



THE GOURMET
ENTERTAINMENT
COMPANY



2012|2013

Overview of DO & CO

Group Organigram

Company Boards

The World of DO & CO

The Brands of the DO & CO Group

Airline Catering

International Event Catering

Restaurants, Lounges & Hotel

Management Report

Corporate Governance Report

Report of Supervisory Board

Glossary of Key Figures

Consolidated Financial Statements

Auditor's Report

Financial Statements of
DO & CO Aktiengesellschaft

Management Statement pursuant
to § 82 (4) 3 Austrian Stock Exchange Act



THE GOURMET ENTERTAINMENT COMPANY

OVERVIEW OF DO & CO

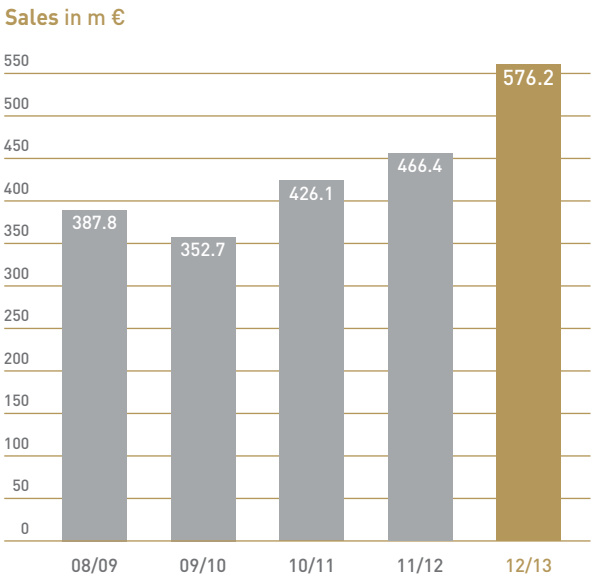
FINANCIAL YEAR 2012 | 2013

DO & CO GROUP

Sales: EUR 576.19 Mio

EBITDA: EUR 58.44 Mio
EBITDA-Margin: 10.1 %

EBIT: EUR 41.31 Mio
EBIT-Margin: 7.2 %



AIRLINE CATERING

Sales: EUR 400.23 Mio

EBITDA: EUR 43.23 Mio
EBITDA-Margin: 10.8 %

EBIT: EUR 30.42 Mio
EBIT-Margin: 7.6 %

“First look at the menu – then choose the airline”

This division once again generated the largest share of the DO & CO Group’s turnover in 2012/2013, thanks to its portfolio of distinctive and innovative products. All around the world, DO & CO’s gourmet kitchens are setting new standards in the premium airline-catering segment. The successful “Flying Chef” concept on Turkish Airlines flights was further extended and is now increasingly deployed on a number of international

short-haul flights as well. DO & CO succeeded in increasing its revenue in spite of the continued challenging market environment, in particular at its international locations.

Gourmet Kitchens Worldwide

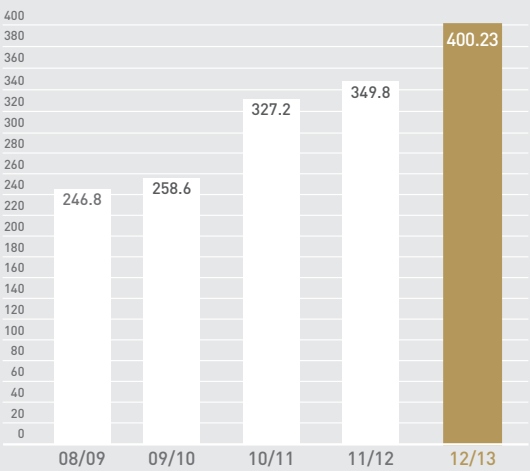
EUROPE

Vienna | Salzburg | Linz | Graz | Berlin | Frankfurt | Munich
Milan | London | Malta | Warsaw | Krakov | Gdansk
Poznan | Katowice | Kiev | Istanbul | Adana | Ankara
Antalya | Bodrum | Dalaman | Izmir | Trabzon

USA

New York

Sales in m €



INTERNATIONAL EVENT CATERING

Sales: EUR 71.09 Mio

EBITDA: EUR 8.53 Mio
EBITDA-Margin: 12.0 %

EBIT: EUR 6.57 Mio
EBIT-Marge: 9.2 %

“The Gourmet Entertainment Company”

DO & CO was once again able to indulge a great number of guests at major International Events with its culinary expertise. 85,000 VIP guests at the UEFA EURO 2012 championship hosted in Poland and Ukraine had the opportunity to sample DO & CO’s catering. In it’s 21st season DO & CO is pampering VIP guests at the Formula 1 Grands Prix in 16 countries at the Paddock Club. Particular highlights of the past fiscal year are the ATP Masters in Madrid, the Champions League Final in Munich and the CHIO

World Equestrian Festival in Aachen. At the winter classics such as the Hahnenkamm race, the World Ski Championship and the Four Hills Tournament, DO & CO provided once more unique Gourmet Entertainment.

SOCCER UEFA EURO 2012 Poland/ Ukraine
UEFA Champions League Final Munich

FORMULA 1 Sepang | Shanghai | Bahrain | Barcelona | Monaco
Montreal | Valencia | Silverstone | Hockenheim | Budapest
Spa | Monza | Suzuka | Yeongam | India | Abu Dhabi | Austin

TENNIS ATP Master Series Madrid

WINTER SPORTS Downhill Race Kitzbühel
Alpine Ski Worldcup Schladming | World Ski Championship
Schladming | Four Hills Tournament Innsbruck | Bischofshofen

EQUESTRIAN CHIO Aachen | World Equestrian Festival

BEACH VOLLEYBALL Grand Slam Klagenfurt

Sales in m €



RESTAURANTS, LOUNGES & HOTEL

Sales: EUR 104.87 Mio

EBITDA: EUR 6.68 Mio
EBITDA-Margin: 6.4 %

EBIT: EUR 4.32 Mio
EBIT-Margin: 4.1 %

“Best tastes of the world”

The Restaurants, Lounges & Hotel division is the Group’s longest-standing business segment. It is the centrepiece of the Group and serves both as an image vehicle and as the basis for successful brand building. The restaurants are managed like flagship stores and demonstrate the full extent of the product portfolio. Developments in the retail segment, with the brand ‘Henry – the art of living’, were pleasing, with the increase in revenue primarily being attributable to the company being commissioned with providing the catering for Austria’s train-operating company, Österreichische Bundesbahnen (ÖBB).

HOTEL

DO & CO Hotel Vienna

RESTAURANTS & CAFÉS

DO & CO Stephansplatz
K. u. K. Hofzuckerbäcker Demel
DO & CO Albertina
Café Griensteidl

LOUNGES

Lufthansa First Class Lounges Frankfurt
Turkish Airlines Lounges Istanbul | Adana | Bodrum
Trabzon | Dalaman
Emirates Lounges New York | London | Milan
Austrian Airlines Lounges Vienna

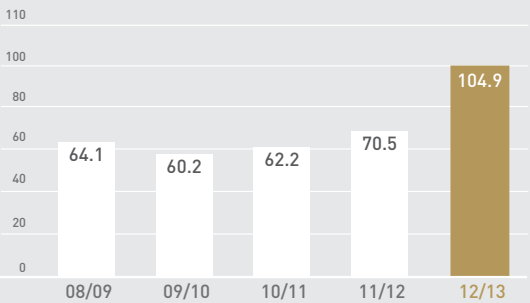
RETAIL

HENRY – the art of living

RAILWAY

Henry am Zug

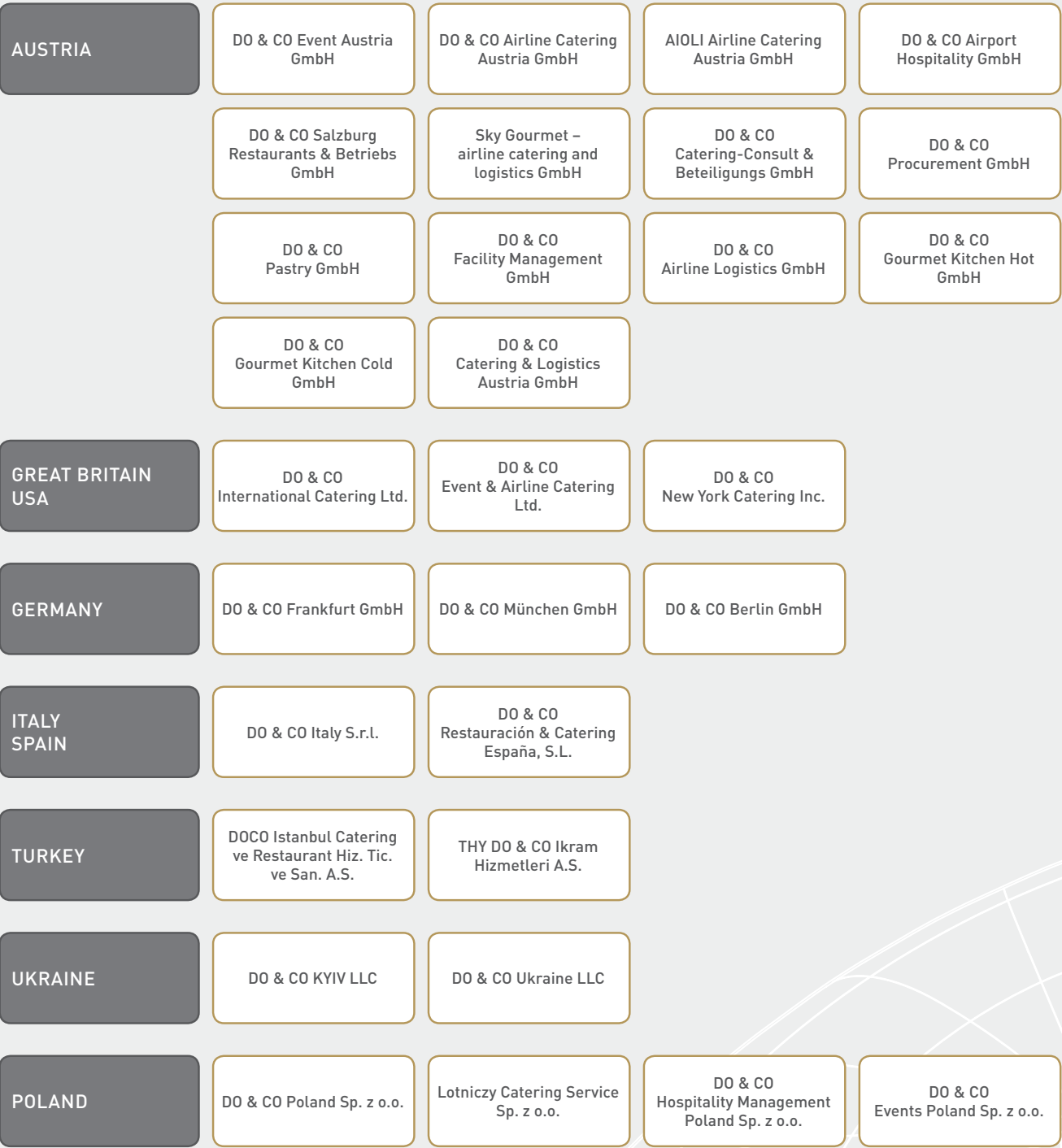
Sales in m €



GROUP ORGANIGRAM

DO & CO AKTIENGESELLSCHAFT

INTERNATIONAL EVENT CATERING & AIRLINE CATERING







RESTAURANTS, LOUNGES & HOTEL







COMPANY BOARDS

MANAGEMENT BOARD

 <p>Attila Dogudan Chairman of the Management Board</p>	 <p>Haig Asenbauer Member of the Management Board</p>
 <p>Gottfried Neumeister Member of the Management Board</p>	 <p>Klaus Petermann Member of the Management Board</p>

SUPERVISORY BOARD

 <p>Waldemar Jud Chairman of the Supervisory Board</p>	 <p>Werner Sporn Deputy Chariman of the Supervisory Board</p>
 <p>Georg Thurn-Vrints Member of the Supervisory Board</p>	 <p>Christian Konrad Member of the Supervisory Board</p>

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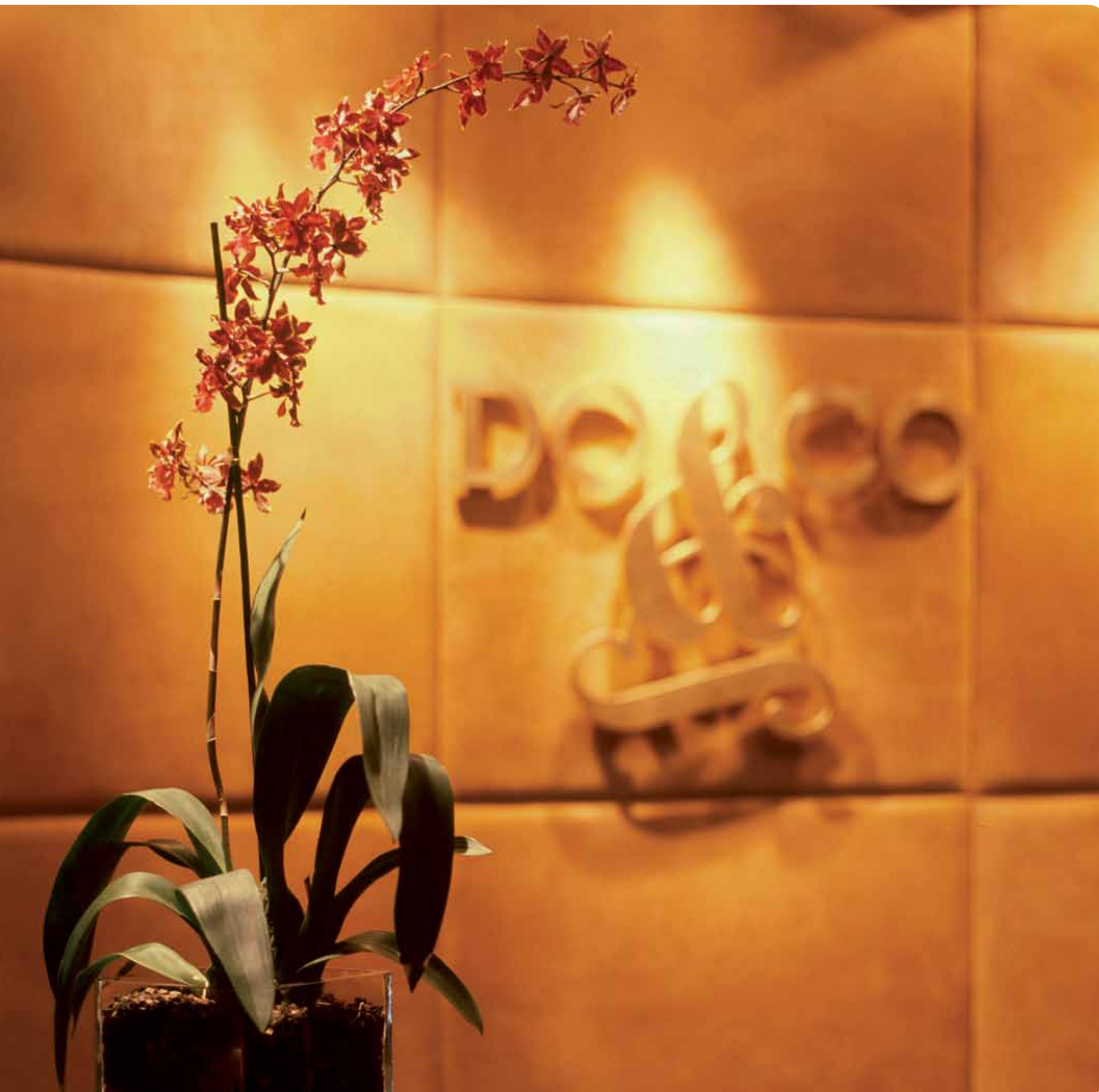
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Demel New York Inc.
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THE WORLD OF DO & CO



THE BRAND OF THE DO & CO GROUP



DO & CO is the premium brand of the group. It represents “the best tastes of the world” and heads a culinary journey around the globe. As a premium brand, it offers gourmet entertainment at highest standards, perfect service and an incomparable overall product. Furthermore it is associated with emotion, culture and taste.



The Demel brand stands for traditional confectionery artistry. It is cautiously kept but is simultaneously polished to new shine. Highest craftsmanship and finest confectionery establish their incomparable competence. The world’s most luxurious patisserie brand offers great potential and ideally compliments the premium brand, DO & CO. The already successful international expansion of the brand will be continued in future as well.



Casual and Mediterranean – the Aioli brand embodies southern flair and Mediterranean cuisine. Its young, dynamic image and a flexible price range, place it in a broader quality segment.



Henry is the youngest extension within the brand portfolio of the company. The brand offers a broad choice of take-away-products from salads, fruits, sandwiches up to finest pastries. With a high portion on organic food, presented in recyclable and innovative packing, Henry meets the demands of our customers.



Henry am Zug is an extension of „Henry – the art of living“ and is found exclusively in the trains operated by the Austrian Railway – ÖBB. The key components of this innovative concept for rail travellers are best ingredients, fresh prepared daily and good value for money.



Turkish Airlines
 Austrian Airlines
 Emirates
 Etihad Airways
 Qatar Airways
 British Airways
 Cathay Pacific
 Singapore Airlines
 Oman Air
 Gulf Air
 NIKI
 Pegasus Airlines
 Royal Air Maroc
 ASIANA Airlines
 Air Malta
 Korean Air
 Cyprus Airways
 Air Italy
 Royal Jordanian Airlines
 Eva Air
 Iberia
 Egypt Air
 China Air
 Air France
 China Southern Airlines

AIRLINE CATERING

» Custom Made On Board concepts «

The DO & CO Restaurant know-how which has been transferred up to the sky and the influence of the International Event Catering have attached an incomparable character to the classical airline product, which makes it unique in the market. With innovative service concepts, unconditional quality demand and a board product, which leaves nothing to be desired, DO & CO and its partner airlines have set the benchmark for the airline industry over many years. Today DO & CO Gourmet Kitchens are strategically well-placed to serve as a full-coverage global network and to provide a unique quality product for all requirements of in-flight solutions.





WORLD
AIRLINE
AWARDS

**BEST BUSINESS CLASS
CATERING 2013**

TURKISH AIRLINES

**BEST FIRST CLASS
LOUNGE***

LUFTHANSA

Gourmet
Entertainment by

DO & CO

** Lounge Frankfurt only by DO & CO*



Lufthansa Lounge Frankfurt



Flying Chef

ORDER A DO & CO GOURMET MENU

Directly with your online booking on austrian.com or up to 36 hours prior to departure on alacarte.doco.com.

DO & CO

à la carte



Warm breakfast



Viennese Style
sweet pepper chicken



Fried Chicken Breast



Caesar's Salad



Best of Meze



Tapas

INTERNATIONAL EVENT CATERING

» Gourmet Entertainment
by DO & CO «

Sports events, corporate events and private celebrations – DO & CO's International Event Catering division stands for an all-encompassing event product for two to 200,000 guests. Alongside the core product, ideas, themes and concepts are developed and brought to manifold implementation. DO & CO was once again able to indulge many guests at major international events with its culinary expertise. 85,000 VIP guests who attended 31 football matches at eight stadiums during the UEFA Euro 2012 championship hosted in Poland and Ukraine had the opportunity to sample DO & CO's services. For the 21st consecutive season, DO & CO provided catering at 17 Formula 1 Grand Prix events around the world and also made repeat appearances at the ATP Masters in Madrid, the Champions League final in Munich and the CHIO Aachen the major equestrian tournament. DO & CO also provided unparalleled gourmet entertainment at winter classics such as the Hahnenkamm races in Kitzbühel, the World Ski Championship in Schladming and the Four Hills Tournament.



SOCCER

UEFA EURO 2012
Poland/ Ukraine
Champions League Final
Munich

FORMULA 1

Sepang
Shanghai
Bahrain
Barcelona
Monaco
Montreal
Valencia
Silverstone
Hockenheim
Budapest
Spa
Monza
Suzuka
Yeongam
India
Abu Dhabi
Austin

TENNIS

ATP Master Series Madrid

WINTER SPORTS

Downhill Race Kitzbühel
Alpine Ski Worldcup Schladming
World Ski Championship Schladming
Four Hills Tournament Innsbruck | Bischofshofen

EQUESTRIAN

CHIO Aachen | World Equestrian Festival

BEACH VOLLEYBALL

Grand Slam Klagenfurt

SPECIAL EVENTS

Film Festival Vienna

BEST TASTES
BEST ENTERTAINMENT
BEST HOSPITALITY

Hahnenkamm Downhill Race Kitzbühel



UEFA Champions League Final Munich





ATP Tennis Masters Madrid

POLE POSITION FOR GREAT TASTE



Formula 1 Paddock Club | Abu Dhabi



CHIO Aachen | World Equestrian Festival



Beach Volleyball Grand Slam | Klagenfurt

RESTAURANTS, LOUNGES & HOTEL

» Best tastes of the world «

The Restaurants, Lounges & Hotel division is the original segment of the company. It builds the centrepiece and serves as an image vehicle and a development centre for the DO & CO Group. It is also the basis of successful brand building for DO & CO, Demel, Aioli, 'Henry – the art of living' and 'Henry am Zug'. The restaurants are run as flagship stores and portray the full spectrum of the product portfolio. New products are developed and trends are implemented without delay or are even created there. This is also the root of the Group's incomparable and highly service-oriented culture.

