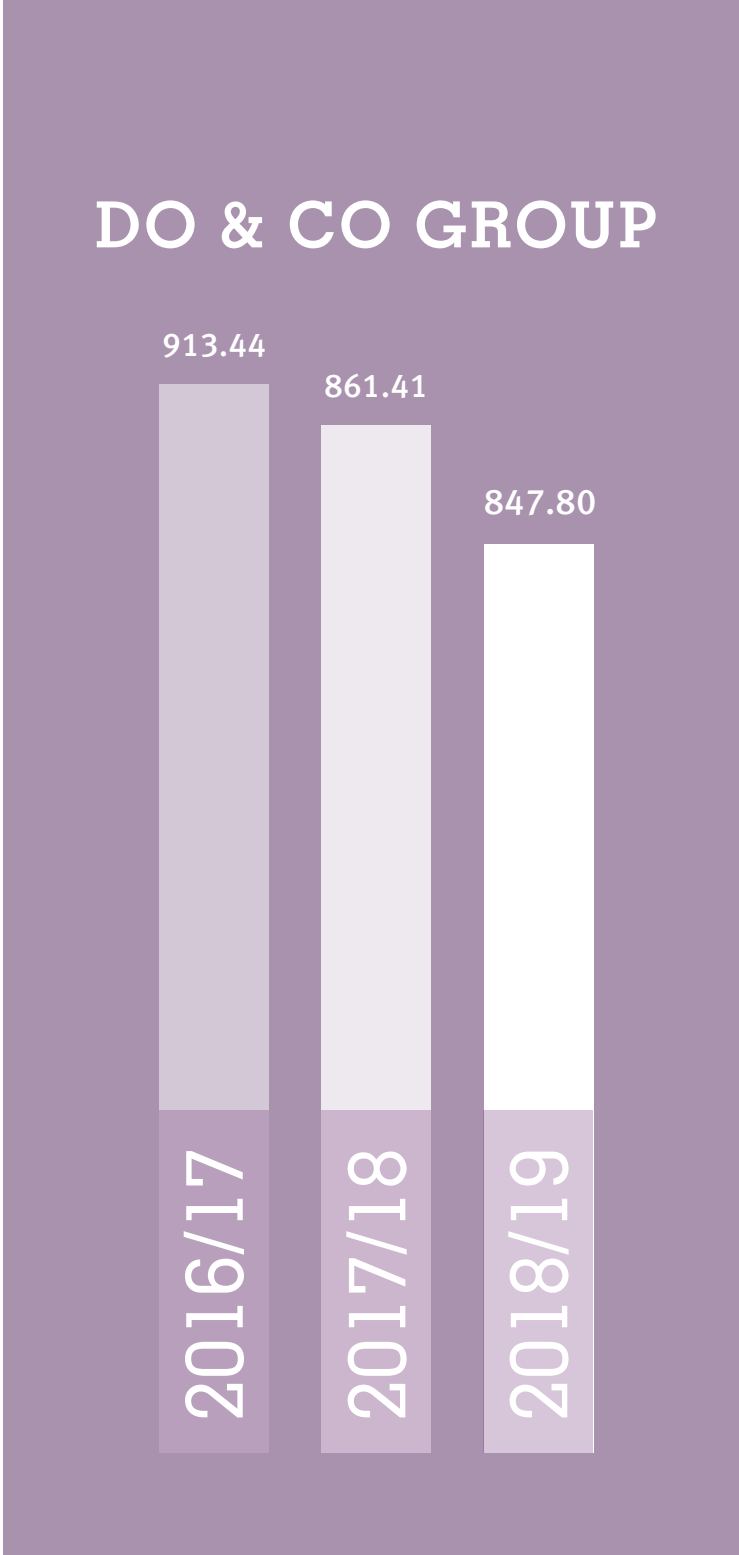
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DIVISION		RESTAURANTS, LOUNGES & HOTEL
2016/17	169.66	
2017/18	164.30	
2018/19	120.17	
The Restaurants, Lounges & Hotel division is the heart of the DO & CO Group and serves as the Group’s marketing instrument and standard bearer. This division is made up of the units Restaurants, Demel Cafés, Lounges, Hotel, Staff Restaurants, Retail, and Airport Gastronomy. DO & CO has been operating the new Red Bull employee restaurant in Salzburg/Elsbethen since the end of 2018.		
Over 4.6 million passengers were served at the 29 lounges around the world during the financial year. Turkish Airlines won the coveted Best Business Class Lounge award for the third time since 2015 and the Best Business Class Lounge Dining award for the fifth time in a row at the Skytrax 2018.		
At the DO & CO Restaurant Stephansplatz, the DO & CO Restaurant Albertina, and the restaurant 181 at the Olympiapark in Munich, the DO & CO team was once again able to demonstrate its passion for outstanding hospitality.		



DIVISION		INTERNATIONAL EVENT CATERING
2016/17	146.33	
2017/18	123.00	
2018/19	129.53	
DO & CO has been responsible for catering the Formula 1 for 27 seasons now and served the VIP guests of the Paddock Club at 19 Formula 1 Grands Prix in 18 countries.		
At the Allianz Arena in Munich, DO & CO catered to the VIP guests at 25 games and numerous other events. Catering at the new sports hall of the EHC Red Bull München professional hockey team and the FC Bayern München basketball players in Munich will be provided by DO & CO starting in 2021.		
During the last financial year, DO & CO was responsible for Series A games and Champions League games for the Italian football champions Juventus Turin, as well as for numerous events on non-game days. Four football clubs are currently being served: FC Bayern München, Juventus Turin, Red Bull Salzburg and FK Austria Wien. The event team kicked off the spring season with the annual ATP Tennis Masters in Madrid followed by the Champions League Final in Kiev, the CHIO Aachen equestrian tournament, and the Beach Volleyball Major Series in Vienna. Annual events like the Hahnenkamm Races in Kitzbühel, the Night Slalom in Schladming, and the Film Festival at Rathausplatz in Vienna were also on the event calendar again.		



DIVISION		AIRLINE CATERING
2016/17	597.46	
2017/18	574.11	
2018/19	598.09	
By expanding its positioning as “the” premium airline catering provider and with an unmistakable, innovative, and competitive product portfolio, the division continues to generate the lion’s share of group revenue. DO & CO operates 31 gourmet kitchens in eleven countries on three continents around the world.		
A number of major contracts were landed in the 2018/19 financial year. DO & CO won the contract for catering and handling services for all short- and long-haul flights of British Airways ex London Heathrow, and the contract from Iberia and Iberia Express for catering and handling services for all flights ex Madrid. The partnership with Austrian Airlines was concluded for a duration of three years after an international tendering procedure, from which DO & CO emerged as the best bidder. At John F. Kennedy airport in New York, jetBlue – one of the coolest and most quality-focused airlines – came on board. DO & CO gourmet menus will be offered in business class on flights ex JFK.		
There are already four customers in Los Angeles. SWISS was gained as a new customer, and Cathay Pacific is now flying once per day with the product from DO & CO. In Germany, new customers include Singapore Airlines in Düsseldorf and Munich.		





DO & CO is the Group's premium brand. It represents the **best flavours from the international spectrum** and offers a culinary journey around the world. As a premium brand it is associated with emotions, culture and enjoyment, providing high-class gourmet entertainment, flawless service and an unrivalled all-round service package.



The Demel brand stands for **artisan cakes and confectionary** made to perfection. Centuries-old traditions are carefully preserved whilst embodying a modern touch. Demel specialises in high-quality handcraft and the finest confectionary. As an exclusive patisserie brand, it is the ideal accompaniment to the premium DO & CO brand. The brand has already undergone a successful expansion overseas and we plan to press ahead with this in the future.



Hédiard, a French **chain of luxury food stores**, is the latest brand to join the group portfolio. Hédiard was founded in 1854 and is a leading name in the luxury delicatessen and traiteur segment. Its main shop is located at Place de la Madeleine in Paris.



Henry offers a **broad range of to-go products** – from salads, fruit and sandwiches to desserts. Henry meets our customer's needs and expectations thanks to a high proportion of organic foods, which are displayed in recyclable and innovative packaging.



Casual and Mediterranean – the Aioli brand embodies southern-European flair and Mediterranean cuisine. Its young, dynamic image and flexible pricing enables the brand to attract a broad audience.



"DO & CO à la carte" meals can be ordered together with the AUA flight ticket via the online booking system or up to 24 hours before the flight. The menu ranges from Viennese classics, mezze platters and Spanish tapas to children's meals and bento boxes.

OUR BRANDS

DO & CO is committed to **International Gourmet Entertainment**. This means that our customers at the restaurant, events or on a plane are always served a high-quality product that is highly recognisable as the DO & CO brand. These premium products are handmade from the best ingredients and are always freshly prepared. We make no compromises in our pledge to provide quality and to persistently improve our services. This is the cornerstone of our corporate success.

The expansion of the brand portfolio in recent years has helped us tap into new areas of business and appeal to a wider clientele. Two things that all the brands have in common are a high standard of service and high-quality products.

This is what has made the positive growth of the DO & CO brand possible.

THE WORLD OF DO & CO

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THE SECRET
OF OUR SUCCESS
10,000
PERSONALITIES –
ONE GLOBAL TEAM



All our staff members are passionate hosts. They ensure that you feel comfortable – no matter when and where in the world. Our main task is being there for our customers and guests. The DO & CO team is renowned for its high level of flexibility, personal service and great sensibility when it comes to product quality.

Exceptional commitment and love for detail is what makes the DO & CO brand unique and unmistakeable. Every employee follows the company’s service-oriented principles, enabling us to stand out from the crowd in this market.

Our biggest assets are our corporate culture and our invaluable staff, who make our brand so special and unique.



HOSPITALITY SERVICES



IN-HOUSE MEDIA PRODUCTION



VISUALISATION 3D DESIGN

VARIOUS CAREER OPPORTUNITIES

DO & CO offers its customers in all divisions a comprehensive and innovative product in the sense of a “one-stop shop”. To this end, it needs an international team with members from many different fields to create tailored solutions:

3D Design, Architecture, Controlling, Customer Relations, Digital & Social Media, Dispatch, Purchasing, Event Catering, Flying Chefs, Food Design and Development, Graphic Design, Head Chefs, Hotel, Human Resources, Food Hygiene and

Quality Management, Industrial Design, Investor Relations, Logistics, Lounge Operation, Marketing, Patisserie, Project Management, Production, Legal Services, Restaurant, Service, Shop Management, Staff Travel, Technology Department, Video and Film Production and many more ...

From idea to concept and finally implementation – a one-stop-shop. DO & CO – the Gourmet Entertainment Company.



MANAGEMENT



Attila Dogudan
Chairman of the Management Board

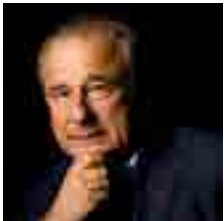


Gottfried Neumeister
Member of the Management Board

SUPERVISORY BOARD



Andreas Bierwirth
Chairman of the Supervisory Board



Peter Hoffmann-Ostenhof
1st Deputy Chairman of the Supervisory Board



Cem Kozlu
2nd Deputy Chairman of the Supervisory Board



Georg Thurn-Vrints
Member of the Supervisory Board

31 GOURMET CENTRES WORLDWIDE

In the 31 DO & CO Gourmet kitchens in 11 countries on 3 continents, we keep our promise of only the freshest products and highest quality. Whether for private events, large sport spectacles or on board of our partner airlines – our high standards for quality and attention to detail remain unchanged.



11 COUNTRIES
3 CONTINENTS

- New York
- Los Angeles
- Chicago
- London
- Paris
- Milan
- Madrid
- Barcelona
- Frankfurt
- Berlin
- Munich
- Düsseldorf
- Istanbul
- Kiev
- Warsaw
- Seoul
- Vienna
- Malta
- Salzburg
- Linz
- Danzig
- Ankara
- San Francisco
- Washington



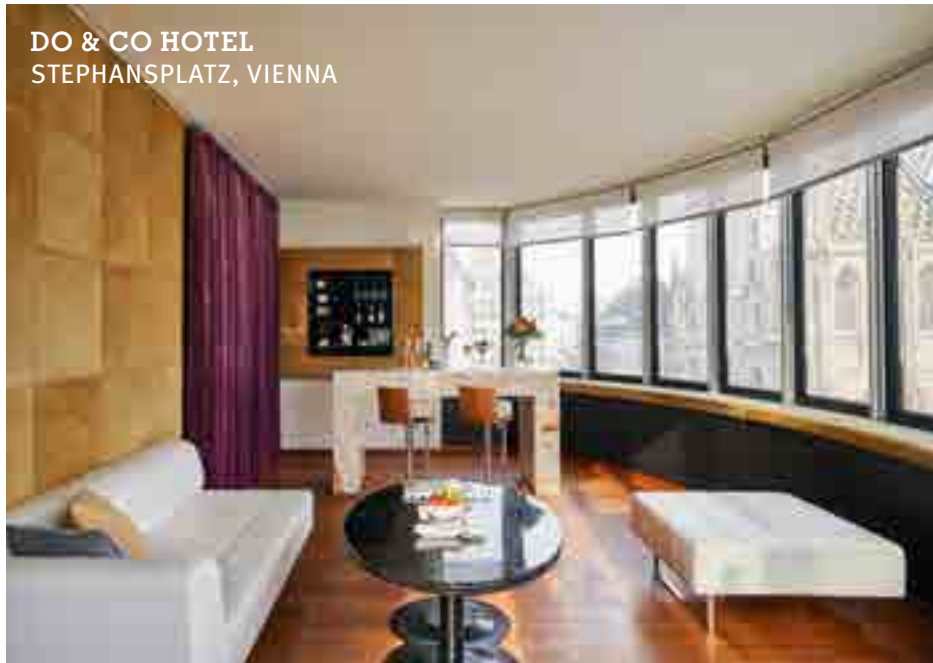
31		10,000		100%		ONE		INTERNATIONAL EVENT CATERING	
GOURMET CENTRES		EMPLOYEES		CUSTOMER SATISFACTION		STOP SHOP			
11	3	113 M		SUPPLIER FOR MORE THAN		PREMIUM CATERER			
		PASSENGERS		60		FULL SERVICE HOSPITALITY PROVIDER			
COUNTRIES		CONTINENTS		TAILOR MADE SOLUTIONS		TOTAL			
				AIRLINES		CUSTOMER EXPERIENCE			

01

RESTAURANTS,
LOUNGES & HOTEL



DO & CO RESTAURANT
STEPHANSPLATZ, VIENNA



DO & CO HOTEL
STEPHANSPLATZ, VIENNA



DO & CO ALBERTINA
VIENNA



ONYX BAR
STEPHANSPLATZ, VIENNA



DO & CO RESTAURANT
STEPHANSPLATZ, VIENNA



... is certainly no difficulty for visitors of the Albertina museum in Vienna. Within the walls that house the world's largest and most valuable graphic collection, one also finds masterpieces of the culinary art. At DO & CO restaurant, selected classics of the Viennese cuisine and a foray through the world's spectrum of delicacies harmoniously fuse into an exquisite synthesis of art.





OVERVIEW

HOTEL

DO & CO Hotel
Vienna

RESTAURANTS, CAFÉS & DELICACIES

DO & CO Restaurant Stephansplatz
Vienna

K. u. K. Hofzuckerbäckerei Demel
Vienna

DO & CO Albertina
Vienna

Hédiard
Paris

Restaurant 181
Munich

RETAIL

Henry – the art of living
Vienna

LOUNGES

Lufthansa First Class Lounges
Frankfurt

Lufthansa Business & Senator Lounges
London

Turkish Airlines Lounges
Istanbul, Adana, Bodrum, Trabzon, Dalaman

Emirates First & Business Lounges
London, Munich, Frankfurt, Düsseldorf

Austrian Airlines Lounges
Vienna

Vienna International Airport Lounges
Vienna

LOT Business Class Lounges
Warsaw

WORLDWIDE AWARDED LOUNGES

LUFTHANSA FIRST CLASS LOUNGE
FRANKFURT



TURKISH AIRLINES LOUNGES
ISTANBUL





02

INTERNATIONAL
EVENT CATERING





Pole position for good taste. Whether in Bahrain's desert, the world's most prestigious racing track in Silverstone or the sea of houses in Monaco – when the world's best Formula 1 racing teams start their engines, the DO & CO teams are also prepared to deliver culinary peak performances at 19 Grands Prix around the world.

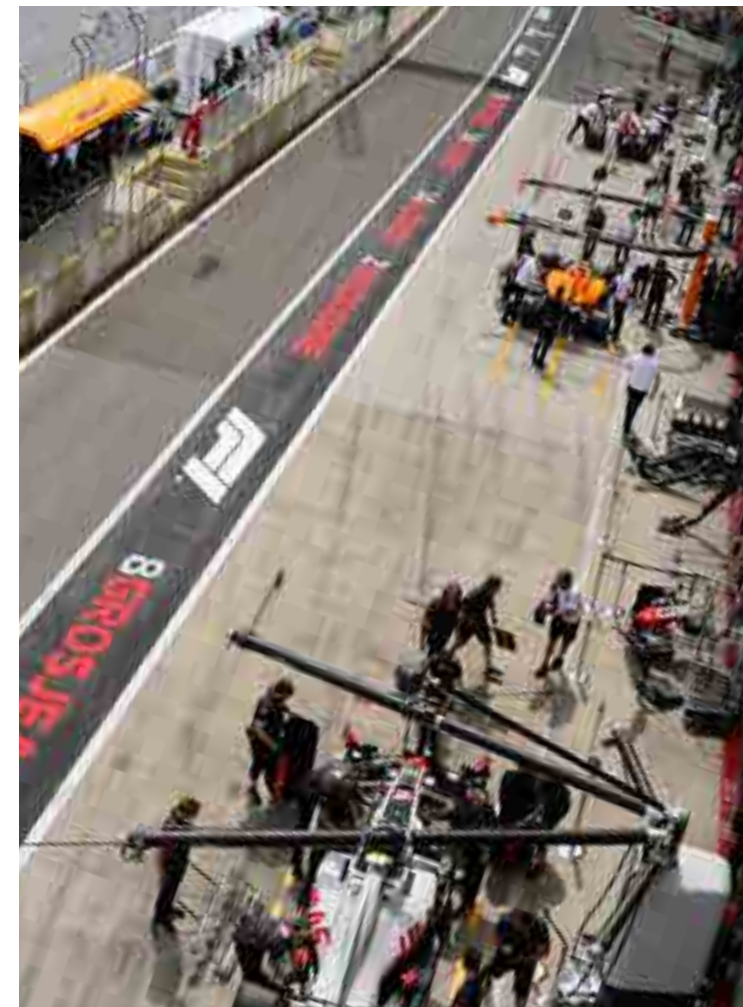


AROUND THE WORLD

- Sakhir
- Shanghai
- Baku
- Barcelona
- Monte Carlo
- Montreal
- Le Castellet
- Spielberg
- Silverstone
- Hockenheim
- Budapest
- Spa
- Monza
- Sochi
- Suzuka
- Austin
- Mexico City
- Abu Dhabi

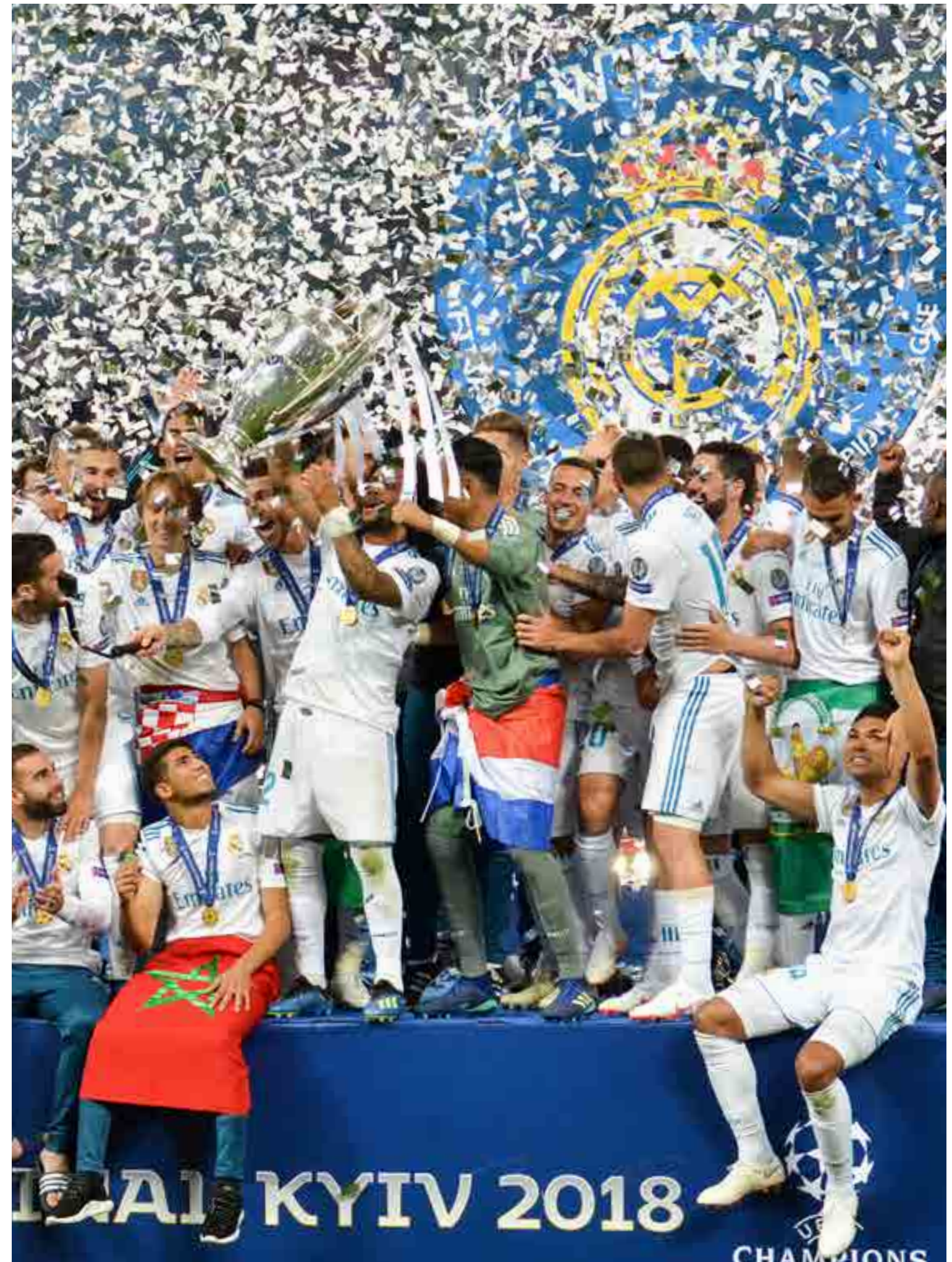


FORMULA 1 GRAND PRIX DE MONACO
MONTE CARLO





The football highlight of the year in Kiev. A unique athletic and culinary experience for any football fan. The DO & CO team is catering the VIP area at a Champions League Final game for the 14th time, and is also handling the hospitality infrastructure. Teamwork perfected.





FC BAYERN MÜNCHEN



FC BAYERN MÜNCHEN
28 TIMES GERMAN CHAMPION



Two companies that have the same goal: creating a unique experience for the football fan. DO & CO has been responsible for the entire VIP and public areas for championship and qualifying games since 2014. During the last season, around 75,000 visitors came to Allianz Arena per game, of which between 6,000 and 7,000 were VIP guests.



DO & CO LOUNGE
ALLIANZ ARENA



VIP HOSPITALITY
ALLIANZ ARENA



37 TIMES CHAMPION
OF THE A-SERIES



#ForzaJuve
The DO & CO event team was admitted to the top league of Italian football in August 2017. When football record champion Juventus Turin takes to the pitch, DO & CO is also ready and provides a fitting culinary backdrop. During the last season, around 4,000 VIP guests and 36,000 further stadium visitors got to experience the quality of DO & CO catering at every game.





FK AUSTRIA WIEN



DO & CO HOSPITALITY
GENERALI ARENA

RED BULL SALZBURG



DO & CO's Munich team is now also the exclusive food service provider of the Olympiapark and Restaurant 181 in the Olympia Tower. The team will collaborate with Olympiapark München to develop new, innovative ideas and to create a contemporary range of offerings for visitors at this truly unique location.



RESTAURANT 181
OLYMPIAPARK



OVERVIEW

FOOTBALL

UEFA Champions League Final 2018
Kiev

FC Bayern München / Allianz Arena
Munich

FK Austria Wien
Vienna

Red Bull Salzburg
Salzburg

Juventus Turin
Turin

FORMULA 1

Sakhir, Shanghai, Baku, Barcelona, Monte Carlo,
Montreal, Le Castellet, Spielberg, Silverstone,
Hockenheim, Budapest, Spa, Monza, Sochi,
Suzuka, Austin, Mexico City, Abu Dhabi

EQUESTRIAN

Show Jumping Tournament CHIO Aachen
Aachen

TENNIS

ATP Masters Series
Madrid

BEACH VOLLEYBALL

Beach Volleyball Major
Vienna

WINTER SPORTS

Downhill Race
Kitzbühel

Night Slalom
Schladming

Four Hills Tournament
Bergisel & Bischofshofen

SPECIAL EVENTS

Film Festival at Rathausplatz
Vienna

GOURMET ENTERTAINMENT AT THE HIGHEST LEVEL

CHIO AACHEN
SHOW JUMPING TOURNAMENT, AACHEN



TENNIS
ATP MASTERS MADRID



BEACH VOLLEYBALL MAJOR
VIENNA



WINTER SPORTS
DOWNHILL RACE, KITZBÜHEL



NO DAY ON WHICH WE DO NOT THINK OF FESTIVITIES ...

... and about making sure our guests feel comfortable. The international DO & CO events- and creative team develops individual concepts and themes for private parties and sporting events, holding more than 250,000 guests. By combining careful planning, design, creativity and a clear passion for detail, our team turns innovative ideas into unique experiences along with carefully themed decoration and tailored furnishing.

Thanks to extensive experience and know-how, the DO & CO staff gives every event exactly the right ambience and set-up to ensure omnipresent success. In 2018/19, DO & CO once again had the pleasure of providing its services and a unique “made by DO & CO” experience at numerous major international events.



EUROPE’S LARGEST OPEN AIR FILM & GOURMET FESTIVAL

Featuring classic concerts and modern masterpieces, the Film Festival on the square in front of the City Hall is an exciting summer hotspot in Vienna, attracting up to 15,000 spectators every day from all over the world. Visitors may enjoy the various delicious food stands serving more than 20 different cuisines. The overall director of the event is DO & CO who has been

responsible for the overall culinary organisation of the open air festival for more than 20 years as general contractor for the city of Vienna. In this capacity, it has shown that the task requires a company that is masterful not only at coordinating gastronomic partners and handling back office logistics, but also at creating a unique atmosphere.

03

AIRLINE CATERING





WORLD AIRLINE AWARDS 2018



BEST BUSINESS CLASS ONBOARD CATERING

1. AUSTRIAN AIRLINES



BEST BUSINESS CLASS LOUNGE

1. TURKISH AIRLINES



BEST BUSINESS CLASS LOUNGE DINING

1. TURKISH AIRLINES

Gourmet
Entertainment by
DO & CO

Air China
Air India
Air Malta
Asiana Airlines
Austrian Airlines
British Airways
Cathay Pacific
China Airlines
Egypt Air
Emirates
Ethiopian Airlines
Etihad Airways
Eurowings
EVA Air
Gulf Air
Hainan Airlines
Korean Air
Kuwait Airways
Laudamotion
LOT Polish Airlines
Lufthansa
Middle East Airlines
Oman Air
Pegasus Airlines
Qatar Airways
Royal Jordanian
SAS Scandinavian Airlines
Saudia
Singapore Airlines
South African Airways
SWISS
Thai Airways
Turkish Airlines
Ukraine International Airlines
Windrose

THE BEST RESTAURANTS AT 39,000 FEET

DO & CO's restaurant know-how, which has since been lifted to the skies, and the influence of international event catering have given the classic DO & CO airline product that incomparable character which makes it so unique. Thanks to an innovative service concept, high and uncompromising quality standards and an unmistakeable onboard product range that

leaves no wish unfulfilled; DO & CO, together with its partner airlines, has been a benchmark in the airline industry for many years. Today, DO & CO has 31 sites worldwide and offers its partners a comprehensive and premium range of in-flight solutions to meet all needs and expectations.





BRITISH AIRWAYS





TURKISH AIRLINES

Partners in Excellence





AIR MALTA
BUSINESS CLASS



EMIRATES



QATAR AIRWAYS



TURKISH AIRLINES



BRITISH AIRWAYS



AUSTRIAN AIRLINES



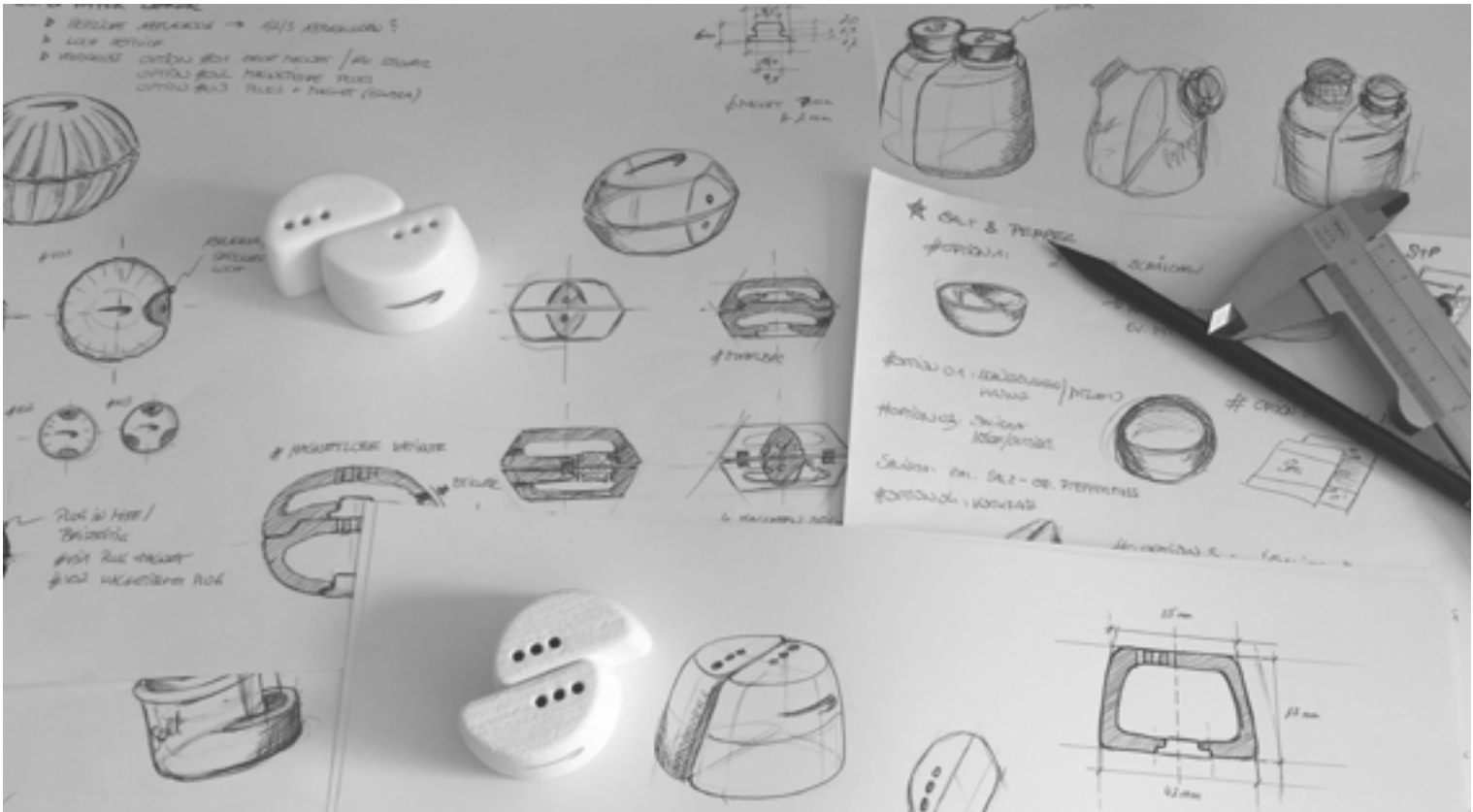
CUSTOMISED ONBOARD CONCEPTS

Menu planning and design, board menus, cabin crew procedures and cabin crew training, even lounge concepts – according to the philosophy of each carrier, concepts and services are individually designed and then further refined on an ongoing basis.

