

Report of the Supervisory Board

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

In the 18th Ordinary General Meeting of Shareholders held on 21 July 2016, Andreas Bierwirth and Cem Kozlu were appointed to the Supervisory Board of DO & CO Aktiengesellschaft. Currently, the Supervisory Board consists of 6 members.

In the business year 2016/2017, the Supervisory Board performed its duties under the law and the Articles of Association in four meetings and adopted one resolution in writing by a circulation procedure. They focused on deliberations regarding the Company's strategic approach, the acquisition of stakes and the organic expansion opportunities as well as new business expansion investments and ongoing business, especially train catering, airline catering (in particular the extension of the contract with Turkish Airlines), as well as Nespresso-DO & CO Cafés.

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 June 2017, the Audit Committee examined the annual 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, proposing to select PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as auditor of the annual and consolidated financial statements for the business year 2017/2018.

The Audit Committee met twice in the business year 2016/2017, monitoring the accounting system, the implementation of steps to optimise the internal control system, as well as the functionality of the risk management system and the internal audit system.

The annual financial statements plus notes of DO & CO Aktiengesellschaft as of 31 March 2017 along with the management report were prepared in accordance with Austrian accounting regulations and audited by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH, which issued an unqualified auditor's report on these documents. The Supervisory Board concurred with the Management Board in the latter's report on the audit findings and approved the financial statements for 2016/2017. They are thus adopted in accordance with § 96 (4) of the Austrian Corporation Act (AktG).

The consolidated financial statements as of 31 March 2017 plus notes were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union and were audited, along with the Group management report, by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH. 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 2017 and the results of its operations and its cash flows for the business year 2016/2017 in conformity with International Financial Reporting Standards (IFRS) as adopted in the European Union and additional requirements under Section 245a Austrian Commercial Code (UGB). The Supervisory Board concurred with the findings of the audit.

Furthermore, the Supervisory Board examined the proposal from the Management Board for the appropriation of profit of DO & CO Aktiengesellschaft. A proposal will be made to

the General Meeting of Shareholders on 27 July 2017 to distribute the entire net profit of € 8,282,400 for a dividend payout of € 0.85 on each share entitled to a dividend.

The compliance review within the scope of the Corporate Governance Report as provided for in Section 243b UGB and an evaluation of compliance by DO & CO Aktiengesellschaft with the rules of the Austrian Corporate Governance Code (ÖCGK) during the business year 2016/2017 were carried out by Ullrich Saurer, lawyer at Held Berdnik Astner & Partner Rechtsanwälte GmbH, and found that DO & CO has complied with the rules of the Austrian Corporate Governance Code in its business year 2016/2017.

The Supervisory Board proposes to appoint PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as the auditor of the (annual and consolidated) financial statements for the business year 2017/2018.

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

Vienna, 27 June 2017

Waldemar Jud m.p.
Chairman of the Supervisory Board

Werner Sporn m.p.
Deputy Chairman of the Supervisory Board