HOTEL

DO & CO Hotel Vienna

RESTAURANTS & CAFÉS

DO & CO Stephansplatz

K. u. K. Hofzuckerbäcker Demel

DO & CO Albertina

Café Griensteidl

LOUNGES

Lufthansa First Class Lounges Frankfurt

Turkish Airlines Lounges Istanbul | Adana

Bodrum | Trabzon | Dalaman

Emirates Lounges New York | London | Milan

Austrian Airlines Lounges Vienna

RETAIL

HENRY – the art of living

RAILWAY

Henry am Zug



PREMIUM HOSPITALITY BY DO & CO



DO & CO
Hotel Vienna



Turkish Airlines Lounge Istanbul



Lufthansa First Class
Lounge Frankfurt



K.u.K. Hofzuckerbäcker Demel | Vienna



Railway | Henry am Zug



HENRY – the art of living | Vienna

TOP-QUALITY PRODUCTS AND SERVICES

2012|2013

- Management Report
- Corporate Governance Report
- Report of Supervisory Board
- Glossary of Key Figures
- Consolidated Financial Statements
- Auditor's Report
- Financial Statements of
DO & CO Aktiengesellschaft
- Management Statement pursuant
to § 82 (4) 3 Austrian Stock Exchange Act

CONTENT

GROUP MANAGEMENT REPORT FOR 2012/2013 33

1. Highlights 33

2. Key Figures of the DO & CO Group in accordance with IFRS 35

3. Economic Environment 36

4. Risk Management 38

5. Report on Essential Features of the Internal Control and Risk Management System
in Connection with the Preparation of the Consolidated Financial Statements 42

6. Sales. 43

7. Earnings. 45

8. Consolidated Balance Sheet. 46

9. Employees 46

10. Airline Catering 48

11. International Event Catering 54

12. Restaurants, Lounges & Hotel. 60

13. DO & CO Stock / Investor Relations / Information Pursuant to Section 243a UGB. 64

14. Outlook. 68

CORPORATE GOVERNANCE REPORT 71

1. Commitment to the Code of Corporate Governance. 71

2. The Management Board 71

3. The Supervisory Board. 72

4. Remuneration Report 76

5. Measures to Promote Women to the Management Board, Supervisory Board
and in Executive Positions 77

REPORT OF THE SUPERVISORY BOARD 78

GLOSSARY OF KEY FIGURES 80

CONSOLIDATED FINANCIAL STATEMENTS FOR 2012/2013 81

1. Consolidated Balance Sheet as of 31 March 2013 82

2. Consolidated Income Statement 83

3. Consolidated Statement of other Comprehensive Income 83

4. Consolidated Statement of Cash Flows. 84

5. Consolidated Statement of Changes in Shareholders' Equity. 85

6. Subsidiaries. 86

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2012/2013 88

1. General Information 88

2. Accounting Principles 88

2.1 Regulations, Methods and Estimates Used 88

2.2 Effects of New and Amended Standards 89

3. Key Accounting Principles 91

3.1 Consolidation 91

3.1.1 Scope of Consolidation 91

3.1.2 Consolidation Methods 92

3.1.3 Business Segments. 93

3.1.4. Currency Translation. 93

3.1.5. Accounting Principles 94

4. Notes to the Statement of Financial Position and Income Statement for the Group 99

4.1. Statement of Financial Position for the Group 99

4.2. Consolidated Income Statement 107

5. Other Information 111

RECONCILIATION OF FIXED ASSETS AS OF 31 MARCH 2013 120

AUDITOR'S REPORT 122

FINANCIAL STATEMENTS OF DO & CO AKTIENGESELLSCHAFT FOR 2012/2013. . . 124

**STATEMENTS BY ALL LEGAL REPRESENTATIVES PURSUANT TO
SECTION 82 (4) 3 OF THE AUSTRIAN STOCK EXCHANGE ACT 127**

GROUP MANAGEMENT REPORT FOR 2012/2013

1. Highlights

Top results through international growth and consistent positioning in the premium segment
Innovative products, new customers, excellent relations with DO & CO´s established customer base and a large range of measures to improve efficiency have once again produced excellent results. Sales (€ 576.19m/+23.6%), EBITDA (€ 58.44m/+13.4%) and EBIT (€ 41.31m/+27.5%) increased in all three divisions. Earnings per share reached € 2.34.

DO & CO operating as the gourmet entertainer at UEFA EURO 2012
In 2012, DO & CO handled the VIP catering for the European Football Championship in Poland and Ukraine. Across a schedule of 31 games in eight cities, 85,000 VIP guests enjoyed the outstanding culinary offerings of DO & CO, which in its capacity as hospitality production manager for UEFA not only supplied the catering but also managed the entire infrastructure for the event.

Acquisition of LOT Catering Sp. z o.o.
In December 2012, DO & CO acquired 100% of the shares of LOT Catering Sp. z o.o. Based in Warsaw and renamed DO & CO Poland Sp. z o.o., the company is the market leader in airline catering in Poland, employing more than 500 staff at its locations in Warsaw, Poznań, Krakow, Gdansk and Katowice.

Major new customers for airline catering in 2012/2013

- British Airways ex New York
- Etihad Airways ex New York and Istanbul
- Egypt Air ex New York and London Heathrow
- China Southern Airlines ex London Heathrow
- Emirates Airline ex Warsaw

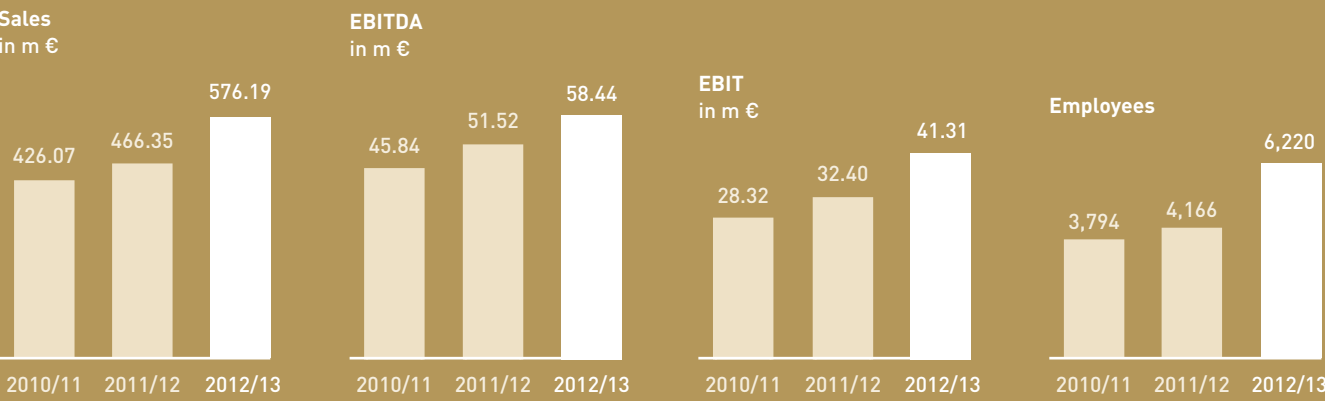
Of particular note was the acquisition of British Airways, a key strategic customer, at New York´s John F. Kennedy Airport. On 1 September 2012, DO & CO started to provide catering for ten long-haul flights a day to London Heathrow and London City. As a satisfying aside, British Airways has since been receiving outstanding customer satisfaction ratings.

DO & CO confirms its lead position in premium sports events
Additional highlights of the past business year were the tennis tournament of the ATP Tennis Masters Series in Madrid (34,000 VIP guests), the UEFA Champions League final at the Munich Allianz Arena (6,000 VIP guests) and the Alpine Skiing Championship at Schladming (11,000 VIP guests). Added to this were the “staples” such as the Hahnenkamm race at Kitzbühel, the prestigious CHIO horse show in Aachen and the beach volleyball tournament at the Wörthersee. Moreover, in 2012/2013 DO & CO handled the catering for 17 Formula 1 grands prix in 16 countries, serving more than 72,000 VIP guests.

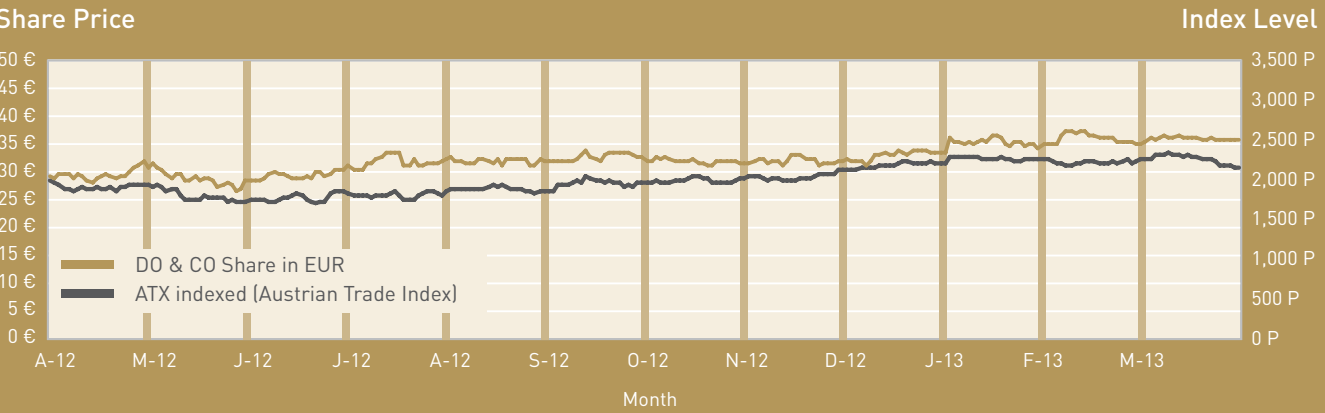
Catering for the Austrian Federal Railways
As of 1 April 2012, DO & CO took charge of the catering for the Austrian Federal Railways (ÖBB) on all long-distance trains. DO & CO serves 160 such trains per day and 11m passengers per year, thereby taking an important step into a new market.

Excellent growth on the Vienna and Istanbul stock exchanges
During 2012/2013, the DO & CO share price rose at an excellent rate: gaining 22.4% in Vienna (compared to a rise of 8.9% for the ATX), and 34.8% in Istanbul (where the leading share index BIST 100 rose by 37.6%). On 28 March 2013, the DO & CO share closed at € 35.71 in Vienna and on 29 March 2013 it closed at TRY 93.00 in Istanbul.

KEY FIGURES



DO & CO Share in EUR



3. Economic Environment

Globally, the economy slowed down in 2012, decelerating as a result of the ongoing sovereign debt crisis in the Eurozone, which put an enormous burden on the economy and thus negatively impacted the zone’s key trading partners. Uncertainties surrounding the fiscal problems suffered by the United States and weakening prospects of the emerging markets have also put a strain on global growth.

For the world economy, the International Monetary Fund (IMF) arrived at a growth rate of 3.2% for 2012, following 4.0% in the previous year. For 2013 it expects global growth to be at the same level as in 2012. It is only in 2014 that the IMF experts foresee a definite acceleration to 4.0%, fuelled by an expansive monetary policy in the US and a return to strong growth in demand from the emerging markets and less developed countries.

In 2012, the US economy’s growth rate increased by 0.4 percentage points to 2.2%, driven by private consumption that makes up 70% of the country’s economic performance. Since late 2008, the Fed has left its target rate at 0.00%–0.25%, continued its programs to purchase government and mortgage bonds with the aim of further depressing interest rates. The policy has provided a stimulus to economic growth, in spite of declining exports, government spending cuts and an increase in the budget deficit.

All the BRICS states¹ reported lower growth rates than in the previous year. In addition to a slowdown in demand from Europe, they were affected by low domestic demand and economic policy measures to contain inflation in Asia and Latin America. International hopes that China in particular would be able to decouple from the global economy and act as a global engine for growth were dashed: in 2012, the world’s second largest economy achieved growth of 7.8%, compared to 9.3% in the previous year.

Japan continues to battle deflation, a state that has been hampering consumption and investment for years, and a high exchange rate for the Yen which seriously hinders exports. In spite of an enormous sovereign debt of 240% of GDP, the Japanese government has launched a new economic stimulus package. Moreover, the Japanese central bank is purchasing bonds to add further stimulus to economic growth.

The European Union has found its economic growth performance declining by 0.3%, and the Eurozone was even worse off at minus 0.6%. The cost-cutting measures required in most countries for budget consolidation dampened domestic demand and clouded perspectives for the economy in the near future. In response to the sustained economic weakness, the Eurozone interest rate was recently cut from 1.0% to a record low of 0.75%.

In early 2012, the S&P rating agency withdrew its triple-A rating from Austria on the grounds of deepening political, external and monetary problems within the EU and the Eurozone with which Austria is closely interconnected. For 2012 as a whole, Austria’s economy grew by 0.8%, a value that was substantially below the previous years’ of 2011 (+2.7%) and 2010 (+2.1%). In the second half of 2012, growth was almost stagnant. Still and contrary to most countries in the Eurozone, Austria avoided a more drastic decline in the fourth quarter of 2012. For 2013, the Austrian National Bank expects a growth rate of 0.5%. With an unemployment rate of 4.3% (Eurostat definition), Austria reported the lowest jobless rate of all EU member states in 2012 (EU average: 10.7%). Inflation sank from 3.3% to 2.4% in 2012 (EU average: 2.6%).

Germany, the biggest economy in Europe, achieved growth of its GDP by 0.9%, in the face of the Eurozone turbulences. Its main growth engine was once again relatively robust international and domestic demand. For 2013, it expects growth to be reduced to 0.4%.

Turkey’s economic growth in 2012 declined by 5.9 percentage points to 2.6%. Growth drivers in previous years – exports, private consumption and investments – had been fuelled by an expansive monetary policy. Falling domestic demand encumbered economic growth in 2012 and, in particular, private investment foundered. The large current account deficit, caused mostly by the precipitous decline in exports, also contributed to the weaker growth. Nevertheless, economists expect the growth rate to go up to 4.5% in 2013.

The current phase of low interest rates globally caused incomes from overnight money and fixed-term deposits to be mostly below the inflation rate, which led to a significant increase in demand in the financial markets. Measures taken by the ECB to contain the debt crisis reduced the systemic risks, which led to an increase in investment in stocks. The German DAX stock index recovered substantially over the previous year, rising by 30% in 2012; the Austrian ATX went up by 25% and the Dow Jones gained 8%. At 51%, the greatest increase was achieved by the Turkish BIST 100 index.

The USD/EUR exchange rate gradually declined towards 1.20, compressed by US measures to invigorate the economy, but managed to recover in the second half of the year. On 28 March 2013, the USD/EUR exchange rate was 1.2805 (source: OeNB).

¹ Association of emerging national economies (Brazil, Russia, India, China and South Africa)

4. Risk Management

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

DO & CO views risk management as a crucial instrument for guiding 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.

The risk and opportunity management system is based on standardized, group-wide planning and control processes and on intercompany guidelines and reporting systems that adhere to the principles of risk management and risk structures according to COSO².

Coordinated by the Corporate Risk Manager, risk and opportunity management is considered a core management task and an integral part of all business processes. The Group therefore identifies risks more quickly but also opportunities. Reporting is done on an ongoing basis, so all managers and decision-makers are personally involved in risk management.

Identified risks and opportunities are grouped into risk and opportunity categories and assigned by the Corporate Risk Manager to the managers responsible for the given area for further action. Strategies for coping with the identified risks and utilizing the identified opportunities are then devised and subsequently pursued on site by local management. The aim of these actions is to reduce possible damage from risks and minimize the probability of them occurring while increasing opportunities for earnings and the possibilities for realizing 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 efforts are supported by a multitude of regulations and activities, including those of the Central Administration, Controlling, Legal Compliance and Internal Audit.

The Group’s risk management system closely cooperates with insurers to ensure that proper coverage is provided for those risks that are insurable.

The following risk categories were identified as material for the business year of 2012/2013.

Risks and Trends Specific to the Airline Industry

The airline industry is heavily dependent on cyclical economic trends that act both globally and in the respective regions. Specific problems facing the aviation industry also impact both directly and indirectly on DO & CO’s Airline Catering division. Airline performance in turn depends on developments in fuel prices, tax rates and airport and security charges.

With DO & CO achieving large parts of its sales from a handful of key customers, such as Turkish Airlines, Austrian Airlines, NIKI, Emirates Airline, Etihad Airways, Qatar Airways, Cathay Pacific and British Airways, the Group therefore to some extent runs a “cluster risk”.

The company has thus instituted a course of permanent monitoring of the macroeconomic situation combined with ensuring that its key account managers are in constant contact with airline clients, so it can react quickly to any changes in their economic situation and promptly counter any negative effects of conditions in the airline industry on the DO & CO Group. The acquisition of new customers obtained from participating in tenders worldwide helps the Group to diversify risks further.

Economic Developments

DO & CO 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 Airline Catering in particular.

To counter economic risk in its business, DO & CO has diversified its activities in several countries in three different market segments. Prompt reporting of business results includes analysis and forecasts on 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

High-level international security precautions have stabilized the risks of terrorism in the year under review in areas where the DO & CO Group conducts business, but negative ramifications for the airline industry from this problem can be expected at any time. The constant adjustment of security standards to incorporate the latest findings has cut the danger of terrorist attacks. Nevertheless, the DO & CO Group constantly monitors the political situation to be prepared to take appropriate action where required.

Risks Pertaining to Force Majeure and Epidemics

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 or Severe Acute Respiratory Syndrome (SARS). This risk category also includes natural disasters such as the eruption of the Icelandic volcano Eyjafjallajökull in April 2010 which repeatedly brought air traffic in large parts of Northern and Central Europe to a complete or partial standstill for several days in a row, and the nuclear incident and radioactive contamination in Japan in March 2011.

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 close cooperation with airlines, aeronautical authorities (EASA) and the international air weather service.

Hygiene Risks

To ensure that the food it 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 minimize 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.

Personnel Risks

For DO & CO, the biggest assets are its employees and the corporate culture into which they breathe life. The employees are the most crucial factor in DO & CO’s success. The future development of DO & CO therefore depends 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.

² COSO (Committee of Sponsoring Organisations of the Treadway Commission) is an independent private business organisation sponsored by the five largest financial reporting associations.

The ongoing expansion of the DO & CO Group is accompanied by a mirroring drive to enlarge its management resources.

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 our new employees to understand the high quality standards to which we aspire in our product and in our personal service and assist us 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 which 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 minimize the risk that critical production plants (large-scale kitchens, cold storage houses) might fail, DO & CO 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.

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 and taxes, 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 company. 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 minimizing liability risks from damage that has proven unpreventable despite damage avoidance efforts.

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, PLN and GBP.

Closed positions are set up as a hedge 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. No derivatives were being used at the balance sheet date.

Liquidity Risks

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

All Austrian DO & CO companies are integrated in a single cash-pooling system so that liquidity can be controlled centrally.

Deviations from financial plans are detected immediately thanks to regular and prompt financial reporting. This approach ensures that counter-measures can be initiated quickly.

Due to a low level of payables, the liquidity risk is limited for the DO & CO Group. Liquidity needs can be covered from funds and credit facilities offered by the banks. Protection against liquidity risks as much as risks of inflation, failure and foreign currency is moreover offered from diversification into assets that can be sold at short notice.

Default Risks

DO & CO keeps the risk of default to a minimum by closely monitoring outstanding debts as part of receivables management. The outstanding items of all legal entities in the Group are reported weekly. That means the Group monitors customer default 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. 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 Risks

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 conducted semi-annually. The Group does not currently face any material risk from interest rate fluctuations.

In sum, DO & CO is confident it can manage and offset its risks with the risk management system it has put in place.

These risks do not impair the continued successful existence of the Group.

The Notes contain additional details on currency, liquidity, default and interest risk (Item 5 Accounts receivable, effective income tax receivables and other assets and Item 24 Financial Instruments and Risk Report).

5. Report on Essential Features of the Internal Control and Risk Management System in Connection with the Preparation of the Consolidated Financial Statements

The Management Board meets its responsibility for organizing 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 and thus to ensure financial statements that comply with the regulations. This system also ensures that the processes are appropriate and efficient and that all regulations (legal and otherwise) are obeyed.

The responsibilities for the internal control system are adapted on an ongoing basis to the organizational 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 organizing and monitoring financial reporting in the Group.

Compliance with the processes for recording, making account entries and balancing the accounts for transactions is regularly monitored as part of appropriate organizational actions. All monitoring actions apply to the entire business process. Monitoring can constitute anything from management examining results for various periods to transferring 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 optimized. Close attention is paid to IT security in this context. With respect to the financial systems used, pertinent authorization arrangements are employed to guard access to corporate data. Restrictive authorization 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 accounting process and financial reporting are systematically examined for possible risks and regularly evaluated by the Corporate Risk Manager. If a need arises, action to optimize the situation is launched and carried out quickly to counter any risks as effectively as possible.

6. Sales

In its 2012/2013 business year, the DO & CO Group recorded sales of € 576.19m, an increase of 23.6% or € 109.84m over the previous year.

Sales		Business Year 2012/2013	Business Year 2011/2012	Change	Change in %	Business Year 2010/2011
Airline Catering	m €	400.23	349.81	50.42	14.4%	327.18
International Event Catering	m €	71.09	46.01	25.08	54.5%	36.65
Restaurants, Lounges & Hotel	m €	104.87	70.54	34.34	48.7%	62.24
Group Sales		576.19	466.35	109.84	23.6%	426.07

Share of Group Sales		Business Year 2012/2013	Business Year 2011/2012
Airline Catering	%	69.5%	75.0%
International Event Catering	%	12.3%	9.9%
Restaurants, Lounges & Hotel	%	18.2%	15.1%
Group Sales		100.0%	100.0%

Sales at the **Airline Catering division** rose by € 50.42m in the business year of 2012/2013, growing from € 349.81m to € 400.23m in spite of the market's sustained volatility. The division contributes 69.5% (PY: 75.0%) to the Group sales.

Sales growth for the Airline Catering division was particularly strong at the international locations.

Turkish DO & CO continued to expand its business activities in the 2012/2013 business year, both with Turkish Airlines and with third-party customers. The "Flying Chefs" concept on flights operated by Turkish Airlines was further expanded so that passengers on some international short-distance flights can now enjoy the same services as those on long-haul flights. Third-party customers now include Etihad Airways as well as renewed contracts with Air France, Iberia and Royal Jordanian Airlines.

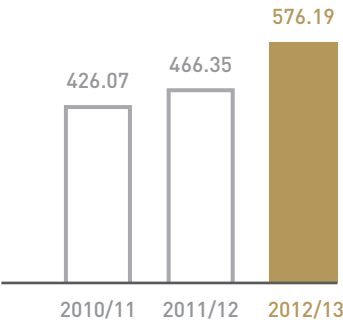
Sales figures grew substantially at New York's John F. Kennedy Airport, driven chiefly by the acquisition of British Airways as a strategically important customer and a daily long-distance flight for Etihad Airways to Abu Dhabi. Excellent growth rates can also be reported with existing customers such as Asiana Airlines, Emirates Airline and Turkish Airlines.

At London Heathrow, DO & CO's customer portfolio has included Egypt Air since April 2012 and China Southern Airlines since June 2012. DO & CO increased sales with its other customers and further expanded its market position at this strategically important location.

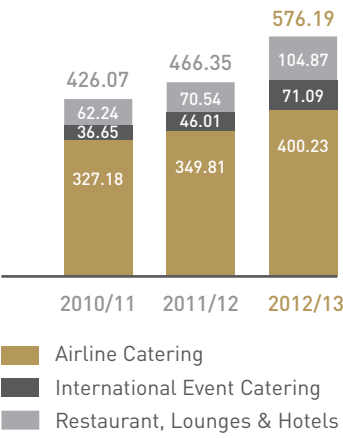
In a similar vein, sales figures for 2012/2013 were increased at Milan and the German locations.

Two acquisitions were successfully completed in 2012/2013: DO & CO acquired 51% of the largest airline caterer in Ukraine, which was included in the consolidated financial statements from 1 June 2012. In December 2012, DO & CO acquired all the shares of LOT Catering Sp. z o.o. based in Warsaw and renamed DO & CO Poland Sp. z o.o., the company is the market leader for airline catering in

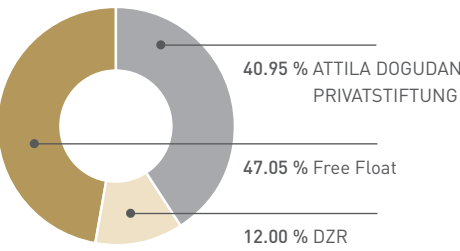
Group Sales
in m €



Sales by Division
in m €



Shareholders' structure



Poland, employing altogether more than 500 staff at its locations in Warsaw, Poznań, Krakow, Gdansk and Katowice. It was first consolidated in the balance sheet as of 31 December 2012, and first included in the DO & CO's consolidated financial statements in the fourth quarter of the 2012/2013 business year.

The company's Austrian locations reported declining sales during the 2012/2013 business year, the result of austerity programs introduced by major customers.