DO & CO delivers a broad and diverse product portfolio to every market and price situation. The in-house design team develops suitable design solutions for crockery, equipment and packages. Design, preparation and production coordination from one source.



PROTOTYPE MANUFACTURING
3D PRINT



Creative design solutions for packaging, dishes, and equipment from the DO & CO Design Department.

OUR RESPONSIBILITY FOR THE FUTURE



FOOD SAFETY AND HYGIENE

Ensuring food safety is the basis of all quality assurance efforts at DO & CO. With interdivisional and globally valid food safety standards, the company not only reacts to changes in food law but also meets the highest product and customer requirements.

DO & CO relies on its own team of experienced experts, who draw upon their knowledge in the fields of food technology, nutritional science, biology, and chemistry.

The DO & CO Food Safety Standard is based on the principles of the (Hazard Analysis and Critical Control Point) HACCP system laid out in the FAO/WHO Codex Alimentarius as well as the rules for "Good Hygienic Practices" and is structured according

to the international standard *ISO 22000:2005*. Preventative programmes have been introduced in accordance with the standard *Prerequisite Programmes ISO/TS 22002 Part 2, Catering*. In addition, we are required to comply with the *IFSA / IFCA / AEA* and *WHO World Food Safety Guidelines* in the Airline Catering division.

DO & CO operates two microbiological analysis labs in which more than 20,000 food samples are analysed each year in order to validate the company's production processes.

DO & CO is able to not only provide safe food of the highest quality, but also to meet the most stringent hygiene standards.

SUSTAINABILITY

"Consistent adherence to the strictest hygiene regulations and cautions dealing with the environment."

Because the company is aware of its responsibility as a consumer of raw material reserves and a generator of waste, the continuous optimisation of the use of resources and the implementation of waste prevention measures have been an integral part of the company's environmental policy for years.

We have seen that successful business practices and responsible, environmentally oriented actions often complement one another ideally and ultimately prove to be a competitive advantage.

DO & CO generally buys directly from producers and focuses on regional or organic products. DO & CO Vienna is the first DO & CO site to be certified according to *EU Regulation (EC) No. 843/2007* on organic farming. Thanks to our experience, we are able to precisely plan the quantity of food to be produced and thus reduce waste to a minimum.

We believe in "waste prevention" before "reusability" before "recycling" before "landfilling".

»»» MORE INFORMATION ONLINE UNDER:
DOCO.COM/EN/INVESTOR_RELATIONS

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GROUP MANAGEMENT REPORT FOR

2018/
2019

1. HIGHLIGHTS

Strong organic growth in revenue: DO & CO almost entirely compensates for negative currency losses of € 99m as well as the termination of the train catering services of more than € 46m (negative effects amounting to a total of € 145m) in revenue and increases margins Innovative products, new customers, a good performance with existing customers and numerous measures to improve efficiency have once again produced an outstanding result in this business year: revenue (€ 847.80m / -1.6%), net result (€ 26.40m / +8.3%). Earnings per share thus amount to € 2.71 (PY: € 2.50). The Management Board will propose a dividend of € 0.85 per share to the General Meeting of Shareholders.

British Airways | Iberia & Iberia Express - Gourmet Entertainment by DO & CO as of 2020 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 the spring of 2020, with the contracts concluded for a period of 10 years, respectively. British Airways and Iberia/Iberia Express are two further airlines that put their trust in DO & CO catering at their homebase.

DO & CO is building one of the largest European gourmet kitchens in London The preparations for the takeover of catering services for British Airways at London Heathrow are in full swing. In this context, DO & CO is building one of the most modern and largest gourmet kitchens in Europe with an area of more than 30,000 sqm in London. Completion is scheduled for the end of 2019.

Extension of the catering contract with Turkish Airlines On 23 October 2018, DO & CO reached an agreement to extend business relations with Turkish Airlines for another 15 years at the new airport in Istanbul and further airports in Turkey.

Extension of the catering contract with Austrian Airlines DO & CO and Austrian Airlines continue their long-standing partnership. Once again, DO & CO emerged as the highest bidder in an international tendering procedure. The new contract commenced on 1 January 2019 and was concluded for a period of three years, including an option to extend the contract for a further three years.

Extension of the catering contract with LOT Polish Airlines In the first quarter of the business year 2018/2019, DO & CO successfully extended the catering contract with LOT Polish Airlines at the Polish locations by a further five years and nine months.

New customer Jet Blue at the New York JFK location With Jet Blue, DO & CO is pleased to have gained one of the coolest and most quality-focussed US airlines as a customer. Gourmet menus have been offered by DO & CO on all Jet Blue „Mint Class“ (business class) flights ex JFK since November 2018.

Further major new airline catering customers in 2018/2019

- Qatar Airways and SWISS ex Los Angeles
- British Airways and Ethiopian Airlines ex Incheon
- Hainan Airlines, ANA and China Southern ex Vienna
- Saudia ex Milan Malpensa
- Middle East Airlines ex Frankfurt

Extension of the contract with Olympiapark München GmbH The Olympic Park in Munich and DO & CO are continuing their successful cooperation. DO & CO was awarded the contract to cater for guests and visitors at the Munich Olympic Park. The new contract commenced on 1 January 2019 and was concluded for a period of five years, including an option to extend the contract for a further five years.

Taking over the stadium catering for Austria Vienna at the new Generali Arena The long-established football club Austria Vienna and DO & CO are intensifying their cooperation. Since June 2018, DO & CO has taken over the entire catering when the club moved back to the Generali Arena after its conversion and makeover. The services comprise the full-scale catering for the VIP and public areas for all games of Austria Vienna. After its conversion, the football stadium now holds 17,500 spectators. DO & CO has also designed the look and the entire equipment of the VIP lounges. With FC Bayern Munich, Juventus Football Club, Red Bull Salzburg and Austria Vienna, DO & CO already provides catering services to four football clubs.

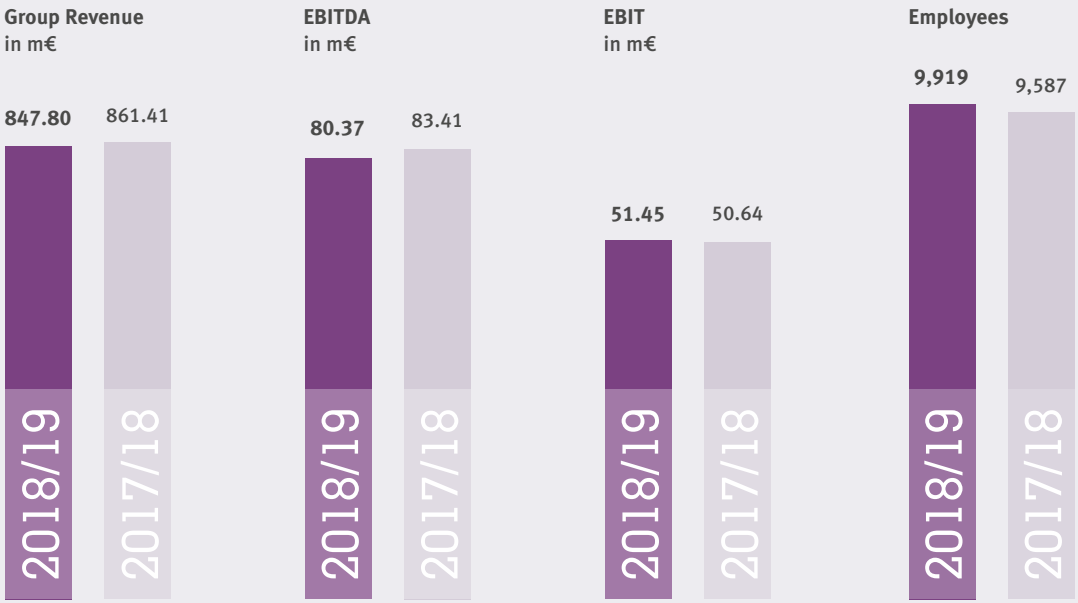
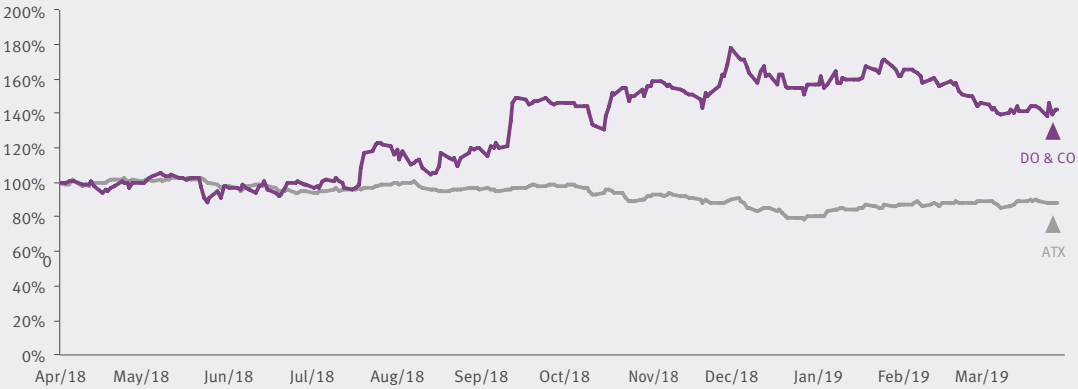
DO & CO consolidates its lead position in premium sports events In the business year 2018/2019, DO & CO completed its already 27th season of catering for Formula 1 grand prix races, handling a total of 19 races in 18 different countries. Further highlights of the business year were the tennis tournament at the ATP Tennis Masters Series in Madrid and the UEFA Champions League final in Kiev. In the business year 2018/2019, DO & CO organised the catering of 25 football matches each at the Allianz Arena in Munich as well as at the Allianz Stadium in Turin in addition to the organisation of numerous events in the sports and business fields.

Opening of the new Red bull staff restaurant in Salzburg / Elsbethen Another pleasing development is the acquisition of a prestigious customer in the staff restaurants unit. Since the beginning of December 2018, DO & CO has operated Red Bull's new staff restaurant for up to 1,200 staff members in Salzburg / Elsbethen.

Very good development at the Istanbul and Vienna Stock Exchange In the business year 2018/2019, DO & CO's share developed very well at both the Vienna and the Istanbul Stock Exchanges. In Istanbul, DO & CO's share rose by 86.5% in the reporting year, whereas the leading index BIST 100 decreased by -18.4%. In Vienna, DO & CO's share gained 42.3%. In the same period, the ATX fell by -11.5%. On 29 March 2019, DO & CO's share reported a closing rate of TRY 457.00 in Istanbul and a closing rate of € 73.30 in Vienna. As of 24 September 2018, DO & CO's share was once again included in the Austrian leading index ATX.

KEY FIGURES

Development of DO & CO Share on the Vienna stock exchange in %



Details on DO & CO Stock

Securities code: DOC, DOCO
Securities no.: 081880
ISIN Code: AT0000818802
Trading segment: Official trading
Market segment: Prime Market (VSE), National Market (BIST)
Containing the following indices: ATX, ATX Prime, BIST-ALL
No. of individual shares: 9,744,000
Listed nominal value in EUR: 19,488,000
Initial listing 30 June 1998 (VSE)
Initial listing 2 December 2010 (BIST)

Relevant Information on the Capital Market

T: +43 (1) 74000-0
F: +43 (1) 74000-1089
E: investor.relations@doco.com

Reuters Code: DOCO.VI, DOCO.IS
Bloomberg Code: DOC AV, DOCO. TI
Homepage of Vienna Stock Exchange: www.wienerboerse.at
Homepage of Istanbul Stock Exchange: www.borsaistanbul.com

2. KEY FIGURES OF THE DO & CO GROUP UNDER IFRS

The calculations of the key figures is explained in the Glossary of Key Figures.

		Business Year 2018/2019	Business Year 2017/2018
Revenue	m€	847.80	861.41
EBITDA	m€	80.37	83.41
EBITDA margin	%	9.5%	9.7%
EBIT	m€	51.45	50.64
EBIT margin	%	6.1%	5.9%
Profit before income tax	m€	48.64	46.17
Net result	m€	26.40	24.37
Net result margin	%	3.1%	2.8%
Cash flow from operating activities	m€	54.92	42.40
Cash flow from investing activities	m€	-45.18	-86.15
Free cash flow	m€	9.75	-43.75
EBITDA per share	€	8.25	8.56
EBIT per share	€	5.28	5.20
Earnings per share	€	2.71	2.50
ROS	%	5.7%	5.4%

		31 March 2019	31 March 2018
Equity ¹	m€	249.25	240.11
Equity ratio ¹	%	42.4%	41.9%
Net debt (net financial liabilities)	m€	81.75	75.16
Net debt to EBITDA		1.02	0.90
Net gearing	%	32.8%	31.3%
Working capital	m€	50.43	41.26
Equity per share (book entry) ¹	€	20.68	19.76
High ²	€	91.50	69.44
Low ²	€	45.55	38.22
Price at the end of the period ²	€	73.30	51.50
Number of shares at the end of the period	TPie	9,744	9,744
Market capitalization at the end of the period	m€	714.24	501.82
Employees		9,919	9,587

¹ Adjusted by proposed dividend payments
² Closing Rate

3. ECONOMIC ENVIRONMENT¹

In 2018, the global economic growth decreased compared to 2017. In autumn 2018, the International Monetary Fund (IMF) already corrected the anticipated growth rate of 3.9% downward to a rate of 3.7%. In April 2019, the estimated economic growth amounted to 3.6% for 2018 and was thus below the rate of the previous year of 3.7%. This development is due to the slow-down in economic growth in the second half of the year 2018, in particular in the euro zone, Great Britain and in Asia.

The latest positive developments are also reflected in the expectations for the coming years. The economists of the International Monetary Fund (IMF) expect the global economy to grow by 3.3% and 3.6% in 2019 and 2020, respectively.

In 2018, the IMF forecasted a growth of 1.8% for the euro zone compared to 2.4% in the previous year. Due to, among others, difficulties in the automotive industry, economic growth forecasts had to be adjusted especially in Germany. The uncertainties in connection with Great Britain’s scheduled withdrawal from the European Union resulted in a slow-down of economic growth both in the euro zone as well as in Great Britain. While the economy is expected to further grow in the next two years in the euro zone, forecasts were significantly corrected downwards compared to the previous year.

In 2018, the Austrian economy grew by 2.7%, representing a higher rate than in the previous year (2.6%). Austria’s economic development, therefore, performed much better than the rest of the euro zone. Investments as well as public sector and private consumption contributed to economic growth. The contribution of foreign trade decreased compared to the previous year. At 4.9% (Eurostat definition), unemployment dropped again in 2018. Average unemployment within the EU further declined but at 6.8% clearly exceeds the Austrian rate. Compared to the previous year, the domestic inflation rate (Harmonised Index of Consumer Prices) decreased by 0.1% to 2.1%. As in the previous year, the inflation rate is therefore still higher than the rate of the European Union which reports an annual inflation of 1.9% in 2018 (PY: 1.7%). The Austrian Economic Chamber forecasts an economic growth of 1.7% for 2019 which is therefore 1.0% below the growth in 2018.

In Turkey, the economy is expected to grow by 2.6% in 2018, thus significantly falling short of the rate of the previous year (7.4%). This development is mainly due to the substantial depreciation and the high volatility of the Turkish lira. A further growth of 2.3% is expected for 2019.

At 2.9%, economic growth in the US in 2018 was above the previous year’s rate of 2.2%. Private consumption was the key driver of the growth. The IMF expects the economy to slightly decrease to 2.3% in 2019.

At 3.3%, Ukraine once again shows growth in 2018 and remains above the previous year’s level of 2.5%. A growth of 2.7% is expected for 2019.

South Korea, Asia’s fourth largest national economy, reported an expected growth of 2.7% in 2018, thus falling short of the previous year’s level of 3.1%.

With interest rates low, earnings from overnight money and fixed-term deposits were markedly below the historic average also in 2018, which still leads to a lively demand for more profitable investment opportunities in the financial markets. The European Central Bank (ECB) left the base rate in the euro zone unchanged at the record low of 0.0%. In contrast, the American Federal Reserve (FED) increased the base rate once again, most recently in December 2018, with the interest rate now ranging between 2.25% and 2.5% due to strong economic growth.

In the business year 2018/2019, the Austrian leading index ATX was down by -11.5%, the Turkish BIST 100 index decreased by -18.4%.

In the business year 2018/2019, the US dollar varied between 1.12 and 1.23 against the euro. On 31 March 2019, the exchange rate stood at 1.12 EUR/USD, meaning that the US dollar was able to gain against the euro during the reporting period (PY: 1.23 EUR/USD on 1 April 2018). The Turkish lira lost on the euro, falling from 4.88 per EUR/TRY on 1 April 2018 to 6.34 on 31 March 2019. After the Swiss national bank discontinued the minimum exchange rate of 1.20 Swiss francs per euro in 2015, the EUR/CHF rate was 1.12 on 31 March 2019 compared to 1.18 in the previous year. The Ukrainian hryvnia reported an appreciation during the reporting period, showing a EUR/UAH exchange rate of 30.57 on 31 March 2019 (compared to 32.70 EUR/UAH on 1 April 2018).

¹ Source of economic data:
<https://www.imf.org/en/Publications/WEO/Issues/2019/03/28/world-economic-outlook-april-2019>
<https://www.imf.org/en/Publications/WEO/Issues/2018/09/24/world-economic-outlook-october-2018>
<https://www.wko.at/service/aussenwirtschaft/tuerkei-wirtschaftsbericht.pdf>
<http://wko.at/statistik/prognose/prognose.pdf>
<http://wko.at/statistik/eu/europa-arbeitslosenquoten.pdf>
<http://wko.at/statistik/eu/europa-inflationsraten.pdf>

4. BUSINESS DEVELOPMENT

Group		Business Year 2018/2019	Business Year 2017/2018	Change	Change in %
Revenue	m€	847.80	861.41	-13.62	-1.6%
Other operating income	m€	21.39	23.31	-1.92	-8.2%
Cost of materials	m€	-362.31	-369.12	6.81	1.8%
Personnel expenses	m€	-282.29	-288.33	6.04	2.1%
Other operating expenses	m€	-144.59	-143.25	-1.33	-0.9%
Result of equity investments accounted for using the equity method	m€	0.38	-0.61	0.98	161.6%
EBITDA - Operating result before amortisation / depreciation and effects from impairment tests	m€	80.37	83.41	-3.04	-3.6%
Amortisation / depreciation and effects from impairment tests	m€	-28.92	-32.77	3.85	11.7%
EBIT - Operating result	m€	51.45	50.64	0.81	1.6%
Financial result	m€	-2.81	-4.47	1.66	37.2%
Profit before income tax	m€	48.64	46.17	2.47	5.4%
Income tax	m€	-11.71	-12.80	1.09	8.5%
Profit after tax	m€	36.93	33.37	3.57	10.7%
Therof net profit attributable to non-controlling interests	m€	-10.53	-8.99	-1.54	-17.1%
Therof net profit attributable to shareholders of DO & CO Aktiengesellschaft (Net result)	m€	26.40	24.37	2.03	8.3%
EBITDA margin	%	9.5%	9.7%		
EBIT margin	%	6.1%	5.9%		
Employees		9,919	9,587	332	3.5%

4.1. Revenue

Revenue		Business Year 2018/2019	Business Year 2017/2018	Change	Change in %
Airline Catering	m€	598.09	574.11	23.98	4.2%
International Event Catering	m€	129.53	123.00	6.53	5.3%
Restaurants, Lounges & Hotel	m€	120.17	164.30	-44.12	-26.9%
Group Revenue		847.80	861.41	-13.62	-1.6%

In the 2018/2019 business year, the DO & CO Group recorded revenue in the amount of € 847.80m representing a decline of € -13.62m or -1.6% on the previous year. Thanks to a strong organic growth, the DO & CO Group was able to almost entirely compensate for negative currency effects of nearly € 99m as well as the termination of the train catering services of more than € 46m (negative effects on revenue amounting to a total of € 145m).

In the business year 2018/2019, revenue of the **Airline Catering division** grew by € 23.98m from € 574.11m to € 598.09m. This represents an increase of 4.2%. The Airline Catering division's revenue produced 70.5% of the Group's overall revenue (PY: 66.6%).

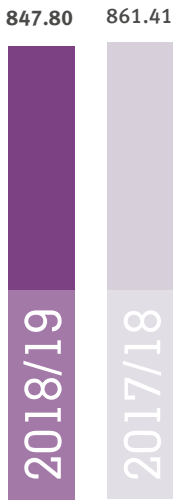
Almost all DO & CO locations report increases in revenue. It is particularly the locations in the US, Great Britain, Austria and Poland that report a positive development. In Turkey, revenue showed a substantial increase by 36.8% in the local currency (Turkish lira), particularly due to the favourable development of passenger numbers at Turkish Airlines. However, the depreciation of the Turkish lira against the euro resulted in a decline in revenue of -2.5% in DO & CO's consolidated income statement.

In the business year 2018/2019, revenue of the **International Event Catering division** grew by € 6.53m from € 123.00m to € 129.53m. This represents an increase of 5.3%. The International Event Catering division's revenue produced 15.3% of the Group's overall revenue (PY: 14.3%).

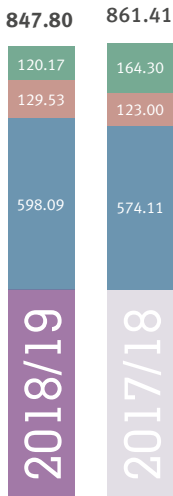
In the business year 2018/2019, revenue of the **Restaurants, Lounges & Hotel division** decreased by €-44.12m from € 164.30m to € 120.17m. This represents a decrease of -26.9%. The Restaurants, Lounges & Hotel division's revenue produced 14.2% of the Group's overall revenue (PY: 19.1%).

The marked decrease in revenue in this segment is due to the termination of train catering services for the Austrian federal railways (ÖBB) per 31 March 2018 (€ 46m).

Group Revenue in m€



Group Revenue by Divisions in m€



■ Airline Catering
■ International Event Catering
■ Restaurants, Lounges & Hotel

4.2. Result

Other operating income amounts to € 21.39m (PY: € 23.31m). This represents a decrease of € -1.92m.

In absolute figures, cost of materials fell by € -6.81m (-1.8%), from € 369.12m to € 362.31m, at a revenue reduction rate of -1.6%. Cost of materials as a proportion of revenue thus decreased slightly from 42.9% to 42.7%.

Personnel expenses in absolute figures declined to € 282.29m in the business year 2018/2019 (PY: € 288.33m). In relation to revenue, personnel expenses thus amount to 33.3% (PY: 33.5%).

Other operating expenses show an increase of € 1.33m or 0.9%. Accordingly, other operating expenses made up 17.1% of revenue (PY: 16.6%).

The result of investments accounted for using the equity method amounts to € 0.38m in the business year 2018/2019 (PY: € -0.61m).

The EBITDA margin was 9.5% in the business year 2018/2019 (PY: 9.7%).

In the business year 2018/2019, amortisation/depreciation and effects from impairment tests amounted to € 28.92m, representing a decrease on the previous year's level (PY: € 32.77m). The decrease in amortisation/depreciation results from an extension of useful lives due to a later putting into operation of the catering unit at the new airport in Istanbul.

The EBIT margin is 6.1% in the business year 2018/2019 (PY: 5.9%).

The financial result for the business year 2018/2019 improved from € -4.47m to € -2.81m. The financing expenses mainly comprise interest for the corporate bond placed at the beginning of 2014. The other financial result includes foreign exchange differences resulting from group financing in foreign currencies.

Income tax amounts to € 11.71m for the business year 2018/2019 (PY: € 12.80m), representing a decrease by € -1.09m. The tax ratio (taxes as a proportion of untaxed income) was 24.1% in the business year 2018/2019 (PY: 27.7%).

For the business year 2018/2019, the Group achieved a profit after income tax of € 36.93m, an increase of € 3.57m on the same period of the previous year. This means an increase of 10.7% of the profit after income tax on the previous year. € 10.53m (PY: € 8.99m) of the profit after income tax is attributable to non-controlling interests.

The net profit attributable to the shareholders of DO & CO Aktiengesellschaft (net result) therefore amounts to € 26.40m (PY: € 24.37m). Earnings per share thus amount to € 2.71 (PY: € 2.50). The net result margin increased to 3.1% in the business year 2018/2019 (PY: 2.8%).

4.3. Statement of financial position

The decline in property, plant and equipment is mainly due to the reclassification of the hotel under construction in Turkey into the item “non-current assets held for sale” (see Section 4.8. in the notes to the consolidated financial statements).

The Group’s equity (adjusted for the designated dividends) amounts to € 249.25m as of 31 March 2019. The equity ratio thus is 42.4% as of 31 March 2019 (31 March 2018: 41.9%).

The decrease in provisions is due to the utilisation of provisions in Turkey and France.

4.4. Employees

The average number of staff (full-time equivalent) in the business year 2018/2019 was 9,919 (PY: 9,587 employees). The increase is mainly due to the expansion of business activities at the American, British and Turkish locations.

4.5. Research and development

Within the context of creating and optimising service concepts for customers, the Company performs research and development activities with regard to meals and design of packaging, tableware and equipment.

4.6. Non-financial performance indicators

Pursuant to the Austrian Sustainability and Diversity Improvement Act (NaDiVeG), DO & CO is required to publish a non-financial report for the business year 2018/2019. This report is available at the website (www.doco.com).

01 AIRLINE CATERING

- | | |
|--------------------|--------------------------------|
| Air China | Laudamotion |
| Air India | LOT Polish Airlines |
| Air Malta | Lufthansa |
| Asiana Airlines | Middle East Airlines |
| Austrian Airlines | Oman Air |
| British Airways | Pegasus Airlines |
| Cathay Pacific | Qatar Airways |
| China Airlines | Royal Jordanian |
| Egypt Air | SAS Scandinavian Airlines |
| Emirates | Saudia |
| Ethiopian Airlines | Singapore Airlines |
| Etihad Airways | South African Airways |
| Eurowings | SWISS |
| EVA Air | Thai Airways |
| Gulf Air | Turkish Airlines |
| Hainan Airlines | Ukraine International Airlines |
| Korean Air | Windrose |
| Kuwait Airways | |



4.7. Airline Catering

With its unique, innovative and competitive product portfolio, the Airline Catering division generates the largest share of the DO & CO Group's revenue.

DO & CO operates 31 gourmet kitchens worldwide in eleven countries on three continents.

DO & CO's customer portfolio includes more than 60 airlines. This clientele includes major players such as Austrian Airlines, Asiana Airlines, British Airways, Cathay Pacific, China Airlines, Emirates, Etihad Airways, EVA Air, Egypt Air, Jet Blue, Korean Air, Lufthansa, LOT Polish Airlines, Oman Air, Pegasus Airlines, Qatar Airways, Singapore Airlines, South African Airways, SWISS, Thai Airways and Turkish Airlines.

Airline Catering		Business Year 2018/2019	Business Year 2017/2018	Change	Change in %
Revenue	m€	598.09	574.11	23.98	4.2%
EBITDA	m€	56.24	60.62	-4.38	-7.2%
Depreciation/amortisation	m€	-20.03	-23.14	3.11	13.4%
Effects from Impairment tests	m€	-1.51	-1.14	-0.37	-32.3%
Impairment	m€	-2.69	-1.64	-1.05	-64.3%
Appreciation	m€	1.18	0.49	0.68	138.2%
EBIT	m€	34.69	36.33	-1.64	-4.5%
EBITDA margin	%	9.4%	10.6%		
EBIT margin	%	5.8%	6.3%		
Share of Group Revenue	%	70.5%	66.6%		

In the business year 2018/2019, the Airline Catering division generated revenue in the amount of € 598.09m (PY: € 574.11m), meaning an increase of 4.2% on the prior year despite a very competitive and volatile market environment. The Airline Catering division's revenue produced 70.5% of the Group's overall revenue (PY: 66.6%). Altogether, the 31 gourmet kitchens operated by the DO & CO Group around the globe catered for more than 113 million passengers on over 700,000 flights.

At € 56.24m, EBITDA thus is € -4.38m or -7.2% below the figure of the same period of the previous year. EBIT amounts to € 34.69m (PY: € 36.33m). The EBITDA margin was 9.4% in the business year 2018/2019 (PY: 10.6%). The EBIT margin is 5.8% (PY: 6.3%).

With regard to the development of the international locations, the following is worth noting.

WIN OF LARGE TENDERS

In this division, the management of DO & CO is able to report particularly favourable 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 the spring of 2020, with the contracts concluded for a period of 10 years, respectively. British Airways and Iberia/Iberia Express are two further airlines that put their trust in DO & CO catering at their homebase.

TURKEY

In the course of the business year 2018/2019, a significant decline of the Turkish lira against the euro was reported. While 1 euro still amounted to 4.88 Turkish lira at the beginning of the business year 2018/2019, the exchange rate of the euro at the end of August 2018 only amounted to 7.64 Turkish lira. In the second half of the business year 2018/2019, the Turkish lira recovered slightly and closed at a rate of 6.34 on the euro.

In Turkey, revenue showed a substantial increase by 36.8% in the local currency (Turkish lira), particularly due to the favourable development of passenger numbers at Turkish Airlines. However, the depreciation of the Turkish lira against the euro in the amount of € -100m resulted in a decline in revenue of -2.5% in DO & CO's consolidated income statement.

On 23 October 2018, DO & CO reached an agreement to extend business relations with Turkish Airlines for another 15 years at the new airport in Istanbul and further airports in Turkey. The approval by the national competition authority is still outstanding.

AUSTRIA

DO & CO and Austrian Airlines continue their long-standing partnership as DO & CO, once again, emerged as the highest bidder in an international tendering procedure. The new contract commenced on 1 January 2019 and was concluded for a period of three years, including an option to extend the contract for a further three years.

Encouragingly, at the Skytrax 2018 (www.worldairlineawards.com), Austrian Airlines was awarded the prestigious "Best Business Class Airline Catering" award for the second time since 2015.

The airline catering locations in Austria reported revenue increases as a result of expanded business activities with existing customers and the acquisition of new customers. Since October 2018, catering services have been provided to the five star airline Hainan Airlines at the Vienna location. In spring, three additional customers were acquired at the Vienna location. As of spring 2019, DO & CO will provide catering services for ANA, China Southern and Air Canada.

US

The expansion of business activities with existing customers mainly contributes to the growth in revenue at the New York John F. Kennedy location. With Jet Blue, DO & CO is pleased to have gained one of the coolest and most quality-focussed US airlines as a customer. Gourmet menus have been offered by DO & CO on all Jet Blue „Mint Class“ (business class) flights ex JFK since November 2018. Investments in conversion and expansion works have been carried out since January 2017 with a view to achieve further growth at the location. Completion is imminent.

At the second location in North America, Chicago O'Hare, revenue was increased due to expanded business activities with existing customers and the acquisition of Qatar Airways. DO & CO now has nine customers at this location.

In the previous business year 2018/2019, DO & CO intensified cooperation with the Lufthansa Group. After Lufthansa at New York JFK and the extension of the cooperation with Austrian Airlines, SWISS – to which DO & CO catering services have been provided on one daily flight from Los Angeles to Zurich since the beginning of July 2018 – was acquired as a new customer for the first time



as well. In addition, the partnership with Qatar Airways was intensified and the airline acquired as a new customer with one daily flight as of March 2019 at the Los Angeles location. DO & CO now already has four customers at the newly opened location.

GREAT BRITAIN

At the London Heathrow location, revenue rose as a result of an expansion of DO & CO’s business activities with existing customers. Since 1 December 2018, DO & CO has performed catering services for ten daily British Airways medium-haul and long-haul flights.

The preparations for the takeover of catering services for British Airways at London Heathrow are in full swing. In this context, DO & CO is building one of the most modern and largest gourmet kitchens in Europe with an area of more than 30,000 sqm in London. Completion is scheduled for the end of 2019.

Towards the end of the business year, DO & CO was able to acquire Cathay Pacific as new customer also at the London location. Starting at the beginning of May 2019, DO & CO will provide catering services on five daily flights ex London Heathrow and one daily flight ex London Gatwick. DO & CO has therefore further expanded its market position also in London after having been awarded the contract for providing catering and handling services on all British Airways short-haul and long-haul flights.

GERMANY

The business development was slightly declining at the German locations (Frankfurt, Munich, Düsseldorf and Berlin), particularly due to the insolvency of NIKI’s parent company Air Berlin. However, DO & CO was able to acquire Singapore Airlines as a new customer in Düsseldorf and Munich towards the end of the business year 2018/2019. Starting in July and August 2019, Singapore Airlines will be provided with catering services on four flights per week ex Düsseldorf and one daily flight ex Munich, respectively.

