

**BUSINESS RESULTS FOR 1<sup>st</sup> HALF OF BUSINESS YEAR 2006/2007  
(1 APRIL 2006 to 30 SEPTEMBER 2006)**

**STRONG INTERNATIONAL GROWTH WITH PREMIUM QUALITY**

- **Growth in all divisions**
- **Sales: + 50 %, EBIT: + 29 %**
- **Quality carriers EMIRATES, ETIHAD and EOS expand their cooperation with DO & CO**

**VIENNA – 16 November 2006** – Today, DO & CO Restaurants & Catering AG announced its results in accordance with IFRS for the first half of 2006/2007 (1 April 2006 to 30 September 2006). DO & CO achieved sales of EUR 105.24 million in this period, a figure 50.3 % higher than last year.

Airline Catering boosted sales by an impressive 65.8 %, from EUR 36.43 million to EUR 60.41 million. This growth is mainly attributable to improved capacity utilization and the greater frequency with which existing customers used its services.

International Event Catering made a sterling showing as well thanks to heavier demand for national and international event catering. Divisional sales surged by a robust 28.5 % to EUR 24.33 million (previous year: EUR 18.94 million).

Restaurants & Bars also recorded a healthy increase, upping sales by 39.8 % from EUR 14.66 million to EUR 20.49 million. This respectable growth is largely attributable to the division's takeover of restaurant and catering operations at the British Museum in London, the reopening of the flagship restaurant, and opening of the first DO & CO Hotel, located on St. Stephen's Square in downtown Vienna.

<b>SALES BY DIVISION</b>	<b>2006/2007</b>	<b>2005/2006</b>	<b>Change</b>	
First half year (April - September)	<b>in m €</b>	<b>in m €</b>	<b>in m €</b>	<b>in %</b>
Airline Catering	60.41	36.43	23.98	+ 65.8 %
International Event Catering	24.33	18.94	5.39	+ 28.5 %
Restaurants & Bars	20.49	14.66	5.83	+ 39.8 %
<b>Group sales</b>	<b>105.24</b>	<b>70.03</b>	<b>35.21</b>	<b>+ 50.3 %</b>

The consolidated EBIT for the DO & CO Group after goodwill amortization in the first half of 2006/2007 rose by 28.6 %, from EUR 3.81 million to EUR 4.90 million. EBITDA amounted to EUR 7.43 million (previous year: EUR 6.24 million) for an EBITDA margin of 7.1 % (previous year: 8.9 %).

<b>GROUP</b>	<b>2006/2007</b>	<b>2005/2006</b>	<b>Change</b>	
First half year (April - September)	<b>in m €</b>	<b>in m €</b>	<b>in m €</b>	<b>in %</b>
Sales	105.24	70.03	35.21	+ 50.3 %
EBITDA	7.43	6.24	1.19	+ 19.1 %
Depreciation/amortization *	-2.53	-2.43	-0.10	- 4.1 %
EBIT	4.90	3.81	1.09	+ 28.6 %
EBITDA margin	7.1 %	8.9 %		
EBIT margin	4.7 %	5.4 %		
<b>Employees</b>	<b>1,818</b>	<b>1,296</b>	<b>522</b>	<b>+ 40.3 %</b>

\* including goodwill amortization

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

## 1. AIRLINE CATERING

<b>AIRLINE CATERING</b>	<b>2006/2007</b>	<b>2005/2006</b>	<b>Change</b>	
First half year (April - September)	<b>in m €</b>	<b>in m €</b>	<b>in m €</b>	<b>in %</b>
Sales	60.41	36.43	23.98	+ 65.8 %
EBITDA	3.92	3.13	0.79	+ 25.2 %
Depreciation/amortization *	-1.39	-1.30	-0.09	- 6.9 %
EBIT	2.53	1.83	0.70	+ 38.3 %
EBITDA margin	6.5 %	8.6 %		
EBIT margin	4.2 %	5.0 %		
<b>Share in consolidated sales</b>	<b>57.4 %</b>	<b>52.0 %</b>		

\* including goodwill amortization

In Airline Catering, DO & CO posted strong sales growth at several locations. Divisional sales increased by an impressive 65.8 % to EUR 60.41 million in the period under review (previous year: EUR 36.43 million).

DO & CO served the following airlines as customers at its business locations in Vienna, Salzburg, London, Milan, Munich, Frankfurt, Berlin, and New York: Lauda Air, Austrian Airlines, Emirates, British Airways, Cathay Pacific, Qatar Airways, Etihad, EOS, Turkish Airlines, South African Airways, Finnair, NIKI, Livingston, Olympic Airways, LTU, Luxair, Royal Air Maroc, Czech Airlines and Air Berlin.