Sales at the **International Event Catering division** rose from € 46.01m by 54.5% to € 71.09m in 2012/2013, contributing 12.3% (PY: 9.9%) to the Group's overall sales.

In the business year just past, the Major Events segment concentrated on the UEFA EURO 2012 football championship in Poland and Ukraine, which underlies the significant increase in its sales figures. 85,000 VIP guests were given the DO & CO culinary treatment at 31 games in eight different cities. Another factor was the catering for the Formula 1 races: in the company's 21st racing season, DO & CO covered 17 Formula 1 grands prix in 16 countries, serving high-class food to more than 72,000 VIP guests. Also notable were the ATP Tennis Masters in Madrid (34,000 VIP guests) and the UEFA Champions League Final in Munich (6,000 VIP guests). In the summer of 2012, work focused on the catering for VIP guests at the traditional CHIO horse show in Aachen, two major horse shows at Lake Ossiach/Carinthia and the beach volleyball tournament in Klagenfurt. In addition to the winter staples, such as the Hahnenkamm race at Kitzbühel, a notable event was the skiing world championship at Schladming, where DO & CO provided a unique atmosphere and top catering for 11,000 guests in its VIP tent.

The Classic Events segment had a similarly good business year. DO & CO furnished premium catering services for numerous events organized by business, politics and sports organizations, further adding to its sales figures.

The **Restaurants, Lounges & Hotel division** reported sales of € 104.87m in the 2012/2013 business year, an increase of 48.7% over the previous year (PY: € 70.54m). The division contributed 18.2% to the Group's sales (PY: 15.1%).

The rise was rooted in the new business of catering for the Austrian Federal Railways from 1 April 2012. With its "Henry am Zug" ("Henry on the train") brand, DO & CO took a strategically vital step towards a new market.

The Retail segment performed excellently, not least thanks to its "Henry – the art of living" brand. Sales figures were further boosted by the new catering business at Bodrum Airport.

Further additions to the DO & CO portfolio came from the Lounges segment through the Emirates Lounges at Milan's Malpensa Airport in January 2013, and the lounges at the Check-in 3 Terminal of Vienna Airport in June 2012.

The Demel cafés, the DO & CO restaurants and the DO & CO Hotel in Vienna once again achieved satisfactory sales.

7. Earnings

Consolidated earnings before interest and taxes (EBIT) for the DO & CO Group amounted to € 41.31m for the 2012/2013 business year, € 8.91m higher than in the previous year. The EBIT margin increased from 6.9% in the previous business year to 7.2% in 2012/2013.

EBITDA for the DO & CO Group was € 58.44m, an increase of € 6.92m over the previous year. The EBITDA margin was 10.1% (PY: 11%).

Group		Business Year 2012/2013	Business Year 2011/2012	Change	Change in %	Business Year 2010/2011
Sales	m €	576.19	466.35	109.84	23.6%	426.07
EBITDA	m €	58.44	51.52	6.92	13.4%	45.84
Depreciation/ amortization	m €	-17.11	-16.09	-1.03	-6.4%	-17.52
Impairment	m €	-0.02	-3.04	3.02	99.4%	0.00
EBIT	m €	41.31	32.40	8.91	27.5%	28.32
Profit before taxes	m €	42.26	35.58	6.68	18.8%	30.85
Net result	m €	22.81	19.33	3.48	18.0%	15.43
EBITDA margin	%	10.1%	11.0%			10.8%
EBIT margin	%	7.2%	6.9%			6.6%
Employees		6,220	4,166	2,054	49.3%	3,794

Cost of materials and services as a proportion of sales rose from 41.5% in the previous year to 41.7%. In absolute figures, expenditure on materials rose by € 46.65m (+24.1%) compared with the sales growth rate of +23.6%.

Personnel expenses in terms of sales increased from 32.0% to 33.1% in the 2012/2013 business year. In absolute figures, they rose from € 149.45m to € 190.71m.

Depreciation, amortization and impairment amounted to € 17.13m, or € 1.99m less than in the previous year (€ 19.12m), the consequence of higher impairments of intangible and tangible assets carried out by all three divisions in the previous year.

Other operating expenses grew by € 19.50m or 23.3%.

The tax ratio (taxes as a proportion of untaxed income) was 25.4% in the 2012/2013 business year (PY: 25.6%).

For the overall business year of 2012/2013, the Group achieved a profit of € 22.81m, an increase of € 3.48m over the previous year. Earnings per share reached € 2.34 (PY: € 1.98).

8. Consolidated Balance Sheet

Fixed assets increased by € 60.41m to € 144.44m, caused mostly by an expansion of DO & CO's business activities. Notable events in this respect were the first consolidation of:

- Kyiv Catering LLC,
- Henry am Zug GmbH,
- DO & CO Poland Sp. z o.o.,
- Lotniczy Catering Service Sp. z o.o.

Other factors contributing to the increase of assets were investments in the Istanbul hotel project and an expansion of airline catering activities at New York's JFK.

Changes in short-term assets, in particular the stocking of inventories and larger receivables, were due to the drive to extend the business.

Consolidated equity (adjusted for prospective dividend payments and goodwill book values) recorded a rise by € 23.20m, from € 161.64m as of 31 March 2012 to € 184.84m as of 31 March 2013.

The equity ratio (after adjustment for prospective dividend payments and goodwill book values) as of 31 March 2013 was reduced to 53.3% (PY: 56.8% as of 31 March 2012), the result, once again, of an expansion of business and a consequent increase in the balance sheet.

Short-term liabilities showed a sharp rise of € 15.39m to € 115.68m compared to the previous year's balance sheet date. Again, the increase was due to the expansion of business activities.

9. Employees

The average number of employees increased from 4,166 to 6,220 year-on-year. This rise was due mostly to the incorporation of Kyiv Catering LLC (over 600 staff) and DO & CO Poland (over 500 staff) and an expansion of business in Austria (mostly Henry am Zug), the US and Turkey.



- Turkish Airlines
- Austrian Airlines
- Emirates
- Etihad Airways
- Qatar Airways
- British Airways
- Cathay Pacific
- Singapore Airlines
- Oman Air
- Gulf Air
- NIKI
- Pegasus Airlines
- Royal Air Maroc
- ASIANA Airlines
- Air Malta
- Korean Air
- Cyprus Airways
- Air Italy
- Royal Jordanian Airlines
- Eva Air
- Iberia
- Egypt Air
- China Air
- Air France
- China Southern Airlines

AIRLINE CATERING

» The world’s best restaurants over 30,000 feet «

Guests of DO & CO Gourmet Restaurants in the sky are indulged with many delights. When the aroma of fresh baked morning rolls fill the air and a poached egg is served for breakfast; Dover sole coming fresh from the grill and steaks are done to perfection, then it goes without saying that the first asparagus of the season is on the menu. Always on board are the best tastes of the world: The diversity of the orient, a sampling of Mediterranean cuisine, greetings from the Far East and the finest selection of Austrian food. All dishes are prepared in the country’s traditional style and are presented authentically. Airlines are turning in increasing numbers to DO & CO and putting their trust in the world’s only gourmet brand product in the airline industry to provide passengers with an incomparable on-board experience.

We look forward to the privilege of welcoming you aboard our partner airlines.

10. Airline Catering

Having established a unique, innovative and competitive product portfolio, the Airline Catering division contributes the largest share to the overall sales of the DO & CO Group.

On a global scale, the DO & CO gourmet kitchens in New York, London, Istanbul, Frankfurt, Munich, Berlin, Milan, Malta, Warsaw, Kiev and Vienna and other locations in Austria, Turkey and Poland are setting new standards in the premium segment of the airline catering business.

DO & CO has built up a customer portfolio consisting of more than 60 airlines. This clientele includes major players such as the Austrian Airlines Group, NIKI, Turkish Airlines, British Airways, Singapore Airlines, Oman Air, Cathay Pacific, Emirates Airline, Etihad Airways, Qatar Airways, Royal Air Maroc, Egypt Air, Malaysia Airlines, EVA Air, China Southern Airlines, Royal Jordanian, China Airlines, Hainan Airlines and Asiana Airlines.

Airline Catering		Business Year 2012/2013	Business Year 2011/2012	Change	Change in %	Business Year 2010/2011
Sales	m €	400.23	349.81	50.42	14.4%	327.18
EBITDA	m €	43.23	40.57	2.66	6.6%	36.90
Depreciation/ amortization	m €	-12.81	-14.25	1.44	10.1%	-14.75
Impairment	m €	0.00	-1.70	1.70	100.0%	0.00
EBIT	m €	30.42	24.61	5.81	23.6%	22.14
EBITDA margin	%	10.8%	11.6%			11.3%
EBIT margin	%	7.6%	7.0%			6.8%
Share of Group Sales	%	69.5%	75.0%			76.8%

During 2012/2013, the Airline Catering division rang up sales of € 400.23m (PY: € 349.81m), a growth rate of 14.4% over the last business year. The division contributed 69.5% of the Group’s overall sales (PY: 75.0%). Altogether, the gourmet kitchens of the DO & CO Group provided culinary treats to more than 80 million passengers on more than 510,000 flights worldwide.

EBITDA and EBIT increased once again: at € 43.23m, EBITDA improved by € 2.66m (+6.6%) over the previous year. EBIT rose from € 24.61m to € 30.42m (+23.6%). The EBITDA margin for the Airline Catering division was 10.8% compared to 11.6% in the previous year. The EBIT margin was raised to 7.6% (PY: 7.0%).

Throughout the 2012/2013, the Airline Catering division was again confronted with a highly competitive and volatile market. In spite of difficult conditions, DO & CO produced highly satisfactory sales growth rates and gained important new customers.

Below a short description of benchmark developments at the Airline Catering division in Turkey, other international locations and Austria is given.

Turkish DO & CO continued to expand its business activities in the 2012/2013 business year, both with third-party customers and with Turkish Airlines. Its nine locations – Istanbul Atatürk, Istanbul Sabiha Gökçen, Ankara, Antalya, Izmir, Bodrum, Adana, Trabzon and Dalaman – served 52 million passengers on a high quality level.

Turkish Airlines is continuing its successful run, as indicated by the expansion of its fleet and the high proportion of seats filled. The “Flying Chef” concept was further extended: in addition to serving long-distance flights, flying chefs are now increasingly deployed to serve passengers on international short-haul flights as well. Altogether, more than 300 DO & CO “Flying chefs” are already on duty for Turkish Airlines. Customer satisfaction among Turkish Airlines passengers was maintained at the previous year’s high level.

Business with third-party customers also went very well in 2012/2013. Etihad Airways was added to the Istanbul roster of clients, and contracts were renewed with Air France, Iberia and Royal Jordanian Airlines.

DO & CO’s locations in New York, London, Frankfurt and Milan similarly reported highly satisfactory growth rates during 2012/2013.

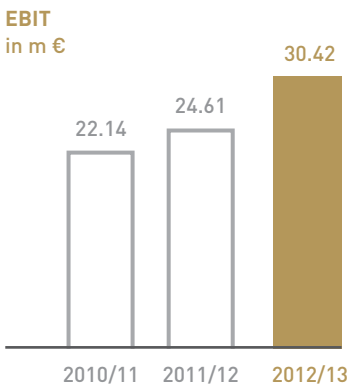
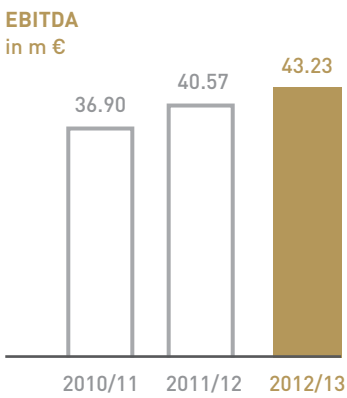
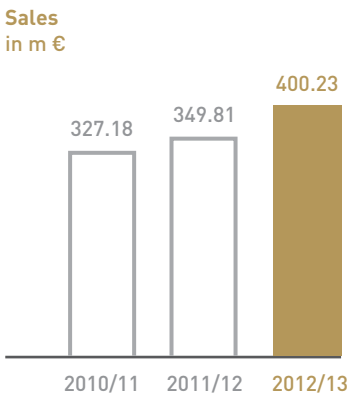
DO & CO at New York’s John F. Kennedy Airport performed equally well. The growth was chiefly fuelled by two start-ups successfully launched in the second quarter of the business year. Starting on 1 August 2012, DO & CO catered for a daily long-distance flight to Abu Dhabi for Etihad Airways, the sixth in a string of DO & CO locations to serve Etihad Airways. Of particular note was the acquisition of British Airways as a strategically important customer at New York’s JFK Airport. Since 1 September 2012, ten daily long-haul flights to London Heathrow and London City have been getting their catering from DO & CO. A particularly satisfactory aspect is the fact that British Airways is now enjoying very good customer satisfaction ratings. Business with existing customers, such as Asiana Airlines, Emirates Airline and Turkish Airlines, is doing equally well.

Two successful start-ups can also be reported from London Heathrow. DO & CO’s local customer portfolio now includes Egypt Air (since April 2012) and China Southern Airlines (since June 2012). Sales with existing customers were increased and DO & CO’s market position was further strengthened at this strategically important location.

In Italy, business was enlarged at Milan’s Malpensa Airport, and DO & CO Italy received the prestigious Etihad Airways award for best regional caterer.

Similarly, locations in Frankfurt, Munich and Düsseldorf extended sales activities with their customer base. Additional sales were achieved in Frankfurt from Emirates Airline, Kuwait Airways and Etihad Airways.

During the 2012/2013 business year, DO & CO carried out two acquisitions which particularly affected its Airline Catering division. Beginning in 2011/2012, the acquisition process of Kiev-based Kyiv Catering LLC was successfully completed in May 2012. DO & CO bought a 51% stake in the largest airline caterer in Ukraine, which was included in the consolidated financial statements from 1 June 2012. Kyiv Catering LLC is the region’s market leader in airline catering, employing more than 600 staff. It should be noted that Aerosvit, its largest customer, initiated bankruptcy proceedings in January 2013 and has not received any catering services since. Some of its flights have been continued by other customers of Kyiv Catering LLC. In this way, the location can be sure of continued good capacity utilization.



In December 2012, DO & CO acquired the shares of LOT Catering Sp. z o.o. based in Warsaw and renamed DO & CO Poland Sp. z o.o., the company is the Polish market leader in airline catering, employing altogether more than 500 staff at its locations in Warsaw, Poznań, Krakow, Gdansk and Katowice. Its first balance sheet consolidation was on 31 December 2012, and its profit and loss was first included in DO & CO's consolidated financial statements in the fourth quarter of the 2012/2013 business year.

DO & CO's Austrian business reported declining sales in the 2012/2013 business year, the consequence of austerity programs introduced by major customers. At the start of the business year, a new meal ordering system known as "DO & CO à la carte meal" was launched in cooperation with Austrian Airlines which allows passengers to order a DO & CO à la carte meal when buying tickets on the internet or up to one hour before departure (from Vienna/Schwechat Airport). The scheme, unique in the airline sector, was acclaimed by customers. Austrian Airlines was able to maintain its excellent customer satisfaction rating from the previous year in the Best Business Class Catering category.

Strategy pursued by DO & CO

- Strengthening the division's position as "the" supplier in the premium airline catering segment
- A unique, innovative and competitive product portfolio that offers customers an opportunity for distinction
- Long-term sustainable partnerships with customers
- One-stop supplier of airline catering services

Outlook on the 2013/2014 business year

- Evaluation of take-over targets and opportunities for expansion
- Participation in tenders and acquisition of more customers at all locations

Competitive edge for DO & CO

- "The" airline caterer in the premium segment
- Product creativity and innovation in its core and ancillary segments
- Supplier of one-stop solutions for its customers



SOCCER

UEFA EURO 2012
Poland/ Ukraine
Champions League Final
Munich

FORMULA 1

Sepang
Shanghai
Bahrain
Barcelona
Monaco
Montreal
Valencia
Silverstone
Hockenheim
Budapest
Spa
Monza
Suzuka
Yeongam
India
Abu Dhabi
Austin

TENNIS

ATP Master Series Madrid

WINTER SPORTS

Downhill Race Kitzbühel
Alpine Ski Worldcup Schladming
World Ski Championship Schladming
Four Hills Tournament Innsbruck | Bischofshofen

EQUESTRIAN

CHIO Aachen | World Equestrian Festival

BEACH VOLLEYBALL

Grand Slam Klagenfurt

SPECIAL EVENTS

Film Festival Vienna

INTERNATIONAL EVENT CATERING

» Around the world «

No day passes without us thinking about festivities and the well-being of our guests. Event and creative teams devise, with great attention to detail, a self-contained and unique concept whether for a small family celebration or for sports event for over 200,000 people. Originating from a single idea, they design, devise, plan and create an event experience with great attention to detail with the country’s characteristic dishes and matching beverages. With comprehensive experience and broad know-how the staff of DO & CO is not only responsible for the culinary experience but allow events to shine even more in the right surrounding and ambience. Ultimately, it is also the theme-based decorations, different forms of entertainment and much more, which remind of events that define the fine difference that is the DO & CO brand.

11. International Event Catering

The International Event Catering division performed exceedingly well during the business year 2012/2013. With annual sales of € 71.09m (PY: € 46.01m) it achieved an increase of 54.5%, due mostly to the UEFA EURO 2012.

For the 2012/2013 business year, the division International Event Catering reported EBITDA of € 8.53m, an increase from € 5.53m in the previous year. The EBITDA margin was 12.0% (PY: 12.0%). EBIT rose from € 4.18m to € 6.57m, and the EBIT margin was also better than in the previous year (9.2% vs. 9.1%).

International Event Catering		Business Year 2012/2013	Business Year 2011/2012	Change	Change in %	Business Year 2010/2011
Sales	m €	71.09	46.01	25.08	54.5%	36.65
EBITDA	m €	8.53	5.53	3.00	54.4%	4.32
Depreciation/ amortization	m €	-1.96	-0.60	-1.36	-227.3%	-1.05
Impairment	m €	0.00	-0.75	0.75	100.0%	0.00
EBIT	m €	6.57	4.18	2.39	57.1%	3.27
EBITDA margin	%	12.0%	12.0%			11.8%
EBIT margin	%	9.2%	9.1%			8.9%
Share of Group Sales	%	12.3%	9.9%			8.6%

The International Event Catering division comprises two sections: Major Events und Classic Events.

The Major Events concentrated its first quarter’s work on the UEFA EURO 2012 football championship in Poland and Ukraine. From the opening in Warsaw on 8 June to the final in Kiev on 1 July, more than 85,000 VIP guests were pampered with culinary treats. DO & CO handled the UEFA VIP hospitality for all 31 games in eight cities.

The same as for the EURO 2008, DO & CO acted on behalf of UEFA as hospitality production manager for the third-largest sports event worldwide. Its brief included not just the usual catering but also extended to the provision of tents, furniture and decorations as well as the rendering of services such as entertainment, hostesses, security and cleaning.

Next to this extra-large sports event, a second focus of the International Event Catering division is its catering for Formula 1 races. In its 21st season, DO & CO handled 17 Formula 1 grands prix in 16 countries, pampering more than 72,000 VIP guests in its exclusive Paddock Club. Particular highlights of the past business year were the first-ever Formula 1 grand prix in Austin, Texas and the grand prix in Abu Dhabi, which assembled more than 15,000 guests.

Also the same as every year, the summer season was launched with the annual tennis tournament in Madrid as part of the ATP Tennis Masters series. DO & CO was responsible for providing culinary treats for 34,000 VIP guests and the tennis players. The subsequent UEFA Champions League Final involved regaling 6,000 VIP guests at the Munich Allianz Arena on 19 May 2012. Other items in this year were two major horse shows at Lake Ossiach in Carinthia in May and June 2012 where DO & CO played host to 4,300 VIP guests. Another of the summer’s highlights was once again the beach volleyball grand slam at the Wörthersee which called upon DO & CO indulging 8,000 guests in 4 days. Just as in past years, DO & CO also provided the catering for the 4,500 VIP guests at the CHIO World Equestrian Festival in Aachen.

A special event in November 2012 saw the presentation of the new Audi R8 in Spain. The 13-day event included catering for more than 1,300 dealers and staff members of the Audi Group at three different premises in and around Seville.

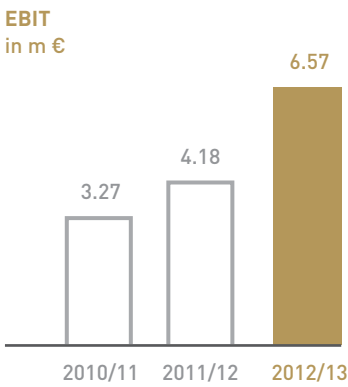
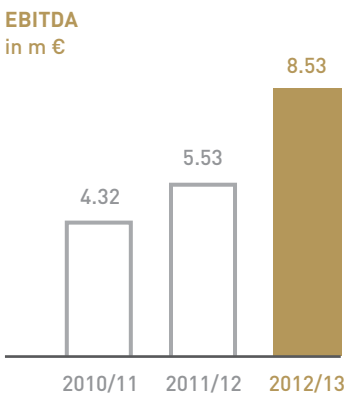
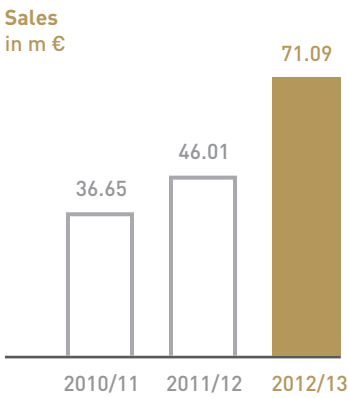
Highlights of the winter of 2012/2013 were the annual Hahnenkamm race at Kitzbühel and the world ski championship at Schladming, where DO & CO supplied a unique ambience and top-level catering for over 11,000 guests at its VIP tent.

In the United Kingdom, the 2012/2013 business year was used to strengthen the partnership with Fortnum & Mason through two first-class events: the best DO & CO catering was at hand at the Tatton Flower Show as well as, for the first time, to visitors of the Chelsea Flower Show in May 2012.

The Classic Events can also look back at a satisfactory year. DO & CO operated as a premium caterer to many events of the economic, political and sports scenes, and achieved further growth in its sales.

Another fixture of the year is the annual film festival held at the Rathausplatz adjacent to Vienna City Hall. DO & CO is responsible for planning, organization, setup and gastronomic logistics of the attendant gourmet food market which is Europe’s largest “foody” event, handling 22 gastro-nomic operations and many business partners. This time it involved 65 days of catering to over 750,000 satisfied customers.

The activities of the International Event Catering division at BMW Welt in Munich were terminated.



