

DO & CO Restaurants & Catering AG

Financial Report on the third quarter of Business Year

2007/2008

Consolidated Business Report - First to Third Quarter 2007/2008 (1 April 2007 – 31 December 2007)

FIGURES OF DO & CO

Key Figures of the DO & CO group in accordance with IFRS

The abbreviations and calculations are explained in the Glossary of Key Figures

| | | Third Quarter 2007 / 2008 | Third Quarter 2006 / 2007 | 1st to 3rd Quarter 2007 / 2008 | 1st to 3rd Quarter 2006 / 2007 |
|-------------------------------|--------|------------------------------|------------------------------|-----------------------------------|-----------------------------------|
| Sales | in m € | 87.51 | 44.91 | 276.16 | 150.15 |
| EBITDA | in m € | 5.47 | 0.93 | 23.82 | 8.36 |
| EBITDA margin | in % | 6.3 % | 2.1 % | 8.6 % | 5.6 % |
| EBIT | in m € | 1.37 | -0.83 | 12.28 | 4.07 |
| EBIT margin | in % | 1.6 % | -1.9 % | 4.4 % | 2.7 % |
| Result from ordinary business | in m € | 0.78 | -0.06 | 11.55 | 5.14 |
| Consolidated result | in m € | -0.75 | -0.31 | 4.36 | 3.29 |
| Employees | | 4,133 | 1,639 | 4,029 | 1,764 |
| Equity ¹ | in m € | 75.11 | 45.17 | 75.11 | 45.17 |
| Equity ratio | in % | 40.8 % | 30.9 % | 40.8 % | 30.9 % |
| Net debts | in m € | -10.09 | 20.21 | -10.09 | 20.21 |
| Net gearing | in % | -13.4 % | 44.7 % | -13.4 % | 44.7 % |
| Working Capital | in m € | 23.06 | -5.03 | 23.06 | -5.03 |
| Operational cash-flow | in m € | 8.44 | -0.11 | 27.04 | 10.61 |
| Depreciation/amortization | in m € | -4.10 | -1.76 | -11.54 | -4.29 |
| Free cash-flow | in m € | 5.93 | -45.16 | 19.12 | -39.84 |
| ROS | in % | 0.9 % | -0.1 % | 4.2 % | 3.4 % |
| Capital Employed | in m € | 89.00 | 75.99 | 89.00 | 75.99 |
| ROCE | in % | 0.6 % | -1.5 % | 8.8 % | 5.1 % |
| ROE | in % | -1.0 % | -0.8 % | 5.8 % | 8.4 % |

1 ... Adjusted to take designated dividend payments and bookvalue of goodwill into account

Key Figures per share

(as per number of shares after the stock split)

| | | Third Quarter 2007 / 2008 | Third Quarter 2006 / 2007 | 1st to 3rd Quarter 2007 / 2008 | 1st to 3rd Quarter 2006 / 2007 |
|----------------------------------|----------|------------------------------|------------------------------|-----------------------------------|-----------------------------------|
| EBITDA per share | in EUR | 0.70 | 0.14 | 3.06 | 1.29 |
| EBIT per share ¹ | in EUR | 0.18 | -0.13 | 1.57 | 0.63 |
| Earnings per share ¹ | in EUR | -0.10 | -0.05 | 0.56 | 0.51 |
| Equity (book entry) ³ | in EUR | 9.64 | 6.95 | 9.64 | 6.95 |
| High ⁴ | in EUR | 23.80 | 15.50 | 26.00 | 15.50 |
| Low ⁴ | in EUR | 20.00 | 12.03 | 20.00 | 9.98 |
| Year-end ⁴ | in EUR | 20.20 | 15.50 | 20.20 | 15.50 |
| Number of shares year-end | in TPie | 7,795.20 | 6,496.00 | 7,795.20 | 6,496.00 |
| Market capitalization year-end | in m EUR | 157.46 | 100.69 | 157.46 | 100.69 |

1 ... Adjusted to take goodwill amortization into account

2 ... The effect of the stock split was applied to previous year numbers to ease comparison.

3 ... Adjusted to take designated dividend payments and bookvalue of goodwill into account

4 ... Closing price

SALES

The sales of the DO & CO Group for the first three quarters were EUR 126.01 million higher in financial year 2007/2008 than in the previous year, rising from EUR 150.15 million to EUR 276.16 million. Third quarter sales improved by EUR 42.59 million against the previous year, increasing from EUR 44.91 million to EUR 87.51 million.

| SALES BY DIVISION in m € | Third Quarter | | | First - Third Quarter | | |
|------------------------------|---------------|-------------|--------|-----------------------|------------|--------|
| | 10-12 07/08 | 10-12 06/07 | Change | 4-12 07/08 | 4-12 06/07 | Change |
| Airline Catering | 58.77 | 21.37 | 37.41 | 194.82 | 81.78 | 113.04 |
| International Event Catering | 10.56 | 10.95 | -0.39 | 36.60 | 35.28 | 1.32 |
| Restaurants, Lounges & Hotel | 18.17 | 12.60 | 5.58 | 44.74 | 33.09 | 11.65 |
| Group sales | 87.51 | 44.91 | 42.59 | 276.16 | 150.15 | 126.01 |

Airline Catering increased its sales by a healthy EUR 113.04 million, raising them from EUR 81.78 million to EUR 194.82 million. The robust sales growth is attributable to strong growth in national and international business with existing and new customers, to the successful joint venture in Turkey, and to growth in the Austrian market.