Airline Catering increased its EBITDA by EUR 0.79 million, or 25.2 %, from EUR 3.13 million to EUR 3.92 million. EBIT rose by EUR 0.70 million, or 38.3 %, from EUR 1.83 million to EUR 2.53 million.

## 2. INTERNATIONAL EVENT CATERING

INTERNAT. EVENT CATERING First half year (April - September)	2006/2007	2005/2006	Change	
	in m €	in m €	in m €	in %
Sales	24.33	18.94	5.39	+ 28.5 %
EBITDA	2.72	2.43	0.29	+ 11.9 %
Depreciation/amortization *	-0.46	-0.55	0.09	+ 16.4 %
EBIT	2.26	1.88	0.38	+ 20.2 %
EBITDA margin	11.2 %	12.8 %		
EBIT margin	9.3 %	9.9 %		
Share in consolidated sales	23.1 %	27.1 %		

\* including goodwill amortization

Encouragingly strong growth was also recorded in International Event Catering. Among the international highlights was certainly the 2006 FEI World Equestrian Games in Aachen, known also as the CHIO.

About 20,000 VIPS and some 50,000 spectators at this international championship were treated to an array of DO & CO culinary delights. DO & CO has had close and successful business ties since 1997 to the CHIO in Aachen, one of the best and most prestigious riding and jumping tournaments in the world.

In Austrian business, the 15<sup>th</sup> Film Festival on the square in front of Vienna's City Hall was a grand success, attracting crowds of 10,000 to 15,000 a day. The city of Vienna again put DO & CO in charge of organizing the catering booths for this event. With this winning combination, the Film Festival proved once again to be a highly appealing product for Austrian and international visitors to Vienna.

Topping off the first half of this business year were further events in Austria such as catering at the Red Bull Stadium in Salzburg (Federal League and international contests) and the Beach Volleyball World Tour Tournament at Wörthersee.

EBITDA for International Event Catering increased by EUR 0.29 million, or 11.9 %, rising from EUR 2.43 million to EUR 2.72 million. EBIT grew by EUR 0.38 million, or 20.2 %, to EUR 2.26 million (previous year: EUR 1.88 million). The EBIT margin declined to 9.3 % (previous year: 9.9 %).

### 3. RESTAURANTS & BARS

RESTAURANTS & BARS First half year (April - September)	2006/2007	2005/2006	Change	
	in m €	in m €	in m €	in %
Sales	20.49	14.66	5.83	+ 39.8 %
EBITDA	0.79	0.68	0.11	+ 16.2 %
Depreciation/amortization *	-0.68	-0.58	-0.10	- 17.2 %
EBIT	0.11	0.10	0.01	+ 10.0 %
EBITDA margin	3.9 %	4.6 %		
EBIT margin	0.5 %	0.7 %		
Share in consolidated sales	19.5 %	20.9 %		

\* including goodwill amortization

The number of patrons frequenting the businesses of Restaurants & Bars increased in the first half of 2006/2007.

While the restaurants slightly improved their good level of capacity utilization overall, two businesses led the way in boosting sales: the newly renovated DO & CO Restaurant at St. Stephen's Square in Vienna and the first ever DO & CO Hotel at the same location. Divisional sales rose by EUR 5.83 million, or 39.8 %, to EUR 20.49 million (previous year: EUR 15.66 million).

Catering at the British Museum in London is included in the consolidated accounts for the first time in this reporting period. DO & CO has had the dual task there since the beginning of May 2006 of treating regular museum visitors to culinary delights and catering the museum's special events.

EBITDA rose by EUR 0.11 million to EUR 0.79 million (previous year: EUR 0.68 million) while EBIT rose only slightly to EUR 0.11 million (previous year: EUR 0.10 million) owing to increased depreciation.

## **DO & CO STOCK**

The price of DO & CO stock rose by a healthy 22.8 % from 1 January 2006 to 10 November 2006. Market capitalization totaled EUR 93.87 million at the closing price of EUR 57.80 on 10 November 2006.

## **OUTLOOK**

### **Airline Catering**

The joint venture the DO & CO Group entered into with Turkish Airlines in September is a new challenge and opportunity for DO & CO. The new company, in which each partner has a 50 % stake, will take over catering on all flights of Turkish Airlines ex Turkey starting on 1 January 2007. The joint venture will run 9 business locations in Turkey and offer catering services for Turkish Airlines as well as third party customers. The 9 locations in Turkey are as follows: Istanbul (Atatürk and Sabiha Gökçen), Ankara, Antalya, Izmir, Bodrum, Trabzon, Dalaman and Adana.