Strategy pursued by DO & CO

- Pushing our core competence from a premium caterer to a “general contractor for gourmet entertainment”
- Strengthening the premium event brand established by DO & CO
- Establishing ourselves up as a strong and reliable partner

Outlook on the 2013/2014 business year

- UEFA Champions League final 2013 in London, successfully continuing the series after Gelsenkirchen in 2004, Istanbul in 2005, Paris in 2006, Rome in 2009, Madrid in 2010, London in 2011 and Munich in 2012
- ATP Masters in Madrid
- Catering for Formula 1 grands prix
- Cooperation with Fortnum & Mason: Chelsea Flower Show

Competitive edge for 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 lead team that is experienced in the premium segment

**HOTEL**

DO & CO Hotel Vienna

RESTAURANTS & CAFÉS

DO & CO Stephansplatz

K. u. K. Hofzuckerbäcker Demel

DO & CO Albertina

Café Griensteidl

LOUNGES

Lufthansa First Class Lounges Frankfurt

Turkish Airlines Lounges Istanbul | Adana

Bodrum | Trabzon | Dalaman

Emirates Lounges New York | London | Milan

Austrian Airlines Lounges Vienna

RETAIL

HENRY – the art of living

RAILWAY

Henry am Zug

RESTAURANTS, LOUNGES & HOTEL

» A culinary journey around the globe «

A selection of freshest oysters and shrimps. Finest French goose liver and Belgian chocolate. The world's best flavours initially found their level in a small delicacy shop in Vienna's inner city. What began as a small restaurant in the year 1981, developed in the following years into a special kind of gourmet story: the story of DO & CO. For almost 30 years now, DO & CO gathers the best from around the globe and exports Austrian products and top quality service around the world. The restaurants and bars are given special significance, as initial segment they function as research and development center of the DO & CO group. The effortless atmosphere and direct proximity towards the guest allow the small scale implementation of innovative menu concepts and the direct feedback permits the development of an optimal end-product within no time. That's how trends are quickly discovered or even created. It was the culinary expertise which later on shaped the subsequently added areas of International Event Catering and Airline Catering thus making them unique. Even the incomparable, highly service-orientated culture of the business finds its origin in these roots.

12. Restaurants, Lounges & Hotel

In the 2012/2013 business year, the Restaurants, Lounges & Hotel division accounted for sales of € 104.87m, an increase of € 34.34m (+48.7%) over the previous year which was due mainly to DO & CO taking over the catering for the Austrian Federal Railways.

The division's EBITDA increased from € 5.43m in the previous year to € 6.68m. The EBITDA margin was 6.4% (PY: 7.7%). EBIT, amounting to € 4.32m, increased by € 0.72m, a rise of 19.9%. The EBIT margin was 4.1% (PY: 5.1%).

Restaurants, Lounges & Hotel		Business Year 2012/2013	Business Year 2011/2012	Change	Change in %	Business Year 2010/2011
Sales	m €	104.87	70.54	34.34	48.7%	62.24
EBITDA	m €	6.68	5.43	1.26	23.1%	4.63
Depreciation/ amortization	m €	-2.34	-1.24	-1.10	-89.1%	-1.72
Impairment	m €	-0.02	-0.59	0.57	96.7%	0.00
EBIT	m €	4.32	3.60	0.72	19.9%	2.91
EBITDA margin	%	6.4%	7.7%			7.4%
EBIT margin	%	4.1%	5.1%			4.7%
Share of Group Sales	%	18.2%	15.1%			14.6%

The Restaurants, Lounges & Hotel division consists of the following sections: restaurants, lounges, hotel, Demel, staff restaurants, retail and railway catering.

Commencing on 1 April 2012, DO & CO became responsible for the catering on all long-distance trains operated by the Austrian Federal Railways. This has allowed DO & CO with its “Henry am Zug” brand to take an important step towards a new market. DO & CO provides the daily catering for 160 trains. Once the processes were integrated in the DO & CO Group in the first half of the 2012/2013 business year, the focus shifted in the second half to implementing a new, quality-oriented concept. The new “Henry am Zug” product is well received by the railway passengers.

The lounges section had an excellent business year. Newcomers in the DO & CO lounges portfolio were the Emirates Lounges at Milan’s Malpensa Airport (since January 2013) and the lounges operated by Vienna Airport at its Check-in 3 terminal (since June 2012). Up-and-running lounges performed similarly well. Of particular note is the Turkish Airlines Lounge in Istanbul. Altogether, the DO & CO lounges, which comprise the Austrian Airlines Lounges and Vienna Airport Lounges in Vienna, Lufthansa Lounges in Frankfurt, Emirates Lounges in New York, the lounges at London Heathrow and Milan Malpensa, and the Turkish Airlines Lounges in Istanbul, Adana, Trabzon, Dalaman and Bodrum, provided first-class catering to more than 2.3m passengers in the 2012/2013 business year.

The contract with Lufthansa for its lounge at New York’s JFK Airport, which expired in August 2012, was not renewed.

The retail section including the “Henry” brand reported substantially increased sales figures. In the 2012/2013 business year, DO & CO launched two more “Henry” shops in Vienna: DO & CO has been operating a “Henry” shop at the Vienna Airport Check-in 3 terminal since June 2012 and another one at “The Mall” in central Vienna since November 2012. The concept of healthy and freshly-made to-go products from the DO & CO gourmet kitchen was eagerly received by customers.

At Bodrum Airport in Turkey, DO & CO took up further opportunities for expansion in the 2012/2013 business year. As from May 2012, DO & CO handled the entire airport gastronomy for the new international terminal. There, DO & CO operates two “Henry” shops, several other outlets and a restaurant for airport staff.

The DO & CO restaurants did equally well in the 2012/2013 business year. An excellent performance was reported by the DO & CO’s flagship restaurant at Stephansplatz, as well as by the DO & CO hotel at the same location.

The Demel cafés also showed a satisfactory development in this business year. In June 2012, another Demel Café was opened at the Check-in 3 terminal at Vienna Airport.

In July 2012, DO & CO assumed control of the staff restaurant of the Presidency Office in Ankara, to ensure that both its staff and presidential guests would receive the best possible culinary treatment.

Activities at the restaurants of BMW Welt in Munich and at the British Museum in London were terminated. Furthermore, it was decided to cease operations at the Café Glockenspiel in Salzburg.

Strategy pursued by DO & CO

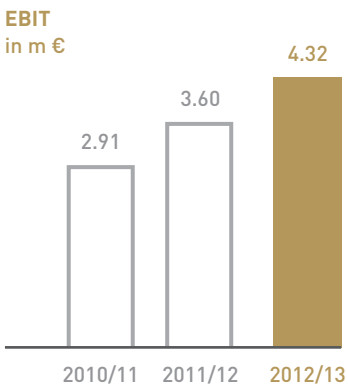
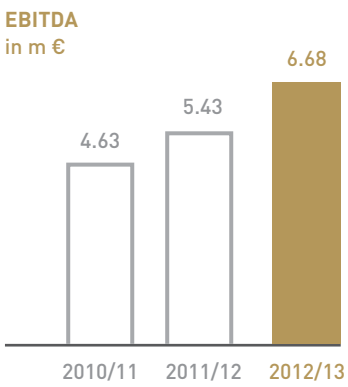
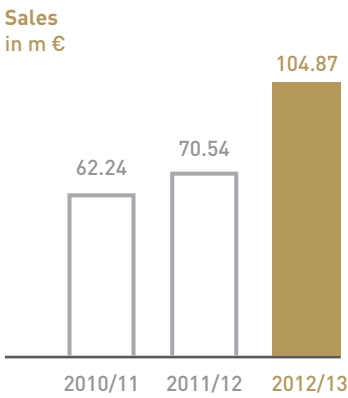
- Creative core of the DO & CO Group
- Marketing tool and image projector of the Group, together with brand development

Outlook on the 2013/2014 business year

- Expansion of the new “Henry – the art of living” retail brand
- Hotel in Istanbul at the Bosphorus: construction works to be continued, opening scheduled for 2014
- New Turkish Airlines lounges at the Istanbul and Moscow airports

Competitive edge for DO & CO

- Innovation with due regard to global markets
- Strong brand that guarantees supreme quality
- Wide spectrum within the division: restaurants, Demel Cafés, lounges, hotel, retail, railway catering
- Unique locations: Stephansplatz, Kohlmarkt, Albertina, Michaelerplatz, Neuer Markt



13. DO & CO Stock / Investor Relations / Information Pursuant to Section 243a UGB

Stock market overview

Following substantial gains over the first quarter of the 2012 calendar year, stock markets suffered a setback in late March 2012, depressed by the uncertainties surrounding the European sovereign debt crisis. Nevertheless, the stock markets managed to halt their slide and recover in early June 2012 thanks to business profits that were much better than expected.

A drawn-out downward drift from late October 2012 was then followed by a revival, due to progress made in the negotiations for a budget in the US, the hope of a sustained improvement in the Greek budget situation and a feeling that share prices offered good value. The recovery was maintained from mid-November 2012 to the end of the calendar year.

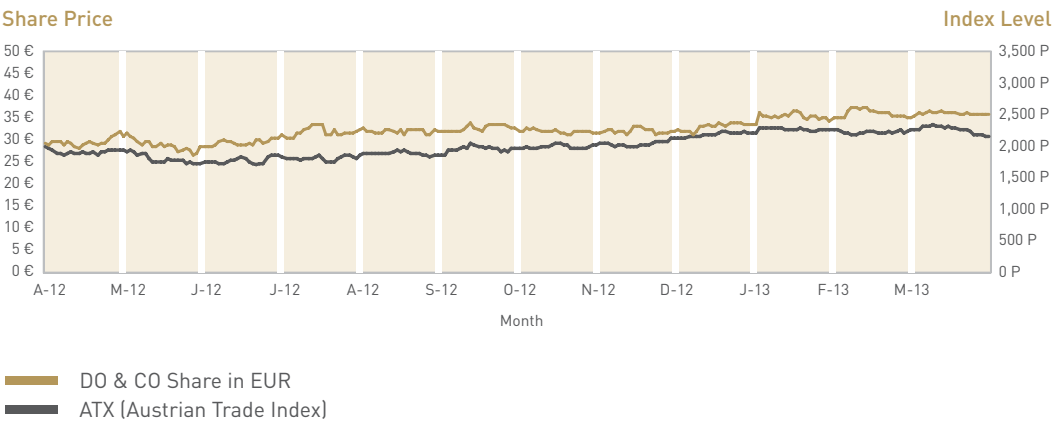
During the reporting period, the ATX rose from 2,159.06 points on 30 March 2012 to 2,352.01 points on 28 March 2013, an increase of 8.9%. The Istanbul Stock Exchange showed vigorous life during the 2012/2013 business year. The Turkish BIST 100 index increased by 37.6%, closing at 85,898.99 points.

DO & CO shares

DO & CO shares put in an excellent performance on the stock exchanges of both Vienna and Istanbul.

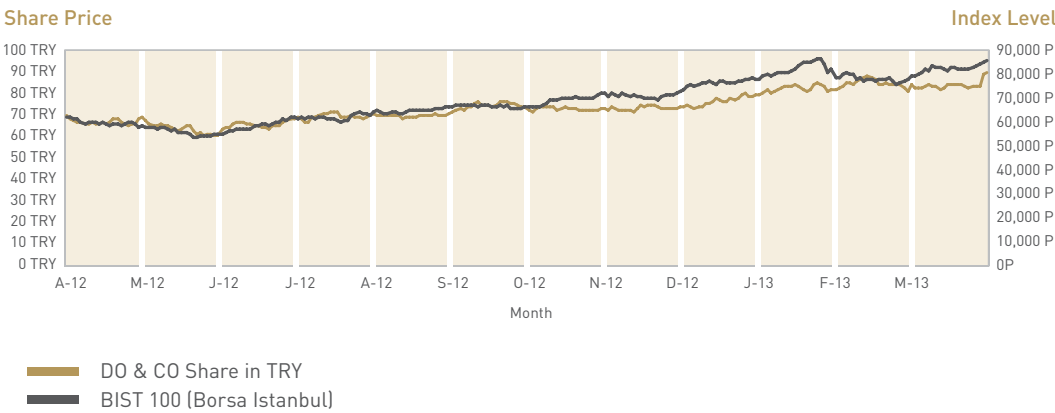
On the Vienna Stock Exchange, DO & CO shares rose by 22.4%, closing at € 35.71 on 28 March 2013.

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



On the Istanbul Stock Exchange, DO & CO shares rose by 34.8%, closing at TRY 93.00 on 29 March 2013.

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



Trading volume

In 2012/2013, the average daily trading volume for DO & CO shares on the Istanbul Stock Exchange was TRY 900.54 thousand, a figure that once again clearly exceeded that on the Vienna Stock Exchange where the average trading volume for the DO & CO shares was EUR 108.25 thousand in the 2012/2013 business year.

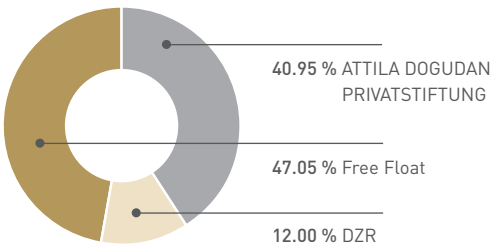
Share indices		Business Year 2012/2013	Business Year 2011/2012	Business Year 2010/2011
High ¹	€	37.50	35.30	33.45
Low ¹	€	26.55	23.50	15.00
Price at the end of the period ¹	€	35.71	29.18	30.15
Weighted number of shares ²	TPie	9,744	9,744	8,350
Number of shares at the end of the period	TPie	9,744	9,744	9,744
Market capitalization at the end of the period	m €	347.91	284.33	293.78

¹ Closing price

² Adjusted by own shares held

Shareholders’ structure of DO & CO Aktiengesellschaft

As of 31 March 2013, almost half of the shares (47.05%) were in the free float. The private foundation ATTILA DOGUDAN PRIVATSTIFTUNG held a stake of 40.95% as of the balance sheet day. DZR Immobilien und Beteiligungs GmbH (an indirectly wholly-owned subsidiary of RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung) held a stake of 12.00%.



Information on the DO & CO shares

ISIN	AT0000818802
Reuters Code	DOCO.VI, DOCO.IS
Bloomberg Code	DOC AV, DOCO.TI
Indices	ATX Prime, BIST100
WKN	081880
Listed at	Vienna, Istanbul
Currencies	EUR, TRY

Financial calendar

4 July 2013	General Meeting of Shareholders
8 July 2013	Ex dividend date
22 July 2013	Dividend payment date
14 August 2013	Results for the first quarter of 2013/2014
14 November 2013	Results for the first half year of 2013/2014
13 February 2014	Results for the first three quarters of 2013/2014

Investor Relations

In the 2012/2013 business year, the management of DO & CO Aktiengesellschaft held talks with many institutional investors and financial analysts, mostly in the course of investor conferences and road shows. These talks took place in Istanbul, London, Frankfurt, New York, Warsaw, Zurich and Vienna. Moreover, telephone conference calls were held in regular intervals, chiefly at the end of each quarter, with analysts and investors.

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

- Erste Bank
- Wood & Company
- Renaissance Capital
- İş Investment
- Eczacıbaşı Securities
- Finansinvest
- Kepler Capital Markets
- BGC Partners
- Global

Analysts on average have an upside target of EUR 42.41 (status: 30 April 2013).

All published materials and information on DO & CO stock are posted under Investor Relations on the DO & CO homepage at www.doco.com.

For more information please contact:
Investor Relations
Email: investor.relations@doco.com

Notes in Accordance with § 243a Austrian Commercial Enterprise Code (UGB)

1. The share capital totals € 19,488,000.00 and is divided into 9,744,000 individual bearer shares. Only shares of this class are issued.
2. The Management Board knows of no limitations to the voting rights or to the transfer of DO & CO shares, even for those contained in agreements between shareholders.
3. Two shareholders hold more than 10% of the share capital at the reporting date, namely Attila Dogudan Privatstiftung with a stake of 40.95% and DZR Immobilien und Beteiligungs GmbH with a stake of 12.00%.
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.
6. The company has no provisions on naming and dismissing members of the Management Board that are not derived directly from the pertinent law on this matter. The General Meeting is entitled to remove a member of the Supervisory Board with a simple majority of the votes cast (instead of the statutory majority of 75%). 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, authorized capital or an ordinary or simplified capital reduction.
7. The Management Board is authorized until 30 June 2017:
 - a) subject to the Supervisory Board’s consent, to increase the share capital from, at present, € 19,488,000.00 by up to a further € 9,744,000.00 through the issuance of up to 4,872,000 shares in the form of new ordinary bearer shares in exchange for cash contributions and/or contributions in kind, if required in several tranches, and to specify the details of this capital increase by agreement with the Supervisory Board;
 - b) subject to the Supervisory Board’s consent, to exclude the subscription rights of shareholders:
 - (i) if and when the capital is increased against contributions in kind, or
 - (ii) in order to exclude residual amounts from the shareholders’ subscription rights, or
 - (iii) in order to service a greenshoe option granted to issuing banks.The share capital of the Company is increased pursuant to Section 159 (2) 1 Austrian Corporation Act by up to € 7,795,200.00 through the issuance of up to 3,897,600 new no-par bearer shares for issuing to creditors of financial instruments as described in the resolution of the General Meeting of 10 July 2008. 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.
8. Agreements have been made with service providers 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.

14. Outlook

The Airline Catering division will continue to concentrate its sales activities at DO & CO locations on expanding business with its customer stock as much as on acquiring new customers.

In Turkey, Turkish Airlines is set on extending the “Flying Chefs” concept to long-distance flights and international short-haul flights over the coming months.

DO & CO intends to continue its integration of new acquisitions. After the purchase of Kyiv Catering LLC in the first quarter of the 2012/2013 business year, DO & CO Poland Sp. z o.o. became a Group company in December 2012.

At the start of the 2013/2014 business year, efforts were begun to design cost-cutting measures as requested by Austrian Airlines and NIKI. These measures are expected to be implemented in the longer run.

The International Event Catering division has several major international events scheduled. In the first quarter of the 2013/2014 business year, DO & CO will furnish culinary delights to VIP guests at the ATP Masters in Madrid and the Champions League final in London. The schedule for the next months also includes the prestigious CHIO equestrian festival in Aachen, the Chelsea Flower Show in London and the beach volleyball tournament at the Wörthersee. Spread across the entire business year, DO & CO will organize the exclusive Paddock Club at the Formula 1 grands prix for the 22nd season.

At the Restaurants, Lounges & Hotel division, the focus will continue to be on the retail and the new railway catering.

After taking over the catering for the Austrian Federal Railways on 1 April 2012 and completing its integration in the DO & CO Group, the division will over the next months concentrate on further improving the quality of the service.

Having opened a second “Henry” shop at the new shopping mall in central Vienna, the Retail segment is planning new shops in Vienna while evaluating possible locations outside Austria.

Works in Istanbul involving the construction of a hotel and restaurant directly adjacent to the Bosphorus are being intensified and building work is pushing forward. The hotel opening is envisaged for 2014.

The Lounges segment has good news to report from several of its locations. A crew lounge was opened at Istanbul Airport in early April 2013, for the use of pilots and flight attendants of Turkish Airlines, and work is being continued on another business class lounge to be operated by Turkish Airlines on more than 7,000 m² of floor space. Moreover, a lounge run by Turkish Airlines at Vnukovo Airport in Moscow is planned to open in the summer of 2013.

The same as in past quarters, DO & CO is evaluating targets for acquisition in a number of airline catering, restaurants and retail markets.

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

CORPORATE GOVERNANCE REPORT

1. Commitment to the Code of Corporate Governance

The Austrian Code of Corporate Governance is a set of regulations for responsible corporate governance and management of stock corporations in Austria 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 not only the legal requirements (“L Rules”), but also all comply-or-explain requirements (“C Rules”).

DO & CO’s management objective is to increase the value of the Company on a sustainable, long-term basis. DO & CO adheres to strict principles of 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 which engenders trust and enables the company to achieve lasting gains in value.

DO & CO has appointed an independent external institution to conduct regular and voluntary evaluations of its compliance with the Austrian Code of Corporate Governance since the 2007/2008 business year in accordance with Rule 62 of this Code. The evaluation for the 2012/2013 business year was performed by Ullrich Saurer, lawyer in Graz. The report on this external evaluation can be downloaded on DO & CO’s website.

2. The Management Board

Members

Attila DOGUDAN

Chairman, born in 1959
First appointed to the Board on 3 June 1997
End of the current term of office: 31 July 2015
Holds no other memberships in supervisory boards or comparable positions

Haig ASENBAUER

Member of the Board, born in 1967
First appointed to the Board on 16 July 2012
End of the current term of office: 31 July 2015
Member of supervisory boards or similar offices in third-party companies:
– Member of the supervisory board of MOUVI Holding AG

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 2015
Member of supervisory boards or similar offices in third-party companies:
– Member of the administrative board of HESUS FX Trading AG

Klaus PETERMANN

Member of the Board; born in 1966
First appointed to the Board on 16 July 2012
End of the current term of office: 31 July 2015
Member of supervisory boards or similar offices in third-party companies:
– Member of the administrative board of Indivis S.A., Luxembourg
– Member of the administrative board of Libidama International S.A. SPF, Luxembourg
– Member of the administrative board of Immobilière Kockelscheurer S.A., Luxembourg

Working method of the Management Board

Business responsibilities and powers are laid down in the Articles of Association and the Internal Rules of Procedure, as is the nature of collaboration within the Management Board.

The chairman 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 the chairman and each other on all important business events that occur in their assigned area of business. Chairman Attila Dogudan controls the strategy and organization of the company, its central units, staff and purchasing, and takes the lead in all operative business.

Haig Asenbauer is in charge of M&A, legal affairs, IT and regional business in Ukraine and Poland, and takes the lead in growth, development of the company’s retail business and airport gastronomy, with a view to supporting the Chairman in developing the Group’s strategy and organization. Gottfried Neumeister handles all production locations in Austria and abroad, airline catering distribution and rail catering, and is to support the Chairman in developing the Group’s strategy and organization.

Klaus Petermann is accountable for finances, controlling and investor relations, and is also charged with supporting the Chairman in developing the Group’s strategy and organization. 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.

3. The Supervisory Board

Members

Waldemar JUD

Chairman, independent, born in 1943
Appointed until the 16th Ordinary General Meeting of Shareholders (2014), first appointed on 20 March 1997
Other supervisory board positions in listed companies:

- Deputy chairman of the Supervisory Board of Ottakringer Getränke AG, Vienna
- Member of the supervisory board of Bank für Tirol und Vorarlberg Aktiengesellschaft
- Member of the supervisory board of BKS Bank AG
- Member of the supervisory board of CA Immobilien Anlagen Aktiengesellschaft
- Member of the supervisory board of Oberbank AG

Werner SPORN

Deputy Chairman, independent, born in 1935
Representative of stockholders holding shares in free float
Appointed until the 16th Ordinary General Meeting of Shareholders (2014), first appointed on 20 March 1997
No further seats on supervisory boards of listed companies

Georg THURN-VRINTS

Member, independent, born in 1956
Appointed until the 16th Ordinary General Meeting of Shareholders (2014), first appointed on 20 March 1997
No further seats on supervisory boards of listed companies

Christian KONRAD

Member, independent, born in 1943
Appointed until the 16th Ordinary General Meeting of Shareholders (2014), first appointed on 10 July 2002
Other supervisory board positions in listed companies:

- Chairman of the supervisory board of AGRANA Beteiligungs-Aktiengesellschaft, Vienna
- Deputy Chairman of the supervisory board of BAYWA AG, Munich
- Deputy Chairman of the supervisory board of Südzucker AG Mannheim/Ochsenfurt Mannheim

Working method of the Supervisory Board

The actions of the Supervisory Board have their legal basis in the Austrian Stock Corporation Act (AktG), the Articles of Association, the Internal Rules of Procedure for the Supervisory Board and the Austrian Code of Corporate Governance, to which the Supervisory Board has expressly committed itself.