POLAND

The Polish airline catering locations reported revenue increases as a result of expanded business activities with existing customers. In the first quarter of the business year 2018/2019, DO & CO also successfully extended the catering contract with LOT Polish Airlines at the Polish locations by a further five years and nine months.

SOUTH KOREA

At the Incheon location in South Korea, the joint venture Sharp DO & CO Korea, which is included at equity in the consolidated financial statements, increased revenue as a result of an expansion of business activities with existing customers as well as the acquisition of new customers. DO & CO has been providing catering services on eight Ethiopian Airlines flights per week since June 2018. Since December 2018, DO & CO has further performed catering services on one daily British Airways flight.

UKRAINE

The airline catering location in Kiev reports increased revenue for the business year 2018/2019 compared to the same period of the previous year.

ITALY

With regard to the airline catering location in Milan Malpensa, a downward trend in the business development was reported, particularly due to the loss of Qatar Airways and Singapore Airlines as customers. This decline in revenue was partly compensated by the win of the new customer Saudia with six flights per week as of June 2018.

DO & CO strategy

- Strengthening the division’s position as “the” premium supplier in the airline catering segment
- Unique, innovative and competitive product portfolio
- Long-term sustainable partnerships with customers at several locations
- One-stop supplier of airline catering services
- Gourmet kitchen approach: meals for all divisions are prepared in central kitchens in order to ensure consistent quality, know-how exchange across all divisions and high capacity utilisation

Outlook on the business year 2019/2020

- Establishment of new gourmet kitchens at the London Heathrow and Madrid-Barajas airports as well as the new airport in Istanbul
- Preparations for the takeover of catering and handling services on all British Airways short-haul and long-haul flights ex London Heathrow as of April 2020
- Preparations for the takeover of catering and handling services on all Iberia and Iberia Express flights ex Madrid-Barajas as of May 2020
- Completion of the expansion investments in the location New York (John F. Kennedy Airport)
- Participation in numerous tenders for existing and/or new customers
- Evaluation of takeover goals and expansion possibilities

Competitive edge of DO & CO

- “The” premium airline caterer
- Product creativity and innovation
- Supplier of one-stop solutions

02 INTERNATIONAL EVENT CATERING

FOOTBALL

UEFA Champions League Final 2018
Kiev

FC Bayern München / Allianz Arena
Munich

FK Austria Wien
Vienna

Red Bull Salzburg
Salzburg

Juventus Turin
Turin

FORMULA 1

Sakhir, Shanghai, Baku, Barcelona, Monte Carlo,
Montreal, Le Castellet, Spielberg, Silverstone,
Hockenheim, Budapest, Spa, Monza, Sochi,
Suzuka, Austin, Mexico City, Abu Dhabi

EQUESTRIAN

Show Jumping Tournament CHIO Aachen
Aachen

TENNIS

ATP Masters Series
Madrid

BEACH VOLLEYBALL

Beach Volleyball Major
Vienna

WINTER SPORTS

Downhill Race
Kitzbühel

Night Slalom
Schladming

Four Hills Tournament
Bergisel & Bischofshofen

SPECIAL EVENTS

Film Festival at Rathausplatz
Vienna

4.8. International Event Catering

The International Event Catering division generated revenue of € 129.53m (PY: € 123.00m) in the business year 2018/2019. In the business year 2018/2019, the International Event Catering division's EBITDA stands at € 16.35m (PY: € 12.10m). The EBITDA margin is 12.6% (PY: 9.8%). EBIT is € 11.77m in the business year 2018/2019 (PY: € 7.24m). The EBIT margin is 9.1% (PY: 5.9%).

International Event Catering		Business Year 2018/2019	Business Year 2017/2018	Change	Change in %
Revenue	m€	129.53	123.00	6.53	5.3%
EBITDA	m€	16.35	12.10	4.25	35.1%
Depreciation/amortisation	m€	-4.57	-4.86	0.28	5.8%
Effects from Impairment tests	m€	0.00	0.00	0.00	0.0%
Impairment	m€	0.00	0.00	0.00	0.0%
Appreciation	m€	0.00	0.00	0.00	0.0%
EBIT	m€	11.77	7.24	4.53	62.6%
EBITDA margin	%	12.6%	9.8%		
EBIT margin	%	9.1%	5.9%		
Share of Group Revenue	%	15.3%	14.3%		

For DO & CO's International Event Catering division, the business year 2018/2019 was already its 27th successive season of catering for Formula 1 grand prix races. Altogether, it handled 19 Formula 1 grand prix races in 18 different countries.

In the business year 2018/2019, DO & CO handled the catering for a total of 25 football matches at the Allianz Arena. Its services comprised full-scale catering for the VIP and public areas for all home games of FC Bayern Munich as well as organising numerous sporting and business events at the Allianz Arena. A particular highlight was the Wings for Life Charity gala at the Säbener Lounge in October 2018.

The event business in Munich continues to grow. In the third quarter of the business year 2018/2019, DO & CO announced that it will take over the catering for all VIP and public areas as well as restaurants for the new sports arena of the professional ice hockey players of EHC Red Bull Munich and the basketball players of FC Bayern Munich as of the 2021 season. The new venue will accommodate up to 11,500 spectators.

Additionally, numerous events at the Munich Olympic Park were hosted by DO & CO. The Olympic Park in Munich and DO & CO are continuing their successful cooperation. In a tendering procedure, DO & CO was awarded the contract to cater for guests and visitors at the Munich Olympic Park. The new contract commenced on 1 January 2019 and is concluded for a minimum period of five years, including an option to extend the contract for a further five years.

In the business year 2018/2019, DO & CO was responsible for the stadium catering of the traditional Turin football club, including 19 Serie A matches (the top division in Italian professional football), five Champions League matches as well as one match of the national cup competition. DO & CO has been responsible for the stadium catering of the traditional Turin football club since mid-August 2017. An average of approx. 4,100 VIP guests as well as 36,000 further stadium visitors enjoyed the catering of DO & CO on these occasions, respectively. Additionally, numerous events took place on non-match days.

The long-established football club Austria Vienna and DO & CO are intensifying their cooperation. Since June 2018, DO & CO has taken over the entire catering when the club moved back to the Generali Arena after its conversion and make-over. The services comprise the full-scale catering for the VIP and public areas for all games of Austria Vienna. After its conversion, the football stadium now holds 17,500 spectators. DO & CO has also designed the look and the entire equipment of the VIP lounges. With FC Bayern Munich, Juventus Turin Football Club, Red Bull Salzburg and Austria Vienna, DO & CO already provides catering services to four football clubs.

DO & CO's schedule also covered the international ÖFB matches at the Ernst Happel Stadium in Vienna and the home games of FC Red Bull Salzburg at the Red Bull Arena in Salzburg.

The annual tennis tournament in the course of the ATP Tennis Masters Series in Madrid marked the beginning of early summer. Over a period of ten days, 32,000 VIP guests indulged in exclusive DO & CO catering.

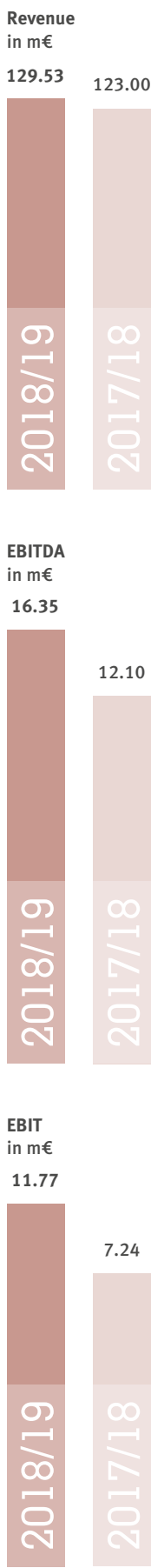
Additionally, DO & CO was able to host the UEFA Champions League final at the NSK Olimpijskyj stadium in Kiev. This was already the thirteenth Champions League final catered for by DO & CO for UEFA.

Aachen hosted the equestrian tournament CHIO in July 2018, with DO & CO being again responsible for the catering for the VIP guests.

The highlight of the summer was once again the Beach Volleyball Major Series held in Vienna at the end of July and the beginning of August 2018, where over a period of six days VIP guests and players tasted the very best of DO & CO's catering.

Once again since 1992, DO & CO has hosted the annual Film Festival at the Rathausplatz in Vienna held from the end of June until the beginning of September 2018. DO & CO has been responsible for the planning, organisation, set-up and gastronomic logistics of the gourmet food market, an event that is unique in Europe.

The highlight of the winter season in January 2019 was once again the annual Hahnenkamm ski race in Kitzbühel. DO & CO provided a unique atmosphere and catering at the highest level at the Bergisel and Bischofshofen legs of the Four Hills Tournament and the night slaloms in Flachau and Schladming. At the FIS Nordic World Ski Championships in Seefeld, the VIP guests also enjoyed the culinary treats of DO & CO at the competitions at the Bergisel.



DO & CO strategy

- Strengthening our core competence as a premium caterer
- Pushing our position as a “general contractor for gourmet entertainment” with “ready-made” creative solutions
- Enhancing the premium event brand established by DO & CO
- Establishing DO & CO as a strong and reliable partner

Outlook on the business year 2019/2020

- ATP Tennis Masters in Madrid
- UEFA Champions League final 2019 at the Estadio Metropolitano in Madrid
- Beach Volleyball Major Series in Vienna
- Catering and management of VIP hospitality infrastructure for Formula 1 grand prix races
- Catering for football games of FC Bayern Munich, Juventus Turin Football Club, FC Red Bull Salzburg and FK Austria Vienna

Competitive edge of DO & CO

- “One stop partner”
- Unique premium product – distinct and unequalled
- Maximum reliability, flexibility and a strong focus on quality have turned DO & CO into a “no headache” partner that is always ready to serve its customers
- An international and dynamic leadership team that is experienced in the premium segment

HOTEL

DO & CO Hotel
Vienna

**RESTAURANTS, CAFÉS &
DELICACIES**

DO & CO Restaurant Stephansplatz
Vienna

K. u. K. Hofzuckerbäckerei Demel
Vienna

DO & CO Albertina
Vienna

Hédiard
Paris

Restaurant 181
Munich

RETAIL

Henry – the art of living
Vienna

LOUNGES

Lufthansa First Class Lounges
Frankfurt

**Lufthansa Business &
Senator Lounges**
London

Turkish Airlines Lounges
*Istanbul, Adana, Bodrum,
Trabzon, Dalaman*

**Emirates First &
Business Lounges**
*London, Munich,
Frankfurt, Düsseldorf*

Austrian Airlines Lounges
Vienna

**Vienna International
Airport Lounges**
Vienna

LOT Business Class Lounges
Warsaw



4.9. Restaurants, Lounges & Hotel

In the business year 2018/2019, the Restaurants, Lounges & Hotel division accounted for revenue of € 120.17m (PY: € 164.30m), which translates into a revenue decline of € -44.12m or -26.9%. This decrease in revenue is exclusively due to the termination of train catering services for the Austrian federal railways (ÖBB) per 31 March 2018 (€ 46m). EBITDA is € 7.79m (PY: € 10.70m). The EBITDA margin is 6.5% (PY:6.5%). At € 4.98m, EBIT is below the previous year's level (PY: € 7.07m). The EBIT margin was 4.1% (PY: 4.3%).

Restaurants, Lounges & Hotel		Business Year 2018/2019	Business Year 2017/2018	Change	Change in %
Revenue	m€	120.17	164.30	-44.12	-26.9%
EBITDA	m€	7.79	10.70	-2.91	-27.2%
Depreciation/amortisation	m€	-2.87	-3.39	0.52	15.4%
Effects from Impairment tests	m€	0.06	-0.24	0.30	126.1%
Impairment	m€	0.06	-0.24	0.30	125.2%
Appreciation	m€	0.00	0.00	0.00	0.0%
EBIT	m€	4.98	7.07	-2.08	-29.5%
EBITDA margin	%	6.5%	6.5%		
EBIT margin	%	4.1%	4.3%		
Share of Group Revenue	%	14.2%	19.1%		

The Restaurants, Lounges & Hotel division consists of the following business units: restaurants and Demel cafés, lounges, hotel, staff restaurants, retail and airport gastronomy.

The staff restaurants unit, located in various parts of Austria and Germany, reported stable revenue in the business year 2018/2019 compared to the same period of the previous year. Another pleasing development is the acquisition of a prestigious customer in the staff restaurants unit. Since the beginning of December 2018, DO & CO has operated Red Bull's new staff restaurant for up to 1,200 staff members in Salzburg / Elsbethen.

In the business year 2018/2019, restaurants and Demel cafés reported a slight downward trend in revenue. The DO & CO flagship restaurant at Vienna's Stephansplatz, the DO & CO restaurant at the Albertina as well as the Restaurant Olympiasee located at the Munich Olympic Park generated satisfactory revenue figures.

The flagship store of Hédiard, a subsidiary of DO & CO, located at Place de la Madeleine in Paris, is currently undergoing a makeover and thus closed until the refurbishment is completed.

The 29 lounges operated around the world by DO & CO served culinary delights to over 4.6 million passengers in the business year 2018/2019. A very favourable development to be reported in this context is that Turkish Airlines was awarded the prestigious "Best Business Class Lounge" award for the third time since 2015 and the "Best Business Class Lounge Dining" award for the fifth time in a row at the Skytrax 2018 (www.worldairlineawards.com).

As reported, the rendering of train catering services for the Austrian federal railways (ÖBB) ended on 31 March 2018.

DO & CO strategy

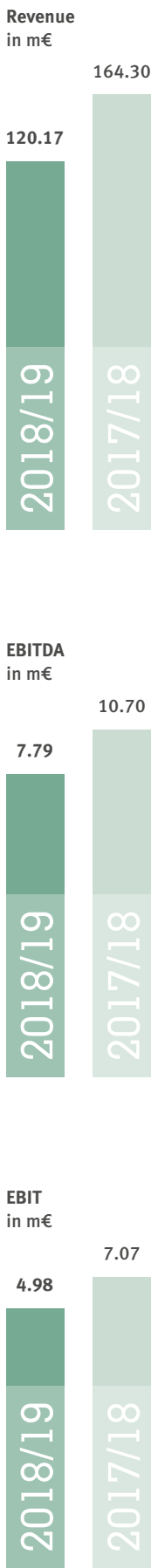
- Creative core of the DO & CO Group
- Marketing tool and image projector of the Group and brand development
- Direct sale to customers guarantees the highest quality and serves as indicator for customer satisfaction

Outlook on the business year 2019/2020

- Continued expansion in the retail segment with the opening of new locations of "Henry – the art of living" shops
- Continued expansion in the lounges, airport gastronomy and staff restaurants units

Competitive edge of DO & CO

- Pioneer in product innovation and take-up of international trends
- Strong brand that guarantees supreme quality
- Wide spectrum within the division: lounges, retail, airport gastronomy, restaurants and Demel cafés, hotel and staff restaurants
- Unique locations: Stephansplatz, Kohlmarkt, Albertina and Neuer Markt in Vienna as well as Place de la Madeleine in Paris



4.10. Share / Investor Relations / Information Pursuant to Section 243a UGB

Stock market overview

During the reporting period, the overall European stock index EuroStoxx 50 decreased by -0.3%. The US stock index Dow Jones Industrial reported an increase by 7.6%. The DAX, however, fell by -4.7%.

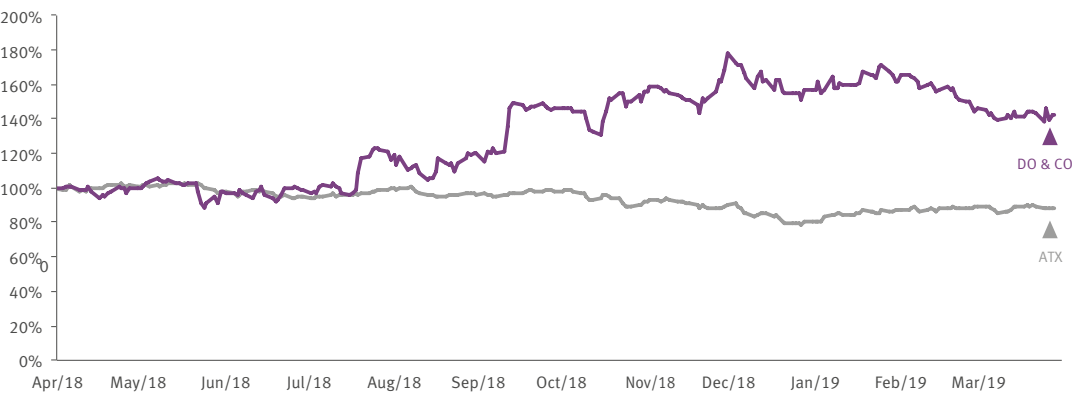
The Vienna Stock Exchange index ATX fell by -11.5% from 3,428.53 points on 30 March 2018 to 3,034.04 points on 29 March 2019.

The Istanbul Stock Exchange also continued to move downwards in the reporting period. The Turkish BIST 100 fell by -18.4% during the reporting period, closing at 93,784.18 points on 29 March 2019.

DO & CO Shares

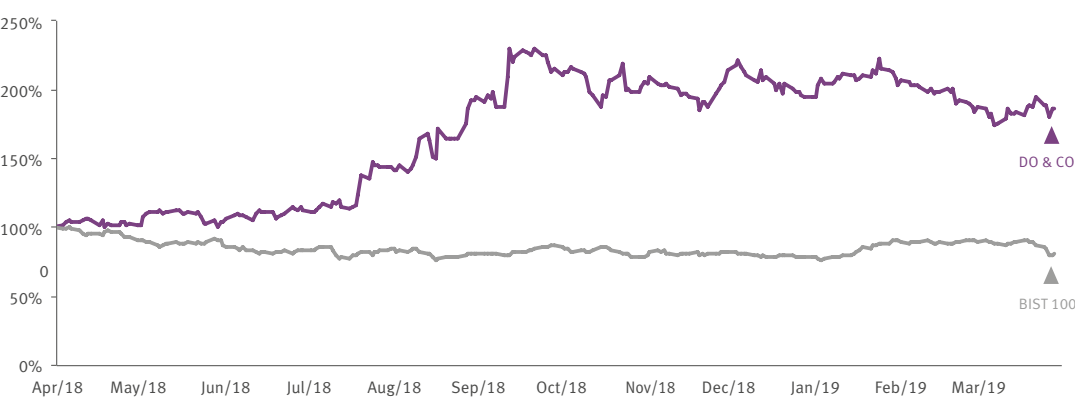
On the Vienna Stock Exchange, DO & CO's share rose by 42.3% in the business year 2018/2019, reporting a closing rate of € 73.30 on 29 March 2019.

DO & CO Share in % | ATX (Austrian Traded Index) in %



On the Istanbul Stock Exchange, the DO & CO share also rose significantly by 86.5%, closing at TRY 457.00 on 29 March 2019.

DO & CO Share in % | BIST 100 (Borsa Istanbul) in %



Inclusion in the Austrian leading index ATX

As of 24 September 2018, DO & CO was once again included in the Austrian leading index ATX. The ATX is the most important Austrian share index and comprises the 20 most significant Austrian listed entities, weighted by trading volume and free float capitalisation.

Dividend

The Management Board of DO & CO Aktiengesellschaft will propose the distribution of a dividend amounting to € 0.85 per share to the General Meeting of Shareholders on 18 July 2019. The dividend thus amounts to the dividend distributed in the previous business year. The distribution ratio is 31.4% of the net result.

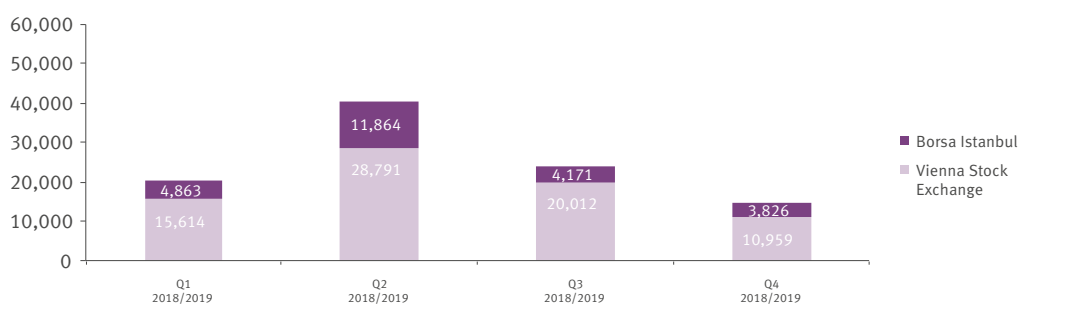
Trading volumes

On the Vienna Stock Exchange, an average of € 1,286k in DO & CO shares was traded daily during the business year 2018/2019, compared to an average daily trading volume of € 407k on the Istanbul Stock Exchange. The trading volume in Vienna thus was higher than the one on the Istanbul Stock Exchange. Together, the two stock exchanges traded € 1,694k or 25,119 shares as a daily average. The daily trading volume thus slightly decreased on the previous year.

	Vienna Stock Exchange		Istanbul Stock Exchange		Total	
	Business Year 2018/2019	Business Year 2017/2018	Business Year 2018/2019	Business Year 2017/2018	Business Year 2018/2019	Business Year 2017/2018
Volume in shares*	18,909	22,677	6,210	12,439	25,119	35,116
Turnover in k€*	1,286	1,139	407	615	1,694	1,754

* Daily average traded volume of the DO & CO shares

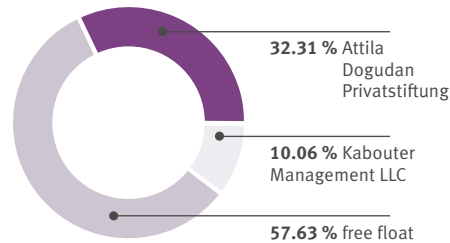
Daily average traded volume*



* Volume in shares

Key Figures per share		Business Year 2018/2019	Business Year 2017/2018
High ¹	€	91.50	69.44
Low ¹	€	45.55	38.22
Share price at the end of the period ¹	€	73.30	51.50
Number of shares at the end of the period	TPie	9,744	9,744
Market capitalisation at the end of the period	m€	714.24	501.82

¹ Closing price



Shareholder structure of DO & CO Aktiengesellschaft

As of 31 March 2019, 57.63% of the shares are in free float. The remaining shares are held by the private foundation Attila Dogudan Privatstiftung (32.31%) and by Kabouter Management LLC (10.06%). The share of Attila Dogudan Privatstiftung includes a stake of 1.59% provided for management and staff participation.

Information on the DO & CO shares

ISIN	AT0000818802
Reuters Code	DOCO.VI, DOCO.IS
Bloomberg Code	DOC AV, DOCO. TI
Indizes	ATX, ATX Prime, BIST ALL
WKN	081880
Börseplätze	Wien, Istanbul
Währung	EUR, TRY

Financial calendar

8 July 2019	Record date for the General Meeting of Shareholders for the business year 2018/2019
18 July 2019	General Meeting of Shareholders for the business year 2018/2019
22 July 2019	Dividend ex day
23 July 2019	Record date for dividends
5 August 2019	Dividend payment date
14 August 2019	Results for the first quarter of 2019/2020
14 November 2019	Results for the first half year of 2019/2020
12 February 2020	Results for the first three quarters of 2019/2020

Investor Relations

In the business year 2018/2019, the management of DO & CO Aktiengesellschaft held talks with numerous institutional investors and financial analysts.

Analyses and reports involving DO & CO's share are currently published by nine international institutions:

- Berenberg
- Hauck & Aufhäuser
- Kepler Cheuvreux
- Erste Bank
- HSBC
- Raiffeisen Centrobank
- İş Investment
- GSC Research
- Renaissance Capital

Analysts have an average price target of € 92.76 (status: 7 May 2019).

All published materials, the Corporate Governance Report and information on DO & CO's share are posted under Investor Relations on the DO & CO website at www.doco.com.

For more information please contact:

Investor Relations
e-mail: investor.relations@doco.com

Disclosures pursuant to Section 243a Austrian Commercial Code (UGB)

1. The share capital amounts to € 19,488,000.00 and is divided into 9,744,000 no-par value bearer shares. Only shares of this class are issued.
2. The Management Board is currently not aware of any limitations to the voting rights or to the transfer of DO & CO shares, even for those contained in agreements between shareholders.
3. At the reporting date, (i) Attila Dogudan Privatstiftung holds 32.31% and (ii) Kabouter Management, LLC 10.06% of the share capital of the Company.
4. There are currently no shares endowed with special control rights.
5. DO & CO staff owning Company shares can exercise their voting rights directly at the General Meeting of Shareholders.
6. The Company has no provisions on appointing and dismissing members of the Management Board that are not derived directly from the pertinent law on this matter. A simple majority of the share capital represented in the vote of a resolution suffices to make a change in the Articles of Association (as opposed to the statutory majority of 75%), unless that change pertains to a conditional capital increase, authorised capital or an ordinary or simplified capital reduction. The Supervisory Board may amend the Articles of Association if it only relates to the version.
7. For a duration of five years as of 1 August 2018, the Management Board is authorised
 - a) in accordance with Section 169 Austrian Stock Corporation Act (AktG), subject to approval of the Supervisory Board, to increase the share capital from the current nominal amount of EUR 19,488,000.00 by up to a further EUR 2,000,000.00 through the issuance of up to 1,000,000 new no-par value bearer shares in exchange for cash or non-cash contribution – in several tranches if need be – and to define the issue price, the issue conditions and the further details of carrying out the capital increase, in each case subject to approval by the Supervisory Board,
 - b) subject to exclusion of the subscription right pursuant to lit. c), to offer the new shares to the shareholders, if need be, through indirect subscription rights as defined in Section 153 (6) AktG,
 - c) subject to approval of the Supervisory Board, to exclude the shareholders' subscription right, (i) in the case the capital increase is made in exchange for non-cash contributions for the purpose of acquiring companies, operations, parts of companies or operations, shares in one or multiple companies in Austria or abroad, or (ii) in order to exclude residual amounts from the subscription right of the shareholders, or (iii) in order to satisfy an over-allotment option granted to the issuing banks. The share capital of the Company is increased pursuant to Section 159 (2) 1 Austrian Stock Corporation Act (AktG) by up to € 7,795,200.00 through the issuance of up to 3,897,600 new no-par value bearer shares for issuing to creditors of financial instruments as described in the resolutions of the General Meeting of Shareholders of 10 July 2008 and of 4 July 2013. The capital increase may only be carried out to the extent that the creditors of financial instruments exercise their warrant or conversion rights to Company shares.

Per resolution of the General Meeting of Shareholders dated 27 July 2017, the Management Board was authorised, for a duration of 30 months as of 27 July 2017, to acquire own shares up to the statutory maximum amount, even under the exclusion of the right to sell on a pro rata basis which may be associated with such an acquisition (exclusion of reverse subscription rights), to resolve on the disposal or use of own shares by means other than sale through the stock exchange or by means of a public offer by analogy with the provisions on the exclusion of subscription rights of shareholders, as well as to decrease the share capital by withdrawing these own shares without further resolution of the General Meeting of Shareholders.
8. Agreements have been made with clients of the DO & CO Group that entitle them to cancel the contractual relationship in full or in part if there is a change of control in the Company. These agreements are not further specified here owing to the considerable damage this disclosure would do to the Company.
9. No agreements have been made between the Company and the members of its Management or Supervisory Boards or its employees regarding any compensation in the event of a public takeover bid.

5. OUTLOOK

With its 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.

More details are provided below:

REALISATION OF LARGE-SCALE TENDERS WON

After winning the two important tenders 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), efforts to successfully implement these projects within the coming years have been initiated.

After the successful takeover of further British Airways flights in December 2018, DO & CO will provide catering services for another six destinations ex London Heathrow between April and June 2019.

EXTENSION OF THE CATERING CONTRACT WITH TURKISH AIRLINES

The contractual documentation for the agreement on the continuation of the cooperation with Turkish Airlines through the joint company Turkish DO & CO, which was concluded and announced on 23 October 2018, was signed on 27 May 2019. In particular, this contractual documentation provides for the continuation of the catering supply contract between Turkish Airlines and Turkish DO & CO for 15 years as well as the sale of the hotel in Istanbul by Turkish DO & CO to Turkish Airlines. The performance of the transaction is subject to suspensive conditions, particularly to the approval by the competent competition authorities.

NORTH AMERICA: DO & CO WINS BRITISH AIRWAYS AT FOUR LOCATIONS

DO & CO has won the IAG North America tender for British Airways at four locations, comprising all catering services ex North America. Starting in October 2019, catering services will be provided to British Airways also at the Los Angeles and San Diego locations. A decision with regard to the Iberia and Aer Lingus flights ex North America is expected to be made in the coming weeks.

INTENSIFYING THE COOPERATION WITH CATHAY PACIFIC

DO & CO and Cathay Pacific will intensify their cooperation beyond the catering tender won for London Heathrow and London Gatwick. DO & CO will take over the entire selection of menus for the first class and perform the quality assurance for all locations in Europe and North America.

LOS ANGELES / US

Air Italy was won as new customer with four flights per week as of April 2019 at the Los Angeles location. DO & CO now has five customers at the newly opened location.

VIENNA / AUSTRIA

DO & CO has won another customer at the Vienna location. As of April 2019, DO & CO will provide catering services for Air Canada on one daily flight.

WIN OF FURTHER INTERNATIONAL TENDERS IN FOOTBALL

DO & CO was awarded the contract for the UEFA Champions League finals in 2019, 2020 and 2021 as well as for parts of UEFA EURO 2020 with regard to hospitality services and catering, and signed a multi-year supply contract.

FORMULA 1

Discussions on a contract extension to cater for guests at the Formula 1 grand prix races for the years from 2021 onwards are currently taking place with Liberty Media. Besides catering, this also includes the Formula 1 VIP hospitality infrastructure of which DO & CO has been in charge since the business year 2014/2015. Discussions are expected to be concluded in the coming weeks.

EXTENSION OF THE COOPERATION WITH FC BAYERN MUNICH – FC BAYERN FLAGSHIP STORE | DO & CO HOTEL DO & CO RESTAURANTS IN THE CENTRE OF MUNICH

DO & CO and FC Bayern Munich will continue their long-standing and very favourable partnership. At the end of 2020, the new “FC Bayern München Erlebniswelt” will be opened near Munich’s Marienplatz. Located in the same building as the FC Bayern Munich flagship store, DO & CO will operate two restaurants (Bavarian and international), a boutique hotel as well as a premium event space.

OPENING OF NEW TURKISH AIRLINES LOUNGES AT THE NEW ISTANBUL AIRPORT

In the course of launching operations at the new Istanbul airport, Turkish DO & CO has also taken over operations of three new Turkish Airlines lounges which include a domestic, business as well as Miles & Smiles lounge and are the counterpart to the previous lounges at the old Istanbul Atatürk airport. An arrival lounge will additionally commence operations in the coming months.

LOUNGE TENDERS

DO & CO currently participates in two major lounge tenders which include the first and the business class lounges of British Airways in Great Britain as well as both business lounges for Iberia at the Madrid-Barajas airport. A decision is expected to be made in the coming weeks.

EXPANSION OF THE RETAIL SEGMENT

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

TERMINATION OF PARTNERSHIP WITH NESPRESSO

At the beginning of 2015, DO & CO and Nespresso agreed on a cooperation to jointly operate Nespresso Cafés. In the coming weeks, DO & CO and Nespresso will terminate their cooperation. DO & CO will take over the two locations in London as well as the location in New York and reopen them under a new retail concept in the business year 2019/2020.

NEW ACQUISITIONS

As in previous quarters, DO & CO continues to evaluate possible targets for acquisition in various markets.

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.

6. RISK AND OPPORTUNITY MANAGEMENT

DO & CO is exposed to widely varying risks because it conducts business globally in three different divisions: Airline Catering, International Event Catering and Restaurants, Lounges & Hotel. Yet this diversification also opens up many opportunities for a positive development of the Company.

As to opportunities, strategies that allow the Group to continue on its growth path include the acquisition of new customers. Extending the products and services provided for existing customers is also seen as an opportunity for DO & CO, whether it is by supplying a greater level of products and services at existing locations or by providing products and services at new locations. Opportunities also arise from innovative products and services with a view to promote the Company's positive development.

DO & CO views risk management as a crucial instrument for managing the Company. These efforts ensure the continued existence of the business while creating opportunities to improve the Company's assets, financial and earnings position by enhancing future potential for growth and profits. With its risk management, the Company responds reliably and promptly to any changes in basic conditions and to any resulting opportunities and risks.

The applied risk and opportunity management system is based on standardised, group-wide planning and control processes laid down in the risk and opportunity policy and on inter-company guidelines and reporting systems that adhere to the principles of risk management and risk structures according to COSO (Committee of Sponsoring Organizations of the Treadway Commission).