DO & CO has been catering yet another long-distance flight for EMIRATES in New York since 29 October 2006 (already the third daily flight!). Whereas the other two flights provide direct service to Dubai, this third one, a Boeing Triple Seven with seating for 378 passengers, flies via Hamburg to Dubai.

DO & CO has also been operating the EMIRATES First and Business Class Lounge at New York's JFK Airport since November 2005. The lounge is attracting increasing numbers of guests. An average of 6,000 passengers a month now enjoys royal treatment from DO & CO.

DO & CO also added ETIHAD AIRWAYS from the United Arab Emirates to its clientele in New York. Direct service will now be offered from New York to Abu Dhabi for the first time. ETIHAD AIRWAYS serves this destination daily with an Airbus A340-500 featuring seating for 240 passengers.

### **International Event Catering**

DO & CO has maintained its position despite the fierce competition in national and international Event Catering.

In Madrid, the Spanish capital, DO & CO catered guests in the third quarter at the annual ATP Tennis Tournament of the Masters Series and for the first time at the Sony Ericsson Championships. In this latter event, the world's eight top ranking women players vie against each other for the world championship title.

The DO & CO Event Team faced new challenges in both cases. Previously, DO & CO had treated only the VIPs at the ATP Masters in Madrid to culinary specialties from around the world. This time DO & CO was also responsible at both the men's and women's tournaments for handling the catering for the general public, press, and sponsors and for providing gourmet entertainment to the players themselves. As a result, the team catered a total of more than 100,000 guests over the two weeks of the tournaments.

The contract for the WTA Championships and the extension of quality service to all categories of guests at the ATP Masters Madrid are further compelling examples of the international success achieved by the DO & CO and DEMEL brands.

In another major Spanish contract, DO & CO staged the prestigious PGA Volvo Masters Golf Tournament in Valderrama and proved the premium quality of its services once again.

### **Restaurants & Bars**

In Restaurants & Bars, DO & CO expects to continue making good utilization of its restaurant capacities. The new DEMEL in Salzburg and the catering business at the British Museum in London are both developing more than satisfactorily.

The management expects business results to further improve as compared with last year for the remaining business year 2006/2007, barring the occurrence of unforeseeable circumstances over which DO & CO has no control.

## Income Statement

in TEUR	1 <sup>st</sup> Half Year 2006 / 2007	1 <sup>st</sup> Half Year 2005 / 2006	Business Year 2005 / 2006	Business Year 2004 / 2005
<b>Sales</b>	<b>105,238</b>	<b>70,032</b>	<b>142,179</b>	<b>134,259</b>
Other operating income	674	635	9,224	2,043
Costs of materials and services	-40,140	-24,069	-51,543	-50,475
Payroll costs	-36,884	-25,930	-55,405	-48,042
Depreciation of tangible fixed assets and amortization of intangible fixed assets	-2,531	-2,434	-6,411	-5,384
Amortization of goodwill	0	0	-450	-23
Other operating expenses	-21,455	-14,424	-33,394	-28,924
<b>EBIT - Operating result</b>	<b>4,902</b>	<b>3,810</b>	<b>4,201</b>	<b>3,452</b>
Financial result	292	156	2,622	-69
<b>Result from ordinary business activities</b>	<b>5,193</b>	<b>3,965</b>	<b>6,823</b>	<b>3,384</b>
Income tax	-1,651	-1,287	-1,955	-1,051
<b>Result after income tax</b>	<b>3,543</b>	<b>2,679</b>	<b>4,868</b>	<b>2,333</b>
Minority interests	58	202	-109	73
<b>Consolidated result</b>	<b>3,601</b>	<b>2,880</b>	<b>4,758</b>	<b>2,406</b>