In the 2012/2013 business year, the Supervisory Board performed all the responsibilities accrued to it under the law and Articles of Association within the scope of four meetings and three resolutions adopted by a circulation procedure. Its discussions focused on consulting on the strategic direction to be taken by the Company and the acquisition of investments, expansion of the distribution network and development of new business fields, including in particular expansion in New York, accrual of “Henry” branches, launching of the ÖBB train catering, acquisition of LOT Catering in Poland, and the additions to the Management Board. The chairmen of the Supervisory Board and Management Board met regularly to consult on key issues of the Company’s growth.

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 at third-party conditions (see also the report on remuneration). Adhering to Rules 39, 53, 54 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 as 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 likely to influence the behaviour of the member.

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 shall not maintain or did not maintain in the past year any business relations with the Company or any of its subsidiaries to an extent of significance for the member of the Supervisory Board. 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. In the past three years, the Supervisory Board member shall not have acted as an auditor of the Company or stakeholder or employee of the company auditing DO & CO.

4. The Supervisory Board member shall not be 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 shall not be closely related (direct descendant, spouse, domestic partner, parent, uncle, aunt, sibling, niece, nephew) to a Management Board member and to any person who holds 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 working methods of the Committees

AUDIT COMMITTEE:
Waldemar JUD: Chairman
Werner SPORN: Deputy Chairman
Georg THURN-VRINTS: Member
Christian KONRAD: Member

The Audit Committee’s brief includes supervising the accounting process, monitoring the effectivity of the Company’s internal system of controls and risk management system, supervising the audit of the Company’s (Group’s) annual accounts, investigating and monitoring the auditor’s (group auditor’s) independence, especially with regard to additional services rendered for the audited company, checking the annual financial statements and preparing their approval, considering the proposal for profit distribution, annual report and corporate governance report, and reporting the audit findings to the Supervisory Board, examining the consolidated financial statements and consolidated annual report, submitting the report on the audit findings to the Supervisory Board, and preparing a proposal by the Supervisory Board for appointing the (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 Chairman of the Supervisory Board also serves as Deputy Chairman of the Audit Committee.

In the 2012/2013 business year, the Audit Committee met twice with the auditor present and exchanged information with the auditor also in the absence of the Management Board. During these meetings, it concentrated on discussing the Management Letter on the (Group) audit of 2011/2012, measures of the internal controlling system and the performance of risk management, as well as implementation of an internal audit and other audit activities to be performed under Paragraph 4a of Section 92 Austrian Stock Corporation Act.

EXECUTIVE COMMITTEE:
Waldemar JUD: Chairman
Werner SPORN: Deputy Chairman

The Executive Committee comprises the Chairman and the Deputy Chairman.

The Executive Committee is also responsible for the functions of the nominating committee, the remuneration committee and the committee authorised to make decisions in urgent cases.

In its capacity of nominating committee, the Executive Committee submits proposals to the Supervisory Board for filling vacant seats on the Management Board and deals with issues of succession planning.

In its capacity of nominating committee, the Executive Committee met once, discussing the appointment of (new) Management Board members and new rules of internal procedure for the Management Board, especially with regard to the new Group structure and an expansion of its business activities as envisaged and implemented.

In its capacity of remuneration committee, the Executive Committee discusses matters concerning relationships to the Company and members of the Management Board, remuneration of members of the Management Board and the content of employment contracts with members of the Management Board.

In its capacity of remuneration committee, the Executive Committee met once, reviewing the Company’s remuneration policy and deliberating on the granting of variable salary components to members of the Management Board on the basis of contractually agreed parameters.

In its capacity of committee authorized to make decisions in urgent cases, the Executive Committee is charged with taking decisions on matters that require its consent.

4. Remuneration Report

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

Remuneration of the Management Board

The total compensation is divided into fixed and performance-linked components. The fixed component is geared to the tasks and areas of responsibility of the members. Another main element of Management Board compensation is a variable component similarly based on their scope of tasks and responsibilities and on the Company's performance. This performance-linked component is geared to measurable performance criteria and capped by amounts or percentages of the fixed components to make up not more than 100% of the fixed pay. In the 2012/2013 business year, DO & CO had its group structure comprehensively reorganized. As a result of this reorganization, the Management Board was enlarged from two to four members and their responsibilities and briefs were reassigned. Consequently, the criteria for the variable elements in the remuneration of Management Board members have not yet been finally decided on, but, under their contractual provisions, need to comply with Rule 27 of the Austrian Corporate Governance Codex ÖCGK.

The fixed remuneration for the Board members was € 1,536,462 for the 2012/2013 business year, of which Attila Dogudan received € 500,245 including in-kind elements and € 27,303 for acting as the deputy chairman of the administrative board and CEO of THY DO & CO İkrām Hizmetleri A.Ş.; Haig Asenbauer (pro rata since 16 July 2012) received € 347,527 and € 19,682 for his work as a member of the administrative board of THY DO & CO İkrām Hizmetleri A.Ş.; Klaus Petermann (pro rata since 16 July 2012) received € 268,635 and € 19,682 for his work as a member of the administrative board of THY DO & CO İkrām Hizmetleri A.Ş.; and Gottfried Neumeister (pro rata since 16 July 2012) received € 268,635. Michael Dobersberger, who left the Management Board on 16 July 2012, received € 84,751 (pro rata until 16 July 2012).

The variable salary elements for the 2011/2012 business year were calculated on the basis of the EBIT margin, as specified in the management board contracts, amounting to altogether € 406,000, of which Attila Dogudan received € 280,000 and Michael Dobersberger was paid € 126,000. In addition, a special bonus for the 2011/2012 business year amounting to € 84,000 was paid to Michael Dobersberger in his capacity of member of the Management Board.

Currently, no arrangements have yet been made regarding any company pension scheme 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 Management Board members include compensation of three monthly salaries if they are terminated early for reasons other than good cause. No such claim is due in the event that a contract is terminated before expiry for a cause within the control of the Management Board member. There are no further claims in the event that a member of the Management Board resigns. Furthermore, no arrangements have so far been made in the event of a change of control.

Remuneration of the Supervisory Board

The remuneration scheme for the Supervisory Board provides that the Chairman's remuneration is 60% more than that of a member of the Supervisory Board and that the Deputy Chairman's remuneration is 40% higher than that of a member of the Supervisory Board. In accordance with a resolution of the General Meeting of Shareholders of 5 July 2012 applying to the 2011/2012 business year, a remuneration totaling TEUR 55 (PY: TEUR 55) was paid to the Supervisory Board members, of which TEUR 17.5 were paid to the Chairman, TEUR 15.5 to the Deputy Chairman and TEUR 11 each to the members of the Supervisory Board.

Firms in which Supervisory Board members Waldemar JUD and Werner SPORN have a significant economic interest charged professional fees of TEUR 1,058 in the 2012/2013 business year for legal counsel given outside their officer's function.

In addition, DO & CO Aktiengesellschaft has effected a prevailing directors and officers insurance (D&O insurance) for the benefit of the Company's officers. The respective cost have been beared by the company.

5. 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 post-ing 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, 17 May 2013

The Management Board:



Attila DOGUDAN
Chairman of the Management Board



Klaus PETERMANN
Member of the Management Board



Gottfried NEUMEISTER
Member of the Management Board



Haig ASENBAUER
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 and information from the Management Board, the Supervisory Board monitored the management and deliberated thoroughly on business occurrences of special significance in open discussions.

The Supervisory Board performed its duties under the law and the Articles of Association in four meetings in the 2012/2013 business year. These meetings focused on deliberations regarding the Company’s basic strategy, acquisition of stakes, extension of the distribution network and the establishment of new business fields, in particular expansion in New York, expansion of the “Henry” shops, start-up of train catering at the Austrian Federal Railways, acquisition of LOT Catering in Poland, and an enlargement of the Management Board. Beyond that, the chairmen of the Supervisory Board and the Management Board regularly consulted on material issues of the Company’s development.

At its meeting on 27 May 2013, the Audit Committee examined the financial statements of DO & CO Aktiengesellschaft and the preparation of its approval, the proposal for the appropriation of profit, the Management Report, the Corporate Governance Report, the consolidated financial statements and the Group Management Report. Further it suggested selecting PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as auditor of the financial statements for the Company and the Group for 2013/2014.

The Audit Committee met twice in the 2012/2013 business year and also monitored the accounting process, the implementation of steps to optimize the internal control system as well as the functionality of the risk management system and the internal audit system. The Executive Committee met once in its capacity as remuneration committee, reviewing the Company’s remuneration policy and, in this context, considering the granting of variable salary components to members of the Management Board on the basis of contractually agreed parameters. In its capacity as nominating committee, the Executive Committee met once, discussing the appointment of (new) members of the Management Board and new internal rules of procedure for the Management Board, especially with a view to the new Group structure and the Company’s envisaged and implemented expansion of business activities.

The annual financial statements plus notes of DO & CO Aktiengesellschaft as of 31 March 2013 along with the Management Report were prepared in accordance with Austrian accounting regulations and audited by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH, which issued an unqualified opinion on these documents. The Supervisory Board concurred with the Management Board in the latter’s report on the audit findings and approved the financial statements for 2012/2013. They are thus adopted in accordance with § 96 (4) of the Austrian Stock Corporation Act (AktG).

The consolidated financial statements as of 31 March 2013 plus notes were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and were audited, along with the Group Management Report, by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH. 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 2013 and the results of its operations and its cash flows for the business year 2012/2013 in conformity with the International Financial Reporting Standards (IFRS) adopted by the EU. The Supervisory Board concurred with the findings of the audit.

Furthermore, the Supervisory Board examined the proposal of the Management Board on the appropriation of profit of DO & CO Aktiengesellschaft. A proposal will be made to the General Meeting of Shareholders on 4 July 2013 to distribute the entire net profit of € 4,872,000.00 for a dividend payout of € 0.50 per share entitled to a dividend.

The compliance review within the scope of the Corporate Governance Report as provided in Section 243b UGB (Austrian Commercial Code) as well as the evaluation of adherence to the rules of the Austrian Corporate Governance Code (ÖCGK) by DO & CO Aktiengesellschaft during the 2012/2013 business year was carried out by Ullrich Saurer, lawyer in Graz, and confirmed that DO & CO has complied with the ÖCGK rules in its 2012/2013 business year.

The Supervisory Board proposes to appoint PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as auditor of the (annual and Group) financial statements for the 2013/2014 business year.

The Supervisory Board wishes to thank the Company’s management and staff members for their dedicated work in a still very challenging economic environment.

Vienna, 27 May 2013

Waldemar Jud
Chairman of the Supervisory Board

Glossary of Key Figures

- EBITDA margin**
Ratio of EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) to sales
- EBIT margin**
Ratio of EBIT (Earnings before Interest and Taxes) to sales
- Equity ratio**
Shows the relationship of equity capital, adjusted by dividend payments and book values for goodwill, to total capital
- Net debts**
Financial liabilities less cash and cash equivalents and marketable securities listed under current assets
- Gearing ratio**
Financial management expressed as the ratio of net debts to equity (adjusted by dividend payments and book values for goodwill)
- Working capital**
The surplus of current assets above and beyond short-term borrowed capital
- Free cash flow**
Cash flow from operating activities plus cash flow from investing activities
- ROS – Return on sales**
Return on sales, i.e. the ratio of the result on ordinary activities to sales
- ROE – Return on equity**
The ratio of taxed earnings (before minorities and amortization of goodwill) to average equity after dividend distribution and deduction of the book values of goodwill

CONSOLIDATED FINANCIAL STATEMENTS 2012|2013



Consolidated Financial Statements for 2012/2013

of the DO & CO Aktiengesellschaft in accordance with IFRS

1. Consolidated Balance Sheet as of 31 March 2013

Note	ASSETS	in TEUR	31 March 2013	31 March 2012
	Intangible assets		15,548	14,685
	Property, plant and equipment		123,188	67,468
	Investment Property		3,600	0
	Investments accounted for using the equity method		1,878	1,668
	Other financial assets		229	214
(1)	Fixed assets		144,442	84,034
(2)	Effective income tax receivables		5,362	3,289
(2)	Other assets		1,338	1,230
(3)	Deferred tax assets		5,393	2,963
	Non-current assets		156,536	91,516
(4)	Inventories		18,322	11,465
(5)	Trade accounts receivable		56,024	44,800
(5)	Effective income tax receivables		3,869	2,562
(5)	Other assets		44,321	53,192
(6)	Cash and cash equivalents		73,183	85,041
	Current assets		195,719	197,060
	Total Assets		352,255	288,576

Note	SHAREHOLDERS' EQUITY AND LIABILITIES	in TEUR	31 March 2013	31 March 2012
	Nominal capital		19,488	19,488
	Capital reserves		70,602	70,602
	Retained earnings		58,748	43,805
	Other comprehensive income		-8,924	-7,335
	Special item		2,424	0
	Consolidated result		22,807	19,328
	Equity attributable to the shareholders of DO & CO Aktiengesellschaft		165,146	145,888
	Minority interests		30,185	24,191
(7)	Shareholders' Equity		195,331	170,079
(8)	Other provisions		42	45
(8)	Personnel provisions		22,160	17,592
(3)	Deferred tax liabilities		2,631	574
(9)	Financial liabilities		16,410	0
	Non-current provisions and liabilities		41,244	18,210
(10)	Other provisions		57,874	48,542
(11)	Trade accounts payable		41,731	33,882
(11)	Other liabilities		16,076	17,863
	Current provisions and liabilities		115,681	100,286
	Total shareholders' equity and liabilities		352,255	288,576

2. Consolidated Income Statement

for the 2012/2013 business year

Note	in TEUR	Business Year 2012/2013	Business Year 2011/2012
(12)	Sales	576,191	466,355
(13)	Other operating income	16,597	12,108
(14)	Cost of materials and cost of purchased services	-240,314	-193,660
(15)	Personnel expenses	-190,708	-149,454
(16)	Depreciation of tangible fixed assets and amortization of intangible fixed assets	-17,114	-16,087
(16)	Impairment of tangible and intangible fixed assets	-19	-3,038
(17)	Other operating expenses	-103,325	-83,827
	EBIT - Operating result	41,309	32,397
(18)	Result of equity investments accounted for using the equity method	225	186
(18)	Interest income	2,571	3,067
(18)	Interest expenses	-1,847	-68
	Profit before taxes	42,259	35,582
(19)	Income tax	-10,725	-9,098
	Profit after taxes	31,534	26,484
(20)	Minority interests	-8,726	-7,156
	Net profit attributable to shareholders of DO & CO Aktiengesellschaft	22,807	19,328

Key Figures per share

Note	Business Year 2012/2013	Business Year 2011/2012
	Issued shares (in Pie)	9,744,000
(21)	Earnings per share (in EUR)	1.98

3. Consolidated Statement of other Comprehensive Income

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Profit after taxes	31,534	26,484
Differences of Currency translation	-55	-2,885
Effect of Net Investment Approach	724	1,298
Revaluation IAS 19	-2,401	0
Income Tax of other comprehensive income and expense	341	-350
Other comprehensive income after taxes	-1,391	-1,937
Total comprehensive income for the period	30,142	24,547
Attributable to minority interests	8,924	5,627
Attributable to shareholders of DO & CO Aktiengesellschaft	21,218	18,920

4. Consolidated Statement of Cash Flows

For explanations see Note [23]

in TEUR		Business Year 2012/2013	Business Year 2011/2012
	Profit before taxes	42,259	35,582
+	Depreciation / amortization and impairment	17,133	19,584
-/+	Gains / losses from disposals of fixed assets	-301	121
+/-	Earnings from associated companies	-225	-36
-/+	Other non cash income/expense	-137	412
	Cash flow from result	58,729	55,662
-/+	Increase / decrease in inventories and other current assets	-17,735	-14,471
+/-	Increase / decrease in provisions	4,637	4,528
+/-	Increase / decrease in trade accounts payable and other liabilities	536	11,051
-	Income tax payments	-10,132	-11,097
	Cash flow from operating activities	36,034	45,672
+/-	Income from disposals of tangible and intangible fixed assets	429	325
+/-	Changes in cash and cash equivalents arising from changes to the scope of consolidation	4,686	0
-	Additions to tangible and intangible fixed assets	-35,403	-22,648
-	Additions to long-term investments and other current assets	-17	-40,146
-/+	Increase / decrease in long-term receivables	-109	-79
	Cash flow from investing activities	-30,414	-62,548
-	Dividend payment to shareholders	-4,385	-3,410
-	Dividend payment to minority shareholder	-3,257	-2,101
+/-	Increase / decrease in financial liabilities	-10,196	0
	Cash flow from financing activities	-17,837	-5,512
	Total cash flow	-12,217	-22,388
	Cash and cash equivalents at the beginning of the year	85,041	109,312
	Effects of exchange rate changes on cash and cash equivalents	359	-1,884
	Cash and cash equivalents at the end of the year	73,183	85,041
	Change in funds	-12,217	-22,388

5. Consolidated Statement of Changes in Shareholders' Equity

THE IMPUTABLE SHARE TO SHAREHOLDERS OF THE DO & CO AKTIENGESELLSCHAFT											
in TEUR	Nominal capital	Capital reserves	Retained earnings	Con-solidated Result	Other comprehensive income				Total	Minority interests	Share-holders' Equity
					Currency translation differences	Effect of Net Investment Approach	Reva-lution IAS 19	Special Item Minority			
As of 1 April 2011	19,488	70,602	31,787	15,428	-53	-6,874	0	0	130,378	20,665	151,044
Dividend payment 2010/2011			-3,410						-3,410	-2,101	-5,512
Profit carried forward 2010/2011			15,428	-15,428					0		
Total result				19,328	-1,356	948			18,920	5,627	24,547
As of 31 March 2012	19,488	70,602	43,805	19,328	-1,409	-5,926	0	0	145,888	24,191	170,079
As of 1 April 2012	19,488	70,602	43,805	19,328	-1,409	-5,926	0	0	145,888	24,191	170,079
Additions to minority interests									0	3,780	3,780
Dividend payment 2011/2012			-4,385						-4,385	-3,257	-7,642
Profit carried forward 2011/2012			19,328	-19,328					0		
Total result				22,807	-426	486	-1,650		21,218	8,924	30,142
Changes in acquisition of minority interests								2,424	2,424	-3,453	-1,029
As of 31 March 2013	19,488	70,602	58,748	22,807	-1,835	-5,440	-1,650	2,424	165,145	30,185	195,331

6. Subsidiaries

of DO & CO Aktiengesellschaft as of 31 March 2013

Company	Place of registration	Country	Share of stock in %	Controlling Company ¹	Currency	Nominal Capital in TDC ²
Companies included in full in the consolidated accounts						
DO & CO Party-Service & Catering GmbH	Vienna	A	100.0	DCAG	EUR	36 ³⁾
DO & CO im Haas Haus Restaurantbetriebs GmbH	Vienna	A	100.0	DCAG	EUR	36 ³⁾
DO & CO Catering-Consult & Beteiligungs GmbH	Vienna	A	100.0	DINV	EUR	36
DO & CO - Salzburg Restaurants & Betriebs GmbH	Salzburg	A	100.0	DCAG	EUR	36 ³⁾
DO & CO - Baden Restaurants & Veranstaltungen GmbH	Baden	A	100.0	DCAG	EUR	36 ³⁾
DO & CO Albertina GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
AIOLI Airline Catering Austria GmbH	Vienna-Airport	A	100.0	DCAG	EUR	36 ³⁾
AIOLI Restaurants & Party-Service GmbH	Vienna	A	100.0	DCAG	EUR	36 ³⁾
K.u.K. Hofzuckerbäcker Ch. Demel's Söhne GmbH	Vienna	A	100.0	DCCC	EUR	799 ⁴⁾
Demel Salzburg Cafe-Restaurant Betriebs GmbH	Salzburg	A	100.0	DCAG	EUR	35 ³⁾
B & B Betriebsrestaurants GmbH	Vienna	A	100.0	DCAG	EUR	36 ³⁾
DO & CO Airport Hospitality GmbH	Vienna	A	100.0	DCCC	EUR	35 ⁴⁾
DO & CO im PLATINUM Restaurantbetriebs GmbH	Vienna	A	90.0	DCCC	EUR	35
DO & CO Airline Catering Austria GmbH	Vienna	A	100.0	DCAG	EUR	150 ³⁾
Sky Gourmet-airline catering and logistics GmbH	Vienna-Airport	A	100.0	DCCC	EUR	800 ⁴⁾
DO & CO (Deutschland) Holding GmbH	Kelsterbach	D	100.0	DINV	EUR	25
DO & CO München GmbH	Schwaig/Oberding	D	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Frankfurt GmbH	Kelsterbach	D	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Berlin GmbH	Berlin	D	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Lounge GmbH	Frankfurt	D	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Italy S.r.l.	Vizzola Ticino	I	100.0	DCAG	EUR	2,900
DO & CO Restauración & Catering España, S.L.	Barcelona	E	100.0	DINV	EUR	3
DO & CO International Catering Ltd.	Feltham	GB	100.0	DINV	EUR	30 ⁶⁾
DO & CO Event & Airline Catering Ltd.	Feltham	GB	100.0	DINV	GBP	0
DO & CO International Investments Ltd.	London	GB	100.0	DCAG	EUR	5,000 ⁶⁾
Total Inflight Solution GmbH	Vienna	A	100.0	DCCC	EUR	35 ⁴⁾
DO & CO Museum Catering Ltd.	Feltham	GB	100.0	DINV	GBP	0
DO & CO Holdings USA, Inc.	Wilmington	USA	100.0	DINV	USD	100
DO & CO Miami Catering, Inc.	Miami	USA	100.0	DHOL	USD	1
DO & CO New York Catering, Inc.	New York	USA	100.0	DHOL	USD	1
DO & CO – Restauração e Catering, Sociedade Unipessoal, Lda	Lissabon	P	100.0	DINV	EUR	5
DOCO Istanbul Catering ve Restaurant Hiz. Tic. ve San. A.S.	Istanbul	TK	100.0	DINV	TRY	750
THY DO & CO Ikram Hizmetleri A.S.	Istanbul	TK	50.0	DIST	TRY	30,000
DO & CO Event Austria GmbH	Vienna	A	100.0	DCAG	EUR	100 ³⁾
DO & CO Catering & Logistics Austria GmbH	Vienna	A	100.0	DCAG	EUR	100 ³⁾
DO & CO International Event AG	Zug	CH	100.0	DINV	CHF	100
DO & CO International Catering & Logistics AG	Zurich	CH	100.0	DINV	CHF	100
Sky Gourmet Slovensko s.r.o.	Bratislava	SK	100.0	DSKY	EUR	63 ⁷⁾
DO & CO Olympiapark München Restaurant GmbH	Munich	D	100.0	DDHO	EUR	25 ⁵⁾
DO & CO Olympiapark München Catering GmbH	Munich	D	100.0	DDHO	EUR	25 ⁵⁾
DEMEL New York Inc.	New York	USA	100.0	DHOL	USD	1
Do & Co Restaurantbetriebsgesellschaft m.b.H.	Vienna	A	100.0	DCAG	EUR	36 ³⁾

Company	Place of registration	Country	Share of stock in %	Controlling Company ¹	Currency	Nominal Capital in TDC ²
Ibrahim Halil Dogudan Gesellschaft m.b.H.	Vienna	A	100.0	DCAG	EUR	36 ³⁾
DO & CO Procurement GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
DO & CO Gourmet Kitchen Cold GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
DO & CO Gourmet Kitchen Hot GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
DO & CO Pastry GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
DO & CO Airline Logistics GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
DO & CO Facility Management GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
DO & CO Special Hospitality Services GmbH	Vienna	A	100.0	DCAG	EUR	35 ³⁾
DO & CO Hospitality Management Poland Sp. z o.o.	Warsaw	PL	100.0	DCCC	PLN	5 ⁹⁾
DO & CO Events Poland Sp. z o.o.	Warsaw	PL	100.0	DCCC	PLN	5 ⁹⁾
DO & CO Ukraine LLC	Kiev	UA	100.0	DCCC	UAH	521 ⁹⁾
Kyiv Catering LLC	Kiev	UA	51.0	DCNL	UAH	1
Henry am Zug GmbH	Vienna	A	100.0	DCCC	EUR	35 ⁴⁾
DO & CO Netherlands Holding B.V.	The Hague	NL	51.0	DINV	EUR	20
Henry am Zug Hungary Kft.	Budapest	HU	100.0	DRCH	EUR	2 ¹⁰⁾
DO & CO Poland Sp. z o.o.	Warsaw	PL	100.0	DCAG	PLN	20,095
Lotniczy Catering Service Sp. z o.o.	Katowice	PL	51.0	DPOL	PLN	1,928

Companies included at equity in the consolidated accounts

Sky Gourmet Malta Ltd.	Fgura	MT	40.0	DSKY	EUR	1 ⁸⁾
Sky Gourmet Malta Inflight Services Ltd.	Fgura	MT	40.0	DSKY	EUR	1 ⁸⁾
ISS Ground Services GmbH	Vienna	A	49.0	DTIS	EUR	218
Fortnum & Mason Events Ltd.	London	GB	50.0	DLHR	GBP	0

- 1) DCAG = DO & CO Aktiengesellschaft
DCCC = DO & CO Catering-Consult & Beteiligungs GmbH
DHOL = DO & CO Holdings USA, Inc.
DINV = DO & CO International Investments Ltd.
DDHO = DO & CO (Deutschland) Holding GmbH
DSKY = Sky Gourmet - airline catering and logistics GmbH
DIST = DOCO Istanbul Catering ve Restaurant Hiz. Tic. ve San A.S.
DTIS = Total Inflight Solution GmbH
DLHR = DO & CO Event & Airline Catering Ltd.
DCNL = DO & CO Netherlands Holding B.V.
DRCH = Henry am Zug GmbH
DPOL = DO & CO Poland Sp.z.o.o.