International Event Catering increased its sales by EUR 1.32 million, from EUR 35.28 million to EUR 36.60 million. Divisional growth stems from the successful staging of large-scale international sports events, such as the Formula 1, the America's Cup in Valencia, the CHIO in Aachen and the two tennis tournaments in Madrid (ATP Men's Tennis Masters Tournament and the Women's Tennis Association World Championships).

Restaurants, Lounges & Hotel recorded sales of EUR 44.74 million for the period under review, a figure EUR 11.65 million higher than the previous year's EUR 33.09 million. This growth can be traced in large measure to the opening of the new business location at the BMW World in Munich and to the encouraging trend at existing locations, in particular the British Museum in London, the DO & CO Restaurant and Hotel on St. Stephen's Square in Vienna and the businesses of the renowned DEMEL brand.

PROFIT & ASSETS

The DO & CO Group posted consolidated earnings before interest and tax (EBIT) for the first three quarters of 2007/2008 of EUR 12.28 million. This figure represents an increase of EUR 8.21 million over the previous year. The EBIT margin rose from 2.7 % last year to 4.4 %. EBITDA grew by EUR 15.46 million, rising from EUR 8.36 million to EUR 23.82 million. This figure corresponds to an EBITDA margin of 8.6 % versus 5.6 % for the previous year.

| GROUP in m € | Third Quarter | | | First - Third Quarter | | |
|---------------------------|---------------|-------------|--------|-----------------------|------------|--------|
| | 10-12 07/08 | 10-12 06/07 | Change | 4-12 07/08 | 4-12 06/07 | Change |
| Sales | 87.51 | 44.91 | 42.59 | 276.16 | 150.15 | 126.01 |
| EBITDA | 5.47 | 0.93 | 4.54 | 23.82 | 8.36 | 15.46 |
| Depreciation/amortization | -4.10 | -1.76 | -2.34 | -11.54 | -4.29 | -7.25 |
| EBIT | 1.37 | -0.83 | 2.20 | 12.28 | 4.07 | 8.21 |
| EBITDA margin | 6.3 % | 2.1 % | | 8.6 % | 5.6 % | |
| EBIT margin | 1.6 % | -1.9 % | | 4.4 % | 2.7 % | |
| Employees | 4,133 | 1,639 | 2,494 | 4,029 | 1,764 | 2,265 |

The robust growth is attributable to the successful joint venture in Turkey. The improved utilization of capacity at existing locations and activities in Austria also boosted results considerably.

The consolidated equity of the DO & CO group amounted to EUR 75.11 million as of 31 December 2007 (versus EUR 68.21 million as of 31 March 2007). The equity ratio increased from 36.3 % to 40.8 %. (Equity capital and equity ratio after adjustment for planned dividend payments and book values for goodwill)

The balance sheet items "Non-Current Assets Held for Sale and Associated Liabilities" were much reduced on 31 December 2007 compared to 31 March 2007, because the spin-off of AIREST Gastronomy & Retail GmbH was completed in the second quarter of 2007.

INVESTMENTS

Payments for investments totaled EUR 7.9 million as of 31 December 2007. The most important individual investments were those connected to the joint venture Turkish DO & CO, to the expansion of Airline Catering capacities in Vienna, London, New York and Frankfurt, to DO & CO Party Service & Catering GmbH and DO & CO Catering Consult & Beteiligungs GmbH, and to the BMW World in Munich.

EMPLOYEES

The average number of employees in the period under review, i.e. the first to third quarter, increased to 4,029 from the previous year's figure of 1,764. This major increase is attributable mostly to the inclusion of the joint venture, Turkish DO & CO, and its approximately 1,700 employees.