Risk and opportunity management is considered a core management task and an integral part of all business processes. Therefore, the Group can quickly identify both risks and opportunities. Reporting is done on an ongoing basis, and all managers and decision-makers are involved in risk management.

Identified risks and opportunities are grouped into risk and opportunity categories and assigned to the managers responsible for the given area. Strategies for coping with the identified risks and utilising the identified opportunities are then defined and subsequently pursued on site by local management. The aim of these actions is to reduce possible damage from risks and minimise the probability of them occurring while increasing opportunities for earnings and the possibilities for realising profits.

Diversification plays a significant role in this process. The Group conducts business worldwide in three divisions, thus alleviating the overall potential impact of specific threats in individual markets. In other words, the business model of DO & CO itself provides additional mechanisms to compensate for risks.

Risk management activities are supported by a multitude of regulations and activities, including those of the Central Administration, Controlling, Legal Compliance and Internal Auditing departments.

Political crises, wars and natural disasters are liable to pose major risks in particular for the safety of airlines, events, customers and staff. In order to analyse, guard against and control this safety risk, DO & CO closely monitors the security situation at a local as well as global level, together with ongoing developments which might impact on the business of DO & CO.

The close cooperation with insurers ensures that proper coverage is provided for those risks that are insurable.

In particular, the following risk categories were identified as material for the business year 2018/2019:

Risks and trends specific to the airline industry

The airline industry is heavily dependent on economic developments. Specific problems the aviation industry faces also have an impact both directly and indirectly on DO & CO's Airline Catering division.

Political crises and terrorist attacks led to changes in travel and leisure patterns. Terrorist attacks that directly target airlines also threaten the safety of aviation and resulted in additional costs to improve security.

With DO & CO achieving large parts of its revenue from a handful of key customers, such as Turkish Airlines, Emirates, Etihad Airways, LOT Polish Airlines, Austrian Airlines, Cathay Pacific, British Airways and Pegasus Airlines, the Group therefore is also exposed to a "cluster risk".

The Company has thus instituted a course of permanent monitoring of the security situation combined with ensuring that its key account managers are in constant contact with airline clients, so that it can react quickly to any changes and promptly counter any negative effects on the DO & CO Group.

Economic developments

DO & CO's business in all three divisions is strongly shaped by global economic trends, because these trends have an enormous influence on tourism and consumers' leisure-time behaviour. Volatility in consumers' travel activities, especially air travel, affects the Airline Catering division in particular.

From DO & CO's point of view, ongoing expansion may be at risk from the permanent worldwide terrorist threat, political unrest and the changing global political landscape.

To counter economic risks in its business, DO & CO has diversified its locations internationally and by sector in three different market divisions. Prompt reporting of business results includes analysis and forecasts of current operating business in each reporting entity (the Group companies are divided into units comparable to profit centres for internal reporting purposes). These efforts ensure that capacity is adjusted immediately.

Risks pertaining to terrorism and political unrest

Time and again, terrorist attacks and terrorist threats put safety at risk, both directly in the aviation industry and indirectly as a result of corresponding changes in travel behaviour. Additionally, major events may need to be cancelled at short notice whenever a concrete terror alert is issued.

DO & CO has an active monitoring in place, allowing advance assessment of developments in certain parts of the world and setting up preventive scenarios to combat possible problems. Necessary security measures are developed depending on the probability and impact of loss-causing events.

In creating in-depth security analyses for the Company and its customers, DO & CO makes use of information made available by national and international security agencies.

Next to performing a constant evaluation of risks for the Company, DO & CO accords great importance to ensuring the safety of its staff members who are promptly informed of the relevant security situation before being posted and while they stay abroad.

Risks pertaining to natural disasters and epidemics

Risks may appear out of the blue, as events in the past have demonstrated time and again. Such events cannot be influenced and may completely or partially interrupt air traffic in an entire region.

The specific risk of long-term closing of large parts of the air space and attendant large-scale cancellation of flights by the Group's partners is monitored through our close cooperation with airlines, aeronautical authorities (EASA) and the international air weather service.

Risks that are beyond the control of DO & CO but which heavily impact on the airline and tourism industries include the outbreak of epidemics such as avian flu, Severe Acute Respiratory Syndrome (SARS) or Ebola fever. In these times, experts estimate that people on all continents may become infected by pathogens within just a few weeks. Travel restrictions imposed by health care authorities may impact on the travel and leisure-time behaviour of people, leading to short-notice cancellations of flights and events alike.

Reputation risks

Anything that might harm the DO & CO brand and its reputation is combated by a rule book that sets out a uniform standard for identifying, assessing and controlling such risks. Each and every staff member is personally charged with guarding the reputation of DO & CO. The overall responsibility for identifying, assessing, controlling, monitoring and reporting hazards rests with the national and international management units. If a potential risk to the Company’s reputation is discovered, this triggers a centrally controlled risk management process which includes all activities required to ward off any harm to the Company’s image and possible losses for DO & CO.

Hygiene risks

To ensure that the food DO & CO produces complies with its high hygienic standards, DO & CO carried out risk analyses in all business areas as part of the ongoing development of its HACCP (Hazard Analysis and Critical Control Points) system. Based on these analyses it has implemented group-wide hygienic guidelines to control and minimise risks. An internationally active quality control team constantly monitors the effectiveness of these actions and further develops them in accordance with the latest international findings.

Loss risks

The risk of losses from fire, storms, flooding or earthquakes is countered by safety and disaster policies and emergency plans which are trained and adapted on a regular basis. Such risks are covered by appropriate insurance coverage.

Personnel risks

For DO & CO, its employees represent the biggest asset and the corporate culture into which they breathe life. The employees are the most crucial factor in DO & CO’s success. Consequently, the future development of DO & CO depends strongly on how effective it is in hiring and integrating highly skilled and motivated employees and in forging lasting bonds of loyalty between them and the Company. Professional training and consistent personnel development are central tools for achieving the desired growth.

The professional and profitable integration of new company units will be a major challenge for the continued success of DO & CO. Shared values and a vital corporate culture help new employees to understand the high quality standards of products and personal service and assist in anchoring those standards permanently in the Company.

Procurement risks

By processing food, DO & CO is exposed to some risk in procuring the requisite raw materials. Climatic, logistic and other events, such as avian flu, may lead to restrictions in the supply of such raw materials. These are also subject to price fluctuations that cannot always be fully passed on to customers.

Through long-term delivery contracts, supplier diversification and permanent monitoring of the markets, DO & CO seeks to make sure that the raw materials required by it are always available at the highest possible quality standards and at competitive prices.

Risk of production plant failure

In order to minimise the risk that critical production plants (large-scale kitchens, cold storage houses) might fail, DO & CO regularly directs considerable investment funds to bring to and keep sensitive units at the latest state of the art. Stringent preventive maintenance, risk-focused spare-parts stocking and in-depth staff training are among the arsenal of key measures to reduce the risk of production plant failure.

Information technology risks

Many processes within the DO & DO Group rely on computers and information generated from electronic systems. If these systems were to fail, this would constitute a risk that is countered by intense training and the deployment of internal and external experts. The Group’s IT infrastructure and systems are regularly maintained and optimised across the entire Group so as to ensure their continued and improved functionality and minimise their failure rate.

Legal risks

With its constant expansion and its global scope of business, DO & CO has to abide by a myriad of legal requirements at national and international level, especially in relation to food law, hygiene, waste management, human resources, taxes and levies, as well as special guidelines and regulations issued by various airlines. The Company needs to respond rapidly to any changes in legal regimes and to integrate them in its business processes.

Non-compliance with legal regulations and contractual agreements may give rise to claims for damages that could put a heavy burden on the Group. The Group has set up a central legal department to counter this risk. Specific insurance policies are taken out throughout the Group as the main means of minimising liability risks from damage that has proven unpreventable despite damage avoidance efforts.

Acquisition and integration of business units

The DO & CO Group aims, among other things, to grow not just through its established units but also through the acquisition of strategically suitable companies. In pursuit of this strategic goal, DO & CO has been buying businesses on an ongoing basis and integrating them into the DO & CO Group. Such a process is faced with numerous challenges that require efforts to achieve this goal and avoid pitfalls.

Foreign currency risks

DO & CO is highly vulnerable to exchange rate fluctuations due to the international nature of its business segments. The major foreign currencies involved are TRY, UAH, USD, GBP, CHF and PLN.

Closed positions are set up for hedging purposes by trying to offset proceeds in a given foreign currency against expenses in that same currency with the same maturity. The Group is also attentive to excluding additional risks to the greatest possible extent by entering into appropriate contractual agreements with customers and suppliers.

If need be, financial instruments and derivatives are employed to control currency risks.

Liquidity risks

Precise financial planning is the key to control liquidity and avoid liquidity risks. If expansion and other projects are undertaken, an accurate analysis of their impact on Group liquidity must be conducted.

Deviations from financial planning are detected immediately thanks to regular and prompt financial reporting. This approach ensures that countermeasures can be initiated quickly.

Liquidity needs can be covered from existing funds and credit facilities offered by the banks.

7. INTERNAL CONTROL SYSTEM

Credit risks

DO & CO keeps the risk of default as low as possible by closely monitoring outstanding debts as part of receivables management. The outstanding items are reported weekly, meaning that the Group monitors customer credit risks promptly and is able to respond quickly if the situation changes.

It also takes proactive steps to control the risk of default associated with major customers by entering into pertinent contractual agreements with them and by having customers furnish collateral.

DO & CO does not avail itself of credit insurance at present. Investments are made only at banks with first-class ratings. No material default risks are expected from the other original financial instruments. Any residual risks are covered by adequate allocations to reserves.

Interest risk

Financing is done at usual market conditions, with maturities always matching those of the financed projects. The effects of a change in interest rates are monitored in sensitivity analyses. The Group does not currently face any material risk from interest rate fluctuations.

Additional detailed information on foreign currency, liquidity, default and interest risks is provided in the notes (Section 4.6. Trade receivables and Section 7.2. Additional disclosures on financial instruments in the notes to the consolidated financial statements).

The Management Board meets its responsibility for organising an internal control system and risk management system, for accounting and for legal compliance. The internal control system for accounting ensures that financial information and data processing systems are complete and reliable. The system likewise ensures that business facts are recorded, compiled, processed and entered in the accounts in accordance with proper financial procedures. The objective of the internal control system is to guarantee effective and constantly improving internal controls for accounting, thereby ensuring that financial statements comply with the regulations. This system also ensures that the processes are appropriate and efficient and that all regulations (legal and otherwise) are adhered to.

The responsibilities for the internal control system are adapted on an ongoing basis to the organisational structure of the Company to ensure an environment for control activities that corresponds to and meets the requirements. The central functions Group Accounting and Group Controlling are responsible for drawing up uniform Group guidelines and for organising and monitoring financial reporting in the Group.

Compliance with the processes for recording, making account entries and accounting for transactions is regularly monitored as part of appropriate organisational actions. All monitoring actions apply to the entire current business process. Monitoring can constitute anything from management examining results for various periods, reconciling accounts in specific ways and analysing ongoing processes in accounting. Areas connected with the accounting process are given suitable qualitative and quantitative resources.

The data processing systems are efficiently refined and constantly optimised. Close attention is paid to IT security in this context. With respect to the financial systems used, pertinent authorisation arrangements are employed to guard access to corporate data. Restrictive authorisation allows sensitive activities to be separated from non-sensitive ones.

Suitable personnel resources, the use of adequate software and clear legal specifications form the basis for a proper, uniform and continuous accounting process.

Comprehensive financial reports are given regularly and promptly to the Supervisory Board and Management Board and to middle management.

The Group accounting department is the central contact for all accounting issues at the level of individual companies as well as at Group level. It is also responsible for the preparation of the consolidated financial statements by using an accepted consolidation software. Transferring the financial statements into the system and preparing the consolidated financial statements including the disclosures in the notes is supported by numerous controls to ensure the completeness and accuracy of the data. A Group accounting manual, which states the accounting and measurement approaches used by DO & CO and which is regularly updated, ensures the standardised processing of business transactions, reducing the risk of variations in the procedures within the Group. Ongoing staff training ensures that the accounts are kept in line with current law. In presenting complex facts, DO & CO obtains the support of external service providers in order to ensure that they will be properly presented in the separate financial statements and in the consolidated financial statements. This applies to transactions such as the acquisition of companies which carry risks from the integration of different bookkeeping systems and measurement risks. For some measurements (such as pensions and severance payment obligations), the Company draws on the know-how of experts.

In order to prevent any fraudulent act or abuse, the Company has implemented the separation of duties as well as ongoing and second-tier checks (four-eyes principle). Regular audits carried out by the internal audit department ensure that these processes are constantly improved and optimised.

Regardless of its design, no internal control system can absolutely ensure that its goals will be achieved. However, considering the ongoing care involved in designing, implementing and improving the controlling system, DO & CO considers the risk of preparing misleading financial statements to be negligible.

CONSOLIDATED CORPORATE GOVERNANCE REPORT

1. COMMITMENT TO THE CODE OF CORPORATE GOVERNANCE

The Austrian Code of Corporate Governance (ÖCGK) is a set of regulations for responsible corporate governance and management of Austrian stock corporations and was written in accordance with international standards.

DO & CO has been committed to full compliance with the rules of the Austrian Code of Corporate Governance (available for perusal at www.corporate-governance.at) since February 2007. It satisfies all the legal requirements (“L Rules”) and confirms that it will not deviate from the comply-or-explain requirements (“C Rules”).

As regards corporate governance, management’s goal at DO & CO is to increase the value of the Company on a sustainable, long-term basis. DO & CO adheres to strict principles of good corporate management and transparency while constantly refining its efficient system of corporate governance in the interest of all stakeholders. The ultimate priority is a corporate culture that engenders trust and enables the Company to achieve lasting gains in value.

DO & CO has had an independent external institution conduct regular and voluntary evaluations of its compliance with the Austrian Code of Corporate Governance since the business year 2007/2008 in accordance with Rule 62 of this Code. The evaluation for the business year 2018/2019 was performed by Ullrich Saurer, a lawyer with Held Berdnik Astner & Partner Rechtsanwälte GmbH. The report on this external evaluation is available on DO & CO’s website at www.doco.com.

2. THE MANAGEMENT BOARD

Attila DOGUDAN

Chairman, born in 1959
First appointed to the Board on 3 June 1997
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Gottfried NEUMEISTER

Member of the Board, born in 1977
First appointed to the Board on 16 July 2012
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Workings of the Supervisory Board

Business responsibilities and modes of cooperation of the Management Board are laid down in the Articles of Association and the Internal Rules of Procedure.

The Chairman of the Management Board is responsible for the overall management of the Company and for coordinating the work of the Management Board. All members of the Management Board must report to each other on all important business events that occur in their assigned area of business. The Chairman of the Management Board, Attila Dogudan, is responsible for the strategy and organisation of the Group, the central units, personnel and procurement, M & A, legal issues, IT and he takes the lead in all matters related to the operational business. Board Member Gottfried Neumeister is responsible for finances, investor relations, for all production locations worldwide, airline catering distribution and railway catering, and supports the Chairman of the Management Board in developing the Group’s strategy and organisation.

The Internal Rules of Procedure contain the information and reporting duties of the Management Board and a list of actions requiring the approval of the Supervisory Board.

Shares held by Members of the Management Board

At the reporting date 31 March 2019, Gottfried Neumeister held 10,000 no-par value shares of DO & CO Aktiengesellschaft.

3. THE SUPERVISORY BOARD

Andreas BIERWIRTH

Chairman, independent, born in 1971
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021),
First appointed to the Board on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:
■ Member of the Board of Directors of EasyJet PLC, Great Britain

Peter HOFFMANN-OSTENHOF

First Deputy Chairman, independent, born in 1955
Current term runs until the 24th Ordinary General Meeting of Shareholders (2022),
First appointed on 27 July 2017
Seats on supervisory boards or comparable positions at non-Group listed companies:
■ Deputy Chairman of the Supervisory Board at Österreichische Staatsdruckerei Holding AG, Austria

Cem KOZLU

Second Deputy Chairman, independent, born in 1946
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021),
First appointed on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:
■ Member of the Board of Directors of Pegasus Hava Tasimaciligi A.Ş., Turkey
■ Member of the Board of Directors of Anadolu Efes Biracilik ve Malt Sanayi A.Ş., Turkey
■ Member of the Board of Directors of Arcelik A.Ş., Turkey
■ Member of the Board of Directors of Coca-Cola Icecek A.Ş., Turkey
■ Member of the Board of Directors of Sisecam A.Ş., Turkey
■ Member of the Board of Directors of Anadolu Grubu Holding AS

Georg THURN-VRINTS

Member, independent, born in 1956
Current term runs until the 21st Ordinary General Meeting of Shareholders (2019),
First appointed to the Board on 20 March 1997
No further seats on supervisory boards of listed companies

Christian KONRAD

Member until 12 July 2018, independent, born in 1943
Representative of shareholders holding shares in free float until 12 July 2018
First appointed to the Board on 10 July 2002
No further seats on supervisory boards of listed companies

Workings of the Supervisory Board

The legal basis for the actions of the Supervisory Board are the Austrian Stock Corporation Act (AktG), the Articles of Association as well as the Internal Rules of Procedure of the Supervisory Board and the Austrian Corporate Governance Code to which the Supervisory Board is expressly committed to complying.

In the business year 2018/2019, the Supervisory Board performed its duties under the law and the Articles of Association in four meetings and by two circular resolutions. They particularly focused on advising the Management Board regarding the Company’s strategic approach, the extension and expansion of business activities (new establishment of a gourmet kitchen at the London airport, takeover of a production facility in Madrid as well as addition of new business segments in Munich) and DO & CO’s presence in Turkey, coupled with the conclusion of a long-term catering contract with Turkish Airlines. Furthermore, risk distribution was discussed, both geographically and strategically, with existing and new distribution channels having been evaluated in this context. In doing so, dependence on major customers was measured and the acquisition of interests was assessed in order to strengthen the Company’s strategic approach. Moreover, the transition plan for the accounts won British Airways as well as Iberia and Iberia Express were discussed.

Shares held by Members of the Supervisory Board

At the reporting date 31 March 2019, Andreas Bierwirth held 450 no-par value shares in DO & CO Aktiengesellschaft. Cem Kozlu held 14,215 no-par values shares in DO & CO Aktiengesellschaft at the reporting date 31 March 2019.

Independence

The Supervisory Board of DO & CO has no members who have either been former Management Board members or senior officers of the Company; similarly there are no interlocking directorates. Existing business relations to companies in which Supervisory Board members of DO & CO Aktiengesellschaft are active are handled on arm’s length terms (see also the report on remuneration).

Adhering to Rules 39 and 53 and Annex 1 of the Austrian Code of Corporate Governance, the Supervisory Board in its meeting of 14 February 2007 adopted the following criteria for assessing the independence of its members and committee members:
A member of the Supervisory Board shall be deemed independent if said member does not have any business or personal relations with the Company or its Management Board that constitute a material conflict of interests and are therefore likely to influence the member’s conduct.

Further criteria for the assessment of the independence of a member of the Supervisory Board:

1. The Supervisory Board member has not been a member of Management Board or senior officer of the Company or any of its subsidiaries in the past five years.
2. The Supervisory Board member has no current business relationship nor has had any business relationship within the last year with the Company or any of its subsidiaries of an extent that is material for such Supervisory Board member. This also applies to business relationships with companies in which the Supervisory Board member has a considerable economic interest. Approval of any individual business matters by the Supervisory Board member in line with L Rule 48 does not automatically cause him/her to be qualified as non-independent.
3. For the past three years, the Supervisory Board member has not been an auditor of the Company or stakeholder or employee of the company auditing DO & CO.
4. The Supervisory Board member is not a management board member of another company in which a Management Board member of the Company serves as a supervisory board member.
5. The Supervisory Board member is no direct family member (direct descendant, spouse, domestic partner, parent, uncle, aunt, sibling, niece, nephew) of a Management Board member or of any person who is in any one of the positions described above.
The members of the Supervisory Board each declare that they are independent within the meaning of the above criteria.

Composition and workings of the Committees

AUDIT COMMITTEE:
Andreas BIERWIRTH: Chairman
Peter HOFFMANN-OSTENHOF: First Deputy Chairman
Cem KOZLU: Second Deputy Chairman
Georg THURN-VRINTS: Member
Christian KONRAD: Member until 12 July 2018

The Audit Committee’s brief includes supervising the reporting process, monitoring the effectiveness of the Company’s internal control, internal audit and risk management systems, supervising the audit of the Company’s and Group’s financial statements, investigating and monitoring the auditor’s (Group auditor’s) independence, especially with regard to additional services rendered for the audited company, submitting a report on the audit findings to the supervisory board and explaining how the audit contributed to the reliability of the financial reporting including the role of the audit committee in this process, checking the separate financial statements and preparing their approval, considering the proposal for the appropriation of profit, management report, consolidated corporate governance report and consolidated sustainability report, as well as reporting the audit findings to the Supervisory Board, examining the consolidated financial statements and the group management report, submitting the report on the audit findings to the Supervisory Board, and preparing a proposal by the Supervisory Board for appointing the auditor (Group auditor).

The brief of the Audit Committee is currently discharged by the entire Supervisory Board. The Chairman of the Supervisory Board also chairs the Audit Committee and serves as its financial expert. The Deputy Chairmen of the Supervisory Board also serve as Deputy Chairmen of the Audit Committee.

In the business year 2018/2019, the Audit Committee met twice with the auditor present as well as discussing issues with the auditor in the absence of the Management Board. During these meetings, it concentrated on discussing measures of the internal control system and the performance of risk management, as well as implementation of an internal audit and other audit activities to be performed under Para 4a of Section 92 Austrian Stock Corporation Act.

COMMITTEE OF THE CHAIRMAN:
Andreas BIERWIRTH: Chairman
Peter HOFFMANN-OSTENHOF: Deputy Chairman

The Committee of the Chairman is made up of the Chairman and the First Deputy Chairman. The Committee of the Chairman is also charged with acting as nominating committee, remuneration committee and committee authorised to make decisions in urgent cases.

In its capacity of nominating committee, the Committee of the Chairman submits proposals to the Supervisory Board for filling vacant seats on the Management Board and deals with issues of succession planning. During the business year 2018/2019, the nominating committee did not meet.

In its capacity of remuneration committee, the Committee of the Chairman discusses matters concerning relationships to the Company and the members of the Management Board, remuneration of members of the Management Board and the content of employment contracts with members of the Management Board. The remuneration committee met twice in the business year 2018/2019, deliberating on the granting of variable salary components to members of the Management Board in the business year 2017/2018 as well as on the variable remuneration and/or bonuses for 2018/2019. In its capacity of committee authorised to make decisions in urgent cases, the Committee of the Chairman is charged with taking decisions on matters that require its consent.

4. REMUNERATION REPORT

The remuneration report summarises the principles applied in determining the remuneration for the Management Board and Supervisory Board of DO & CO Aktiengesellschaft.

Remuneration of the Management Board

Total pay of the Management Board is divided into fixed and performance-linked components. The fixed component is geared to the tasks and areas of responsibility of the members of the Management Board. Another key element of Management Board remuneration is a variable component similarly based on their scope of tasks and responsibilities and on the criteria of Rule 27 of the ÖCGK. As a result, the variable components are determined by long-term, sustainable criteria that extend over several years and that include non-financial parameters.

For the business year 2018/2019, the variable remuneration was calculated in particular on the basis of the EBITDA margin and EBIT margin, combined with the performance in terms of strategic company targets as well as personal performance targets.

The performance-linked component depends on measurable criteria and is subject to caps in terms of amount or percentages of fixed pay, not exceeding 100% of fixed pay.

After two years of negotiations, DO & CO was awarded the contract for the tenders of British Airways at London Heathrow and Iberia/Iberia Express in Madrid in September 2019. The tendering process for both major projects was led by Mr Gottfried Neumeister who made a significant individual contribution to the win of both tenders. Due to this extraordinary business success which has lifted the DO & CO Group into a new dimension in airline catering, the Supervisory Board has made use of its option to grant an additional special bonus based on the management contract.

In determining the amount of the additional bonus it was taken into account that no other variable bonus for Mr Gottfried Neumeister, which is to be resolved for each year, was resolved for the business year 2017/2018, even though he would have been entitled to one based on the bonus scheme in his management contract.

Remuneration of the business year 2018/2019 was as follows:

Remuneration Management Board 2018/2019	in k€	Fixed Remuneration	Variable Remuneration	Total
Attila Dogudan *		758	600	1,358
Mag. Gottfried Neumeister **		623	1,350	1,973
Total		1,380	1,950	3,330

* Including remuneration in kind and including € 23k for activities as deputy chairman of the Board of Directors and CEO of THY DO & CO İkrâm Hizmetleri A.Ş.

** Including € 21k for activities as member of the Board of Directors of THY DO & CO İkrâm Hizmetleri A.Ş.

Currently, no arrangements have been made regarding any in-house retirement provision for the Management Board. The chairman of the Management Board is entitled to severance pay analogously to the Salaried Employees Act. The employment contracts of the members of the Management Board provide for a gratuity of three monthly salaries in the event that their membership in the Board is terminated early without compelling cause. No such claim is due if a management contract is terminated for a cause that is within such member’s control. No further claims are due to a member of the Management Board upon retirement.

Furthermore, no arrangements have been made so far in the event of a change of control.

Remuneration of the Supervisory Board

By resolution of the General Meeting of Shareholders of 12 July 2018 applying to the business year 2017/2018, a remuneration totalling € 140k was paid to the Supervisory Board members, distributed as shown in the table below.

Remuneration Supervisory Board 2017/2018*	in k€
Andreas BIERWIRTH	35
Peter HOFFMANN-OSTENHOF	25
Cem KOZLU	25
Georg THURN-VRINTS	20
Christian KONRAD	20
Waldemar JUD	15
Total	140

* No meeting attendance fees were paid

In addition, DO & CO Aktiengesellschaft has taken out a consequential loss and liability insurance (D&O insurance) whose beneficiaries are the Company’s officers. Its cost is assumed by the Company.

5. DIVERSITY CONCEPT

In selecting the members of the Supervisory Board, expert qualifications, personal competence and commitment as well as many years of experience in leading positions are paramount. Additionally, aspects of diversity, of member internationality and age structure are taken into account. The members of the Supervisory Board are between 47 and 75 years of age, with one member not being an Austrian citizen and having many years of experience in the Turkish market.

In appointing the Management Board and the Supervisory Board, Company-specific requirements as well as the quality of members of the Management Board and Supervisory Board should be considered. DO & CO Aktiengesellschaft’s boards should consist of personalities who have the necessary knowledge of the business segments relevant to DO & CO, meet the personal requirements and have the experience that is required by and ensures the management and monitoring of a globally active and publicly traded group. No women are currently part of the Management Board and the Supervisory Board. However, a great number of women are in leading positions at the executive level of the DO & CO Group (see also Section 6 in this respect).

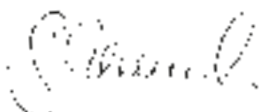
6. MEASURES TO PROMOTE WOMEN TO THE MANAGEMENT BOARD, SUPERVISORY BOARD AND IN EXECUTIVE POSITIONS

The Company puts considerable emphasis on ensuring equal treatment of men and women in posting candidates to executive positions and paying equal wages and salaries. Management positions at DO & CO Aktiengesellschaft and its subsidiaries are appointed without consideration of gender, with the result that the Group boasts a high share of women in executive positions within the companies and in a senior executive capacity at Group level. Of particular note is the Company’s position in creating an appropriate framework for returning women into senior management positions after maternity and parental leave. A number of part-time models allow women to re-enter their original management positions and continue to serve in an executive position.

Vienna, 29 May 2019



Attila DOGUDAN m.p.
Chairman of the Management Board



Mag. Gottfried NEUMEISTER m.p.
Member of the Management Board

REPORT OF THE SUPERVISORY BOARD

The Management Board of DO & CO Aktiengesellschaft regularly informed the members of the Supervisory Board in writing and orally in meetings and outside meetings about the progress of business and the situation of the Company as well as material business events. Based on the reports of and information from the Management Board, the Supervisory Board monitored the management and deliberated thoroughly on business occurrences of special significance in open discussions.

Christian Konrad left the Supervisory Board after the 20th Ordinary General Meeting of Shareholders on 12 July 2018 was concluded. On this occasion, the Supervisory Board would like to thank him for his long-standing commitment and the excellent cooperation. Therefore, the Supervisory Board currently consists of 4 members.

In the business year 2018/2019, the Supervisory Board performed its duties under the law and the Articles of Association in four meetings and by two circular resolutions. They particularly focused on advising the Management Board regarding the Company’s strategic approach, the extension and expansion of business activities (new establishment of a gourmet kitchen at the London airport, takeover of a production facility in Madrid as well as addition of new business segments in Munich) and DO & CO’s presence in Turkey, coupled with the conclusion of a long-term catering contract with Turkish Airlines. Moreover, risk distribution was discussed, both geographically and strategically, with existing and new distribution channels having been evaluated in this context. In doing so, dependence on major customers was measured and the acquisition of interests was assessed in order to strengthen the Company’s strategic approach. Moreover, the transition plan for the accounts won British Airways as well as Iberia and Iberia Express were discussed. The Chairmen of the Supervisory Board and the Management Board regularly consulted on material issues of the Company’s development.

At its meeting on 4 June 2019, the Audit Committee examined the separate financial statements of DO & CO Aktiengesellschaft and the preparation of its approval, the proposal for the appropriation of profit, the management report, the Consolidated Corporate Governance Report as well as the Consolidated Sustainability Report, the Consolidated Financial Statements and the Group Management Report and proposed to select PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as auditor of the separate financial statements and the consolidated financial statements for the business year 2019/2020.

The Audit Committee met twice in the business year 2018/2019, monitoring the accounting system, the implementation of steps to optimise the internal control system, as well as the functionality of the risk management system and the internal audit system.

The remuneration committee met twice in the business year 2018/2019, deliberating on the granting of variable salary components to members of the Management Board in the business year 2017/2018 as well as on the variable remuneration and/or bonuses for 2018/2019.

The separate financial statements plus notes of DO & CO Aktiengesellschaft as of 31 March 2019 along with the management report were prepared in accordance with Austrian accounting regulations and audited by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH, which issued an unqualified auditor’s report on these documents. The auditor submitted the additional report to the Audit Committee pursuant to Article 11 Audit Regulation, providing a written report on the findings of the audit. The Supervisory Board concurred with the Management Board in the latter’s report on the audit findings and approved the financial statements for 2018/2019. They are thus adopted in accordance with Section 96 (4) of the Austrian Corporation Act (AktG).

The consolidated financial statements as of 31 March 2019 plus notes were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union and were audited, along with the Group management report, by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH. The auditor presented the additional report in accordance with Article 11 of the Audit Regulation to the Audit Committee and reported in writing on the result of the audit of the consolidated financial statements. In the auditor’s opinion, the consolidated financial statements present fairly, in all material respects,

the actual assets and financial position of the DO & CO Aktiengesellschaft Group as of 31 March 2019 and the results of its operations and its cash flows for the business year 2018/2019 in conformity with International Financial Reporting Standards (IFRS) as adopted in the European Union and additional requirements under Section 245a Austrian Commercial Code (UGB). The Supervisory Board concurred with the findings of the audit.

Furthermore, the Supervisory Board examined the proposal from the Management Board for the appropriation of profit of DO & CO Aktiengesellschaft. A proposal will be made to the General Meeting of Shareholders on 18 July 2019 to distribute the entire net profit of € 8,282,400 or a dividend payout of € 0.85 on each share entitled to a dividend.

The compliance review within the scope of the Consolidated Corporate Governance Report as provided for in Section 243b UGB and an evaluation of compliance by DO & CO Aktiengesellschaft with the rules of the Austrian Corporate Governance Code (ÖCGK) during the business year 2018/2019 were carried out by Ullrich Saurer, lawyer at Held Berdnik Astner & Partner Rechtsanwälte GmbH, and found that DO & CO has complied with the rules of the Austrian Corporate Governance Code in its business year 2018/2019.

The Supervisory Board also conducted a self-evaluation of its activities, the results of which were extensively discussed in the Supervisory Board meeting on 19 February 2019.

The Supervisory Board proposes to appoint PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as the auditor of the (separate and consolidated) financial statements for the business year 2019/2020.

The Supervisory Board thanks the Company's management and its staff members for their dedicated work in a still very challenging economic environment.