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) 1% is held by DO & CO Event Austria GmbH.
10) The nominal capital was initially paid in HUF.

DO & CO Aktiengesellschaft, Vienna

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2012/2013

1. General Information

DO & CO Aktiengesellschaft is an international catering group with headquarters in 1010 Vienna, Stephansplatz 12, Austria. It conducts business in three segments: Airline Catering, International Event Catering, and Restaurants, Lounges & Hotel.

The annual and (interim) financial statements of the fully consolidated domestic and foreign companies, to the extent that they have not been subject to auditing under national regulations or are immaterial to providing a true and fair view of the Group’s financial position and financial performance, were audited by independent auditors who issued unqualified opinions on them in each case.

The consolidated financial statements for 2012/2013 were examined and approved by the Supervisory Board of DO & CO Aktiengesellschaft in its meeting of 27 May 2013 and thus have been released for publication.

2. Accounting Principles

2.1 Regulations, Methods and Estimates Used

The consolidated financial statements of DO & CO Aktiengesellschaft (DO & CO) for the 2012/2013 financial year were prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations by the International Financial Reporting Interpretations Committee (IFRIC) as applicable at the end of the reporting period (31 March 2013) in the European Union (EU), as well as the regulations of the Austrian Commercial Code (UGB).

Unless otherwise stated, the figures in the consolidated financial statements are given in euro thousand (€’000). Both individual items and sums represent the smallest rounding difference. When individual items are added, it is therefore possible to get slight differences to the sums shown. The annual financial statements of the subsidiaries included in the consolidated financial statements were prepared along similar accounting principles which were the same as those applied in the previous financial year, with the following exceptions:

- Due to the early adoption of IAS 19R, the measurement of Pensions, Termination Benefits and Anniversary Bonus Payments obligations had to be adjusted; for details see Section 4.1 (8).
- Contrary to the previous years’ practice and starting with the current financial year, DO & CO recognises the expense arising from interest accrued on expected Pensions, Termination Benefits and Anniversary Bonus Payments obligations under interest expenses.

The consolidated financial statements are basically prepared under the historical cost convention, with the exception of those items that are shown at their fair value, including specifically financial assets held for trading or available for sale.

To a certain extent, consolidated financial statements require that estimates and assumptions be made that may significantly affect the recognised assets and liabilities, the disclosure of obligations not reported as liabilities, and the disclosure of income and expenses in the income statement/ other comprehensive income. The amounts actually realised in the future may differ from these estimates.

The main accounting uncertainties relate to the determination of the useful life of depreciable long-term assets (in particular customer contracts and tangible fixed assets), the estimate of discount rates, salary and pension increases, and staff turnover rates in the actuarial valuation of pension plans, severance payments and similar claims. Moreover, an assessment whether deferred taxes can be realised requires the management to judge whether sufficient tax income will be available in the future in order to utilise the theoretical tax breaks associated with them.

Impairment tests of goodwill and other long-term assets are also based on estimates and assumption. This applies in particular to expected discounted net cash flows and the cost of capital. Impairment tests are based on the going concern principle, drawing on experience and assumptions regarding the macroeconomic situation and sectoral developments. Any remaining uncertainties are appropriately taken into account.

At each balance sheet date, management reviews these estimates and assumptions. Any changes cause the valuations to be adjusted with effect in the current reporting period, with the exception of items that are accounted for directly in equity.

2.2 Effects of New and Amended Standards

The following standards amended by the IASB and adopted by the European Union were applied for the first time by DO & CO in this financial year:

Adoption in the Financial Year 2012/2013	Effective in the EU ¹	Impact on consolidated financial statements
IAS 19 Employee Benefits	01/01/2013	Yes
IFRS 7 Disclosures- Transfer of Financial Assets	01/07/2011	No

IAS 19 - Actuarial gains and losses will have to be recognised in “other comprehensive income”. At present, the Group recognises all actuarial gains and losses in its operating results. As a consequence, they will be reclassified from the income statement to “other comprehensive income”.

Changes in the accounting methods due to new or amended standards are implemented retroactively unless the standard specifies differently. To this end, DO & CO adapts the previous year’s values in its balance sheet, income statement, statement of income and accumulated earnings and statement of cash flows so as if the new accounting methods had always been applied. The impact on reporting periods not shown in the statements may cause an adjustment to equity. To the extent that the retroactive application of accounting standards results in changes in the opening balance sheet of the comparable period, such an adjusted opening balance sheet is shown in addition to the balance sheet for the reporting date and the previous year’s reporting date.

Some of the following new standards and amendments and interpretations have already been adopted by the EU, but their application is obligatory only in future financial years. DO & CO has not adopted them early. DO & CO will apply the standards for the first time as specified by the EU.

Adoption in the Financial Year 2013/2014	Effective in the EU ¹	Impact on consolidated financial statements
IAS 1 Presentation of Financial Statements- Presentation of Items of Other Comprehensive Income	01/07/2012	Yes
IFRS 1 First time adoption of International Financial Reporting Standards- Severe Hyperinflation and Removal of Fixed Datas	01/01/2013	No
IAS 12 Recovery of Underlying Assets	01/01/2013	No
IFRS 13 Fair Value Measurement	01/01/2013	Yes
IIFRIC 20 Stripping Costs in the Production Phase of a Surface Mine	01/01/2013	No
IFRS 7 Offsetting of Financial Assets and Financial Liabilities	01/01/2013	No

IAS 1 – The revised standard requires that expenses and income not recognized in profit or loss be reported in the statement of comprehensive income broken down by whether the recognised profits or losses are subsequently reclassified to the income statement. This amendment has no impact on the total comprehensive income.

IFRS 13 – This standard regulates how the fair value of assets, liabilities and equity instruments is to be evaluated for the purposes of accounting and compliance with reporting duties. The new and uniform definition characterises the fair value of a given asset as the sales price which could be achieved on the date of valuation in an actual or hypothetical transaction with independent market participants. The standard must be applied prospectively to financial years starting on or after 1 January 2013. DO & CO expects its first application to produce at most minor effects on the valuation of its assets as well as more extensive reporting duties regarding fair value assessment.

Adoption in the Financial Year 2014/2015	Effective in the EU ¹	Impact on consolidated financial statements
IFRS 10 Consolidated Financial Statements	01/01/2014	Still being evaluated
IFRS 11 Joint Arrangements	01/01/2014	
IFRS 12 Disclosure of Interests in Other Entities	01/01/2014	
IAS 27 Separate Financial Statements	01/01/2014	
IAS 28 Investments in Associates and Joint Ventures	01/01/2014	
IAS 32 Offsetting of Financial Assets and Financial Liabilities	01/01/2014	

Adoption in the Financial Year 2015/2016	Effective in the EU ¹	Impact on consolidated financial statements
IFRS 9 Financial Instruments	Expected: 01/01/2015	Still being evaluated

¹ These standards are to be applied to the financial years beginning on or after the stated date.

3. Key Accounting Principles

3.1 Consolidation

3.1.1 Scope of Consolidation

The scope of consolidation was determined in accordance with the principles of IAS 27 and SIC 12. The consolidated financial statements as of 31 March 2013 comprise, in addition to DO & CO Aktiengesellschaft, 28 domestic and 31 foreign subsidiaries directly or indirectly controlled by the Company.

One foreign company in which the Company holds an indirect 50% stake and which is jointly managed with an external shareholder was included at equity in the consolidated financial statements, as were two further foreign companies, in each of which the Company indirectly holds 40% of the shares and voting rights, and a domestic company in which it indirectly holds a 49% stake.

In comparison to 31 March 2012, the scope of consolidation has increased by the following entities:

Full consolidation	Country	Percentage share	Date of initial consolidation	Basis of consolidation
Henry am Zug GmbH	Austria	100%	1 April 2012	controlling majority
Kyiv Catering LLC	Ukraine	51%	31 May 2012	controlling majority
DO & CO Netherlands Holding B.V	Netherlands	51%	31 May 2012	controlling majority
DO & CO Poland Sp. z o.o.	Poland	100%	31 Dec 2012	controlling majority
Lotniczy Catering Service Sp. z o.o.	Poland	51%	31 Dec 2012	controlling majority

DO & CO Poland Sp. z o.o.:

In December 2012, DO & CO acquired 100% of the shares of LOT Catering Sp. z o.o. Based in Warsaw and renamed to DO & CO Poland Sp. z o.o., the company is the market leader for airline catering in Poland, employing more than 500 staff at its locations in Warsaw, Poznań, Krakow, Gdansk and Katowice. Initially consolidated as of 31 December 2012, its profit or loss was first included in DO & CO’s consolidated financial statements in the fourth quarter of the 2012/2013 financial year.

Kyiv Catering LLC:

DO & CO acquired a 51% stake in Ukraine’s biggest airline caterer. Based in Kiev, the company employs more than 600 staff and currently has a customer stock of over 20 airlines. The new location in Ukraine helped with the successful management of the UEFA EURO 2012 in June/July 2012.

These two mergers enabled DO & CO to enter the markets in Poland and Ukraine.

Moreover, Henry am Zug Hungary Kft. was set up in the second quarter of the 2012/2013 financial year.

In connection with the additions to the scope of consolidation, goodwill in the amount of TEUR 1,560 was capitalised.

These acquisitions affect the consolidated financial statements with TEUR 41,969 regarding sales revenues and TEUR -1,678 regarding the result after taxes on income. If the acquisitions had been made at the start of the financial year this would have had a negligible effect on the sales revenues and the result after taxes on income.

The fair value of the assets and liabilities assumed are as follows:

	in TEUR
Non-current assets	39,781
Current assets	14,982
Non-current debts	17,994
Current debts	14,949

Acquired companies are included in the consolidated financial statements by accounting for the changes in the fair values of the assets, liabilities and contingent liabilities determined as of the date of acquisition in accordance with IFRS 3.

3.1.2 Consolidation Methods

Subsidiaries are, as a rule, consolidated for the first time as of the date of their acquisition, i.e. the date when the Company acquires control of the subsidiary. In line with the acquisition method, revalued assets and liabilities have to be included in the consolidated financial statements at the time of initial consolidation. DO & CO recognises goodwill to the extent that the revalued net assets exceed the total consideration paid for obtaining control by the fair value of the shares held before control was transferred and the amount for non-controlling shareholders, if any. If this is not the case, the Company recognises the difference with immediate effect in profit or loss. Stakes held by non-controlling shareholders are entered in the initial consolidation in proportion to the revalued net assets of the acquired entity.

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

Investment in associates and joint ventures are accounted for using the equity method, which provides for including stakes at their acquisition cost at the time of their acquisition. They are adjusted with due regard to changes in the net assets attributable proportionately to DO & CO. Acquired goodwill is shown as part of the stake’s carrying amount rather than as a separate item. When the net assets are acquired below their market value, the difference is included in the subsidiary’s financial statements analogously to the method to show a profit. If it is subsequently found that such a stake would achieve a sales price below its carrying amount, the Company examines whether it will be necessary to account for such impairment in profit or loss. If the grounds for an impairment no longer exist at a later date, it must be reversed in profit or loss.

Loans, receivables and payables between companies included in the consolidated accounts were offset against each other in the course of debt consolidation. Moreover, sales revenues and other income (largely from deliveries and services) between the fully consolidated companies were offset against the corresponding expense items. Any intercompany results from deliveries and services within the Group were eliminated unless of negligible significance. Temporary differences resulting from consolidation processes may result in the recognition of deferred taxes.

3.1.3 Business Segments

DO & CO manages business according to divisional criteria. Based on the internal reporting structure, DO & CO makes a distinction between the divisions Airline Catering, International Event Catering, and Restaurants, Lounges & Hotel. The division into business segments and the presentation of segmental business results is presented in accordance with IFRS 8 (management approach). It follows the internal reports to the Management Board as the chief operating decision maker determining the allocation of resources among the business segments.

DO & CO has customers who each account for more than 10% of consolidated sales. Sales with these customers are contained in all divisions and together amount to less than half of total sales.

3.1.4. Currency Translation

The consolidated financial statements of DO & CO Aktiengesellschaft are presented in Euro, which also serves as the currency of this report. The financial statements of the foreign subsidiaries were translated in accordance with the functional currency principle as outlined in IAS 21. The functional currency is the currency of a company’s primary economic environment. DO & CO, its domestic subsidiaries, two British companies, and one Hungarian company all have the euro as their functional currency. All other foreign businesses are financially, economically and organisationally independent in their conduct of business so that their national currency also constitutes their functional currency.

Receivables and payables shown in the annual financial statements of group companies in a currency which is not the functional currency are translated at the rate applicable on the balance sheet date. Translation differences are shown directly in profit or loss. A different treatment is given to non-realised currency translation differences in items which are, in economic terms, part of a net investment of a foreign operation. These are reported with no effect on profit or loss in the item showing currency translation differences as part of equity (net investment approach). They include in particular loans to Turkish, British and US American subsidiaries which are neither scheduled nor likely to be repaid within the foreseeable future.

Assets and liabilities in the annual financial statements of foreign group companies shown in a functional currency other than the reporting currency were translated at the mean rate on the reporting date of 31 March 2013. Income and expenses in the income statement were translated at the year average rate.

Movements in fixed assets were presented at average rates. Changes in the mean of the buying and selling price of foreign exchange as of the balance sheet date compared with that of the previous year and differences arising from the application of average rates were separately recorded in the consolidated assets schedule as “translation adjustments.”

Translation differences resulting from the use of different closing dates for balance sheet items or from rate differences between the closing dates for translating expenses and revenues in the income statement and associated changes in the net worth in the balance sheet are shown without affecting profits or losses in the equity item on currency translation differences. Currency translation differences reported during a company’s association with the Group will have an impact on profit or loss only when they leave the consolidated group.

The exchange rates applied in currency translation for significant currencies developed as follows:

1 Euro corresponds to:	Reporting Date Rate		Cum. Average Rate	
	31 Mar 2013	31 Mar 2012	31 Mar 2013	31 Mar 2012
US Dollar	1.280500	1.331900	1.288414	1.379594
British Pound	0.845600	0.831050	0.816355	0.862579
Turkish Lira	2.321200	2.376000	2.315357	2.390503
Swiss Franc	1.219500	1.204400	1.209311	1.209316
Polish Zloty	4.180400	4.161200	4.169112	4.181441
Ukrainian Hryvnia	10.581500	10.820700	10.588598	10.996140

3.1.5. Accounting Principles

Intangible Assets

Acquired intangible assets are shown at the cost of acquisition less scheduled amortisation. No intangible assets generated by the Group itself were capitalised at the balance sheet date.

Intangible fixed assets with a determinable useful life are subject to scheduled straight-line amortisation over their economic useful life.

Intangible fixed assets	2.0	to	25.0 years
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If there is an indication that an asset may be impaired and if its recoverable amount (the higher of its fair value less costs to sell and its value in use) is less than the carrying amount, then an impairment loss will be recognised in accordance with IAS 36.

Rather than being subject to scheduled depreciation, goodwill carried as an asset from mergers is tested for impairment loss as part of cash-generating units. Goodwill assets are allocated to the smallest cash-generating units which are expected to profit from the merger and which are monitored for internal management purposes. They are the equivalent of the Group’s operative segments. The impairment test is conducted annually or whenever there are signs that the cash-generating unit is impaired. If the carrying amount of the cash-generating unit exceeds the recoverable amount for the unit, then the difference will chiefly reduce the goodwill. If the impairment loss exceeds the carrying amount of the allocated goodwill, the excess amount of the loss is recognised through proportional reduction of the carrying amounts of the assets allocated to the cash-generating unit. If the cause for an impairment ceases to exist in whole or in part in subsequent years, allocations may be made, with the exception of the goodwill. The recoverable amount of the cash-generating unit is determined by calculating its value in use according to the discounted cash flow (DCF) method. This calculation is based on financial plans for five years approved by the management and a perpetual annuity. The discount factors are geared to the weighted average cost of capital (WACC) of the cash-generating unit.

The following WACCs were applied for the 2012/2013 financial year:

- Austria: 8.3%
- Poland: 9.3%
- Turkey: 9.7%

When subsidiaries are sold, the goodwill attributable to them is proportionally written off in a manner affecting profit or loss.

The differences from capital consolidation carried forward as of 31 March 2013 were as follows:

in TEUR	31 March 2013	31 March 2012
Goodwill capitalized in non-current assets	5,616	4,056

No amortisation of goodwill in accordance with IAS 36 was undertaken in the year under review.

Property, plant and equipment

Property, plant and equipment are recognised at cost and, as a rule, depreciated on a straight-line basis over their expected useful lives. Assets showing signs of impairment are checked in line with the principles described for intangible assets for possible depreciation to the lower recoverable amount. Moreover, DO & CO may adjust the remaining useful life whenever necessary.

As in the prior year, straight-line depreciation of fixed assets are based on the following useful lives, taking into account their expected economic or technical usefulness:

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

Leases

DO & CO has entered lease contracts for the temporary use of fixed assets against payment of single or repeat lease instalments. Contracts which transfer to the Company all major opportunities and risks associated with ownership of the leased asset are treated as finance lease contracts. Considered, in economic terms, to be purchases of assets by way of long-term financing, such assets are capitalised in accordance with IAS 17 at the lower of the net present value of the leasing instalments and the assets fair value. Depreciation methods and useful lives correspond to those applied to comparable purchased assets. At the time of acquisition, the Group recognises lease liabilities in the amount of the net present value of the future minimum lease instalments.

Lease contracts which essentially leave the risks and rewards incident to asset ownership with the lessor are treated as operating leasing contracts. Payment obligations under them are regularly and linearly recorded as expenditure during the term of the contract. Neither the leased assets nor a liability for lease payments to be made in the future are included in the balance sheet.

Investment Property

Real estate property held as a financial investment is measured at amortised cost.

Other Financial Assets

Securities for which no price is available from an active market and where no reliable fair value can be defined are valued at the cost of their acquisition.

Inventories

Inventories are valued at cost of acquisition or the lower net sales price on the reporting date. The cost of acquisition is determined primarily using the moving average price method.

Trade Accounts Receivable and Other Assets

Accounts receivable and other receivables are carried at their fair value plus transaction costs, if any, at the date of their addition. Receivables in a foreign currency are translated into the functional currency at the selling rate applicable at the time of booking.

In the event of objective signs of an impairment (e.g. markedly deteriorated credit rating of the contractual partner, non-compliance with payment obligations, high risk of insolvency), DO & CO reviews the recoverability of the receivable and, if necessary, writes it down to the lower present value of expected payment inflows. If the causes for an impairment should subsequently cease to apply, the Company will make a write-up to amortised cost. Receivables are derecognised when the contractual right to payment has expired or when they are transferred with all their essential risks and rewards.

Current Financial Assets

Cash in hand and at banks are recorded under cash and cash equivalents and, in the case of receivables expressed in foreign currency, valued at the current market rates as at the reporting date.

Deferred Taxes

Deferred tax assets are recognised in accordance with IAS 12 for all deductible temporary differences, loss carry-forwards and tax credits to the extent that there is likely to be sufficient future taxable profit against which the loss carry-forwards can be utilised in the future. Deferred tax liabilities are recognised for all taxable temporary differences between IFRS carrying amounts and tax values of assets and liabilities. Deferred taxes are assessed on the basis of the usual national income tax rate of the given group company at the time of the reversal of the value difference. If this is not known at the balance sheet date, the income tax rates applicable at the time will be applied.

Deferred taxes are shown and adjusted in the income taxes of the income statement, with the exception of deferred taxes on circumstances that had a direct impact on equity which are reported without effect on profit or loss.

Equity

Futures and options entered into within the scope of a merger are shown as follows:
When a merger is first reported, an equity item is included for minority shareholders. Subsequently, any changes in the asset position of minority shareholders are shown directly in equity in accordance with the rules of IAS 27. In return, the parent shows the financial liability from the seller’s position without affecting profit or loss (special item regarding the acquisition of minority stakes) as a derivative under IAS 39 (long-term financial obligation). Subsequently and for the term of the derivative, the amounts reported in equity at the relevant balance sheet date are debited. Differences between the debited equity amounts and the amount of the credited financial obligation and their adjustments are recognised in line with the regulations to reflect transactions between shareholder groups within the parent’s equity. This method of recognition in the balance sheet assumes that an acquisition of the asset item of the minority shareholders by the parent’s shareholder takes place at every balance-sheet date.

Provisions for Pensions, Termination Benefits and Anniversary Bonus Payments

The projected benefit obligation method pursuant to IAS 19 was applied in calculating Austrian group companies’ obligations to employees under the law or under collective agreements to pay one-off severance payments in case of termination of employment or upon retirement. In the process, the projected benefits were calculated based on an assumed interest rate of 3.75% p.a. (PY: 4.75% p.a.) and based on expected pay raises of 3.5% p.a. (PY: 3.5% p.a.), with 60 assumed to be the retirement age for female employees and 65 for male employees (PY: 60/65). Obligations arising from pension commitments granted to a former employee were determined on the basis of the same calculation factors used for the provisions for severance payments at Austrian group companies.