## Cash - Flow Statement

in TEUR	1 <sup>st</sup> Half Year 2006 / 2007	1 <sup>st</sup> Half Year 2005 / 2006	Business Year 2005 / 2006	Business Year 2004 / 2005
<b>Cash-flow from operating activities</b>	<b>10,716</b>	<b>6,661</b>	<b>7,633</b>	<b>5,943</b>
<b>Cash-flow from investing activities</b>	<b>-5,395</b>	<b>-6,377</b>	<b>9,513</b>	<b>-12,231</b>
<b>Cash-flow from financing activities</b>	<b>1,981</b>	<b>1,402</b>	<b>-3,205</b>	<b>5,388</b>
<b>Total cash-flow</b>	<b>7,302</b>	<b>1,687</b>	<b>13,941</b>	<b>-900</b>
Cash and cash equivalents at the beginning of the	20,188	6,193	6,193	7,156
Cash and cash equivalents at the end of the year	27,493	7,938	20,188	6,193
<b>Free cash-flow</b>	<b>5,321</b>	<b>285</b>	<b>17,146</b>	<b>-6,288</b>

## Development of shareholders' equity

in TEUR	1 <sup>st</sup> Half Year 2006 / 2007	1 <sup>st</sup> Half Year 2005 / 2006
Shareholders' equity as of 31 March	37,546	33,163
Consolidated result in reporting period	3,601	2,880
Changes in foreign currency translation reserve	-360	839
Other changes	-836	-834
Changes in minority interests	-43	-211
<b>Shareholders' equity as of 30 September</b>	<b>39,908</b>	<b>35,837</b>

## Balance Sheet

<b>ASSETS</b>	<b>in TEUR</b>	<b>30 Sept 2006</b>	<b>30 Sept 2005</b>	<b>31 March 2006</b>	<b>31 March 2005</b>
Intangible assets		5,125	3,749	4,931	3,881
Tangible assets		29,130	29,510	28,628	27,408
Investments		99	7,180	74	5,541
<b>Fixed assets</b>		<b>34,355</b>	<b>40,440</b>	<b>33,632</b>	<b>36,829</b>
Other long-term assets		219	945	366	594
<b>Long-term assets</b>		<b>34,574</b>	<b>41,385</b>	<b>33,998</b>	<b>37,424</b>
Inventories		5,071	3,372	4,683	3,297
Trade accounts receivable		22,589	18,353	16,967	13,735
Other short-term accounts receivable and assets		6,381	3,500	4,028	3,262
Cash and cash equivalents		27,493	7,938	20,188	6,193
<b>Current assets</b>		<b>61,534</b>	<b>33,163</b>	<b>45,866</b>	<b>26,487</b>
<b>Deferred taxes</b>		<b>3,370</b>	<b>4,030</b>	<b>4,094</b>	<b>4,394</b>
<b>Total assets</b>		<b>99,478</b>	<b>78,579</b>	<b>83,958</b>	<b>68,305</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>in TEUR</b>	<b>30 Sept 2006</b>	<b>30 Sept 2005</b>	<b>31 March 2006</b>	<b>31 March 2005</b>
Capital stock		11,802	11,802	11,802	11,802
Capital reserves		13,081	13,081	13,081	13,081
Revenue reserves		14,996	11,049	11,073	9,476
Foreign currency translation reserve		-3,298	-2,419	-2,938	-3,258
Consolidated result		3,601	2,880	4,758	2,406
Minority interests		-274	-556	-231	-345
<b>Shareholders' equity</b>		<b>39,908</b>	<b>35,837</b>	<b>37,546</b>	<b>33,163</b>
Long-term provisions		3,883	3,606	4,791	3,443
Long-term financial liabilities		0	5,400	0	5,400
Other long-term liabilities		837	453	1,052	465
<b>Long-term liabilities</b>		<b>4,720</b>	<b>9,459</b>	<b>5,842</b>	<b>9,307</b>
Short-term provisions		19,820	11,223	13,008	7,374
Short-term financial liabilities		10,400	6,814	7,607	4,600
Trade accounts payable		16,187	9,852	15,569	10,247
Other short-term liabilities		8,442	5,394	4,386	3,614
<b>Current liabilities</b>		<b>54,850</b>	<b>33,282</b>	<b>40,570</b>	<b>25,835</b>
<b>Total liabilities and shareholders' equity</b>		<b>99,478</b>	<b>78,579</b>	<b>83,958</b>	<b>68,305</b>

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Reuters Code:

Bloomberg Code:

Vienna Stock Exchange:

Security abbreviation:

Security code number:

ISIN Code:

Trading segment:

Market segment:

In following indices:

Number of shares:

**Listed nominal:**

Listed since:

DOCO.VI

DOC AV

[www.wienerboerse.at](http://www.wienerboerse.at)

DOC

081880

AT0000818802

Official Trading

Standard Market

Continuous

WBI

1,624,000

**€11,802,068**

30 June 1998

### Financial calendar:

1st to 3rd quarter 2006/2007 15 Feb. 2007