Vienna, 4 June 2019

Andreas Bierwirth
Chairman of the Supervisory Board

CONSOLIDATED FINANCIAL STATEMENTS

of DO & CO Aktiengesellschaft
pursuant to IFRS

2018/
2019

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Notes	Assets in m€	31 March 2019	31 March 2018
4.1.	Intangible assets	48.89	53.36
4.2.	Property, plant and equipment	192.93	232.66
	Investment property	2.04	2.04
4.3.	Investments accounted for using the equity method	7.40	7.28
4.4.	Other financial assets	5.20	4.43
4.13.	Deferred tax assets	5.33	6.64
	Other non-current assets	20.32	13.98
	Non-current assets	282.12	320.40
4.5.	Inventories	32.53	25.71
4.6.	Trade receivables	110.89	112.42
	Other financial assets	12.52	14.39
	Income tax receivables	4.20	2.27
4.7.	Other non-financial assets	30.34	21.44
4.9.	Cash and cash equivalents	70.45	76.47
4.8.	Non-current assets held for sale	45.45	0.00
	Current assets	306.39	252.71
	Total assets	588.51	573.10

Notes	Shareholders' equity and liabilities in m€	31 March 2019	31 March 2018
	Share capital	19.49	19.49
	Capital reserves	70.51	70.51
	Retained earnings	186.76	168.91
	Other comprehensive income	-66.63	-57.27
	Special item from transactions with non-controlling interests	-0.33	-0.86
	Equity attributable to the shareholders of DO & CO Aktiengesellschaft	209.79	200.78
	Non-controlling interests	47.74	47.61
4.10.	Shareholders' equity	257.53	248.39
4.11.	Bond	149.37	149.06
4.12.	Non-current provisions	20.31	20.49
	Other non-current liabilities	0.04	0.04
4.13.	Income tax liabilities	0.04	0.00
4.13.	Deferred tax liabilities	4.20	2.91
	Non-current liabilities	173.96	172.50
4.14.	Other financial liabilities	24.50	27.58
4.15.	Trade payables	89.25	76.65
4.16.	Current provisions	13.62	22.63
	Income tax liabilities	13.49	12.11
4.17.	Other liabilities	16.09	13.24
	Liabilities directly allocable to non-current assets held for sale	0.06	0.00
	Current liabilities	157.01	152.21
	Total shareholders' equity and liabilities	588.51	573.10

2. CONSOLIDATED INCOME STATEMENT

Notes	in m€	Business Year 2018/2019	Business Year 2017/2018
5.1. Revenue		847.80	861.41
5.2. Other operating income		21.39	23.31
5.3. Cost of materials		-362.31	-369.12
5.4. Personnel expenses		-282.29	-288.33
5.5. Other operating expenses		-144.59	-143.25
Result of equity investments accounted for using the equity method		0.38	-0.61
EBITDA - Operating result before amortisation / depreciation and effects from impairment tests		80.37	83.41
5.6. Amortisation / depreciation and effects from impairment tests		-28.92	-32.77
EBIT - Operating result		51.45	50.64
Financing income		3.24	3.58
Financing expenses		-6.47	-6.37
Other financial result		0.43	-1.68
5.7. Financial result		-2.81	-4.47
Profit before income tax		48.64	46.17
5.8. Income tax		-11.71	-12.80
Profit after income tax		36.93	33.37
Thereof net profit attributable to non-controlling interests		-10.53	-8.99
Thereof net profit attributable to shareholders of DO & CO Aktiengesellschaft (Net result)		26.40	24.37
		Business Year 2018/2019	Business Year 2017/2018
Net result in m€		26.40	24.37
Number of shares at the end of the period (in Pie)		9,744,000	9,744,000
5.9. Basic/diluted earnings per share (in €)		2.71	2.50

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in m€	Business Year 2018/2019	Business Year 2017/2018
Profit after income tax	36.93	33.37
Differences of currency translation	-20.27	-33.62
Income tax	-1.25	1.92
Total of items that will be reclassified subsequently to the income statement	-21.53	-31.70
Termination benefits and pension payments obligations	0.09	1.90
Income tax	-0.02	-0.40
Total of items that will not be reclassified subsequently to the income statement	0.07	1.50
Other comprehensive income after income tax	-21.46	-30.21
Total comprehensive income for the period	15.46	3.15
Thereof attributable to non-controlling interests	-1.58	-1.52
Attributable to DO & CO Aktiengesellschaft (Total result)	17.04	4.68

4. CONSOLIDATED STATEMENT OF CASH FLOWS

	in m€	Business Year 2018/2019	Business Year 2017/2018
Profit before income tax		48.64	46.17
+/- Amortisation / depreciation and effects from impairment tests		28.92	32.77
-/+ Gains / losses from disposals of non-current assets		-0.20	0.27
-/+ Gains / losses from associated companies measured at equity without cash effect		-0.38	0.61
+/- Other non-cash expenses / income		-0.07	5.31
+/- Interest result		3.71	2.79
+/- Dividends		-0.02	-0.03
Gross cash flow		80.60	87.88
-/+ Increase / decrease in inventories and other current assets		-27.40	-34.05
+/- Increase / decrease in provisions		-7.09	-14.69
+/- Increase / decrease in trade payables and other liabilities		18.60	11.93
- Income tax payments		-9.79	-8.67
Cash flow from operating activities (net cash flow)		54.92	42.40
+ Payments received for disposals of property, plant and equipment and intangible assets		0.68	0.66
+ Payments received for the disposal of other financial assets		0.08	0.19
- Additions to property, plant and equipment		-41.45	-75.13
- Additions to intangible assets		-0.39	-0.64
- Additions to other financial assets		-6.89	-13.95
+ Dividends received		0.02	0.03
+ Interest received		2.77	2.68
Cash flow from investing activities		-45.18	-86.15
- Dividend payment to shareholders of DO & CO Aktiengesellschaft		-8.28	-8.28
- Dividend payment to non-controlling interests		0.00	-2.32
- Repayment of financial liabilities		0.00	-1.80
- Interest paid		-4.88	-4.69
Cash flow from financing activities		-13.16	-17.10
Net increase/decrease in cash and cash equivalents		-3.42	-60.85
Cash and cash equivalents at the beginning of the period		76.47	143.53
Effects of exchange rate changes on cash and cash equivalents (opening balance)		-2.81	-6.01
Effects of exchange rate changes on cash and cash equivalents (movement)		0.21	-0.20
Cash and cash equivalents at the end of the period		70.45	76.47
Net increase/decrease in cash and cash equivalents		-3.42	-60.85

Please refer to Section 6. for comments on the consolidated statement of cash flows.

5. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	in m€	Share capital	Capital reserves	Retained earnings	Other comprehensive income		Special item from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
As of 1 April 2018		19.49	70.51	168.91	-55.27	-1.99	-0.86	200.78	47.61	248.39
Initial recognition IFRS 9				-0.28				-0.28		-0.28
Adjusted as of 1 April 2018		19.49	70.51	168.64	-55.27	-1.99	-0.86	200.50	47.61	248.11
Dividend payments 2017/2018				-8.28				-8.28	-2.07	-10.35
Changes in scope of consolidation								0.00	4.31	4.31
Total result				26.40	-9.39	0.03		17.04	-1.58	15.46
Transactions with non-controlling interests							0.53	0.53	-0.53	0.00
As of 31 March 2019		19.49	70.51	186.76	-64.66	-1.96	-0.33	209.79	47.74	257.53
As of 1 April 2017		19.49	70.51	152.83	-34.83	-2.74	-0.32	204.93	50.91	255.84
Dividend payments 2016/2017				-8.28				-8.28	-2.32	-10.60
Total result				24.37	-20.44	0.75		4.68	-1.52	3.15
Transactions with non-controlling interests							-0.54	-0.54	0.54	0.00
As of 31 March 2018		19.49	70.51	168.91	-55.27	-1.99	-0.86	200.78	47.61	248.39

Information on shareholders' equity is provided in Section 4.10.

6. SEGMENT REPORTING

The Management Board of DO & CO is the chief decision-maker to allocate resources to the business segments as well as to measure their profitability. It controls the Group based on financial data calculated in line with IFRS. The accounting and valuation principles of the segments subject to mandatory reporting correspond to the accounting and valuation principles described in the Notes to the Consolidated Financial Statements.

According to the management approach, segment reporting follows internal reporting to the Management Board of DO & CO with regard to the business segments

- Airline Catering,
- International Event Catering, and
- Restaurants, Lounges & Hotel.

Both earnings figures, EBIT and EBITDA, are of relevance for the management with regard to control. Management predominantly focuses on EBIT in respect of resource allocation; EBIT therefore is the segment result within the meaning of IFRS 8. The values used for segment reporting comply with the accounting and valuation methods applied in the IFRS consolidated financial statements. The operating result (EBIT) is reported as segment result. The transfer prices are defined in line with the OECD Guidelines.

The Group centrally controls the financial result and the tax expense.

The segment result mainly comprises property and buildings, including buildings on third party land, assets in the course of construction and any advance payments made in their regard, goodwill and other rights, the Hédiard brand in the Restaurant, Lounges & Hotel segment as well as other non-current assets in the International Event Catering segment.

Financial liabilities are not allocated for internal reporting purposes.

The major part of revenue in the DO & CO Group is generated by the Airline Catering division on three continents with its unique innovative and competitive product portfolio. The core of the Airline Catering segment consists of 31 gourmet kitchens at international airports (among which Istanbul, London, New York, Vienna, Frankfurt, Warsaw, Milan), offering culinary treats to 113 million passengers on more than 700,000 flights in the business year 2018/2019. DO & CO's customer portfolio includes a large number of airlines. This clientele includes major players such as Austrian Airlines, Asiana Airlines, British Airways, Cathay Pacific, China Airlines, Emirates, Etihad Airways, EVA Air, Egypt Air, Jet Blue, Korean Air, Lufthansa, LOT Polish Airlines, Oman Air, Pegasus Airlines, Qatar Airways, Singapore Airlines, South African Airways, SWISS, Thai Airways and Turkish Airlines.

In the International Event Catering segment, the DO & CO Group operates on a global scale and offers its customers also one-stop solutions at events that include logistics, decoration, furniture, tents, music, entertainment and lighting in addition to traditional catering. Here, references include, amongst others, the catering for 19 Formula 1 grand prix races, UEFA Champions League finals, the catering at Allianz Arena and the Olympic Park in Munich, as well as the catering for Juventus Football Club in Turin, FC Red Bull Salzburg and FK Austria Vienna. Long-standing partnerships confirm: national and international organisers trust DO & CO as host and one-stop shop with regard to hospitality solutions.

The Group has its origins in the Restaurants, Lounges & Hotel segment. This segment comprises a number of different areas, such as lounges, retail, airport catering, restaurants and Demel cafés, hotel and staff restaurants. In the previous year, railway catering was included in this segment.

DO & CO has one customer whose share in the Group's overall revenue exceeds 10%, with the share amounting to € 237.15m in the business year 2018/2019. The revenue with this customer is particularly included in the segments Airline Catering and Restaurants, Lounges & Hotel.

Segment reporting by division for the business year 2018/2019 and the business year 2017/2018 is as follows:

Business Year 2018/2019		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Revenue	m€	598.09	129.53	120.17	847.80
EBITDA	m€	56.24	16.35	7.79	80.37
Depreciation/amortisation	m€	-20.03	-4.57	-2.87	-27.47
Effects from Impairment tests	m€	-1.51	0.00	0.06	-1.45
Impairment	m€	-2.69	0.00	0.06	-2.63
Appreciation	m€	1.18	0.00	0.00	1.18
EBIT	m€	34.69	11.77	4.98	51.45
EBITDA margin	%	9.4%	12.6%	6.5%	9.5%
EBIT margin	%	5.8%	9.1%	4.1%	6.1%
Share of Group Revenue	%	70.5%	15.3%	14.2%	100.0%
Total investments	m€	28.27	1.93	12.86	43.06

Business Year 2017/2018		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Revenue	m€	574.11	123.00	164.30	861.41
EBITDA	m€	60.62	12.10	10.70	83.41
Depreciation/amortisation	m€	-23.14	-4.86	-3.39	-31.39
Effects from Impairment tests	m€	-1.14	0.00	-0.24	-1.38
Impairment	m€	-1.64	0.00	-0.24	-1.88
Appreciation	m€	0.49	0.00	0.00	0.49
EBIT	m€	36.33	7.24	7.07	50.64
EBITDA margin	%	10.6%	9.8%	6.5%	9.7%
EBIT margin	%	6.3%	5.9%	4.3%	5.9%
Share of Group Revenue	%	66.6%	14.3%	19.1%	100.0%
Total investments	m€	52.72	3.52	15.26	71.49

External revenue of the DO & CO Group can be broken down by **geographical regions** according to the location of the service-rendering subsidiary as follows:

Business Year 2018/2019		Turkey	Austria	Great Britain	Germany	USA	Other Countries	Total
Sales	m€	248.43	160.08	138.40	128.19	113.31	59.40	847.80
Share of Group Revenue	%	29.3%	18.9%	16.3%	15.1%	13.4%	7.0%	100.0%

Business Year 2017/2018		Turkey	Austria	Great Britain	Germany	USA	Other Countries	Total
Sales	m€	253.98	193.40	122.99	138.38	94.60	58.07	861.41
Share of Group Revenue	%	29.5%	22.5%	14.3%	16.1%	11.0%	6.7%	100.0%

Non-current assets pursuant to IFRS 8 by geographical regions (excl. income tax receivables and deferred taxes) as of 31 March 2019 and 31 March 2018 are presented below:

Business Year 2018/2019		USA	Great Britain	Germany	Turkey	Austria	Other Countries	Total
Non-current assets	m€	68.68	41.70	39.68	32.63	29.95	64.15	276.79
in %		24.8%	15.1%	14.3%	11.8%	10.8%	23.2%	100.0%

Business Year 2017/2018		USA	Great Britain	Germany	Turkey	Austria	Other Countries	Total
Non-current assets	m€	61.40	33.07	43.33	81.66	31.46	62.83	313.76
in %		19.6%	10.5%	13.8%	26.0%	10.0%	20.0%	100.0%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DO & CO Aktiengesellschaft, Vienna

1. GENERAL INFORMATION

DO & CO Aktiengesellschaft (DO & CO, the Company), domiciled in 1010 Vienna, Stephansplatz 12, is the parent company of an international catering group. It conducts business in the three divisions Airline Catering, International Event Catering, and Restaurants, Lounges & Hotel. The shares of DO & CO Aktiengesellschaft are listed on the Vienna Stock Exchange and the Istanbul Stock Exchange.

The consolidated financial statements of DO & CO Aktiengesellschaft for the business year from 1 April 2018 to 31 March 2019 (2018/2019) have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union for capital market-oriented entities as well as pursuant to the supplementary provisions of Section 245a of the Austrian Commercial Code (UGB).

DO & CO has fully complied with these provisions. The consolidated financial statements present a true and fair view of the DO & CO Group's financial situation and performance. The financial statements of all material domestic and foreign entities that are fully included in the consolidated financial statements have been audited.

In accordance with IAS 1, the consolidated statement of financial position is to be structured according to maturities. Assets and liabilities are classified as current if they are expected to be realised (assets) or settled (liabilities) within 12 months after the reporting date. The income statement is prepared using the total expenditure format.

The consolidated financial statements are prepared in euros, the functional currency of the holding company. Unless otherwise stated, the figures in the consolidated financial statements are presented in millions of euros (m€). Both individual figures and total amounts represent the smallest rounding difference. When the reported individual figures are aggregated, slight differences to the reported total amounts may therefore arise.

The preparation of the consolidated financial statements in accordance with the generally accepted accounting methods under IFRS as adopted in the European Union requires assumptions and estimates that affect the amount and presentation of recognised assets and liabilities, as well as income and expenses during the reporting period. Although these estimates are made by the Management Board on the members' best knowledge by drawing on experience gained in similar transactions, the actual values may differ from these estimates.

On 29 May 2019, the Management Board of DO & CO released the consolidated financial statements for the business year 2018/2019 for publication and released for disclosure to the Supervisory Board. On 4 June 2019, the Company's Supervisory Board will approve the consolidated financial statements.

2. EFFECTS OF NEW AND/OR AMENDED IFRS

In the reporting period 2018/2019, the first-time mandatory application of the following standards and interpretations newly issued or amended by the IASB or the IFRS Interpretations Committee and adopted by the European Union did not have an impact or did not have a material impact on the presentation of DO & CO's assets, financial situation and performance or results.

2.1. New and amended standards and interpretations

Standard / Interpretation (until 31 March 2019)		Endorsed and effective from beginning of	Mandatory effective date for DO & CO	Expected impact on consolidated financial state- ments
IFRS 9	Financial Instruments	January 2018	1 April 2018	no material impact
IFRS 15	Revenues from Contracts with Customers	January 2018	1 April 2018	no material impact
IFRS 4	Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insu- rance contracts	January 2018	1 April 2018	no impact
IFRS 15	Clarifications to IFRS 15: Revenue from Contracts with Customers	January 2018	1 April 2018	no material impact
IFRS 1	Annual Improvements of IFRSs 2014-2016 Cycle Amendments to IFRS 1: First-time Adoption of IFRS	January 2018	1 April 2018	no impact
IAS 28	Annual Improvements of IFRSs 2014-2016 Cycle Clarifications to IAS28: Investments in Associates and Joint Ventures	January 2018	1 April 2018	no impact
IFRS 2	Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions	January 2018	1 April 2018	no impact
IAS 40	Amendments: Transfers of Investment property	January 2018	1 April 2018	no impact
IFRIC 22	Foreign Currency Transactions and Advance Considerations	January 2018	1 April 2018	no impact

IFRS 9 Financial Instruments

IFRS 9 “Financial Instruments” was applied for the first time at 1 April 2018.

The table below shows the previous measurement category and the carrying amount determined pursuant to IAS 39, as well as the new measurement category and the carrying amount determined pursuant to IFRS 9 at the time the standard was applied for the first time. The table shows that the implementation does not have a significant impact.

in m€	Measure- ment category according to IAS 39	Measurement category according to IFRS 9	Carrying amount 31.03.2018 acc. IAS 39	Carrying amount 01.04.2018 acc. IFRS 9	Delta
Other financial assets (non-current)			4.43	4.45	0.02
Investment and securities	AfS	FVTPL	0.38	0.40	0.02
Shares in affiliated companies	AfS	FVTPL	0.17	0.17	0.00
Securities	AfS	FVTPL	0.21	0.23	0.02
Other non-current assets	LaR	AC	4.05	4.05	0.00
Trade receivables	LaR	AC	112.42	112.15	-0.28
Other financial assets (current)			14.39	14.39	0.00
Cash and cash equivalents	AfS	AC	76.47	76.47	0.00
Total assets			207.71	207.46	-0.26
Bond	FLAC	FLAC	149.06	149.06	0.00
Other financial liabilities (current)			27.58	27.58	0.00
Loans	FLAC	FLAC	2.57	2.57	0.00
Miscellaneous other current financial liabilities	FLAC	FLAC	25.01	25.01	0.00
Trade payables	FLAC	FLAC	76.65	76.65	0.00
Total liabilities			253.29	253.29	0.00

AC: financial assets measured at amortised cost
AfS: available-for-sale financial assets
FLAC: financial liabilities measured at amortised cost
FVTPL: financial assets mandatorily at fair value through profit or loss
LaR: Loans and receivables

In accordance with the measurement category under IFRS 9, investments and securities are stated at fair value through profit or loss. The option to state investments directly in equity upon initial recognition was not used.
The remaining financial assets fulfil the requirement that only interest payments and redemptions exist and are therefore measured at cost.

In addition, IFRS 9 introduces a new impairment model which is generally based on expected credit losses (expected credit loss model) and replaces the previous model of incurred losses under IAS 39. The Group has prepared a simplified model (lifetime expected loss) to systematically recognise expected impairment.
Applying the retrospective transitional provisions, the model resulted in an expected impairment loss of € 0.28m for trade receivables at the implementation date 1 April 2018 and was recognised by the Group without effect on profit or loss, demonstrating that the required adjustments are of minor extent.

in m€	Business Year 2018/2019
As of 31 March 2018	3.56
Adjustment initial recognition IFRS 9	0.28
As of 1 April 2018	3.83

Other financial assets and cash and cash equivalents were only impaired to a minor extent.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 “Revenue from Contracts with Customers” was applied for the first time at 1 April 2018.

DO & CO assessed the impact the application of IFRS 15 may have on its financial situation and performance. The main customer contracts from all business segments and divisions were analysed with regard to separate performance obligations and to the possible deferral of revenue. The Airline Catering, International Event Catering and Restaurants, Lounges & Hotel divisions are not significantly affected by the separation of performance obligations. Contrary to the Airline Catering and Restaurant, Lounges & Hotel divisions, more than one performance obligation was identified in the International Event Catering division: (1.) catering services, and (2.) infrastructure services. In this division, the contract for providing services at several motor sport races was additionally analysed in detail with the quantitative impact in mind. Due to pricing, no allocations are required.

Due to the timing of the race days and the subsequent incoming payments, contract assets can only arise in the first half of the business year of the DO & CO Group, with its values insignificant from the perspective of the Group. As there would be no more contract assets at the end of the business year, from the DO & CO Group’s perspective no material implementation effects arising from IFRS 15 exist. Applying the retrospective transitional provisions did thus not require any adjustments. The Group will continuously evaluate the contractual arrangements in all divisions so as to determine whether any adjustments become necessary.

IFRS 4, Improvements to IFRSs 2014-2016 Cycle, IFRS 2, IAS 40, IFRIC 22

No or no material impact is expected when applying the new or amended standards IFRS 4 (Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts), the amendments and clarifications issued in the course of the Annual Improvements to IFRSs 2014-2016 Cycle with regard to IFRS 1 (First Time Adoption of IFRS) and IAS 28 (Investments in Associates and Joint Ventures), as well as the amendments to IFRS 2 (Classification and Measurement of Share-based Payment Transactions) and to IAS 40 (Transfers of Investment Property) as well as IFRIC 22 (Foreign Currency Transactions and Advance Considerations).

2.2. New standards not yet effective

The following standards and interpretations newly issued or amended by the IASB or the IFRS Interpretations Committee were not yet applied in the reporting period 2018/2019 as they either have not been endorsed by the EU yet or were not yet effective. The option of voluntary early application is not used by DO & CO.

Standard / Interpretation (until 31 March 2019)		Endorsed and effective from beginning of	Mandatory effective date for DO & CO	Expected impact on consolidated financial statements
IFRS 16	Leases	January 2019	1 April 2019	material impact expected
IFRS 9	Amendments to IFRS 9: Prepayment Features with Negative Compensation	January 2019	1 April 2019	no impact
IFRS 3	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Business Combinations	January 2019	1 April 2019	in evaluation
IFRS 11	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Joint Arrangements	January 2019	1 April 2019	in evaluation
IAS 19	Amendments: Employee Benefits	January 2019	1 April 2019	no impact
IAS 12	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Income Taxes	January 2019	1 April 2019	in evaluation
IAS 23	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Borrowing Costs	January 2019	1 April 2019	no impact
IFRIC 23	Uncertainty over Income Tax Treatments	January 2019	1 April 2019	in evaluation
IAS 28	Amendments: Long-term Interests in Associates and Joint Ventures	January 2019	1 April 2019	no impact

Standard / Interpretation (until 31 March 2019)		Endorsed and effective from beginning of	Mandatory effective date for DO & CO	Expected impact on consolidated financial statements
IFRS 14	Rate-regulated Activities	January 2016	not adopted by the EU	no impact
IFRS 10 IAS 28	Investments in Associates / Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	deferred indefinitely	deferred indefinitely	no impact
Con- ceptual frame- work	Amendments to References to the Conceptual Framework in IFRS Standards	January 2020	preliminary 1 April 2020	no impact
IFRS 3	Amendment to IFRS 3: Definition of abusiness	January 2020	preliminary 1 April 2020	no impact
IAS 1/ IAS 8	Amendments to IAS 1 and IAS 8: Definition of Material	January 2020	preliminary 1 April 2020	in evaluation
IFRS 17	Insurance Contracts	January 2021	preliminary 1 April 2022	no impact

IFRS 16 Leases

The accounting standard IFRS 16 “Leases”, issued in January 2016, replaces the previous IAS 17 “Leases” as well as the corresponding interpretations. It introduces a single lease accounting model for lessees that will no longer differentiate between operating lease and finance lease but requires right-of-use assets and lease liabilities to be recognised for all lease agreements. IFRS 16 provides for exceptions for short-term leases and assets of low value. There will only be minor changes for lessors compared to the accounting under IAS 17 as they still differentiate between operating leases and finance leases.

With regard to IFRS 16, the evaluation and analysis of the contracts pertaining to all Group companies has been completed and a Group-wide overview of all lease agreements prepared. The main focus will be on real estate leasing and subleases, if any. DO & CO has determined the expected lease terms and preliminary interest rates which will be updated within the coming weeks. The technical implementation has largely been completed.

As of 1 April 2019, a material extension of the statement of financial position with regard to assets and liabilities is expected as a result of the first-time application of IFRS 16. At the reporting date, the Group reports liabilities under operating leases that cannot be cancelled prematurely in the amount of approx. € 153.46m (see Note 7.1. Contingencies and financial liabilities), of which € 0.4m relate to leases where the remaining lease term is 12 months or less at the reporting date. Leases where the underlying asset is of low value exist to minor extent. It is currently expected that a right-of-use asset/ a lease liability is to be recognised in the amount of approx. € 193m on 1 April 2019. No material impact on the net result is expected for the coming business years. However, there will be a different allocation to the income statement items rental expenses, amortisation/depreciation and interest expenses.

Rental and lease expenses from operating leases are shown under *Other operating expenses* in the consolidated income statement. When applying IFRS 16, the rights of use are capitalised and generally recognised in the item *Amortisation / depreciation and effects from impairment tests* over the lease term. In addition, part of the cash flow from operating activities is now shown under the cash flow from financing activities in the consolidated statement of cash flows, since the redemption of lease liabilities is to be reported as cash flow from financing activities.

DO & CO will apply IFRS 16 for the first time at 1 April 2019, using the modified retrospective approach.

3. SIGNIFICANT ACCOUNTING PRINCIPLES

3.1. Consolidation

3.1.1. Scope of consolidation

The consolidated financial statements as of 31 March 2019 comprise, in addition to DO & CO, all material subsidiaries which the Company directly or indirectly controls. An entity is controlled when DO & CO or one of its subsidiaries is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. For subsidiaries of DO & CO, such control normally results from the ownership of the majority of voting rights.

DO & CO holds 50% of the voting rights in the subsidiary THY DO & CO Ikram Hizmetleri A.Ş. As DO & CO is in a position to appoint members to the bodies of the company, DO & CO has the power to exert an influence on the relevant activities of THY DO & CO Ikram Hizmetleri A.Ş. and is thus in a position to influence its own yield resulting from this investment. Against this background, the Management Board of DO & CO thus considers DO & CO to have control over THY DO & CO Ikram Hizmetleri A.Ş.

With regard to the disclosure requirements for investments in subsidiaries pursuant to IFRS 12, refer to Section 4.10.

Four foreign companies in which DO & CO shares control with another entity via indirect shareholding are included at equity in the consolidated financial statements of DO & CO as a joint venture.

DO & CO has significant influence over two foreign companies (associates) as the Company indirectly holds 40% of the shares and voting rights of each of the two companies as well as over one domestic company in which DO & CO indirectly holds 49% of the voting rights. This means that DO & CO has the power to participate in financial and operating policy decisions. These companies are included at equity in the consolidated financial statements.

Disclosures on joint ventures and associates are provided in Section 4.3.

3.1.2. Changes in the scope of consolidation

In the business year 2018/2019, FR freiraum Gastronomie GmbH, a subsidiary (100%) established by DO & CO, was consolidated for the first time.

The non-operating and insignificant wholly owned subsidiary DO & CO Ukraine LLC was deconsolidated as of 31 December 2018.

As of 31 March 2019, Mazlum Ambalaj Sanayi Ve Dis Ticaret A.S., a 51% subsidiary, was deconsolidated since control ceased.

in m€	
Non-current assets	0.00
Current assets	0.70
Thereof cash and cash equivalents	0.00
Non-current provisions and liabilities	-0.18
Current provisions and liabilities	-9.32
Net assets disposed	-8.79
Net assets received in cash	0.00
Divested cash	0.00
Net cash received	0.00

3.1.3. Consolidation principles

Subsidiaries are initially consolidated at the date of their acquisition, i.e. when DO & CO obtains control of the subsidiary. Subsidiaries are deconsolidated from the date that control ceases. Initial consolidation is based on the acquisition method. This method requires the parent company to measure acquired assets and assumed liabilities at their fair values at the acquisition date. The acquisition costs of the acquisition are the fair value of the consideration transferred. DO & CO recognises goodwill to the extent that the consideration transferred (including the value of the shares of other shareholders and the fair value of any shares held prior to the moment when control is obtained; i.e. acquisition achieved in stages) exceeds the fair value to be recognised for the assets acquired and liabilities identified. If this is not the case, after a re-examination of the purchase price allocation, the Company recognises the difference with immediate effect in profit or loss. DO & CO measures non-controlling interests at the proportionate share of the subsidiary’s identifiable net assets.

Goodwill arising from acquisitions is not subject to amortisation, but is tested annually for impairment (impairment test) and written down to its lower recoverable value in the case of impairment.

DO & CO uses the equity method to account for investments in joint ventures and associates. Acquired investments are initially recognised at cost at the time of their acquisition, inclusive of transaction costs. If the acquisition costs incurred for the investment exceed the acquired interest in the fair values of the assets and liabilities, goodwill is recognised. Goodwill is part of the carrying amount of the investment and is not tested separately for impairment. Any negative difference is recognised immediately in profit or loss. The carrying amount of the investment is subsequently measured taking into account DO & CO’s proportionate share of the changes in the net assets of the investment. Any losses carried forward by an associate or a joint venture that exceed the carrying amount of the investment held by DO & CO are only recognised to the extent that DO & CO has incurred legal or constructive obligations to cover any losses.

DO & CO tests investments accounted for using the equity method for impairment if there is indication of such impairment.

The financial statements of the joint venture or the associate at the reporting date of DO & CO form the basis for investments being accounted for using the equity method. In the case of deviating reporting dates, DO & CO uses interim financial statements of the respective entity prepared at the reporting date for the update of the carrying amount of the investment.

Subsidiaries, joint ventures and associates are included in the consolidated financial statements according to uniform accounting methods. Significant inter-company transactions, balances, unrealised income arising from supply and service relationships among the companies of the consolidated group are eliminated. Transactions between the parent company or subsidiaries and entities included at equity are eliminated on a prorated basis. The same applies to unrealised losses unless the transaction implies that the transferred assets are impaired.

3.2. Currency translation

The euro is DO & CO Group’s presentation currency. The functional currency of foreign entities partly differs from the Group’s presentation currency. Financial statements of subsidiaries, joint ventures and associates that do not have the euro as functional currency are translated in accordance with IAS 21 using the modified reporting date method. Assets and liabilities of the financial statements of the entities to be included are translated using the average spot exchange rate as of 31 March 2019, income and expenses are translated using the average annual exchange rate.

Foreign currency transactions are translated into the respective functional currency using the exchange rates prevailing at the dates of the transactions. Monetary items (most notably receivables and liabilities) are subsequently translated at the respective closing rates. Any currency translation differences are immediately recognised through profit or loss by DO & CO. Unrealised currency translation differences with regard to monetary items, however, that economically belong to the net investment in a foreign operation are recognised directly in equity as currency translation differences (net investment approach). This particularly includes loans to British, American and Swiss subsidiaries of which the repayment is neither planned nor probable for the near future.

Movements in non-current assets are translated at average exchange rates. Any effects resulting from changes in the average exchange rate at the reporting date compared to the average exchange rate of the previous period, as well as from the application of average rates, are reported separately in the consolidated asset movement schedule under currency translation.

Currency translation differences resulting from the use of different closing rates for items in the statement of financial position or from exchange rate differences between the closing rates applied to the translation of expenses and income in the income statement and associated changes in net assets in the statement of financial position are recognised under differences of currency translation within equity. Currency translation differences recognised without affecting profit or loss during a company’s association with the Group will be reclassified to the income statement upon deconsolidation of the respective company.

The exchange rates applied with regard to the translation of significant currencies have developed as follows.

1 Euro corresponds to:	Reporting Date Rate		Average Rate	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
US Dollar	1.1235	1.2324	1.1575	1.1708
British Pound	0.8583	0.8791	0.8821	0.8823
Turkish Lira	6.3446	4.8772	6.0449	4.3105
Swiss Franc	1.1181	1.1754	1.1466	1.1358
Polish Zloty	4.3006	4.2126	4.2913	4.2213
Ukrainian Hryvnia	30.5677	32.7042	31.4673	31.2179
Mexican Peso	21.6910	22.4075	22.3959	21.6866
South Korean Won	1,276.4600	1,309.4300	1,288.8800	1,298.9000

3.3. Accounting methods

General measurement principle

The consolidated financial statements are prepared under the historical cost convention, excluding assets and liabilities recognised at fair value.