A provision for jubilee benefits for employees at Austrian companies was recorded under liabilities as an obligation similar to severance payments. This provision was determined on the basis of the same calculation factors applied to provisions for severance payments. The present value of these provisions was determined in an expertise and recorded under liabilities taking into account a discount for age-related staff turnover.

Provisions were made for defined benefit severance payment obligations of foreign companies in accordance with comparable methods unless such companies have defined contribution plans in place. Thus, severance payment obligations to employees at Turkish group companies were calculated based on an assumed interest rate of 10.00% p.a. (PY: 10.00%) and expected inflation-related pay raises of 6.50% p.a. (PY: 6.50%).

As of the 2012/2013 financial year, actuarial gains and losses are reported in “other comprehensive income”. As a consequence, they are reclassified from the statement of profit or loss to “other comprehensive income”. Interest expenditure is reported in the financial result as of the 2012/2013 financial year.

Other Provisions

Other long-term and short-term provisions were recognised for present, legal and factual obligations arising from a past event and likely to lead to a future economic burden the amount of which can be reliably estimated. The amounts recognised as provisions are the best estimates of the expected future outflow of cash. For obligations which are expected to be settled after more than one year, the estimated cash outflow is discounted. Third-party claims for compensation which are highly likely to arise are accounted for by a separate asset.

Financial Liabilities

Non-derivative liabilities are recognised in the Group balance sheet if the DO & CO Group is under a contractual obligation to transfer cash or other financial assets to a non-Group party. Such non-derivative liabilities are initially measured at their fair value and subsequently at their amortised cost using the effective interest method. Financial liabilities are derecognised when the contractual obligations have been settled, cancelled or have expired. Foreign currency liabilities were measured at the foreign-exchange selling rate applicable on the reporting date.

Earnings per Share

Earnings per share are calculated by dividing the profit or loss attributable to the DO & CO share-holders by the weighted number of shares issued.

Revenue Recognition

Revenue includes all earnings from the sale of goods and the rendering of services. Other income from operations is recognised in other operating income.
DO & CO generally recognises revenue when the risks and rewards associated with the goods to be supplied and/or services to be rendered have passed to the customer. Revenue is recognised at the fair value of the consideration received or due.
Interest income is recognised using the effective interest method, dividends are included when the title to them has been legally accrued.

4. Notes to the Statement of Financial Position and Income Statement for the Group

4.1. Statement of Financial Position for the Group

(1) Fixed Assets

in TEUR	31 March 2013	31 March 2012
Intangible assets	15,548	14,685
Property, plant and equipment	123,188	67,468
Investment Property	3,600	0
Investments accounted for using the equity method	1,878	1,668
Other financial assets	229	214
Total	144,442	84,034

The attached assets schedule shows a breakdown of the fixed asset items summarized in the consolidated balance sheet and its development during the 2012/2013 business year and in the previous year. Recognized translation differences are the amounts resulting from the translation of assets of foreign subsidiaries at the different reporting date rates prevailing at the beginning and end of the pertinent year and from the use of average rates for movements during the year.

The intangible fixed assets recorded pertain solely to goodwill and other rights, in particular customer contracts, licenses, trademark titles, rights of use, and software licenses with a defined period of utilization. The Group had no internally generated intangible fixed assets.

The land included under property, plant and equipment has a value of TEUR 6,172 (PY: TEUR 683). The rise is due mostly to changes in the consolidated group.

Purchase order commitments for assets ordered but not yet delivered as of 31 March 2013 amounted to TEUR 10,919 (PY: TEUR 16,187).

Obligations from the use of movable and real estate property under lease or rental agreements were as follows:

in TEUR	31 March 2013	31 March 2012
Up to one year	28,343	27,932
Two to five years	112,172	109,864
More than five years	70,068	76,163

Investment Property

The investment property results from undeveloped real estate in Poland for which no future use has been determined yet. The land was recognized at the current market value at the time of initial consolidation, its valuation carried out by an external expert. Its subsequent measurement is at amortised cost. No rental income is obtained. Expenditure on this property is minor only.

Financial Assets

The associated companies were accounted for using the equity method and developed as follows:

in TEUR	Business Year 2012/2013	Business Year 2011/2012
As of 1 April	1,668	1,632
Dividend payments	-94	-378
Proportional net profit/loss for the period	304	414
As of 31 March	1,878	1,668

The total book value of investments in associated companies is attributable to the following non-listed companies:

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Sky Gourmet Malta Ltd.	235	161
Sky Gourmet Malta Inflight Services Ltd.	216	172
ISS Ground Services GmbH	1,427	1,335
Fortnum & Mason Events Ltd.	0	0
Total	1,878	1,668

(2) Other non-current Assets

in TEUR	31 March 2013	31 March 2012
Effective income tax receivables	5,362	3,289
Other assets	1,338	1,230
Total	6,701	4,519

(3) Deferred taxes

Deferred tax assets and liabilities resulted from temporary accounting and valuation differences between the amounts carried in the consolidated financial statements under IFRS and the corresponding bases of assessment for taxation:

in TEUR	31 March 2013		31 March 2012	
	Assets	Liabilities	Assets	Liabilities
Intangible assets	0	-1,903	5	-3,436
Property, plant and equipment	1,048	-2,287	947	-409
Financial assets	58	-1,424	0	-1,603
Inventories	6	-5	0	-25
Accounts receivable	423	0	244	0
Equity	2,354	0	2,013	0
Provisions	6,789	-873	6,144	-273
Liabilities	21	-40	0	0
Prepaid expenses or deferred income	0	-14	0	-122
Total temporary differences	10,698	-6,548	9,353	-5,867
Tax losses carried forward	5,599	0	6,030	0
Valuation discount for capitalized deferred tax	-6,987	0	-7,127	0
Offsetting of differences with the same tax authorities	-3,917	3,917	-5,293	5,293
Total	5,393	-2,631	2,963	-574

The deferred tax assets and liabilities in the categories inventories, receivables and liabilities, are expected to reverse within twelve months after the reporting date.

Deferred tax assets amounting to TEUR 2,354 (PY: TEUR 2,013) were recognized in equity without affecting profit or loss.

No deferred tax assets were recognized in these consolidated financial statements for deductible temporary differences and for tax loss carry-forwards totaling TEUR 6,987 (PY: TEUR 7,127), because the company is not yet sufficiently certain that these deferred tax assets can be realized as future tax relief.

In the 2012/2013 business year, deferred tax liabilities were recognized in the amount of TEUR 298 without effect on profit and loss. In the previous year, TEUR 350 were assigned to deferred tax assets.

(4) Inventories

in TEUR	31 March 2013	31 March 2012
Raw materials and supplies	9,512	6,166
Goods	8,810	5,299
Total	18,322	11,465

(5) Trade Accounts Receivable, Effective income tax receivables and Other Assets

Current assets due within one year can be summarized as follows:

in TEUR	31 March 2013	31 March 2012
Trade accounts receivable	56,024	44,800
Effective income tax receivables	3,869	2,562
Accounts receivable from other equity investments	296	616
Other receivables and assets	42,548	51,217
Prepaid expenses	1,477	1,359
Total of other receivables and other assets	44,321	53,192

Impairments on trade receivables for potential default risks developed as follows:

in TEUR	Business Year 2012/2013	Business Year 2011/2012
As of 1 April	1,712	1,340
Changes in consolidation	531	0
Allocation	920	903
Reclassification/ FX effects	2	23
Consumption	-691	-461
Release	-197	-93
As of 31 March	2,277	1,712

The term structure of unimpaired trade receivables is as follows:

in TEUR	31 March 2013	31 March 2012
undue	31,748	35,715
less than 20 days due	6,879	4,789
more than 20 days but less than 40 days due	7,217	1,788
more than 40 days but less than 80 days due	3,601	508
more than 80 days due	1,934	1,003
Total	51,380	43,803

Impairments of other receivables developed as follows:

in TEUR	Business Year 2012/2013	Business Year 2011/2012
As of 1 April	93	130
Allocation	-1	0
Reclassification/ FX effects	92	1
Consumption	0	-18
Release	0	-20
As of 31 March	184	93

The trade receivables as of 31 March 2013 contained TEUR 18,969 (PY: TEUR 19,524) in accounts receivable from individual customers representing more than 20% of the total outstanding accounts receivable at the reporting date of 31 March 2013. Of these receivables TEUR 1,665 (PY: TEUR 2,801) were unsettled by early May 2013. There is no information suggesting any concrete risks of default at the reporting date.

(6) Cash and Cash Equivalents

in TEUR	31 March 2013	31 March 2012
Cash, checks	350	353
Cash at banks	72,833	84,688
Total	73,183	85,041

The average interest rate on bank balances amounted to 3.0% (PY: 3.1%) in the 2012/2013 business year.

(7) Shareholders' Equity

In the business years of 2012/2013 and 2011/2012, the consolidated equity developed as follows:

in TEUR	31 March 2013	31 March 2012
Nominal Capital	19,488	19,488
Capital reserves	70,602	70,602
Retained earnings	58,748	43,805
Other comprehensive income	-8,924	-7,335
Special item	2,424	0
Consolidated result	22,807	19,328
Equity attributable to the shareholders of DO & CO Aktiengesellschaft	165,146	145,888
Minority interests	30,185	24,191
Shareholders' Equity	195,331	170,079

On the initial recognition of the business combination with Kyiv Catering LLC an item for minority interests is accounted for within equity. Any changes in the assets position of the minority interests will be accounted for directly in equity at the end of each reporting period in line with IAS 27.

The General Meeting of Shareholders on 5 July 2012 authorized the Management Board to increase the nominal capital on approval by the Supervisory Board by up to a further € 9,744,000.00 in exchange for cash contributions and/or contributions in kind through the issuance of up to 4,872,000 new shares of ordinary stock (authorized capital).

Based on a resolution of the General Meeting of 10 July 2008, the share capital of the company was increased pursuant to Section 159 (2) 1 Austrian Stock Corporation Act by up to € 7,795,200.00 through the issue of up to 3,897,600 new no-par bearer shares for issuing to creditors of financial instruments. 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 (conditional capital).

The shares of DO & CO Aktiengesellschaft have been listed in the prime market of the Vienna Stock Exchange since March 2007 and at the Istanbul Stock Exchange since December 2010. At 40.95% (31 March 2012: 40.95%), ATTILA DOGUDAN PRIVATSTIFTUNG is the majority shareholder of DO & CO Aktiengesellschaft. The stake held by DZR Immobilien und Beteiligungs GmbH (an indirectly wholly-owned subsidiary of RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung) amounts to 12.00% (31 March 2012: 12.00%). The remaining shares are held in free float (all shareholding figures refer to the relevant balance sheet date).

The interests of other shareholders include the direct minority interests in the equity of the fully consolidated THY DO & CO İkrām Hizmetleri A.Ş. amounting to 50% and a 49% interest in the equity of the fully consolidated Lotniczy Catering Service Sp. z o.o. This item also includes the 10% minority interests in DO & CO im PLATINUM Restaurantbetriebs GmbH.

[8] Non-current Provisions

The composition of and changes in non-current provisions as of the balance sheet date were as follows:

in TEUR	As of 1 April 2012	Currency changes	Change of scope of consolidation	Con- sumed	Release	Allocation	As of 31 March 2013
Provisions for severance payments DBO	13,063	127	58	594	37	3,349	15,966
Provisions for pension payments DBO	558	-2	92	2	0	21	667
Provisions for long-service anniversary payments DBO	3,971	-13	744	346	67	1,237	5,527
Personnel Provisions	17,592	112	894	942	104	4,608	22,160
Provisons for deferred tax	574	33	158	293	59	2,219	2,631
Other provisions	45	0	0	0	3	0	42
Total	18,210	145	1,053	1,234	166	6,827	24,834

The provisions for severance payments, pensions and long-service anniversary bonus payments at the Austrian Group companies were calculated as of the balance sheet date by actuarial expert opinions. The valuation was based on an interest rate of 3.75% (PY: 4.75%), pay increases of 3.5% (PY: 3.5%) and pension increases of 3.5% (PY: 3.5%).

Provisions for severance payments to employees at Turkish Group companies were calculated based on an interest rate of 10.0% (PY: 10.0%) and expected inflation-related remuneration increases of 6.5% p.a. (PY: 6.5%).

in TEUR	Severances		Pensions		Long-service anniversary	
	2012/2013	2011/2012	2012/2013	2011/2012	2012/2013	2011/2012
Present value of obligations (DBO) on 1 April	13,062	12,631	558	551	3,971	3,555
Currency changes	127	-462	-2	0	-13	0
Changes in scope of consolidation	58	0	92	0	744	0
Current service cost*	1,748	3,298	0	0	278	475
Interest cost	560	531	25	27	172	171
Benefit payments	-1,335	-3,403	-64	-62	-225	-271
Actuarial gain/loss	1,744	468	57	42	600	41
Present value of obligations (DBO) on 31 March	15,966	13,063	667	558	5,527	3,971

* This item is included in Personnel expenses.

The actuarial result of TEUR 2,401 includes an amount of TEUR 216 which is attributable to a minority interests.

Beginning with the 2012/2013 business year, actuarial gains and losses are revaluated and reported in “other comprehensive income”. As a consequence, they are reclassified from the income statement to “other comprehensive income”. Interest expenditure is recognized in the financial result as of the 2012/2013 business year.

The advanced application of IAS 19R has the following effect:

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Decrease in personnel expenses	-2,401	-733
Increase in income tax expenses	579	174
Increase of profit for the period	1,823	559
Increase of income tax expenses relating to components recognized directly in equity	579	174
Decrease of results recognized directly in equity	-1,823	-559
Decrease in other comprehensive income:	-1,823	-559
Attributable to minority interests	-173	-73
Attributable to shareholders of DO & CO Aktiengesellschaft	-1,650	-486

The change in actuarial parameters affects the defined benefit obligation (DBO) as follows:

in TEUR	Change in assumptions in %	Decrease in assumptions	Increase in assumptions
Interest rate	0.5	890	-819
Remuneration increases	1.0	-1,597	1,849

Other non-current provisions at the balance sheet date consisted of provisions for agreements on an option for older employees to go part-time.

(9) Non-current Financial Liabilities

in TEUR	31 March 2013	31 March 2012
Loans received	16,410	0
Total	16,410	0

This item includes loans received with a term of five or ten years resulting from changes in the consolidated group.

(10) Other Current Provisions

in TEUR	As of 1 April 2012	Currency changes	Change of scope of consolidation	Consumed	Release	Allocation	As of 31 March 2013
Provision for taxation	8,308	-15	0	2,728	147	7,606	13,024
Other personnel provisions	13,643	25	1,139	14,674	65	17,164	17,232
Other provisions	26,592	545	0	17,750	4,659	22,890	27,618
Total	48,542	555	1,139	35,152	4,870	47,660	57,874

Provisions for personnel expenses pertain largely to three sets of provisions. The first totals TEUR 2,487 (PY: TEUR 1,814) and relates to pro rata special payments due to having a business year not coinciding with the calendar year. The second comprises provisions of TEUR 8,992 (PY: TEUR 7,342) for vacation periods not yet taken as of the balance sheet date. The third relates to other provisions totaling TEUR 5,117 (PY: TEUR 3,914) for performance-linked components of pay.

(11) Trade Accounts Payable and Other Current Liabilities

in TEUR	31 March 2013	31 March 2012
Trade Accounts Payable	41,731	33,882
Advance payments received on orders	1,694	5,534
Other liabilities	13,750	11,471
Deferred income	632	858
Total other current liabilities	16,076	17,863
Total	57,807	51,745

The increase of trade accounts payable is mostly due to an expansion of business activities.

The other liabilities due within one year result from obligations to the tax authorities for value-added tax and other pay-related taxes, from liabilities to social insurance funds and from liabilities to employees in an amount equal to current remuneration payments.

Contingent Liabilities

in TEUR	31 March 2013	31 March 2012
Securities	12,885	11,703

As was the case the previous year, the amounts recorded under this item still pertain to guarantees of supply from Turkey and to bank guarantees to secure claims in connection with leases and to collateralize refunds of advance tax payments from the Italian fiscal authorities.

4.2. Consolidated Income Statement

The consolidated income statement was prepared in accordance with the nature of expense method.

(12) Sales

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Airline Catering	400,228	349,811
International Event Catering	71,091	46,010
Restaurants, Lounges & Hotel	104,872	70,536
Total	576,191	466,355

(13) Other Operating Income

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Income from the disposal of fixed assets	504	190
Income from the release of provisions	4,793	4,105
Reversal of write downs on receivables	197	113
Insurance payments	551	166
Rent income	89	97
Foreign exchange gains	6,231	4,587
Miscellaneous other operating income	4,232	2,851
Total	16,597	12,108

Other operating expenses include exchange losses of TEUR 5,440 (PY: TEUR 4,863).

(14) Cost of Materials and Services

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Cost of materials (including goods for resale)	195,671	163,785
Cost of services	44,643	29,875
Total	240,314	193,660

(15) Personnel Expenses

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Wages and salaries	150,260	116,587
Expenses for severance payments, pensions and contribution based payments	3,071	5,124
Compulsary social security contribution and payroll-related taxes	29,806	23,058
Other employee-related expenses	7,571	4,685
Total	190,708	149,454

Under a contribution-based employee pension and severance system, the DO & CO Group paid defined contributions amounting to TEUR 875 (PY: TEUR 758) to employee pension and severance funds. The obligation of the DO & CO Group is satisfied with the payment of these contributions.

(16) Depreciation of Tangible Fixed Assets and Amortization of Intangible Fixed Assets and Impairments

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Scheduled amortization and depreciation	17,114	16,087
Impairment losses of tangible and intangible fixed assets	19	3,038
Total	17,133	19,125

In the business year 2012/2013 impairment losses of intangible fixed assets and tangible fixed assets were taken on the Restaurants, Lounges & Hotel division.

(17) Other Operating Expenses

The composition of other operating expenses was as follows:

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Other taxes (excluding income taxes)	1,960	1,361
Rentals, leases and operating costs (including airport fees)	49,810	45,163
Travel and communication expenses	15,098	8,495
Transport, vehicle and maintenance expenses	14,108	10,539
Insurance premiums	984	882
Legal, auditing and consulting expenses	4,993	3,835
Other personnel costs	619	615
Miscellaneous operating expenses	4,878	4,216
Value adjustments, write-off of receivables	2,398	1,365
Foreign exchange losses	5,440	4,863
Losses on disposal of fixed assets	202	310
Other administrative expenses	2,836	2,182
Total	103,325	83,827

The other operating income includes exchange gains amounting to TEUR 6,231 (PY: TEUR 2,851).

The expenses for the auditor and all members of the auditor’s network for auditing the consolidated and separate financial statements in the reporting year amounted to TEUR 438, and TEUR 248 was added for other consulting services.

(18) Financial Result

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Result from equity investments		
Results from investments	225	186
thereof from associated companies	225	186
Total income from participations	225	186
Result from other financial activities		
Income from other securities	5	5
Other interest and similar income	2,566	3,062
Other interest and similar expenses	-1,847	-68
Total result from other financial activities	725	2,999
Total	950	3,184

In the business year 2012/2013 the change in the financial result is caused by reclassification of interest expenses from personnel provisions and by interest expenses incurred for loans which were recognised as part of the initial consolidation of DO & CO Poland Sp. z o.o. and Kyiv Catering LLC in the consolidated financial statements.

(19) Income Tax

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Income tax expense	11,140	9,340
Deferred tax	-415	-242
Total	10,725	9,098

This item contains income taxes paid or owed by DO & CO Aktiengesellschaft and its subsidiaries and the deferred tax assets.

The effective corporate income tax of the DO & CO Group, defined as the proportion of total tax expenses to pre-tax profit, amounted to 25.4% (PY: 25.6%).
The reasons for the difference between the corporate income tax rate of 25.0% applicable in the 2012/2013 business year (PY: 25.0%) and the recorded effective group tax rate were as follows:

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Consolidated result before income tax	42,259	35,582
Tax expense at tax rate of 25% (PY: 25%)	10,565	8,895
Non-temporary differences, and tax expenses and income from prior periods	425	482
Revaluation of deferred taxes as well as unrecognised tax loss carry-forwards and deferred taxes on losses	682	417
Change in tax rates and different corporate income tax rates	-947	-696
Effective income tax expense	10,725	9,098
Effective tax rate in %	25.4	25.6

(20) Minority Interests

Minority interests in the profit for the 2012/2013 business year of fully consolidated companies amounted to TEUR 8,726 (PY: TEUR 7,156).

5. Other Information

(21) Earnings per Share

The number of shares issued as of 31 March 2013 totaled 9,744,000 shares (PY: 9,744,000 shares).

	Business Year 2012/2013	Business Year 2011/2012
Number of ordinary shares	9,744,000	9,744,000
Earnings per share	2.34	1.98

The earnings per share (basic/diluted) based on the result attributable to the shareholders of DO & CO Aktiengesellschaft of TEUR 22,807 (PY: TEUR 19,328) amounted to € 2.34 (PY: € 1.98).

(22) Proposed Appropriation of Profits

Under the provisions of the Austrian Corporation Act, the individual financial statement for DO & CO Aktiengesellschaft as of 31 March 2013, 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 € 4,872,000.00. 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 € 0.50 per dividend-bearing share.

(23) Consolidated Statement of Cash Flows

The statement of cash flows from operating activities was presented in accordance with the indirect method, whereby cash and cash equivalents correspond to liquid funds in the balance sheet. They include cash in hand, checks and bank credit balances.
Income tax payments are reported separately under the cash flow from operating activities. Interests paid and received are also allocated to current business activities and reflect mainly interest income and interest expenses. The dividend payments to shareholders of DO & CO Aktiengesellschaft were recorded as part of the financing activities.

The cash flow from result amounts to € 58.73m, exceeding € 3.07m the figure for the previous year's period. When including the changes of working capital and payments for taxes on income, the cash flow from operating activities amounted to € 36.03m (PY: € 45.67m).

The cash flow from investments is negative, amounting to € -30.41m (PY: € -62.55m). Investments in fixed assets and intangible assets were € 35.40m, countered by effects from changes in liquid funds in connection with the initial consolidation of Kyiv Catering LLC and DO & CO Poland Sp. z o.o. amounting to € 4.69m.

The cash flow from financing activities was € -17.84m (PY: € -5.51m), resulting from dividend payments and repayments of financial liabilities of the Ukrainian subsidiary Kyiv Catering LLC and DO & CO Poland Sp. z o.o.