Intangible assets

DO & CO particularly recognises goodwill as well as acquired customer agreements, licenses, trademarks and rights of use under the item Intangible assets in the consolidated statement of financial position. Capitalisable development expenses are not incurred at DO & CO. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. DO & CO charges amortisation for intangible assets with definite useful lives on a straight-line basis over a useful life of 2 to 17 years. Amortisation is recognised in the income statement under *Amortisation / depreciation and effects from impairment tests*. Goodwill and other intangible assets with an indefinite useful life are not subject to amortisation. If evidence exists that intangible assets are impaired, DO & CO tests the respective assets for impairment. Irrespective of such evidence, DO & CO tests goodwill and other intangible assets with an indefinite useful life annually for impairment. With regard to the determination and recognition of impairment, reference is made to Section *Impairment of non-financial assets*.

Property, plant and equipment

Property, plant and equipment is recognised at cost less accumulated depreciation and accumulated impairment losses. In addition to the purchase price and directly attributable expenses required to transfer the asset to a location and to render the asset operational as intended by management, cost also includes the estimated expenses for a possible obligation for dismantling and removing the asset and for restoring the site at which the asset is located. With regard to qualifying assets, DO & CO has not yet recognised borrowing costs as part of cost, since no borrowing costs were incurred for the acquisition or production of such assets.

At DO & CO, depreciation of property, plant and equipment subject to wear and tear is charged on a straight-line basis over the useful lives shown below and by taking into account significant residual values:

Land and buildings	25.0	to	40.0 years
Buildings on land owned by others	2.0	to	25.0 years
Plant and machinery	2.0	to	20.0 years
Other equipment and office equipment	2.0	to	10.0 years

Depreciation is recognised in the income statement under *Amortisation / depreciation and effects from impairment tests*.

If evidence exists with regard to potential impairment, DO & CO assesses the need to impair the assets in line with the principles set forth in this Section entitled *Impairment of non-financial assets*.

Gains and losses arising from the disposal of property, plant and equipment are determined at the time when the assets are derecognised by comparing the net disposal proceeds with the carrying amount of the asset to be disposed and are recognised within *Other operating income* or *Other operating expenses*.

Investment property

DO & CO treats developed property held for an undetermined future use as investment property. Investment property was initially recognised at cost including associated costs incurred and subsequently measured at cost less accumulated depreciation. Property is subsequently measured at cost less accumulated depreciation since commissioning and accumulated impairment losses.

Leases

Lease agreements under which the lessor retains substantially all the risks and rewards of ownership of the leased assets are treated as operating leases at DO & CO. Lease payments arising from such leases are regularly recognised on a straight-line basis under *Other operating expenses* during the term of the lease. Neither the leased asset nor the liability with regard to future lease payments is reported in the statement of financial position.

Impairment of non-financial assets

DO & CO tests capitalised goodwill annually for impairment. All intangible assets, property, plant and equipment and investment property are tested for impairment when there is evidence or any indicator that their carrying amounts may not be recoverable either by selling the assets or by using the assets in the Company. If this assumption is confirmed, DO & CO recognises an impairment loss equivalent to the difference between the carrying amount and the lower recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the discounted net cash inflow from the future use of the asset (value in use). If individual assets cannot be allocated to separately identifiable cash flows, impairment is tested at the lowest level of cash-generating units for which cash flows can be identified and which are largely independent from cash flows of other cash-generating units (CGU). DO & CO tests goodwill for impairment at the lowest level within the Group where management monitors these assets for internal management purposes. The underlying CGU only includes one operating segment.

Impairment results in a corresponding decrease of the carrying amount of the asset. If impairment is assessed on the basis of cash-generating units, impairment primarily reduces the goodwill allocated to the unit. Any remaining amount reduces non-current assets in proportion to their carrying amounts, whereas the impairment is limited by a value of zero and – if determinable – by the net selling price or the value in use of the relevant asset.

Impairment losses are recognised in the income statement of DO & CO under *Amortisation / depreciation and effects from impairment tests*.

If evidence exists that an asset subject to amortisation or depreciation is impaired, DO & CO reviews the asset’s remaining useful life, the method of amortisation or depreciation applied and any residual value taken into account based on whether or not an impairment loss has to be recognised.

If the recoverable amount of an impaired asset (except for goodwill) increases again at a later reporting date, DO & CO adjusts the carrying amount accordingly. In this case the amortised cost is the upper threshold for measurement purposes. Income from write-ups is recognised under *Amortisation / depreciation and effects from impairment tests* in the income statement. Reversals of the impairment of goodwill are not allowed under IFRS.

Financial assets

DO & CO recognises financial assets if the Company becomes a contracting party to the agreements on a financial instrument. Financial assets have to be derecognised if the rights of cash flows granted by them are phased out or if the asset is transferred effectively to a third party. Purchases and sales of financial assets at market prices are recognised or derecognised on the settlement day.

At the time of acquisition, DO & CO classifies financial assets in one of the following measurement categories: The classification depends on the type of the financial asset and the purpose for which the financial asset was acquired. It is reviewed at the end of every reporting period.

At the reporting date, DO & CO assigned financial assets to the following two classifications:

- **Financial assets measured at amortised cost (AC):**
Financial assets are measured at amortised cost if they are held within a business model whose objective is achieved by collecting contractual cash flows.

Financial assets measured at amortised cost are to be tested for impairment annually. Impairment is determined based on the impairment model of IFRS 9 which takes into account credit losses expected over the entire term (lifetime expected loss model). The model is described under Section 7.2. on the default risk. Impairment, interest income as well as exchange rate changes are recognised in the income statement. Gains or losses arising from the derecognition are recognised in profit or loss.

- **Financial assets measured at fair value through profit or loss (FVTPL):**
Financial assets are measured at fair value through profit or loss if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Net gains and losses are recognised in profit or loss, including interest and dividend income. Investments and securities held to cover pensions and termination obligations were designated in this category.

Inventories

Inventories are stated at the lower of cost or net realisable value on the reporting date. DO & CO determines cost primarily by using the average price method. The net realisable value is the estimated selling price in the ordinary course of business, less estimated costs until completion and selling expenses still to be incurred.

Cash and cash equivalents

Cash and cash equivalents primarily comprise cash at banks and – to a minor extent – cash on hand and cheques. Foreign currency balances are translated using the exchange rate prevailing at the reporting date.

Shareholders’ equity

Equity is the residual value of the Group’s assets after deducting all its liabilities. Equity is reported in the consolidated statement of financial position showing equity attributable to the shareholders of the parent company and non-controlling interests under separate items.

In connection with a business combination, DO & CO entered into a forward transaction on the remaining shares held by other shareholders of the acquisition target. This transaction is presented in the consolidated financial statements as follows:

With the initial recognition of a business combination, the non-controlling interests are recorded in equity as a separate item. This item is subsequently adjusted for any changes in the net assets of the non-controlling interests (prorated allocation of profit or loss and distributions). Correspondingly, DO & CO recognised a non-current derivative financial liability with regard to the obligation resulting from the put option. The liability was recognised in equity and offset against a special item from transactions with non-controlling interests in equity. Based on the assumption that DO & CO acquires the current balance of the respective investment of the non-controlling interests, the Company derecognises the amount reported in equity for the non-controlling interests at the end of every reporting period. Differences between the derecognised equity amounts and the amounts at which the derivative financial liability is recognised and amortised are taken into account by DO & CO in accordance with the provisions on the presentation of transactions between shareholder groups as adjustment of the parent company’s equity.

Employee benefits

DO & CO committed itself to grant employees post-employment benefits. The obligation is limited to a contribution to be paid to an external provider under defined contribution plans. DO & CO recognises this contribution as *Personnel expenses* in the income statement. Obligations not fulfilled at the reporting date are recognised as current liabilities.

With regard to defined benefit pension plans, DO & CO is under an obligation to provide the agreed benefits to employees after termination of employment. Employees whose employment is subject to Austrian law and commenced prior to 1 January 2003 are entitled to termination benefits after three years of uninterrupted employment in case employment is terminated by the employer or if employment was

terminated for compelling reasons. The same holds true if the employee reaches the pensionable age after 3 years of uninterrupted employment with the company. Furthermore, DO & CO undertook to pay life-long annuity to a former employee. In this case, DO & CO bears the investment risk and the risk that higher expenses than expected may be incurred (actuarial risk). The amounts recognised under *Non-current provisions* on the liabilities side correspond to the present value of the vested amounts (“*defined benefit obligation*”, DBO). They are calculated annually based on the *projected unit credit method* and take into account annuities known at the reporting date and acquired pension entitlements, as well as estimated future increases in remuneration and pensions, taking into account the staff turnover rate depending on the years of service. The present value of the obligation is based on the return of the senior fixed-interest corporate bonds of the relevant currency area. In the business year 2018/2019 the benefits expected to be provided were calculated using a discount rate of 1.00% p.a. (PY: 1.30% p.a.), taking into account expected wage and salary increases of 1.90% p.a. (PY: 1.80% p.a.) and applying an expected statutory pensionable age of 65 years for women and 65 years for men (PY: 65/65). The average maturities amount to 11.7 years for termination benefits, 9.3 years for anniversary bonuses and 4.6 years for pensions. Termination benefits from foreign companies were calculated on the basis of comparable methods and recognised on the liabilities side, unless defined benefit pension plans are in place. Termination benefits vis-à-vis employees in Turkish group companies are calculated using a discount rate of 25.55% p.a. (PY: 15.07%) and expected inflation-related wage and salary increases of 19.71% p.a. (PY: 10.23%). Under Turkish law, each employee is entitled to this benefit if his employment is terminated with no compelling cause after one year of employment, if he faces military conscription, if he passes away, as well as if a male employee has been with the company for 25 years upon retirement (20 years for female employees) and reaches a pensionable age of 60 years (58 years for female employees). Management is of the opinion that defined benefit obligations do not result in extraordinary risks or risk concentrations. Any gains and losses resulting from adjustments of and changes in financial and demographic assumptions are recognised without affecting profit or loss in Other comprehensive income in the period in which they arise. Past-service costs are recognised under *Personnel expenses* in the income statement in the year in which they are incurred.

The measurement of other long-term employee benefits (most notably anniversary bonuses for employees employed with Austrian companies) is based on the principles outlined with regard to defined benefit obligation plans. The present values of these obligations calculated based on expert opinions take into account the staff turnover rate depending on the years of service. In contrast, actuarial gains and losses arising from other long-term employee benefits are not recognised in Other comprehensive income but are immediately recognised under *Personnel expenses* in the income statement having an effect profit or loss.

Other provisions

DO & CO recognises provisions on the liabilities side when it has a present legal or constructive obligation as a result of past events that will probably lead to a future outflow of economic resources and the amount can be reliably estimated. The provision is measured on the basis of the best possible estimate of the expected future cash outflow. In the case of longer-term obligations, the estimated cash outflow is discounted. Reimbursement rights against third parties that are virtually certain to arise are taken into account at DO & CO with the recognition of a separate asset.

Financial liabilities

Original financial liabilities are recognised on the liabilities side of the consolidated statement of financial position if DO & CO is under a contractual obligation to transfer cash or other financial assets to a third party. The liability is initially measured at its fair value and is subsequently measured at amortised cost, using the effective interest method. Financial liabilities are derecognised if they are settled, cancelled or expired. Any net gains or losses are recognised in profit or loss (including interest income calculated using the effective interest method, exchange rate gains or losses as well as impairment).

Financial liabilities are classified as current if the Group does not have the unconditional right to delay the settlement of the liability by at least twelve months after the reporting period. In all other cases they will be classified as non-current liabilities.

Deferred taxes

Deferred tax assets are recognised on deductible temporary differences arising between the carrying amounts of assets and liabilities and their tax bases, on tax loss carry-forwards and tax credits, to the extent that it is probable that future taxable profit will be available. Deferred tax liabilities are recognised at DO & CO for taxable temporary differences arising between the carrying amounts and the tax bases of assets and liabilities. In both cases assumptions are made with regard to the estimated future tax effect that results from the reversal of temporary differences or from the use of the loss carry-forwards or from tax credits. The tax rate applicable at the reporting date serves as the basis to calculate deferred income tax. This tax rate, however, is only applied if no deviating tax rate has already been agreed upon with regard to the point in time when temporary differences are expected to reverse or a tax loss carry-forward or a tax credit is expected to be used.

Deferred taxes are recognised in the income statement as income or expense under *Income tax*. Deferred taxes on transactions having a direct impact on equity are excluded. These are recognised without effect on profit or loss.

Revenue recognition

DO & CO mainly generates revenue from contracts with customers in the context of catering, handling and infrastructure services, and presents them under *revenue*. Other income from operations is recognised in *Other operating income*.

Airline Catering

The transactions in Airline Catering are largely based on global framework contracts with the airlines. Additional local agreements with the same characteristics as the global framework contracts may be concluded at specific locations. In the framework contracts, DO & CO commits to supply food & beverages to the airlines and to perform handling services. Based on the framework contracts, airlines are able to request services depending on the season and demand, the framework contracts for which may partly have specific terms. These requests thus represent short-term transactions. Goods and services are offered at a fixed agreed price. If contractually agreed, rebates are taken into account as variable consideration in determining the transaction price pursuant to IFRS 15.50 et seq., and calculated based on the contractual agreement and the underlying volume data. Revenue is recognised as control is transferred – hence through the transfer of the physical control of the asset, the transfer of the significant risks and rewards and the transfer of the legal title to the asset, i.e. when the aircraft is loaded. Invoicing takes place periodically with payment terms usual in the industry.

International Event Catering

This segment includes both contracts with major customers as well as contracts with consumers as regards the provision of catering, infrastructure and planning services. Apart from fixed prices, contracts with major customers also include variable components. Revenue is recognised at the time of the event. Services in this segment are generally to be recognised over time. Since inputs used for the performance obligation are of minor significance, an output-based method is to be selected, if possible. When revenue is recognised over time, IFRS 15 offers the „right to invoice“ practical expedient according to which, under certain circumstances, those amounts of revenue may be recognised where there is a right to invoice. This is deemed to be satisfied in this regard. Major customers are issued the invoice after the event and usually settle the invoice within a quarter.

Restaurants, Lounges & Hotel

With regard to restaurants, hotels or airport gastronomy (shops at the airport), the contracting party pursuant to IFRS 15 is the respective visitor or consumer. The performance obligations may include food & beverages, accommodation, room service, cleaning services etc. The prices for meals, accommodation, various services are fixed. So far, revenue was recognised when the invoice was issued or when payment was effected at the cash desks.

With regard to lounges, contracts are concluded between the airlines or the airports and DO & CO. The customer is considered the airport or the airline as the services are rendered to the ordering party.

DO & CO is solely commissioned for the operation and supply of food & beverages. Goods and services are mainly offered at a fixed agreed price in framework contracts. As regards contracts on the operation of staff restaurants, more than one group of customers was identified. On the one hand, those companies that commission DO & CO with a staff restaurant are to be considered as customers. In addition, the staff members working for the companies are to be regarded as customers, too, in case they consume and also pay for meals at the restaurants. DO & CO provides the staff, infrastructure and the DO & CO products. The transaction prices are generally fixed and may only differ depending on the location. Revenue is recognised upon payment by the dining guest or when the invoice is issued to the customer under subsidised models.

The Airline Catering, International Event Catering and Restaurants, Lounges & Hotel divisions are not significantly affected by the separation of performance obligations. Contrary to the Airline Catering and Restaurant, Lounges & Hotel divisions, more than one performance obligation was identified in the International Event Catering division: (1.) catering services, and (2.) infrastructure services. DO & CO recognises interest income using the effective interest method. Dividends are recognised when the title to them has been legally accrued.

Earnings per share

Earnings per share reported in the income statement are calculated by dividing profit or loss attributable to the shareholders of DO & CO by the weighted average number of ordinary shares issued during the business year.

3.4. Significant discretionary decisions and estimates

The preparation of the consolidated financial statements is based on discretionary decisions and estimates as well as assumptions made by DO & CO that affect the accounting of assets and liabilities, the presentation of income and expenses and the relevant disclosures including the disclosure of contingent liabilities. These discretionary decisions and estimates may have a material impact on DO & CO’s financial situation and performance.

Significant estimates and assumptions as well as uncertainties relating to the selected accounting policies are particularly made with regard to the following. In addition, reference is made to the notes to the respective items.

The initial recognition of intangible assets and property, plant and equipment arising from business combinations requires estimates with regard to the determination of the fair value. The same applies to acquisitions of shareholdings in associates and joint ventures with regard to the net assets represented by the share acquired.

A material assessment relates to the accounting treatment of a forward for the acquisition of non-controlling interests. On the basis of the agreement, DO & CO considers the current state of the investments of non-controlling interests at each reporting date to have been acquired (see also the comments on *Shareholders’ equity* in Section 4.10.). This treatment of non-controlling interests has an influence on the equity structure.

For the purpose of the subsequent measurement, estimates and assumptions have to be made to determine amortisation and depreciation – particularly to determine the useful lives, the methods of depreciation and amortisation, and the residual values – of intangible assets, property, plant and equipment and investment property subject to amortisation and depreciation. These estimates are based on historical experience and assessments of the management.

Mandatory and event-related impairment tests of non-current assets require measurements and estimates in several respects. In particular, such measurements and estimates include the identification of internal and external evidence indicating potential impairment. In this regard, management particularly

takes into account changes in current competitive conditions, significant deviations from the expected results, the loss of a key customer, suspension of services, detrimental developments of the political and economic environment as well as significant changes in exchange rate parities and interest rate levels. As far as investments in associates and joint ventures are concerned, management measures the existence of impairment by using criteria which indicate possible economic difficulties of the companies. Uncertainties associated with this test concern the timing of the recognition of an impairment. The calculation of the recoverable amounts of the individual objects to be measured is also based on estimates and assumptions. To the extent that these are based on present value calculations, DO & CO assesses the estimated cash inflows and outflows based on approved financing plans for a five-year detailed planning period and a depreciation or amortisation period corresponding to the probable useful life of the object to be measured. The cash flow estimate is based on the Company’s ability to continue as a going concern and relies on planning taking into account experiences and assumptions with regard to the macro- economic environment and developments of the respective industry. Remaining uncertainties are taken into account appropriately. The interest rates used to determine the present value are based on the Company’s costs of capital.

Post-employment benefits are measured based on actuarial principles which require in particular assumptions on discount rates, estimated remuneration and pension trends, turnover rates and mortality. DO & CO uses the return of senior industrial bonds with a similar term to maturity as the corresponding measured liability to calculate appropriate country-specific discount rates. Estimates on the mortality risk are based on publicly available, country-specific reference guidelines. The remuneration and pension increases taken into account rely on estimated country-specific inflation rates as well as operational experience. Defined benefit obligations are highly sensitive to changes in these assumptions. The future development may indeed deviate from the estimates included in the measurement owing to changing market, economic and social conditions. Amounts reported are mainly based on expert opinions. The underlying assumptions are reviewed by DO & CO on an annual basis.

Estimation uncertainties exist with regard to the recognition and measurement of other provisions. These uncertainties relate to the question if such obligations exist and when they arise, as well as to the question of the amount of the outflow potentially required to settle the uncertain liabilities.

Accounting of deferred taxes requires an estimate with regard to the extent to which it is probable that the relating future tax benefit can be realised. This requires a prognosis as to the extent that it is probable that taxable profits will be available to make use of tax reducing effects. This prognosis has to take into account the effects from the reversal of taxable temporary differences, budgeted operating results as well as tax planning opportunities. The future tax result and the point of time when deferred tax assets may be realised have to be estimated.

Management reviews the estimates and assumptions made at every reporting date. Amounts recognised are regularly adjusted in the current reporting period through profit or loss if changes occur. Transactions immediately recognised in equity are exempt.

4. COMMENTS ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

4.1. Intangible assets

Intangible assets comprise goodwill, the Hédiard brand and acquired rights and licenses in such rights. The rights and licences particularly include customer agreements, trademark titles, and rights of use and software licenses. With the exception of goodwill and the Hédiard brand, all intangible assets have definite useful lives.

The development of intangible assets in the business year compared to the previous year is presented below:

in m€	Goodwill	Right-of-use assets and contracts with customers	Trademark Hédiard	Total
Cost at 31 March 2018	35.64	59.18	9.94	104.76
Changes in the scope of consolidation and reclassifications	-2.31	-0.01	0.00	-2.33
Currency translation	-1.54	-0.07	0.00	-1.62
Additions	0.00	0.35	0.00	0.35
Disposals	0.00	-0.09	0.00	-0.09
Reclassifications	0.00	0.04	0.00	0.04
At 31 March 2019	31.78	59.39	9.94	101.11
Accumulated depreciation and impairment losses at 31 March 2018	12.97	38.42	0.00	51.39
Changes in the scope of consolidation and reclassifications	-2.32	-0.01	0.00	-2.33
Currency translation	-1.54	-0.06	0.00	-1.60
Additions (amortisation)	0.00	4.83	0.00	4.83
Additions (impairment)	0.00	0.01	0.00	0.01
Appreciation	0.00	0.00	0.00	0.00
Disposals	0.00	-0.08	0.00	-0.08
Reclassifications	0.00	0.00	0.00	0.00
At 31 March 2019	9.11	43.10	0.00	52.21
Carrying amounts at 31 March 2019	22.67	16.28	9.94	48.89

in m€	Goodwill	Right-of-use assets and contracts with customers	Trademark Hédiard	Total
Cost at 31 March 2017	24.55	74.87	9.94	109.36
Changes in the scope of consolidation and reclassifications	15.59	-15.59	0.00	0.00
Currency translation	-3.08	-0.49	0.00	-3.58
Additions	0.00	0.64	0.00	0.64
Disposals	-1.42	-0.25	0.00	-1.67
Reclassifications	0.00	0.00	0.00	0.00
At 31 March 2018	35.64	59.18	9.94	104.76
Accumulated depreciation and impairment losses at 31 March 2017	0.09	49.36	0.00	49.46
Changes in the scope of consolidation and reclassifications	15.59	-15.59	0.00	0.00
Currency translation	-2.93	-0.26	0.00	-3.19
Additions (amortisation)	0.00	5.12	0.00	5.12
Additions (impairment)	1.64	0.03	0.00	1.67
Appreciation	0.00	0.00	0.00	0.00
Disposals	-1.42	-0.22	0.00	-1.65
Reclassifications	0.00	-0.02	0.00	-0.02
At 31 March 2018	12.97	38.42	0.00	51.39
Carrying amounts at 31 March 2018	22.67	20.75	9.94	53.36

Goodwill is tested annually for impairment. For the purpose of impairment testing, DO & CO allocates goodwill to cash-generating units that are expected to benefit from the synergies of the respective business combination. For comparison purposes, DO & CO calculates the value of use of cash-generating units in addition to the carrying amount.

DO & CO did not test the goodwill of Lasting Impressions Ltd (31 March 2019: € 0.95m / 31 March 2018: € 0.93m) and of Sky Gourmet (31 March 2019: € 4.06m / 31 March 2018: € 4.06m) attributable to the Airline Catering division for impairment. There were no significant changes in the composition of assets and liabilities, with the most recent calculation of the recoverable amount being significantly above the carrying amounts of the CGU's assets. Due to the previous developments, an impairment loss on goodwill can virtually be excluded.

The table below presents an overview of goodwill tested for impairment in the business year 2018/2019 and the material assumptions made with regard to the relevant impairment tests.

Cash-generating unit	Airline Catering DO & CO Poland	Arena One Allianz Arena	Hédiard
Segment	Airline Catering	International Event Catering	Restaurants, Lounges & Hotel
Carrying amount of goodwill in m€	1.22	7.76	8.66
Length of detailed planning period in years	5	10	10
Cash flow growth after detailed resp. general planning period in %	2%	-1%*	1.87%
Pre-tax discount rate	7.71%	8.67% - 10.21%	8.85%
After-tax discount rate	6.31%	5.94% - 6.47%	7.28% - 7.31%
Approach	value in use	value in use	fair value less cost to sell

* Two scenarios in total, of which only one scenario assumes a projection beyond the general planning period

Cash flow projections used to determine the value in use are generally based on forecasts which, in turn, are based on financial plans approved by management. The calculation of the fair value less costs to sell is also based on approved financial plans as well as expectations on the future development of the cash-generating unit's business model that are customary in the industry, without taking into account company-specific synergy effects. The fair values are to be allocated to level 3 given the planning assumptions used. To the extent that the stable business outlook necessary for calculating the perpetual annuity is not guaranteed at the end of the detailed planning period, DO & CO includes a general planning phase in this planning. The extension of the detailed planning period at Arena One Allianz Arena is due to the underlying term of the contract. With regard to Hédiard it is due to the start-up phase that is required after opening until a stable business outlook is attained. The growth assumptions used for impairment testing are based on adapted past experiences. They also take into account assumptions with regard to the loyalty of major customers as well as with regard to the attracting of such customers and the expected developments in the relevant markets. The development of the cost structure also reflects past experiences, measures implemented to improve efficiency and expected developments of the individual cost factors.

In order to continue cash flow forecasts beyond the detailed planning period and the general planning period DO & CO takes into account growth rates that are particularly based on forecast inflation rates of the respective local market environment. External sources were used to predict the inflation rates.

Also, if the discount rate had increased by 0.5 percentage points, the recoverable amounts of the cash-generating units (to which goodwill was allocated) tested for impairment would have exceeded the respective carrying amounts. The same holds true if the growth rates applied to perpetual annuity had decreased by 0.5 percentage points or profitability had been reduced by 10%.

Customer contracts acquired in the course of business acquisitions were capitalised at the fair value applicable at the acquisition date and amortised on a straight-line basis over their estimated useful lives of up to 17 years. They are recognised at a carrying amount of € 8.73m (PY: € 10.15m) under the item intangible assets.

4.2. Property, plant and equipment

The table below presents an overview of the development of property, plant and equipment in the reporting period and the comparative period:

	Land and buildings including buildings on third party land	Plant and machinery	Other equipment and office equipment	Payments in advance and assets in course of construction	Total
in m€					
Cost at 31 March 2018	168.09	45.77	104.27	83.08	401.20
Changes in the scope of consolidation and reclassifications	0.00	-2.90	-0.24	0.00	-3.14
Currency translation	-1.25	-2.95	-4.56	-9.63	-18.38
Additions	0.99	2.12	6.38	32.51	42.01
Disposals	-0.13	-0.34	-2.41	-0.12	-2.99
Reclassifications	2.39	1.28	7.98	-59.49	-47.84
At 31 March 2019	170.09	42.98	111.43	46.37	370.87
Accumulated depreciation and impairment losses at 31 March 2018	66.88	28.47	72.72	0.46	168.54
Changes in the scope of consolidation and reclassifications	0.00	-2.90	-0.24	0.00	-3.14
Currency translation	-2.70	-1.30	-3.51	-0.10	-7.62
Additions (depreciation)	8.37	3.55	10.65	0.00	22.57
Additions (impairment)	0.19	1.29	-0.03	0.00	1.46
Appreciation	-1.18	0.00	0.00	0.00	-1.18
Disposals	-0.11	-0.33	-2.25	0.00	-2.69
At 31 March 2019	71.45	28.79	77.33	0.36	177.93
Carrying amounts at 31 March 2019	98.64	14.19	34.09	46.01	192.93

in m€	Land and buildings including buildings on third party land	Plant and machinery	Other equipment and office equipment	Payments in advance and assets in course of construction	Total
Cost at 31 March 2017	150.91	46.90	102.85	81.31	381.97
Changes in the scope of consolidation and reclassifications	0.00	0.00	0.00	0.00	0.00
Currency translation	-13.29	-4.49	-9.24	-14.85	-41.87
Additions	14.10	3.93	11.34	41.47	70.85
Disposals	-2.84	-1.10	-3.19	-2.69	-9.82
Reclassifications	19.19	0.52	2.50	-22.15	0.07
At 31 March 2018	168.09	45.77	104.27	83.08	401.20
Accumulated depreciation and impairment losses at 31 March 2017	64.58	27.38	69.30	0.58	161.85
Changes in the scope of consolidation and reclassifications	0.00	0.00	0.00	0.00	0.00
Currency translation	-6.01	-1.91	-5.73	-0.12	-13.76
Additions (depreciation)	10.58	3.99	11.69	0.00	26.26
Additions (impairment)	-0.06	0.05	0.22	0.00	0.21
Appreciation	0.00	0.00	0.00	-0.01	-0.01
Disposals	-2.20	-1.04	-2.77	0.00	-6.01
At 31 March 2018	66.88	28.47	72.72	0.46	168.54
Carrying amounts at 31 March 2018	101.20	17.29	31.55	82.62	232.66

The decline in property, plant and equipment is mainly due to the reclassification of the hotel under construction in Turkey into the item “assets held for sale” (see Section 4.8.).

Additions in the business year 2018/2019 mainly result from the expansions or establishment of gourmet kitchens at the locations in Turkey as well as at the New York JFK, Los Angeles and London Heathrow locations in the Airline Catering division. In the International Event Catering division, investments made for the Formula 1 as well as investments in the course of taking over the stadium catering at FK Austria Vienna are recognised.

In the business year 2018/2019 in the course of impairment tests which were done for CGUs due to triggering events, impairments amounting to € 1.46m arose. These are allocated to the Airline Catering and Restaurant, Lounges & Hotel divisions. In the Airline Catering division in the course of the business year, assets in the amount of € 1.29m were written off to a carrying amount of zero prior to the deconsolidation of the company as of 31 March 2019.

Furthermore, a reversal of impairment to the fair value less cost to sell in the amount of € 1.18m was recognised on a building in the Airline Catering division in the business year 2018/2019. The planning assumptions of the external expert opinion used to calculate the fair values are allocated to level 3.

4.3. Investments accounted for using the equity method

Investments in joint ventures relate to strategic partnerships in the Airline Catering and Restaurants, Lounges & Hotel divisions.

Investments accounted for using the equity method have developed as follows in the current and the previous business year:

in m€	Business Year 2018/2019		Business Year 2017/2018	
	Associated companies	Joint ventures	Associated companies	Joint ventures
As of 1 April	2.78	4.50	2.25	6.30
Attributable net result	0.66	-0.30	0.91	-1.49
Currency translation	0.00	0.13	0.00	-0.28
Shares of other comprehensive income	0.00	0.02	0.00	-0.03
Attributable dividend payment	-0.38	0.00	-0.38	0.00
As of 31 March	3.05	4.35	2.78	4.50

The change of the attributable net result with regard to joint ventures compared to the same period in the previous year is due to the investments Sharp DO & CO Korea LLC (€ 0.42m / PY: € -1.03m) and Versilia Solutions Ltd. (€ -0.72m / PY: € -0.46m). In the business year 2018/2019, € 1.08m (PY: € 1.00m) of pro-rated losses was recorded off-balance sheet.

The attributable net result equals the attributable result from continuing operations of the entities.

The carrying amounts of the investments accounted for using the equity method reported in the consolidated financial statements with regard to joint ventures and associates are shown in the table below:

in m€	31 March 2019		31 March 2018	
	Associated companies	Joint ventures	Associated companies	Joint ventures
Carrying amounts	3.05	4.35	2.78	4.50
Shares of other comprehensive income	0.00	-0.03	0.00	-0.03

4.4. Other financial assets (non-current)

Section 7.2. provides additional information on these financial assets.

4.5. Inventories

DO & CO's inventories break down as follows at the reporting dates:

in m€	31 March 2019	31 March 2018
Raw materials and supplies	13.86	14.51
Goods	18.67	11.20
Total	32.53	25.71

As goods were for the most part directly resold to the customer, impairment was only to be recognised to a minor extent at the end of the reporting period. The same holds true for raw materials and supplies that have a short turnover period.

4.6. Trade receivables

Trade receivables have a remaining period of a maximum of 12 months after the reporting period. With regard to impairment of trade receivables, creditworthiness is assessed on an ongoing basis. Default is principally defined on the basis of generally accepted rating classes as well as the credit standing which is externally available or internally defined. In addition, further internally available information is used to assess the default risk.

The development of trade receivables is as follows:

in m€	31 March 2019	31 March 2018
Trade accounts receivable	113.61	115.98
Specific allowance	-2.55	-3.56
General allowance related to IFRS 9	-0.17	0.00
Trade receivables	110.89	112.42

The following risk concentrations exist with regard to trade receivables: At 31 March 2019, trade receivables from one customer amount to € 22.89m (31 March 2018: € 23.77m), of which € 3.16m (PY: € 9.42m) was still outstanding in mid-May 2019. No evidence exists that these receivables are uncollectible.

Of the total amount of trade receivables as of 31 March 2019, € 78.53m (31 March 2018: € 56.46m) are neither impaired nor past due.

Impairment of trade receivables mainly relate to receivables more than 80 days past due and has developed as follows:

in m€	Business Year 2018/2019	Business Year 2017/2018
As of 1 April	3.83	2.96
Allocation	0.37	2.16
Reclassification/ FX effects	-0.07	-0.22
Consumption	-0.30	-0.68
Release	-1.12	-0.65
As of 31 March	2.71	3.56

Impairment for expected credit losses in the amount of € 0.17m was recognised as of 31 March 2019.

At 31 March 2019 and 31 March 2018, unimpaired trade receivables have the following past due periods:

in m€	31 March 2019	31 March 2018
undue	78.53	56.46
up to 20 days due	11.97	23.12
21 to 40 days due	4.36	9.06
41 days to 80 days due	7.50	5.78
more than 80 days due	8.53	17.97
Total	110.88	112.40

4.7. Other non-financial assets (current)

Other non-financial assets (current) include the following assets:

in m€	31 March 2019	31 March 2018
Prepaid expenses	6.17	5.65
Other receivables and assets	24.18	15.80
Total	30.34	21.44

Impairment of other non-financial assets (current) has developed as follows in the business year:

in m€	Business Year 2018/2019	Business Year 2017/2018
As of 1 April	0.14	0.60
Allocation	0.00	0.00
Consumption	0.00	-0.34
Release	0.00	-0.12
As of 31 March	0.14	0.14

4.8. Assets held for sale / liabilities directly attributed to assets held for sale

In the second quarter of the business year 2018/2019, the Management Board of DO & CO Aktiengesellschaft took the decision to pursue the disposal of Turkish DO & CO’s hotel on the Bosphorus, which is under construction, to Turkish Airlines. These assets or liabilities are accordingly classified as “asset held for sale” and “liabilities directly attributed to assets held for sale” in the consolidated statement of financial position as of 30 September 2018 and reclassified at the carrying amount. This transaction is to take place in the coming six months. These assets and liabilities are part of the “Restaurants, Lounges & Hotel” segment.

4.9. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in transit and cash at banks with a maturity of less than 3 months. They are recognised at the most recent amount at the reporting date. € 70.45m (31 March 2018: € 76.47m) was recognised in the statement of financial position at the reporting date.

Cash and cash equivalents include foreign currencies, such as:

	31 March 2019	31 March 2018
mUSD	17.07	16.40
mTRY	52.29	82.66
mUAH	94.66	110.88
mGBP	3.16	3.24
mPLN	3.16	5.03

With regard to restrictions of availability of cash, please refer to Section 4.10.

4.10. Shareholders’ equity

The share of DO & CO has been listed in the prime market of the Vienna Stock Exchange since March 2007 and at the Istanbul Stock Exchange since December 2010.
As of 31 March 2019, 57.63% of the shares are in free float. The remaining shares are held by the private foundation Attila Dogudan Privatstiftung (32.31%) and by Kabouter Management LLC (10.06%). The share of Attila Dogudan Privatstiftung includes a stake of 1.59% provided for management and staff participation.

The nominal capital of DO & CO amounts to € 19.49m at the end of the reporting period. 9,744,000 fully paid in no-par value shares are issued. Each share grants one vote.

By resolution of the 20th General Meeting of Shareholders of DO & CO Aktiengesellschaft held on 12 July 2018, a dividend of € 0.85 per dividend-bearing share for the business year 2017/2018 was approved and paid out on 30 July 2018.

The capital reserve mainly includes amounts from past capital increases that were made in excess of the nominal capital less capital procurement costs, net of tax.

The accumulated remaining equity includes the currency translation reserve, the differences from the translation of financial statements prepared in foreign currencies that were recognised directly in equity in the business year under review and in previous years, as well as net investment effects and the IAS 19 reserve, as well as actuarial gains and losses from defined benefit plans, net of income tax. Due to the deconsolidation of a subsidiary in the business year 2018/2019, effects arising from currency translation in the amount of € 2.43m were reclassified into the item *Other operating income* in the income statement.

The special item from transactions with non-controlling interests recognised within equity results from the acquisition of 51% of the shares and voting rights in DO AND CO KYIV LLC. As the Company simultaneously undertook to purchase the 49% of the shares held by the other shareholders at a later point in time, a liability had to be recognised in the amount of the present value of the purchase price obligation. This liability was initially recognised directly in equity by offsetting the liability against the special item reported in equity, with the item non-controlling interests not having been derecognised. Based on the assumption that DO & CO acquires the current balance of the respective investment of non-controlling interests, the Company derecognises the amount reported in equity for non-controlling interests at the end of every reporting period. Differences between the derecognised equity amounts and the amounts at which the derivative financial liability is recognised and amortised at cost are taken into account at DO & CO in accordance with the provisions on the presentation of transactions between shareholder groups by adjusting the special item.

Per resolution of the General Meeting of Shareholders dated 27 July 2017, the Management Board was authorised, for a duration of 30 months as of 27 July 2017, to acquire own shares up to the statutory maximum amount (on exchange/off exchange).

Moreover, the Management Board was authorised in the course of the General Meeting of Shareholders dated 12 July 2018 to increase the share capital from the current nominal amount of# € 19,488,000 by up to a further € 2,000,000 through the issuance of up to 1,000,000 new no-par value bearer shares. After the respective increase(s), this corresponds to a proportion of share capital of up to (rounded) 9.31%.

The shares of other shareholders include the direct non-controlling interests in the equity of the fully consolidated THY DO & CO İkrām Hizmetleri A.Ş. amounting to 50%, the fully consolidated Lasting Impressions Food Company Ltd amounting to 15% and the fully consolidated DO & CO Netherlands Holding B.V. amounting to 49%. Moreover, this item included the non-controlling interests in DO & CO im PLATINUM Restaurantbetriebs GmbH amounting to 10%.

The influence exercised by non-controlling interests (NCI) with a significant investment in subsidiaries on the activities and the cash flow of the entities is presented in the tables below.

Subsidiary	Place of business	Voting rights	31 March 2019		31 March 2018	
			Net result NCI in m€	Carrying amount NCI in m€	Net result NCI in m€	Carrying amount NCI in m€
THY DO & CO Ikram Hizmetleri A.S.	Turkey	50%	10.56	45.43	11.15	48.54

Subsidiary	Revenue	Expenses	Business Year 2018/2019 Income Statement – result			Other comprehensive income	Dividends to NCI
			Parents	NCI	Total		
THY DO & CO Ikram Hizmetleri A.S.	248.13	227.01	10.56	10.56	21.13	-11.61	2.07

Subsidiary	Revenue	Expenses	Business Year 2017/2018 Income Statement – result			Other comprehensive income	Dividends to NCI
			Parents	NCI	Total		
THY DO & CO Ikram Hizmetleri A.S.	250.88	228.58	11.15	11.15	22.31	-10.54	2.32

Subsidiary	31 March 2019		31 March 2019		31 March 2019	
	Assets		Liabilities		Equity	
	Current	Non-current	Current	Non-current	Parent	Other share-holders
THY DO & CO Ikram Hizmetleri A.S.	106.16	31.90	41.07	6.12	45.43	45.43

Subsidiary	31 March 2018		31 March 2018		31 March 2018	
	Assets		Liabilities		Equity	
	Current	Non-current	Current	Non-current	Parent	Other share-holders
THY DO & CO Ikram Hizmetleri A.S.	62.77	81.26	39.59	7.35	48.54	48.54

Due to legal requirements, the fully consolidated subsidiary THY DO & CO Ikram Hizmetleri A.S. has a deviating reporting date (31 December).

In Ukraine, the new law “on Foreign Exchange and Foreign Exchange Transactions” and requirements of the National Bank of Ukraine (“NBU”) with regard to currency controls became effective on 7 February 2019. Distributions of dividends abroad are admissible up to an amount of € 7m for the periods until and including 2018. As of 1 March 2019, 30% of foreign exchange revenue have to be converted (formerly: 50%). This excludes foreign currencies that are saved for the redemption of borrowings.

4.11. Bond

At the beginning of March 2014, DO & CO placed a corporate bond at a notional amount of € 150.00m. The bond falls due on 4 March 2021 and has an interest rate of 3.125% per annum. The interest expense according to the effective interest method amounts to € 5.00m in the business year 2018/2019 (business year 2017/2018: € 4.99m). Payments are made annually on 4 March.

4.12. Non-current provisions

The breakdown of non-current provisions arising from employment contracts are as follows at the end of the reporting period:

in m€	31 March 2019	31 March 2018
Provisions for severance payments DBO	15.24	15.40
Provisions for long-service anniversary payments DBO	4.48	4.09
Provisions for pension payments DBO	0.60	0.58
Other provisions	0.00	0.41
Total	20.31	20.49

€ 1.37m of the total amount of non-current provisions is due in the short term.

The projected unit credits of the defined benefit obligations and the anniversary bonuses have developed as follows in the business year 2018/2019:

in m€	Termination benefits		Pensions		Anniversary bonuses	
	2018/2019	2017/2018	2018/2019	2017/2018	2018/2019	2017/2018
Present value of obligations (DBO) on 1 April	15.40	17.99	0.58	0.59	4.09	4.65
Currency changes	-1.41	-1.50	0.00	0.00	0.00	0.00
Current service cost*	1.20	1.61	0.01	0.01	0.12	0.29
Interest cost	1.23	1.12	0.01	0.01	0.05	0.06
Benefit payments	-1.06	-1.76	-0.08	-0.08	-0.22	-0.36
Settlements / curtailments*	0.00	-0.16	0.00	0.00	0.00	-0.14
Actuarial gains and losses**	-0.12	-1.90	0.07	0.05	0.44	-0.40
thereof arising from experienced based adjustments	-0.37	-0.03	0.04	0.04	-0.08	0.05
thereof arising from changes in financial assumptions	0.40	-1.87	0.01	0.00	0.16	0.00
thereof arising from changes in demographic assumptions	-0.09	0.00	0.00	0.00	0.37	-0.45
Present value of obligations (DBO) on 31 March	15.24	15.40	0.60	0.58	4.48	4.09

* These items are included in the Personnel expenses
** This item is for long-service anniversary included in the Personnel expenses

The actual development of the obligations may deviate from the estimates included in the measurement owing to changing market, economic and social conditions. The above table presents the resulting value adjustments and the changes in these estimates as actuarial gains and losses.

DO & CO recognises actuarial gains and losses with regard to provisions for termination benefits and pensions in the business year in which they originate in the consolidated statement of comprehensive income (without effect on income) under Revaluation IAS 19. With regard to anniversary bonuses, the revalued obligations are directly recognised under *Personnel expenses* in the income statement. The interest expense resulting from the discounting of personnel provisions is reported in the *Financial result*.

The breakdown of expenses from termination benefits and pensions is shown below. These expenses are reported in the relevant income statement items presented:

in m€	Income statement position	Termination benefits		Pensions	
		2018/2019	2017/2018	2018/2019	2017/2018
Current service cost	Personnel expenses	1.20	1.61	0.01	0.01
Interest cost	Financial expenses	1.23	1.12	0.01	0.01
Total		2.43	2.72	0.02	0.02

4.13. Income tax

Effective income tax receivables result from tax advances. Income tax receivables for which a legally enforceable right to offset against income tax liabilities exists, were offset.

Deferred taxes as of 31 March 2019 result from temporary differences arising between the carrying amounts and the tax bases of assets and liabilities as well as tax loss carry-forwards. Deferred taxes primarily result from the following:

in m€	31 March 2019		31 March 2018	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	0.04	-2.26	0.04	-2.64
Property, plant and equipment and investment property	12.15	-7.63	0.53	-6.38
Inventories	0.00	-1.91	0.00	-0.77
Current financial assets and other current assets	0.34	-12.84	2.62	-4.69
Provisions	3.98	0.00	7.89	-2.37
Liabilities	1.99	-0.25	1.43	-0.16
Total temporary differences	18.51	-24.88	12.52	-17.01
Tax losses carried forward	7.75	0.00	8.04	0.00
Valuation discount for deferred tax assets	-0.24	0.00	0.18	0.00
Offsetting of differences with the same tax authorities	-20.68	20.68	-14.10	14.10
Total	5.33	-4.20	6.64	-2.91

In the business year 2018/2019 a tax expense of € 1.27m (31 March 2018: € -1.52m) was directly recognised in equity arising from the revaluation of provisions for pensions and termination benefits and net investments. The book value of deferred tax reserve recognised in other comprehensive income amounts to € 0.99m (31 March 2018: € 2.25m). The book value of the non-controlling interests was € 0.19m (31 March 2018: € 0.29m).

Loss carry-forwards capitalised and not capitalised as well as the ability to carry forward losses that were not capitalised are presented in the table below:

in m€	31 March 2019	31 March 2018
Loss carry-forwards – capitalised	28.39	28.37
Loss carry-forwards – not capitalised	139.56	137.11
of which loss carry-forwards forfeitable between two and five years	0.00	0.00
Non-forfeitable loss carry-forwards	139.56	137.11
Total unused loss carry-forwards	167.95	165.48

In the business year, DO & CO recognised deferred taxes in the amount of € 0.00m (31 March 2018: € 0.72m) for loss carry-forwards previously not taken into account. For tax loss carry-forwards in the amount of € 139.56m (31 March 2018: € 137.11m) no deferred tax assets were recognised since the realisation of potential tax benefits within the planning period is not sufficiently secured.

Deferred tax liabilities are not recognised for temporary differences resulting from shares in subsidiaries, joint ventures or associated companies (outside-basis differences) in cases where their reversal can be controlled by DO & CO and is not probable in the foreseeable future.

4.14. Other financial liabilities (current)

in m€	31 March 2019	31 March 2018
Loan	2.82	2.57
Provision for interest on bonds	0.35	0.35
Miscellaneous other financial liabilities (current)	21.33	24.67
Other financial liabilities (current)	24.50	27.58

Miscellaneous other financial liabilities (current) mainly pertain to prorated special payments in the amount of € 2.81m (31 March 2018: € 3.17m) that result from having a business year not coinciding with the calendar year, and provisions for a prorated number of vacation days not yet used by the end of the reporting period in the amount of € 11.29m (31 March 2018 € 10.50m).

4.15. Trade payables

The table below shows the development of trade payables:

in m€	31 March 2019	31 March 2018
Trade payables	80.76	70.53
Deliveries and services not yet invoiced	8.49	6.12
Trade payables	89.25	76.65

4.16. Current provisions

The current provisions have developed as follows in the business year:

in m€	As of 1 April 2018	Currency changes	Changes in scope of consoli- dation	Consump- tion	Release	Allocation	Transfer	As of 31 March 2019
Other personnel provisions	3.07	-0.54	0.00	-3.99	0.16	3.73	0	2,44
Other provisions	19.56	-0.30	0.00	-8.77	-3.14	6.90	-3.07	11,18
Total	22.63	-0.84	0.00	-12.76	-2.97	10.63	-3.07	13,62

Other personnel provisions pertain to provisions for performance-based remuneration components in the amount of € 2.44m (31 March 2018: € 3.07m). Other provisions mainly include provisions resulting from sales obligations, audit and consulting expenses, legal fees as well as other current obligations and deferrals/accruals. The decrease in other provisions mainly results from the utilisation of the provision for legal proceedings in Turkey as well as from the reversal for proceedings in France. These proceedings were taken over in the course of the acquisition and a corresponding receivable from the previous owner was set up, which has now also been reversed.

4.17. Other liabilities (current)

Other liabilities (current) break down as follows:

in m€	31 March 2019	31 March 2018
Advanced payments received on orders	0.97	0.87
Other liabilities	11.79	11.22
Deferred income	0.23	1.15
Contract costs	3.10	0.00
Total	16.09	13.24

It is expected that these obligations will be settled within 12 months after the end of the reporting period. Other liabilities mainly pertain to VAT liabilities and liabilities to social insurance funds as well as to liabilities to employees for recurring remuneration payments.

5. COMMENTS ON THE CONSOLIDATED INCOME STATEMENT

5.1. Revenue

DO & CO mainly generate revenues from contracts with customers in the context of catering, handling and infrastructure services.

Revenue from contracts with customers by segments and geographical regions breaks down as follows:

Countries	Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Turkey	234.56	0.04	13.83	248.43
Austria	87.63	17.38	55.07	160.08
Great Britain	76.88	53.59	7.93	138.40
Germany	45.47	46.26	36.45	128.19
USA	113.31	0.00	0.00	113.31
other countries	40.25	12.27	6.88	59.40
Total	598.09	129.53	120.17	847.80

The following table provides information on receivables (see Section 4.6.), contract assets and contract liabilities:

in m€	31 March 2019	1 April 2018
Trade receivable	113.28	115.96
activated contract costs	6.34	0.00
Other contractual obligations	3.10	4.55

Valuation allowances in the amount of € 2.71m were recognised for trade receivables.

The contract costs capitalised in the amount of € 6.34m in the business year 2018/2019 relate to costs incurred for the performance of a contract which are amortised on a straight line basis over the contract term as of the date of contract inception in 2020. In the business year 2018/2019, capitalised contract costs in the amount of € 0.08m were amortised. Contract liabilities mainly relate to subsequently granted rebates. The amount of € 4.55m reported under contract liabilities at the beginning of the period was recognised as revenue in the business year 2018/2019.

5.2. Other operating income

In the business year 2018/2019 and in the previous year, other operating income pertains to:

in m€	Business Year 2018/2019	Business Year 2017/2018
Income from the release of provisions	3.08	11.10
Foreign exchange gains	5.67	3.01
Miscellaneous other operating income	12.64	9.20
Total	21.39	23.31

Followed by one-off effects in the prior year, the item income from the release of provisions is now back at a significantly lower level.

5.3. Cost of materials

In the business year 2018/2019 and the previous year, cost of materials and purchased services amounted to:

in m€	Business Year 2018/2019	Business Year 2017/2018
Cost of materials	-278.93	-277.32
Cost of purchased services	-83.38	-91.80
Total	-362.31	-369.12

Purchased services mainly include the renting of equipment and acquired staff.

5.4. Personnel expenses

The DO & CO Group employed an average of 9,919 staff (PY: 9,587 staff) in the business year 2018/2019.

In the business year and in the previous year, personnel expenses comprised the following:

in m€	Business Year 2018/2019	Business Year 2017/2018
Wages and salaries	-223.21	-227.67
Expenses for termination benefits, pensions and contribution based payments	-7.22	-5.70
Compulsary social security contribution and payroll-related taxes	-41.46	-43.39
Other employee-related expenses	-10.39	-11.57
Total	-282.29	-288.33

An amount of € 0.63m was paid to staff provision funds in Austria.

5.5. Other operating expenses

Other operating expenses pertain to:

in m€	Business Year 2018/2019	Business Year 2017/2018
Rentals, leases and operating expenses (including airport fees)	-71.34	-69.79
Travel and communication expenses	-12.03	-15.15
Transport, vehicle and maintenance expenses	-21.95	-21.91
Insurance premiums	-1.98	-1.76
Legal, auditing and consulting expenses	-8.40	-7.26
Bad debts, impairments of receivables and other claims	-1.59	-4.65
Foreign exchange losses	-2.75	-3.75
Losses on disposal of non-current assets	-0.74	-0.35
Other taxes	-4.93	-4.68
Expenses from deconsolidations	-3.60	0.00
Miscellaneous other operating expenses	-15.28	-13.95
Total	-144.59	-143.25

Rentals, leases and operating expenses include fixed rents in the amount of € 26.40m (PY: € 28.63m) and sales-based payments in the amount of € 17.65m (PY: € 11.26m).

Expenses for the auditor and all members of the auditor's Austrian network amounted to € 0.58m (PY: € 0.50m) for the audit of the consolidated financial statements and the separate financial statements in the reporting period as well as to € 0.05m (PY: € 0.02m) for tax advice, € 0.00m (PY: € 0.00m) for other assurance services and € 0.13m (PY: € 0.00m) for other consulting services.

5.6. Amortisation/ depreciation and effects from impairment tests

Amortisation / depreciation and effects from impairments tests recorded in the income statement include:

in m€	Business Year 2018/2019	Business Year 2017/2018
Amortisation and depreciation	-27.47	-31.39
Effects from impairment tests	-1.45	-1.38
Total	-28.92	-32.77

For the breakdown of the reported impairment losses with regard to the business segments, please refer to segment reporting (see Section 4.2.).

5.7. Financial result

The table below shows the breakdown of the financial result:

in m€	Business Year 2018/2019	Business Year 2017/2018
Income from non-current securities	0.47	0.71
Interest and similar income	2.77	2.87
Income from investments	0.00	-0.01
Expenses from securities of current assets	0.00	-0.01
Interest and similar expenses	-6.47	-6.36
Other financial result	0.43	-1.68
Total	-2.81	-4.47

Interests and similar income are interest income resulting from cash equivalents in Turkey and Ukraine. Interest and similar expenses include interest expenses incurred for the corporate bond in the amount of € 5.00m (PY: € 4.99m) and from the discounting of termination benefit obligations and other non-current obligations in the amount of € 1.28m (PY: € 1.18m). The other financial result includes foreign exchange differences resulting from group financing in foreign currencies.

5.8. Income tax

The item income tax comprises current and deferred income taxes as presented in the table below:

in m€	Business Year 2018/2019	Business Year 2017/2018
Current income taxes	-10.19	-11.92
Deferred taxes	-1.52	-0.88
Total	-11.71	-12.80

€ -12.43m (PY: € -10.96m) of current income tax expenses pertains to the current year. Income tax credits in the amount of € 2.24m (PY: € -0.96m) relate to adjustments of income tax expenses incurred in previous years.

The income tax reported in the business year 2018/2019 is derived as follows from the expected income tax expense that would have resulted from applying DO & CO's income tax rate to the Group's profit before income tax:

in m€	Business Year 2018/2019	Business Year 2017/2018
Profit before income tax	48.64	46.17
Expected tax expense 25% (PY: 25%)	-12.16	-11.54
+/- Tax differences non-domestic countries	2.64	1.63
Calculated income tax expense	-9.52	-9.91
Reconciliation item	-2.19	-2.89
Accounted income tax expense	-11.71	-12.80
Effective tax rate	24.1%	27.7%

The effective tax burden of the DO & CO Group, i.e. the reported tax expense in relation to the profit before income tax, is 24.1% (PY: 27.7%). The tax ratio of the business year 2018/2019 mainly rose due to the evaluation of deferred taxes relating to the current and the previous years as well as due to one-off effects from current taxes.

5.9. Earnings per share

Basic earnings per share are calculated by dividing profit or loss attributable to the shareholders of DO & CO by the average number of ordinary shares issued during the business year.

	Business Year 2018/2019	Business Year 2017/2018
Net result in m€	26.40	24.37
Number of shares at the end of the period (in Pie)	9,744,000	9,744,000
Basic/diluted earnings per share (in €)	2.71	2.50

The basic earnings per share equals the diluted earnings per share.

5.10. Proposed appropriation of profit

Under the provisions of the Austrian Stock Corporation Act, the financial statements of DO & CO as of 31 March 2019, prepared in accordance with the Austrian financial reporting requirements, provide the basis for the distribution of a dividend. These financial statements show a net profit for the year of € 8.28m. The Management Board proposes to the General Meeting of Shareholders to distribute the entire net profit for the year. This allows for a dividend of € 0.85 per dividend-bearing share. The proposed dividend has not tax effects for DO & CO in case of the dividend being paid.

6. COMMENTS ON THE CONSOLIDATED STATEMENT OF CASH FLOWS (CASH FLOW STATEMENT)

The statement of cash flows from operating activities was prepared using the indirect method. Liquid funds correspond to *Cash and cash equivalents* in the consolidated statement of financial position and include cash in hand, cheques and cash at banks.

Income tax payments are reported separately under the cash flows from operating activities.

The gross cash flow amounts to € 80.60m, meaning a decrease of € -7.29m compared to the same period of the previous year. Taking into account the changes in the working capital and the income tax payments, the cash flow from operating activities amounts to € 54.92m (business year 2017/2018: € 42.40m).

The cash flow from investing activities amounts to € -45.18m (business year 2017/2018: € -86.15m). Cash-effective investments in property, plant and equipment and in intangible assets are € -41.83m (business year 2017/2018: € -75.77m).

The cash flow from financing activities is € -13.16m (business year 2017/2018: € -17.10m).

in m€	Retained earnings	Non-controlling interests	Loans	Bond	Total
1 April 2018	144.54	47.61	2.57	149.06	343.79
Dividend payment to shareholders of DO & CO Aktiengesellschaft	-8.28	0.00	0.00	0.00	-8.28
Dividend payment to non-controlling interests	0.00	0.00	0.00	0.00	0.00
Repayment of financial liabilities	0.00	0.00	0.00	0.00	0.00
Interest paid	0.00	0.00	0.00	-4.88	-4.88
Total change of cash flow from financing activities	-8.28	0.00	0.00	-4.88	-13.16
Currency translation differences	0.00	-12.45	0.25	0.00	-12.20
Veränderung Konsolidierungskreis	0.00	4.31	0.00	0.00	4.31
Interest Expense	0.00	0.00	0.00	5.19	5.19
Other changes related to equity	24.10	8.27	0.00	0.00	32.37
31 March 2019	160.35	47.74	2.82	149.37	360.29

7. ADDITIONAL DISCLOSURES

7.1. Contingencies and financial liabilities

The contingent liabilities of the DO & CO Group amount to € 30.81m at 31 March 2019 (31 March 2018: € 34.58m) and comprise:

in m€	31 March 2019	31 March 2018
Guarantees	30.70	34.47
Other contractual obligations	0.11	0.11
Total	30.81	34.58

All matters reported under contingent liabilities relate to potential future obligations which are uncertain as of 31 March 2019 and that would create an obligation for DO & CO only upon the occurrence of uncertain future events.

For reasons of practicability, the disclosures pursuant to 37.86 and 37.89 are omitted in accordance with IAS 37.91.

At 31 March 2019, executory contracts exist on the purchase of property, plant and equipment in the amount of € 27.90m (31 March 2018: € 3.64m).

There are operating lease agreements that cannot be cancelled prematurely on business premises and equipment and furniture as well as – to a minor extent – on vehicles and other assets.

Future operating lease payments to be made under operating lease agreements that cannot be cancelled prematurely amount to:

in m€	31 March 2019	31 March 2018
Up to one year	24.28	27.17
Two to five years	53.91	50.91
More than five years	75.27	80.72
Total	153.46	158.79

Further lease payments of up to € 17.65m (31 March 2018: € 13.91m) may have to be paid in relation to lease payments depending on revenue.

7.2. Additional disclosures on financial instruments

The fair values stated are determined based on the below parameters depending on the level to which the fair value is allocated:

- Level 1: Quoted prices in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities either directly (that is, as a price) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). An allocation to level 3 is already made if an unobservable input exists in the course of the measurement that exerts a significant influence on the measurement.

The carrying amounts of the financial instruments, classified in measurement categories pursuant to IFRS 9, and the fair values allocated to classes are presented in the table below:

in m€	Carrying amount 31 March 2019	Measurement category according to IFRS 9	Fair Value	Level
Other financial assets (non-current)	5.20			
Investments and securities	0.39	FVTPL		
Shares in affiliated companies	0.18	FVTPL		3
Securities	0.21	FVTPL		1
Other non-current assets	4.81	AC		
Trade receivables	110.89	AC		
Other financial assets (current)	12.52	AC		
Cash and cash equivalents	70.45	AC		
Total assets	199.06			
Bond	149.37	FLAC	155.15	1
Other financial liabilities (current)	24.50			
Loan	2.82	FLAC	2.62	3
Miscellaneous other current financial liabilities	21.68	FLAC		
Trade payables	89.25	FLAC		
Total liabilities	263.13			

in m€	Carrying amount 31 March 2018	Measurement category according to IFRS 9	Fair Value	Level
Other financial assets (non-current)	4.45			
Investments and securities	0.40	FVTPL		
Shares in affiliated companies	0.17	FVTPL		3
Securities	0.23	FVTPL		1
Other non-current assets	4.05	AC		
Trade receivables	112.15	AC		
Other financial assets (current)	14.39	AC		
Cash and cash equivalents	76.47	AC		
Total assets	207.46			
Bond	149.06	FLAC	157.88	1
Other financial liabilities (current)	27.58			
Loan	2.57	FLAC	2.37	3
Miscellaneous other current financial liabilities	25.01	FLAC		
Trade payables	76.65	FLAC		
Total liabilities	253.29			

AC: financial assets measured at amortised cost
 FLAC: financial liabilities measured at amortised cost
 FVTPL: financial assets mandatorily at fair value through profit or loss

With regard to cash and cash equivalents, trade receivables as well as other current financial assets, the carrying amounts represent an adequate estimate of the fair values as the remaining maturities are short. The same applies to trade payables, other liabilities and current financial liabilities. The fair value is not disclosed in accordance with the exemption provision set forth under IFRS 7.29(a).

The fair value of the loan stated under *Current financial liabilities* is calculated by discounting the future cash flows. The appropriate discount rate is 7.6%. Individual characteristics of the financial instruments are taken into account applying a creditworthiness and/or liquidity spread in line with the market. The financial liability arising from the obligation to acquire shares of other shareholders in the future (see Section 4.10. Shareholders' equity) is measured at fair value. The fair value is calculated as the present value of the difference between the purchase price paid by DO & CO for the acquisition of 51% of the shares less the contractually agreed purchase price for all shares in the subsidiary. Changes in value are directly offset against the Group's equity, which is why this liability cannot be classified to any of the measurement categories pursuant to IFRS 9. As of 31 March 2019, the carrying amount of the liability arising from the acquisition of the non-controlling interests was € 0.00m (31 March 2018: € 0.00m).

Currency risk

DO & CO's elevated currency risk arises from possible changes in foreign exchange rates due to the international nature of its business. This risk particularly relates to the following currencies: Turkish lira (TRY), British pound (GBP), Ukrainian hryvnia (UAH), US dollar (USD) and Polish zloty (PLN).

The Company seeks to hedge currency losses primarily by natural hedges that aim at balancing income and expenses denominated in a foreign currency with regard to the currency amount and the timing when payments are received or to be made, if possible. The Company also aims at transferring currency risks as far as possible to customers and suppliers with the help of corresponding agreements.

If required, DO & CO uses derivative financial instruments to manage currency risks. At the reporting date, the Company does not hold any such instruments. Furthermore, DO & CO does not use hedge accounting at present.

Sensitivity analyses are required under IFRS 7 to highlight the dependency of currency risks from monetary financial instruments denominated in a currency other than the functional currency. Currency translation effects on gains and losses determined on the basis of these analyses mainly result from receivables and/or payables in foreign currencies that exist at the reporting date. Non-current receivables and liabilities that form part of net investments in foreign operations affect equity. Currency translation differences arising from the translation of financial statements into the Group reporting currency are not taken into account in the sensitivity analyses.

As of 31 March 2019, the exchange rates applied by DO & CO with regard to the translation of significant currencies into euros are as follows:

Currency	USD	GBP	TRY	PLN	UAH	CHF
Period-end exchange rate as of 31 March 2019 (Foreign currency in relation to the euro)	1.1235	0.8583	6.3446	4.3006	30.5680	1.1181

Based on the result of the sensitivity analyses, an appreciation (depreciation) by 10% of the main foreign currencies for DO & CO against the respective functional currency of the group companies led to the following theoretical impacts on the profit before income tax in the business year 2018/2019 and/or on equity as of 31 March 2019:

Impact on profit before income tax (m€)	USD	GBP	TRY	PLN	UAH	CHF
Revaluation of foreign currency in relation to the euro by 10%	1.59	1.02	0.45	-0.15	0.17	-0.01
Devaluation of foreign currency in relation to the euro by 10%	-1.30	-0.66	-0.45	0.15	-0.17	0.01

Impact on equity (m€)	USD	GBP	TRY	PLN	UAH	CHF
Revaluation of foreign currency in relation to the euro by 10%	5.73	1.53	-	-	1.15	-
Devaluation of foreign currency in relation to the euro by 10%	-4.69	-1.25	-	-	-0.94	-

Liquidity risk

Precise financial planning is the key to control liquidity and avoid liquidity risks. If expansion and other investment projects are undertaken, a meticulous analysis of their impact on Group liquidity must be conducted.

All Austrian and German DO & CO companies are integrated in a cash-pooling system so that liquidity can be managed centrally. Deviations from financial planning are detected immediately thanks to regular and prompt financial reporting. This approach ensures that countermeasures can be initiated quickly.

The liquidity risk of the DO & CO Group is currently negligible because of DO & CO’s amount of Cash and cash equivalents and unused credit lines.