(24) Financial Instruments and Risk Report

Financial Instruments

The transition of carried amounts by category to fair values in accordance with IAS 39 is divided into the categories loans and receivables (L&R), financial liabilities (FL), available-for-sale (AFS), held-to-maturity (HtM) and fair value affecting profit/loss (FV t P&L) and is summarized below:

	31/03/2013 book value	non-financial instruments	31/03/2013 book value of finan- cial-instruments	31/03/2013 fair value of finan- cial-instruments	valuation	LaR / FL	AFS	HTM	FV t P&L
ASSETS in TEUR									
Financial assets	2,107	1,878	229	229	FV	17	212	0	0
Other non-current assets	12,094	10,755	1,339	1,339	AC	1,339	0	0	0
Trade accounts receivable	56,024	0	56,024	56,024	AC	56,024	0	0	0
Other assets	42,844	23,725	19,118	19,118	AC	19,118	0	0	0
Cash and cash equivalents	73,183	0	73,183	73,183	FV	0	73,183	0	0
Total	186,252	36,358	149,894	149,894		76,499	73,395	0	0
LIABILITIES in TEUR									
Trade accounts payable	41,731	0	41,731	41,731	AC	41,731	0	0	0
Other liabilities	16,076	15,708	368	368	AC	368	0	0	0
Financial liabilities	16,410	0	16,410	16,410	AC	16,410	0	0	0
Total	74,216	15,708	58,508	58,508		58,508	0	0	0

	31/03/2012 book value	non-financial instruments	31/03/2012 book value of finan- cial-instruments	31/03/2012 fair value of finan- cial-instruments	valuation	LaR / FL	AFS	HTM	FV t P&L
ASSETS in TEUR									
Financial assets	1,882	1,668	214	214	FV	0	214	0	0
Other non-current assets	7,482	6,252	1,230	1,230	AC	1,230	0	0	0
Trade accounts receivable	44,800	0	44,800	44,800	AC	44,800	0	0	0
Other assets	51,833	8,690	43,143	43,143	AC	43,143	0	0	0
Cash and cash equivalents	85,041	0	85,041	85,041	FV	0	85,041	0	0
Total	191,037	16,610	174,427	174,427		89,173	85,254	0	0
LIABILITIES in TEUR									
Trade accounts payable	33,882	0	33,882	33,882	AC	33,882	0	0	0
Other liabilities	17,863	17,484	379	379	AC	379	0	0	0
Total	51,745	17,484	34,261	34,261		34,261	0	0	0

The result from financial instruments in accordance with IAS 39 categories in the business years of 2012/2013 and 2011/2012 results from interest and does not contain any subsequent valuations.

Currency Risk

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, PLN and GBP.

Closed positions are set up as a hedge by trying to offset proceeds in a given foreign currency against expenses in that same currency with the same maturity. The Group also endeavors to exclude additional risks to the greatest possible extent by entering into appropriate contractual agreements with customers and suppliers.

Whenever needed, financial instruments and derivatives are employed to control currency risks. No derivatives were in use at the reporting date.

The sensitivity analysis conducted according to IAS 39 and taking into account transaction and translation risks showed the following changes in profit/loss on ordinary business activities assuming fluctuations of exchange rates in relation to the balance sheet date and the annual average exchange rate of the key foreign currencies (revaluation of the foreign currency):

- A 5% change in the EUR-to-USD exchange rate would have an effect equivalent to TEUR 995 (PY: TEUR 803).
- A 5% change in the EUR-to-GBP exchange rate would have an effect equivalent to TEUR 603 (PY: TEUR 486).
- A 5% change in the EUR-to-TRY exchange rate would have an effect equivalent to TEUR -549 (PY: TEUR -735).
- A 5% change in the EUR-to-PLN exchange rate would have an effect equivalent to TEUR -97 (PY: TEUR 0).
- A 5% change in the EUR-to-UAH exchange rate would have an effect equivalent to TEUR 487 (PY: EUR 0).

Liquidity Risk

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

All Austrian DO & CO companies are integrated in a single cash-pooling system so that liquidity can be controlled centrally.

Deviations from financial plans are detected immediately thanks to regular and prompt financial reporting. This approach ensures that counter-measures can be initiated quickly.

The liquidity risk of the DO & CO Group is limited by virtue of its low level of debt. Current liquidity needs can be met by available cash and cash equivalents and by financial facilities granted by banks. As an additional protection against liquidity risk as well as inflation, default and foreign currency risks the Company diversifies into readily disposable assets.

DO & CO keeps the risk of default to a minimum by closely monitoring outstanding debts as part of receivables management. The outstanding items of all legal entities are reported weekly. That means the Group monitors customer default risks promptly and is able to respond quickly if the situation changes.

In addition, the aim is to control the risk of default with major customers by entering into contractual agreements and by requiring collateral.

DO & CO does not avail itself of credit insurance. Investments are made only at banks with first-class ratings. No material default risks are expected from the other non-derivative financial instruments. Any residual risk is covered by adequate provisions.

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 conducted every six months. The Group does not currently face any material risk from interest rate fluctuations.

DO & CO has long-term financial liabilities as of 31 March 2013 and has a high level of cash and cash equivalents. A one-percent point increase in the average interest rate would therefore have a positive effect of about 1.6% of the consolidated profit on ordinary business activities. No negative effects are therefore expected from interest rate changes.

Capital Management

With its financial business control system, the DO & CO Group seeks to achieve a sustainable increase in the intrinsic value of the company and to maintain and improve the capital structure. This capital structure is an important prerequisite for profitable growth by the Company because the financial strategy aims at protecting the Group’s profitability, stability, liquidity and financial flexibility. The following strategic benchmarks were defined for this purpose:

- Availability of a minimum strategic liquidity
- Sustained equity ratio at an appropriate level
- Retention of financial and operational flexibility by leaving available assets unencumbered

The Group’s dividend policy is based on the same premises. The proposed dividend payments therefore take into account the capital required for subsequent years.

(25) Segment Reporting

DO & CO manages its business by divisional criteria, distinguishing, along its internal reporting structure, three divisions: Airline Catering, International Event Catering and Restaurants, Lounges & Hotel. Segments and their results are broken down in line with the management approach outlined in IFRS 8, with internal reports to the Management Board as the operating decision maker which decides on allocating resources to the business segments.

DO & CO has customers that contribute more than 10% to the Group’s sales. Revenues from these customers are included in all divisions and in their totality they amount to less than half of overall revenues.

Segment reporting by divisions for the 2012/2013 and 2011/2012 business years is as follows:

Business Year 2012/2013		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Sales	m €	400.23	71.09	104.87	576.19
EBITDA	m €	43.23	8.53	6.68	58.44
Depreciation/amortization	m €	-12.81	-1.96	-2.34	-17.11
Impairment	m €	0.00	0.00	-0.02	-0.02
EBIT	m €	30.42	6.57	4.32	41.31
EBITDA margin	%	10.8%	12.0%	6.4%	10.1%
EBIT margin	%	7.6%	9.2%	4.1%	7.2%
Share of Group Sales	%	69.5%	12.3%	18.2%	100.0%
Investments	m €	21.55	2.81	13.42	37.77

Business Year 2011/2012		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Sales	m €	349.81	46.01	70.54	466.35
EBITDA	m €	40.57	5.53	5.43	51.52
Depreciation/amortization	m €	-14.25	-0.60	-1.24	-16.09
Impairment	m €	-1.70	-0.75	-0.59	-3.04
EBIT	m €	24.61	4.18	3.60	32.40
EBITDA margin	%	11.6%	12.0%	7.7%	11.0%
EBIT margin	%	7.0%	9.1%	5.1%	6.9%
Share of Group Sales	%	75.0%	9.9%	15.1%	100.0%
Investments	m €	20.36	1.40	0.28	22.04

Segment assets as of 31 March 2013 and 31 March 2012 are as follows:

31 March 2013		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Property, plant and equipment	m €	97.93	4.48	42.03	144.44
Inventories	m €	16.27	0.47	1.58	18.32
Trade accounts receivables	m €	41.50	5.33	9.20	56.02

31 March 2012		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Property, plant and equipment	m €	51.35	3.36	29.32	84.03
Inventories	m €	9.24	0.48	1.74	11.46
Trade accounts receivables	m €	37.26	3.36	4.18	44.80

Information by geographical regions (registered offices of the companies) for the 2012/2013 and 2011/2012 business years is as follows:

Business Year 2012/2013		Austria	Turkey	Other Countries	Total
Sales	m €	181.02	204.98	190.20	576.19
Share of Group Sales	%	31.4%	35.6%	33.0%	100.0%

Business Year 2011/2012		Austria	Turkey	Other Countries	Total
Sales	m €	157.75	173.37	135.23	466.35
Share of Group Sales	%	33.8%	37.2%	29.0%	100.0%

Long-term assets:

31 March 2013		Austria	Turkey	Other Countries	Total
Property, plant and equipment	m €	27.20	48.21	69.04	144.44
Inventories	m €	3.11	12.36	2.84	18.32
Trade accounts receivables	m €	18.53	12.58	24.92	56.02

31 March 2012		Austria	Turkey	Other Countries	Total
Property, plant and equipment	m €	22.67	36.75	24.62	84.03
Inventories	m €	2.39	7.43	1.64	11.46
Trade accounts receivables	m €	11.63	15.32	17.85	44.80

(26) Major Events After the Balance Sheet Date (supplementary report)

Events after 31 March 2013 which are of importance for assessment as of the balance sheet date, such as unsettled suits, claims for damages or other obligations or possible losses which need to be posted or disclosed in accordance with IAS 10 were either accounted for in these consolidated statements of DO & CO Aktiengesellschaft or did not occur.

(27) Related Party Disclosures

RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG is indirectly a related party as it holds a stake in DO & CO Aktiengesellschaft through RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung or through the latter's indirectly wholly-owned subsidiary DZR Immobilien und Beteiligungs GmbH. Business relations with RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG were handled at terms and conditions customary for external customers. Within this scope rentals were paid to the amount of TEUR 832 (PY: TEUR 815) and liabilities as of 31 March 2013 of TEUR 0 (PY: TEUR 2) are included in the figure. Business relations with UNIQA, similarly affiliated through RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung, are also handled at terms and conditions customary for external customers. These include rental payments amounting to TEUR 1,163 (PY: TEUR 1,131). Moreover, liabilities totalling TEUR 279 (PY: TEUR 4) were reported as of 31 March 2013.

Business relations with companies or private foundations in which Supervisory or Management Board members of DO & CO Aktiengesellschaft are active or favored are not essentially different from supply and service relationships to other companies. Companies in which Supervisory Board members Waldemar JUD and Werner SPORN have a substantial economic interest rendered legal consulting amounting to TEUR 1,058 (PY: TEUR 544) in the 2012/2013 business year. In this connection, liabilities of TEUR 366 (PY: TEUR 0) are accrued as of 31 March 2013. Rental agreements and other expenditures have been entered with private foundations under the economic control of Attila Dogudan, amounting to TEUR 2,225 (PY: TEUR 1,625) in the 2012/2013 business year. Related to this, liabilities amounting to TEUR 48 (PY: TEUR 0) are posted as of 31 March 2013.

The Group has a 50% stake in THY DO & CO İkrām Hizmetleri A.Ş. Turkish Airlines (Türk Hava Yolları A.O.) holds the remaining 50% stake in this company. THY DO & CO İkrām Hizmetleri A.Ş. provides airline catering services to Turkish Airlines. All business relations were conducted at terms and conditions customary for external partners. From this business relationship result receivables to Turkish Airlines amounting to TEUR 4,801 (PY: TEUR 13,502).

During the business year, DO & CO purchased services equivalent to TEUR 8,457 (PY: TEUR 8,331) from ISS Ground Services GmbH in which it holds a stake of 49% (associated company). As of 31 March 2013, liabilities amounting to TEUR 717 (PY: TEUR 940) are carried as liabilities vis-à-vis ISS Ground Services GmbH. All business relations were conducted at terms and conditions customary for external partners.

DO & CO has business relations with another shareholder of a subsidiary. All business relations with it were conducted at terms and conditions customary for external partners. As of 31 March 2013, the relationship included a loan (including interest payment) amounting to TEUR 4,029 (31 March 2012: TEUR 0) and expenditures of TEUR 428 (31 March 2012: TEUR 0), which caused liabilities totaling TEUR 63 (PY: TEUR 0).

(28) Information on Corporate Boards and Employees

The average number of employees in the 2012/2013 business year was 6,220 (PY: 4,166).

In the 2012/2013 business year the corporate boards of DO & CO Aktiengesellschaft consisted of following members:

The Management Board: Attila DOGUDAN, Vienna, Chairman
Haig ASENBAUER (from 16 July 2012), Vienna
Gottfried NEUMEISTER (from 16 July 2012), Vienna
Klaus PETERMANN (from 16 July 2012), Vienna
Michael DOBERSBERGER (until 16 July 2012), Vienna

The following remuneration was paid to individual members of the Management Board in the 2012/2013 business year:

Remuneration Management Board 2012/2013	in TEUR	Fixed Remuneration	Variable Remuneration	Total
Attila Dogudan		528	280	808
Haig Asenbauer		367	0	367
Gottfried Neumeister		269	0	269
Klaus Petermann		288	0	288
Michael Dobersberger		85	210	295
Total		1,536	490	2,026

The variable remuneration components for the 2011/2012 business year were paid in the 2012/2013 business year.

The following remuneration was paid to individual members of the Management Board in the previous year:

Remuneration Management Board 2011/2012	in TEUR	Fixed Remuneration	Variable Remuneration	Total
Attila Dogudan		369	280	649
Michael Dobersberger		261	210	471
Total		630	490	1,120

Currently, no arrangements have yet been made regarding any company pension for the Management Board. The Chairman of the Management Board is entitled to severance payment analogously to the Salaried Employees Act. The employment contracts of the Management Board members include compensation of three monthly salaries if they are terminated early for reasons other than good cause. No such claim is due in the event that a contract is terminated before expiry for a cause within the control of the Management Board member. There are no further claims in the event that a member of the Management Board resigns. Furthermore, no arrangements have so far been made in the event of a change of control.

Supervisory Board: Waldemar JUD, Graz, Chairman
Werner SPORN, Vienna, Deputy Chairman
Georg THURN-VRINTS, Poysbrunn
Christian KONRAD, Vienna

The members of the Supervisory Board received a remuneration totaling TEUR 55 for the 2011/2012 business year (PY: TEUR 55) in accordance with the resolution adopted by the General Meeting on 5 July 2012.

There were no guarantees for loans or group company loans extended to members of the Management Board and Supervisory Board.

Vienna, 17 May 2013

The Management Board:

Attila DOGUDAN
Chairman

Klaus PETERMANN
Member

Gottfried NEUMEISTER
Member

Haig ASENBAUER
Member

Reconciliation of fixed assets as of 31 March 2013

in TEUR	COST OF ACQUISTION AND PRODUCTION						ACCUMULATED DEPRECIATION/AMORTISATION						BOOK VALUE		
	As of 31 March 2012	Change of scope of consolida- tion and reclassification	Translation differences	Additions	Disposals	As of 31 March 2013	As of 31 March 2012	Change of scope of consolida- tion and reclassification	Translation differences	Depreciation charge of the year	Appreciation	Disposals	As of 31 March 2013	Book-value 31 March 2013	Book-value 31 March 2012
I. Intangible assets															
1. Industrial property rights and similar rights and benefits including deriving from them	40,165	1,315	539	727	160	42,585	29,536	169	395	2,713	0	160	32,654	9,932	10,628
2. Goodwill	4,056	1,560	0	0	0	5,616	0	0	0	0	0	0	0	5,616	4,056
	44,221	2,875	539	727	160	48,202	29,536	169	395	2,713	0	160	32,654	15,548	14,685
II. Property, plant and equipment															
1. Land and buildings including buildings on third party land	57,749	35,560	-212	7,333	274	100,156	32,357	1,513	336	4,404	0	268	38,342	61,814	25,393
2. Plant and machinery	23,401	6,896	-62	2,493	2,365	30,363	18,124	2,220	93	2,356	-9	2,331	20,452	9,911	5,277
3. Other equipment and office equipment	52,615	8,266	224	12,587	5,338	68,355	34,434	3,608	193	7,661	-194	5,071	40,631	27,724	18,182
4. Payments on account and assets in course of construction	18,616	-6,239	350	14,634	21	27,339	0	0	0	0	0	0	0	27,339	18,616
	152,381	44,482	301	37,047	7,998	226,214	84,914	7,342	622	14,421	-203	7,670	99,426	126,788	67,468
III. Financial assets															
1. Investments in associated companies	1,668	0	0	210	0	1,878	0	0	0	0	0	0	0	1,878	1,668
2. Securities held at long-term investments	214	0	0	0	2	212	0	0	0	0	0	0	0	212	214
3. Other Loans	0	0	0	17	0	17	0	0	0	0	0	0	0	17	0
	1,882	0	0	227	2	2,107	0	0	0	0	0	0	0	2,107	1,882
Total	198,484	47,357	840	38,001	8,161	276,522	114,450	7,511	1,017	17,133	-203	7,830	132,079	144,442	84,034

Reconciliation of fixed assets as of 31 March 2012

in TEUR	COST OF ACQUISTION AND PRODUCTION						ACCUMULATED DEPRECIATION/AMORTISATION						BOOK VALUE		
	As of 31 March 2011	Change of scope of consolida- tion and reclassification	Translation differences	Additions	Disposals	As of 31 March 2012	As of 31 March 2011	Change of scope of consolida- tion and reclassification	Translation differences	Depreciation charge of the year	Appreciation	Disposals	As of 31 March 2012	Book-value 31 March 2012	Book-value 31 March 2011
I. Intangible assets															
1. Industrial property rights and similar rights and benefits including deriving from them	44,424	190	-1,812	130	2,767	40,165	28,749	0	-1,067	4,622	0	2,767	29,536	10,628	15,675
2. Goodwill	4,056	0	0	0	0	4,056	0	0	0	0	0	0	0	4,056	4,056
3. Payments in advance	190	-190	0	0	0	0	0	0	0	0	0	0	0	0	190
	48,670	0	-1,812	130	2,767	44,221	28,749	0	-1,067	4,622	0	2,767	29,536	14,685	19,922
II. Property, plant and equipment															
1. Land and buildings including buildings on third party land	54,759	58	397	2,794	260	57,749	27,159	0	-50	5,502	0	255	32,357	25,393	27,600
2. Plant and machinery	22,508	8	-166	1,519	468	23,401	16,307	0	31	2,211	0	425	18,124	5,277	6,201
3. Other equipment and office equipment	44,446	43	-490	10,313	1,696	52,615	29,086	0	-96	6,788	0	1,344	34,434	18,182	15,361
4. Payments on account and assets in course of construction	9,668	-109	-461	9,529	10	18,616	0	0	0	0	0	0	0	18,616	9,668
	131,381	0	-720	24,155	2,435	152,381	72,552	0	-116	14,502	0	2,024	84,914	67,468	58,830
III. Financial assets															
1. Investments in associated companies	1,632	0	0	67	31	1,668	0	0	0	0	0	0	0	1,668	1,632
2. Securities held at long-term investments	218	0	0	0	4	214	0	0	0	0	0	0	0	214	218
	1,850	0	0	67	35	1,882	0	0	0	0	0	0	0	1,882	1,850
Total	181,901	0	-2,533	24,353	5,237	198,484	101,300	0	-1,183	19,125	0	4,792	114,450	84,034	80,601

Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of

DO & CO Aktiengesellschaft, Vienna,

for the business year from 1 April 2012 to 31 March 2013. These consolidated financial statements comprise the consolidated balance sheet as of 31 March 2013, the consolidated income statement and the consolidated statement of other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the business year ending on 31 March 2013, and the notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the assets, financial and profit situation of the Group so that the consolidated financial statements are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and in accordance with International Standards on Auditing (ISAs), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation of the consolidated financial statements and fair presentation of the assets, financial and profit situation of the Group 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide an adequately safe basis for our audit opinion.

Opinion

Our audit of the consolidated financial statements of DO & CO Aktiengesellschaft did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the assets and financial situation of the Group as of 31 March 2013 and of its financial performance and its cash flows for the business year from 1 April 2012 to 31 March 2013 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Comments on the Group Management Report

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the information pursuant to Section 243a of the Austrian Commercial Code (UGB) are appropriate.

In our opinion, the Group management report is consistent with the consolidated financial statements. The information pursuant to Section 243a of the Austrian Commercial Code (UGB) are appropriate.

Vienna, 17 May 2013

PKF CENTURION
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH
MEMBER FIRM OF PKF INTERNATIONAL LIMITED

Günther Prindl mp
Auditor

Andreas Staribacher mp
Auditor

Balance Sheet as per 31 March 2013

of DO & CO Aktiengesellschaft

ASSETS	in TEUR	31 Mar 2013	31 Mar 2012
Intangible assets		318	265
Tangible assets		3,374	2,755
Financial assets		63,561	38,417
Fixed assets		67,253	41,437
Trade accounts receivable		261	85
Accounts receivable from affiliated companies		89,447	72,159
Other accounts receivable and assets		29,150	47,694
Receivables and other assets		118,857	119,939
Cash and cash equivalents		16,326	40,044
Current assets		135,184	159,983
Prepaid expenses and deferred charges		134	214
Total assets		202,571	201,634

SHAREHOLDERS´ EQUITY AND LIABILITIES	in TEUR	31 Mar 2013	31 Mar 2012
Nominal capital		19,488	19,488
Capital reserves		74,707	74,707
Revenue reserves		37,703	33,891
Unappropriated retained earnings		4,872	4,385
Shareholders' equity		136,770	132,471
Provisions for severance payments		1,855	1,522
Provision for taxation		7,213	5,952
Other provisions		7,395	6,442
Provisions		16,642	13,917
Trade accounts payable		810	997
Accounts payable from affiliated companies		45,761	50,209
Other liabilities		2,617	3,405
Liabilities		49,188	54,610
Deferred income		150	635
Total Shareholders´ equity and liabilities		202,571	201,634
Contingent Liabilities		6,679	12,166

Income Statement

for Business Year 2012/2013 of DO & CO Aktiengesellschaft

in TEUR	Business Year 2012/2013	Business Year 2011/2012
Sales	25,598	24,247
Other operating income	4,298	794
Cost of materials and services	-7,423	-4,333
Personnel expenses	-16,523	-13,780
Depreciation of tangible and intangible fixed assets	-498	-346
Other operating expenses	-10,403	-9,656
Operating result	-4,952	-3,074
Income from investments	16,023	17,771
Interest and similar income	2,264	2,711
Income from write-ups of financial assets	828	1,362
Expenses from financial assets	-2,247	-2,251
Interest and similar expenses	-152	-355
Financial result	16,716	19,238
Profit before taxes	11,764	16,164
Income tax	-3,080	-4,181
Profit for the year	8,684	11,983
Allocation to revenue reserve	-3,812	-7,598
Net Profit	4,872	4,385
Retained earnings	0	0
Unappropriated retained earnings	4,872	4,385

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 unqualified 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 2013, produced 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 EUR 4,872,000.00. 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 EUR 0.50 per dividend-bearing share.

Vienna, 17 May 2013

The Management Board of DO & CO Aktiengesellschaft

Statements by all Legal Representatives Pursuant to Section 82 (4) 3 of the 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, financial and profit situation;
- 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, financial and profit situation 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, financial and profit situation;
- 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, financial and profit situation is provided, and that the management report describes the main risks and uncertainties to which the company is exposed.

Vienna, 17 May 2013

The Management Board:



Attila DOGUDAN
Chairman



Klaus PETERMANN
Member



Gottfried NEUMEISTER
Member



Haig ASENBAUER
Member

more about DO & CO...



DO & CO

THE GOURMET ENTERTAINMENT COMPANY