DO & CO keeps the default risk to a minimum with the help of timely monitoring as part of its debtor management.

The default risk of major customers is mitigated by entering into corresponding contractual agreements and by customers providing collateral.

The table below presents the undiscounted contractually agreed interest payments and redemptions of the financial liabilities that fall within the scope of IFRS 7:

in m€	31 March 2019			
	Carrying amount	Cash outflow in the next reporting period	Cash outflow for the next but one reporting period	Subsequent cash outflow
Cash outflow issued bond	149.37	4.69	154.69	0.00
Cash outflow trade payables	89.25	89.25		
Cash outflow other current financial liabilities	24.50	24.50		
Cash outflow liabilities within application area of IFRS 7	263.13	118.44	154.69	0.00

in m€	31 March 2018			
	Carrying amount	Cash outflow in the next reporting period	Cash outflow for the next but one reporting period	Subsequent cash outflow
Cash outflow issued bond	149.06	4.69	4.69	159.38
Cash outflow trade accounts payable	76.65	76.65		
Cash outflow other current financial liabilities	27.58	27.58		
Cash outflow liabilities within application area of IFRS 7	253.29	108.92	4.69	159.38

Interest risk

Financing activities have maturities that correspond at least to terms of the commitment with regard to the projects to be financed. Financing is done at usual market conditions. The effects of a change in interest rates are monitored in sensitivity analyses conducted every six months. These analyses represent the effects that changes in market interest rates have on interest payments, interest income and interest expenses. Thus, interest rate risks do not exist for financial instruments measured at amortised cost. Changes in market interest rates, however, affect the financial result of variable-interest financial assets and liabilities. At DO & CO, this pertains in particular to cash. Market interest changes do not have any effect on equity, since the Company does not have any derivatives designated as instruments to hedge against interest-related cash flow fluctuations from underlying assets.

An increase (a decrease) of 100 basis points in the average interest rate at 31 March 2019 would therefore have increased (decreased) the profit before income tax by € 0.70m (€ 0.17m). DO & CO thus is at present not exposed to a significant interest rate risk. The calculation is based on the assumption that DO & CO’s deposits do not have a negative interest rate.

Default risk

Adequate provisions for trade receivables are calculated based on the impairment model pursuant to IFRS 9 which views to determine expected credit losses. The Group applies the simplified model (lifetime expected loss model) to recognise expected credit losses by using a provision matrix of the probability-weighted lifetime expected losses.

In determining expected losses, historical defaults of the past 4 years are calculated separately for the regions Turkey, Europe and the US. CDS spreads are used in the calculation in order to take into account the future default risk.

DO & CO considers financial assets to be defaulted in the case it is improbable that the debtor will be able to fully settle its financial obligation and the decision is made that the receivable can no longer be recognised.

The following indicators are used for the assessment:

- More than 80 days past due
- Segment-specific analysis
- Customer-specific analysis
- Cost-benefit analysis

In general, it can be said that DO & CO did not observe any material defaults arising from its ordinary business activities. The carrying amounts of financial assets (31 March 2019: € 134.95m) correspond to the maximum default risk.

At the reporting date 31 March 2019, DO & CO did not take out any credit insurance. Investments are made only at banks with first-class ratings. No material default risks are expected from the other original financial instruments. Any residual risk is covered by adequate provisions recognised in the statement of financial position.

Capital management

DO & CO’s capital management strategy strives to increase the Company’s value and to maintain a strong capital structure with high capital resources to ensure the trust of investors, creditors and the industry and to guarantee a solid capital base for the future development of its business. Financial management continuously monitors the observance of this capital management strategy.

Within the meaning of a value-oriented corporate governance, the key control parameters used are EBITDA, EBIT as well as EBITDA and EBIT margins. The focus is on the successful use of the Company’s assets and achieving a value that exceeds the capital costs. DO & CO monitors capital on the basis of the performance indicators net gearing (gearing ratio), equity ratio and net debt to EBITDA.

		Business Year 2018/2019	Business Year 2017/2018
EBITDA	m€	80.37	83.41
EBITDA margin	%	9.5%	9.7%
EBIT	m€	51.45	50.64
EBIT margin	%	6.1%	5.9%
Equity ratio ¹	%	42.4%	41.9%
Net debt (net financial liabilities)	m€	81.75	75.16
Net debt to EBITDA		1.02	0.90
Net gearing	%	32.8%	31.3%

¹ Adjusted by proposed dividend payments

(for the contents and definition of the key figures, see the Glossary of Key Figures)

A dividend policy in line with the net result serves to maintain the capital structure. The Management Board will thus propose to the General Meeting of Shareholders to distribute a dividend in the amount of € 0.85 per dividend-bearing share.

The low interest level was already used to issue a bond with a volume of € 150m in 2014. The bond has a maturity of 7 years and a fixed-interest coupon of 3.125%.

7.3. Significant events after the reporting period (subsequent report)

On 27 May 2019 it was announced that THY DO & CO İkam Hizmetleri A.Ş., a joint company of DO & CO and Türk Hava Yollari A.O (Turkish Airlines), signed a catering contract with Turkish Airlines for all domestic flights, international flights and charter flights of Turkish Airlines from airports in Turkey for the duration of 15 years. The agreement also provides for the sale of the hotel in Istanbul by THY DO & CO İkam Hizmetleri A.Ş to Turkish Airlines. The performance of the transaction is subject to suspensive conditions, particularly to the approval by the competent competition authorities.

7.4. Related party disclosures

In its normal course of business, DO & CO Aktiengesellschaft has direct and/or indirect relationships with unconsolidated subsidiaries, joint ventures and associates.

Related parties mainly comprise members of the Management Board and of the Supervisory Board or companies in which members of the Management Board or Supervisory Board hold key positions.

	Business Year 2018/2019				Business Year 2017/2018			
	Other related party	Associated companies	Joint ventures	Non-con- solidated subsidiaries	Other related party	Associated companies	Joint ventures	Non-con- solidated subsidiaries
in m€								
Performed deliveries and services	0.00	0.68	1.52	0.40	2.70	0.42	6.61	0.37
Supplies received and services rendered	6.57	8.99	0.06	1.92	6.13	9.59	0.05	1.95

	31 March 2019				31 March 2018			
	Other related party	Associated companies	Joint ventures	Non-con- solidated subsidiaries	Other related party	Associated companies	Joint ventures	Non-con- solidated subsidiaries
in m€								
Receivables	2.43	0.29	1.72	0.04	3.65	0.03	3.02	0.54
Payables	0.37	2.33	0.16	0.12	0.35	0.86	0.41	0.58
Granted loans	0.00	0.00	5.17	0.00	0.00	0.00	4.05	0.00

The Company reports receivables from loans granted to joint ventures with an average remaining maturity of 0.29 years and an average interest of 2.80% per annum.

DO & CO provided guarantees and rental agreements for joint ventures and associates in the amount of € 15.69m (PY: € 15.62m). No cash outflow is expected.

Transactions with related parties are carried out at arm’s length. No guarantees for loans or group company loans were extended to members of the Management Board and of the Supervisory Board.

See Section 7.6. for the remuneration of board members.

7.5. Investments

As of 31 March 2019, DO & CO reports the following investments:

Company	Place of registration	Country	Consolidation ¹	Share of Stock in %	Controlling Company	Currency	Nominal Capital in TDC ²
AIOLI Airline Catering Austria GmbH	Vienna-Airport	A	F	100.0	DCAG	EUR	36 ³⁾
B & B Betriebsrestaurants GmbH	Vienna	A	F	100.0	DCAG	EUR	36 ³⁾
Demel Salzburg Cafe-Restaurant Betriebs GmbH	Salzburg	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO - Salzburg Restaurants & Betriebs GmbH	Salzburg	A	F	100.0	DCAG	EUR	36 ³⁾
DO & CO Airline Catering Austria GmbH	Vienna	A	F	100.0	DCAG	EUR	150 ³⁾
DO & CO Airline Logistics GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO Airport Hospitality GmbH	Vienna	A	F	100.0	DCCC	EUR	35 ⁴⁾
DO & CO Albertina GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO Catering & Logistics Austria GmbH	Vienna	A	F	100.0	DCAG	EUR	100 ³⁾
DO & CO Catering-Consult & Beteiligungs GmbH	Vienna	A	F	100.0	DINV	EUR	36 ³⁾
DO & CO Event Austria GmbH	Vienna	A	F	100.0	DCAG	EUR	100 ³⁾
DO & CO Facility Management GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO Gourmet Kitchen Cold GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO Gourmet Kitchen Hot GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO im Haas Haus Restaurantbetriebs GmbH	Vienna	A	F	100.0	DCAG	EUR	36 ³⁾
DO & CO im PLATINUM Restaurantbetriebs GmbH	Vienna	A	F	90.0	DCCC	EUR	35 ³⁾
DO & CO Immobilien GmbH	Vienna	A	F	100.0	DCAG	EUR	36 ³⁾
DO & CO Party-Service & Catering GmbH	Vienna	A	F	100.0	DCAG	EUR	36 ³⁾
DO & CO Pastry GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO Procurement GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
DO & CO Special Hospitality Services GmbH	Vienna	A	F	100.0	DCAG	EUR	35 ³⁾
Henry - the art of living GmbH	Vienna	A	F	100.0	DCAG	EUR	36 ³⁾
Henry am Zug GmbH	Vienna	A	F	100.0	DCCC	EUR	35 ⁴⁾
Ibrahim Halil Dogudan Gesellschaft m.b.H.	Vienna	A	F	100.0	DCAG	EUR	36 ³⁾
ISS Ground Services GmbH	Vienna	A	E	49.0	DTIS	EUR	218 ¹³⁾
K.u.K. Hofzuckerbäcker Ch. Demel's Söhne GmbH	Vienna	A	F	100.0	DCCC	EUR	799 ⁴⁾
Sky Gourmet-airline catering and logistics GmbH	Vienna-Airport	A	F	100.0	DCCC	EUR	800 ⁴⁾
Total Inflight Solution GmbH	Vienna	A	F	100.0	DCCC	EUR	35 ⁴⁾
WASH & GO Logistics GmbH	Vienna	A	N	0.0		EUR	36 ¹³⁾
DO & CO International Event AG	Zug	CH	F	100.0	DINV	CHF	100
Nespresso - DO & CO SA	Lausanne	CH	E	50.0	DCAG	CHF	1,000 ¹²⁾
Oleander Group AG	Zug	CH	F	100.0	DINV	GBP	67 ¹⁰⁾
Arena One Gastronomie GmbH	Munich	D	F	100.0	DDHO	EUR	25 ⁵⁾
DO & CO München GmbH	Munich	D	F	100.0	DDHO	EUR	100 ⁵⁾
Arena One Mitarbeiterrestaurants GmbH	Munich	D	F	100.0	DDHO	EUR	25 ⁵⁾
Arena One Service GmbH	Munich	D	F	100.0	DDHO	EUR	25 ⁵⁾
DO & CO (Deutschland) Holding GmbH	Kelsterbach	D	F	100.0	DCAG	EUR	25 ⁵⁾
DO & CO Berlin GmbH	Berlin	D	F	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Deutschland Catering GmbH	Munich	D	F	100.0	DCAG	EUR	25 ⁵⁾
DO & CO Düsseldorf GmbH	Düsseldorf	D	F	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Frankfurt GmbH	Kelsterbach	D	F	100.0	DDHO	EUR	25 ⁵⁾
FR freiraum Gastronomie GmbH	Kelsterbach	D	V	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Lounge Deutschland GmbH	Munich	D	F	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Lounge GmbH	Frankfurt	D	F	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Catering München GmbH	Munich-Airport	D	F	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Restauración & Catering España, S.L.	Barcelona	E	F	100.0	DINV	EUR	3
DO & CO Restauración España, S.L.U.	Madrid	E	N	100.0	DCAG	EUR	0
Financière Hédiard SA	Colombes	F	F	100.0	DCAG	EUR	5,094
Hédiard Events SAS	Paris	F	F	100.0	DHFI	EUR	100

Company	Place of registration	Country	Consolidation ¹	Share of Stock in %	Controlling Company	Currency	Nominal Capital in TDC ²
Hédiard SA	Paris	F	F	100.0	DHFI	EUR	310
Hédiard Traiteur SAS	Colombes	F	F	100.0	DHSA	EUR	40
Hédiard restauration en vol SAS	Argenteuil	F	F	100.0	DHFI	EUR	100
Hédiard Fonciere SAS	Argenteuil	F	F	100.0	DHFI	EUR	100
DO & CO AIRPORT GASTRONOMY LIMITED	Feltham	GB	F	100.0	DINV	EUR	0 ⁶⁾
DO & CO Airport Hospitality UK Ltd.	Feltham	GB	F	100.0	DINV	GBP	0
DO & CO Event & Airline Catering Ltd.	Feltham	GB	F	100.0	DINV	GBP	0
DO & CO International Catering Ltd.	Feltham	GB	F	100.0	DINV	EUR	30 ⁶⁾
DO & CO International Investments Ltd.	London	GB	F	100.0	DCAG	EUR	5,000 ⁶⁾
Henry - The Art of Living Ltd.	Feltham	GB	F	100.0	DINV	GBP	0
DO & CO Airline Catering Ltd.	Feltham	GB	F	100.0	DINV	GBP	0
Fortnum & Mason Events Ltd.	London	GB	E	50.0	DLHR	GBP	0
Lasting Impressions Food Co. Ltd	Feltham	GB	F	85.0	DOLG	GBP	0
Versilia Solutions Ltd.	Northampton	GB	E	50.0	DINV	GBP	0
Henry am Zug Hungary Kft.	Budapest	HU	N	100.0	DRCH	EUR	9 ⁹⁾
DO & CO Italy S.r.l.	Vizzola Ticino	I	F	100.0	DCAG	EUR	2,900
Sky Gourmet Malta Inflight Services Ltd.	Fgura	MT	E	40.0	DSKY	EUR	1 ⁸⁾
Sky Gourmet Malta Ltd.	Fgura	MT	E	40.0	DSKY	EUR	1 ⁸⁾
DO & CO México, S. de R.L. de C.V.	Mexiko-Stadt	MX	F	100.0	DNEW	MXN	50 ¹¹⁾
DO & CO Netherlands Holding B.V.	Den Haag	NL	F	51.0	DINV	EUR	20
DO & CO – Restauração e Catering, Sociedade Unipessoal, Lda	Lissabon	P	F	100.0	DINV	EUR	5
DO & CO Poland Sp. z o.o.	Warsaw	PL	F	100.0	DCAG	PLN	7,447
DO & CO Real Estate Poland Sp. Z o.o.	Warsaw	PL	F	100.0	DCAG	PLN	55
Sharp DO & CO Korea LLC	Seoul	ROK	E	50.0	DINV	KRW	7,000,000
Sky Gourmet Slovensko s.r.o.	Bratislava	SK	F	100.0	DSKY	EUR	63 ⁷⁾
DOCO Istanbul Catering ve Restaurant Hiz. Tic. ve San. A.S.	Istanbul	TK	F	100.0	DINV	TRY	750
MAZLUM AMBALAJ SANAYİ VE DIŞ TİCARET A.Ş	Tekirdag	TK	N	51.0	DCCC	TRY	3,523
THY DO & CO Ikram Hizmetleri A.S.	Istanbul	TK	F	50.0	DIST	TRY	30,000
DO & CO AIRPORT GASTRONOMY LLC	Kiew-Boryspil	UA	F	100.0	DAGA	UAH	5,055
DO AND CO KYIV LLC	Kiew-Boryspil	UA	F	51.0	DCNL	UAH	2,400
DEMEL New York Inc.	New York	USA	F	100.0	DHOL	USD	1
DO & CO CHICAGO CATERING, INC.	Wilmington	USA	F	100.0	DHOL	USD	1
DO & CO Holdings USA, Inc.	Wilmington	USA	F	100.0	DINV	USD	100
DO & CO Los Angeles, Inc.	Wilmington	USA	F	100.0	DHOL	USD	1
DO & CO Miami Catering, Inc.	Miami	USA	F	100.0	DHOL	USD	1
DO & CO NEW JERSEY CATERING, INC.	Wilmington	USA	N	100.0	DHOL	USD	0
DO & CO New York Catering, Inc.	New York	USA	F	100.0	DHOL	USD	1

1. F=Fully consolidated, E=at equity, N=no consolidation
2. TDC = in thousands of domestic currency units
3. There is a profit transfer agreement between these companies and the DO & CO Aktiengesellschaft
4. There is a profit transfer agreement between these companies and the DO & CO Catering-Consult & Beteiligungs GmbH
5. There is a profit transfer agreement between these companies and the DO & CO (Deutschland) Holding GmbH
6. The nominal capital was initially paid in GBP
7. The nominal capital was initially paid in SKK
8. The nominal capital was initially paid in MTL
9. The nominal capital was initially paid in HUF
10. The nominal capital was initially paid in CHF
11. 1 % of each is held DO & CO Holdings USA Inc.
12. A joint venture company of DO & CO Aktiengesellschaft with 3 subsidiaries
13. Balance Sheet Date WASH & GO Logistics GmbH 30.11.2018, Balance Sheet Date ISS Ground Services GmbH 31.12.2018

7.6. Corporate boards

In the business year 2018/2019, the corporate boards of DO & CO Aktiengesellschaft consisted of the following members:

Management board:

Attila DOGUDAN

Chairman, born in 1959
First appointed to the Board on 3 June 1997
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Gottfried NEUMEISTER

Member of the Board, born in 1977
First appointed to the Board on 16 July 2012
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Remuneration of the Management Board in the business year 2018/2019 was as follows:

Remuneration Management Board 2018/2019	in k€	Fixed Remuneration	Variable Remuneration	Total
Attila DOGUDAN *		758	600	1,358
Gottfried NEUMEISTER **		623	1,350	1,973
Total		1,380	1,950	3,330

* Including remuneration in kind and including € 23k for activities as deputy chairman of the Board of Directors and CEO of THY DO & CO Ikram Hizmetleri A.Ş.
** Including € 21k for activities as member of the Board of Directors of THY DO & CO Ikram Hizmetleri A.Ş.

Currently, no arrangements have been made regarding any in-house retirement provision for the Management Board. The chairman of the Management Board is entitled to severance pay analogously to the Salaried Employees Act. The employment contracts of the members of the Management Board provide for a gratuity of three monthly salaries in the event that their membership in the Board is terminated early without compelling cause. No such claim is due if a management contract is terminated for a cause that is within such member’s control. No further claims are due to a member of the Management Board upon retirement.
Furthermore, no arrangements have been made so far in the event of a change of control.

Supervisory Board:

Andreas BIERWIRTH

Chairman, independent, born in 1971
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021),
First appointed on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:
■ Member of the Board of Directors of EasyJet PLC, Great Britain

Peter HOFFMANN-OSTENHOF

First Deputy Chairman, independent, born in 1955
Current term runs until the 24th Ordinary General Meeting of Shareholders (2022),
First appointed on 27 July 2017
Seats on supervisory boards or comparable positions at non-Group listed companies:
■ Deputy Chairman of the Supervisory Board at Österreichische Staatsdruckerei Holding AG, Austria

Cem KOZLU

Second Deputy Chairman, independent, born in 1946
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021),
First appointed on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:
■ Member of the Board of Directors of Pegasus Hava Tasimaciligi A.Ş., Turkey
■ Member of the Board of Directors of Anadolu Efes Biracilik ve Malt Sanayi A.Ş., Turkey
■ Member of the Board of Directors of Arcelik A.Ş., Turkey
■ Member of the Board of Directors of Coca-Cola Icecek A.Ş., Turkey
■ Member of the Board of Directors of Sisecam A.Ş., Turkey
■ Member of the Board of Directors of Anadolu Grubu Holding AS

Georg THURN-VRINTS

Member, independent, born in 1956
Current term runs until the 21st Ordinary General Meeting of Shareholders (2019),
First appointed on 20 March 1997
No further seats on supervisory boards of listed companies

Christian KONRAD

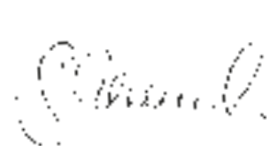
Member until 12 July 2018, independent, born in 1943
Representative of shareholders holding shares in free float until 12 July 2018
First appointed to the Board on 10 July 2002
No further seats on supervisory boards of listed companies

By resolution of the General Meeting of Shareholders dated 12 July 2018, the members of the Supervisory Board received remuneration in the amount of € 0.14m for the business year 2017/2018 (PY: € 0.14m).

Vienna, 29 May 2019

The Management Board:


Attila DOGUDAN m.p.
Chairman of the Management Board


Mag. Gottfried NEUMEISTER m.p.
Member of the Management Board

We draw attention to the fact that the English translation of this auditor's report according to Section 274 of the Austrian Commercial Code (UGB) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

AUDITOR'S REPORT

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

DO & CO Aktiengesellschaft, Vienna,

and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2019, the separate consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended, and the notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as at 31 March 2019, and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU and the additional requirements under Section 245a Austrian Commercial Code.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter EU Regulation) and Austrian generally accepted auditing standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of non-current assets held for sale and intangible assets including goodwill

Description

In its consolidated financial statements as at 31 March 2019, DO & CO Aktiengesellschaft reports goodwill and intangible assets with indefinite useful lives at a carrying amount of EUR 32.61m as well as other intangible assets at the amount of EUR 16.28m.

Goodwill and intangible assets with indefinite useful lives include an amount of EUR 18.60m that is allocated to a cash-generating unit in France that is currently closed and being refurbished.

In fiscal year 2018/19, management decided to sell the hotel currently under construction located at the Bosphorus, which had been reported under the balance sheet item "Payments in advance and assets in course of construction". In accordance with IFRS, this asset was reclassified and is now reported in consolidated financial statements as of 31 December 2019 as non-current asset held for sale at the amount of EUR 45,5m.

In accordance with IFRSs as adopted by the EU, an entity is required to test goodwill and intangible assets with indefinite useful lives annually for impairment. Furthermore, IFRS as adopted by EU, requires that non-current assets held for sale are measured at the lower of their carrying amounts and their fair value less costs to sell at the reclassification date.

Testing non-current assets held for sale and intangible assets requires significant estimates by the Management Board on the future development of revenue and profit margins, transaction prices (fair value less cost to sell) and the resulting net cash inflows as well as assumptions with regard to the definition of the discount rates used. Such estimates are therefore subject to a significant uncertainty. For the consolidated financial statements, this leads to the risk of non-current asset held for sale and intangible assets being overstated.

We refer to the notes to the consolidated financial statements in Sections 4.1 and 4.8.

Our Audit Approach

We evaluated the design of the Company's process for impairment testing.

We reconciled the budgeted revenue, results and investments with the existing business plans and critically assessed the material planning parameters (revenue, expenses, investments and changes in working capital). In addition, we evaluated whether the current forecast of the net cash inflows corresponds to the past actual results as well as to observable market data in order to verify the accuracy of the business plan.

We also simulated the calculation process used for the determination of the discount rate, performed plausibility checks for the parameters used with the help of database enquiries and analysed the consequences of parameter changes on valuation results. To test non-current assets held for sale for impairment, we assessed contractual documents provided by Management confirming the valuation of the asset.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs as adopted by the EU, and the additional requirements under Section 245a Austrian Commercial Code, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian generally accepted auditing standards, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian generally accepted auditing standards, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a

matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Group Management Report

Pursuant to the Austrian Commercial Code, the Group management report is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the Group management report was prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the Group management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the Group management report.

Opinion

In our opinion, the Group management report was prepared in accordance with the applicable legal requirements, includes accurate disclosures pursuant to Section 243a Austrian Commercial Code and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the obtained understanding concerning the Group and its circumstances no material misstatements in the Group management report came to our attention.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the Group management report and the auditor’s report. The annual report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Additional Information in Accordance with Article 10 of the EU Regulation

We were appointed as statutory auditor at the ordinary general meeting dated 12 July 2018. We were engaged by the supervisory board on 12 July 2018. We have audited the Company for an uninterrupted period since the fiscal year 1998/99.

We confirm that the audit opinion in the “Report on the Consolidated Financial Statements” section is consistent with the additional report to the audit committee referred to in Article 11 of the EU Regulation.

We declare that we did not provide any prohibited non-audit services (Article 5 (1) of the EU Regulation) and that we remained independent of the audited company in conducting the audit.

Responsible Engagement Partner
Responsible for the proper performance of the engagement is Karl Prossinger, Austrian Certified Public Accountant.

Vienna, 29 May 2019

PKF CENTURION
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH

Mag. Karl Prossinger Wirtschaftsprüfer	Michael Lembäcker, M.A. Wirtschaftsprüfer
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This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor’s opinion is only allowed if the consolidated financial statements and the Group management report are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the Group management report. For deviating versions, the provisions of Section 281 (2) Austrian Commercial Code apply.

STATEMENTS BY ALL LEGAL REPRESENTATIVES PURSUANT TO SECTION 124 AUSTRIAN STOCK EXCHANGE ACT

STATEMENTS BY ALL LEGAL REPRESENTATIVES PURSUANT TO SECTION 124 AUSTRIAN STOCK EXCHANGE ACT

We herewith certify to the best of our knowledge:

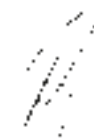
1. that the consolidated financial statements of DO & CO Aktiengesellschaft prepared in conformity with the relevant accounting standards provide a fair representation of the Group's assets and liabilities, financial situation and results of operations
2. that the Group management report shows the course of business, operating result and position of the Group so that a fair representation of the assets and liabilities, financial situation and results of operations is provided, and that the Group management report describes the main risks and uncertainties to which the Group is exposed.

We herewith certify to the best of our knowledge:

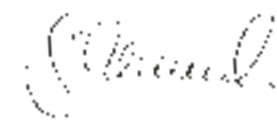
1. that the financial statements of the parent company prepared in conformity with the relevant accounting standards provide a fair representation of the Company's assets and liabilities, financial situation and results of operations;
2. that the management report shows the course of business, operating result and position of the Company so that a fair representation of the assets and liabilities, financial situation and results of operations is provided, and that the management report describes the main risks and uncertainties to which the company is exposed.

Vienna, 29 May 2019

The Management Board:



Attila DOGUDAN m.p.
Chairman of the Management Board



Mag. Gottfried NEUMEISTER m.p.
Member of the Management Board

GLOSSARY

			Business Year 2018/2019	Business Year 2017/2018
EBITDA margin in %	EBITDA	m€ 80.37	9.5%	9.7%
	External revenue	m€ 847.80		
EBIT margin in %	EBIT	m€ 51.45	6.1%	5.9%
	External revenue	m€ 847.80		
Return on sales in %	Profit before income tax	m€ 48.64	5.7%	5.4%
	External revenue	m€ 847.80		
Adjusted equity in m€	+ Shareholders' equity	m€ 257.53	249.25	240.11
	- (proposed) dividend payment	m€ 8.28		
Equity ratio in %	Adjusted equity	m€ 249.25	42.4%	41.9%
	Total capital	m€ 588.51		
Return on equity (ROE; in %)	Profit after income taxes	m€ 36.93	15.3%	13.6%
	Ø adjusted equity ¹	m€ 240.68		
Debt (financial liabilities) in m€	+ Bond	m€ 149.37	152.20	151.63
	+ Other financial liabilities (non-current)	m€ 0.00		
	+ Current loans	m€ 2.82		
Net debt (net financial liabilities) in m€	+ Debt	m€ 152.20	81.75	75.16
	- Cash and cash equivalents	m€ 70.45		
Net debt to EBITDA	Net debt	m€ 81.75	1.02	0.90
	EBITDA	m€ 80.37		
Net gearing in %	Net debt	m€ 81.75	32.8%	31.3%
	Adjusted equity	m€ 249.25		
Surplus cash in m€	+ Cash and cash equivalents	m€ 70.45	45.21	50.96
	- 2% of revenue	m€ 16.96		
	- (proposed) dividend payment	m€ 8.28		
Working capital in m€	+ Current assets	m€ 306.39	50.43	41.26
	- Current provisions and liabilities	m€ 157.01		
	- Surplus cash	m€ 45.21		
	- Assets held for sale	m€ 45.45		
	- (proposed) dividend payment	m€ 8.28		
Free cash flow in m€	+ Cash flow from operating activities	m€ 54.92	9.75	-43.75
	+ Cash flow from investing activities	m€ -45.18		
EPS (Earnings per Share) in €	Net result	m€ 26.40	2.71	2.50
	Number of shares	Mpie 9.74		
Price / Earnings ratio	Share price at the end of the period	€ 73.30	27.05	20.59
	EPS	€ 2.71		
Tax ratio in %	Income tax	m€ 11.71	24.1%	27.7%
	Profit before income tax	m€ 48.64		
Adjusted EBIT in m€	EBIT	m€ 51.45	51.45	50.64
	- Rent income from investment property	m€ 0.00		
	+ Cost from investment property	m€ 0.00		
Capital employed in m€	+ Adjusted equity	m€ 249.25	350.73	334.10
	+ Non-current provisions and liabilities	m€ 173.96		
	- Cash and cash equivalents	m€ 70.45		
	- Investment property	m€ 2.04		
Return on capital employed (ROCE) in %	+ Adjusted EBIT	m€ 51.45	15.0%	16.5%
	Ø Capital Employed ¹	m€ 342.41		

¹ Calculated as the average amount by the end of the past four quarters and the amount at the beginning of the period under review

CONDENSED FINANCIAL STATEMENTS

of DO & CO Aktiengesellschaft

BALANCE SHEET AS OF
31 MARCH 2019

of DO & CO Aktiengesellschaft

ASSETS	in m€	31 March 2019	31 March 2018
Intangible assets		0.60	0.62
Tangible assets		9.02	8.99
Financial assets		261.20	208.15
Fixed assets		270.82	217.76
Trade receivables		0.87	1.25
Receivables from affiliated companies		113.05	154.27
Other receivables and assets		10.71	14.21
Receivables and other assets		124.63	169.72
Cash and cash equivalents		24.85	10.55
Current assets		149.48	180.28
Prepaid expenses and deferred charges		0.48	0.73
Deferred tax assets		1.61	1.58
Total assets		422.39	400.35

Shareholders' equity and liabilities	in m€	31 March 2019	31 March 2018
Share capital		19.49	19.49
Capital reserves		74.71	74.71
Revenue reserves		103.74	86.96
Unappropriated retained earnings		8.28	8.28
Shareholders' equity		206.22	189.44
Provisions for severance payments		2.36	2.40
Provisions for taxes		5.15	8.26
Other provisions		5.77	4.05
Provisions		13.27	14.71
Bonds		150.00	150.00
Trade liabilities		1.61	1.27
Liabilities with affiliated companies		47.06	40.73
Other liabilities		1.52	1.48
Liabilities		200.18	193.49
Deferred income		2.71	2.71
Total Shareholders' equity and liabilities		422.39	400.35
Contingent liabilities		32.09	34.34

INCOME STATEMENT

for business year 2018/2019 of DO & CO Aktiengesellschaft

in m€	Business Year 2018/2019	Business Year 2017/2018
Revenue	28.94	27.32
Other operating income	0.47	2.86
Cost of materials and purchased services	-4.13	-4.18
Personnel expenses	-15.93	-13.93
Amortisation and depreciation	-0.96	-1.16
Other operating expenses	-12.41	-10.95
Operating result	-4.02	-0.04
Income from investments	32.33	62.77
Interest and similar income	4.75	3.31
Income from appreciation of financial assets	1.11	0.74
Expenses on financial assets	-1.84	-3.96
Interest and similar expenses	-4.93	-6.01
Financial result	31.41	56.85
Net operating income	27.39	56.81
Taxes on income	-2.32	-2.78
Net income for the year	25.07	54.03
Allocation to revenue reserves	-16.78	-45.75
Unappropriated retained earnings	8.28	8.28

Simplified presentation excluding details to affiliated companies

The annual financial statements, including the management report, of DO & CO Aktiengesellschaft was prepared in accordance with Austrian accounting regulations and audited by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH, which issued an un-qualified opinion on them. Said documents are being submitted as such to the Commercial Court Vienna for entry in the Commercial Register under the Commercial Register No. 156765 m.

Proposal for Appropriation of Profit

Under the provisions of the Austrian Corporation Act, the individual financial statement for DO & CO Aktiengesellschaft as of 31 March 2019, prepared in accordance with the Austrian reporting regulations, provides the basis for distributing a dividend. This annual financial statement shows a net profit for the year of 8.282.400 € .The Management Board proposes to the General Meeting of Shareholders to distribute the entire net profit for the year. This allows for a dividend of 0.85 € per dividend-bearing share.

Vienna, 29 May 2019

The Management Board of DO & CO Aktiengesellschaft



DO&CO

THE GOURMET ENTERTAINMENT COMPANY