AIRLINE CATERING

The DO & CO Group's Airline Catering Division is active at various locations around the world, serving customers such as Austrian Airlines Group, Turkish Airlines, British Airways, Cathay Pacific, Emirates, Etihad and Qatar Airways. In total, DO & CO currently supplies more than 50 airlines.

| AIRLINE CATERING in m € | Third Quarter | | | First - Third Quarter | | |
|-----------------------------|---------------|-------------|--------|-----------------------|------------|--------|
| | 10-12 07/08 | 10-12 06/07 | Change | 4-12 07/08 | 4-12 06/07 | Change |
| Sales | 58.77 | 21.37 | 37.41 | 194.82 | 81.78 | 113.04 |
| EBITDA | 3.41 | -0.45 | 3.86 | 16.41 | 3.47 | 12.94 |
| Depreciation/amortization | -3.23 | -1.10 | -2.13 | -8.91 | -2.49 | -6.42 |
| EBIT | 0.19 | -1.55 | 1.74 | 7.50 | 0.98 | 6.52 |
| EBITDA margin | 5.8 % | -2.1 % | | 8.4 % | 4.2 % | |
| EBIT margin | 0.3 % | -7.3 % | | 3.9 % | 1.2 % | |
| Share in consolidated sales | 67.2 % | 47.6 % | | 70.5 % | 54.5 % | |

Airline Catering posted sales of EUR 194.82 million in the first three quarters of the business year 2007/2008, an increase of EUR 113.04 million compared to the previous year.

This significant growth stems from the inclusion in the consolidated accounts of the new business locations in Turkey and Austria but also to the fine performance of existing DO & CO locations.

EBITDA for the division increased by EUR 12.94 million, rising from EUR 3.47 million to EUR 16.41 million. That corresponds to an EBITDA margin of 8.4 % (previous year: 4.2 %). EBIT grew by EUR 6.52 million, from EUR 0.98 million to EUR 7.50 million. The EBIT margin was 3.9 % (previous year: 1.2 %).

INTERNATIONAL EVENT CATERING

International Event Catering also continued along its course of growth in the first to third quarter of 2007/2008. April to December sales rose by EUR 1.32 million, increasing from EUR 35.28 million in 2006 to EUR 36.60 million in 2007.

| INTERNAT. EVENT CATERING in m € | Third Quarter | | | First - Third Quarter | | |
|------------------------------------|---------------|-------------|--------|-----------------------|------------|--------|
| | 10-12 07/08 | 10-12 06/07 | Change | 4-12 07/08 | 4-12 06/07 | Change |
| Sales | 10.56 | 10.95 | -0.39 | 36.60 | 35.28 | 1.32 |
| EBITDA | 0.86 | 0.75 | 0.11 | 4.11 | 3.47 | 0.64 |
| Depreciation/amortization | -0.38 | -0.30 | -0.08 | -1.10 | -0.76 | -0.34 |
| EBIT | 0.48 | 0.45 | 0.03 | 3.01 | 2.71 | 0.30 |
| EBITDA margin | 8.1 % | 6.9 % | | 11.2 % | 9.8 % | |
| EBIT margin | 4.5 % | 4.1 % | | 8.2 % | 7.7 % | |
| Share in consolidated sales | 12.1 % | 24.4 % | | 13.3 % | 23.5 % | |

DO & CO once again played culinary host to numerous large-scale international sports events. One of the period's highlight events was the 32nd America's Cup in Valencia, where DO & CO treated its guests to premium DO & CO products from April to early July 2007. Others were the traditional CHIO Riding and Jumping Tournament in Aachen, the Formula 1 Grands Prix, and the PGA Golf Tournament in Valderrama. DO & CO also hosted the two tennis tournaments in Madrid, the ATP Men's Tennis Masters Tournament and the Women's Tennis Association World Championships (Sony Ericsson Championships), where it served delicious fare to over 25,000 VIP guests and some 62,000 guests in the public area. Besides this success in staging international events, divisional sales were boosted by DO & CO's hosting of numerous national events such as the games of the Austrian National Football Team.

EBITDA for International Event Catering increased by EUR 0.64 million, rising from EUR 3.47 million to EUR 4.11 million. That corresponds to an EBITDA margin for the first three quarters of this business year of 11.2 % (previous year: 9.8 %). EBIT improved by EUR 0.30 million, rising from EUR 2.71 million to EUR 3.01 million. The EBIT margin for the period under review was 8.2 % (previous year: 7.7 %).

RESTAURANTS, LOUNGES & HOTEL

Restaurants, Lounges & Hotel also posted encouraging sales figures in the first three quarters. The division increased its sales by a healthy EUR 11.65 million, from EUR 33.09 million last year to EUR 44.74 million.

Of special note were the positive developments at the DO & CO Design-Hotel and the renovated restaurant on St. Stephen's Square in Vienna. Catering operations at the British Museum in London also saw encouraging growth and the DEMEL flagship store in Vienna continued to improve its capacity utilization and shop sales.

| RESTAURANTS, LOUNGES & HOTEL in m € | Third Quarter | | | First - Third Quarter | | |
|--|---------------|-------------|--------|-----------------------|------------|--------|
| | 10-12 07/08 | 10-12 06/07 | Change | 4-12 07/08 | 4-12 06/07 | Change |
| Sales | 18.17 | 12.60 | 5.58 | 44.74 | 33.09 | 11.65 |
| EBITDA | 1.20 | 0.63 | 0.57 | 3.30 | 1.42 | 1.88 |
| Depreciation/amortization | -0.50 | -0.36 | -0.14 | -1.54 | -1.04 | -0.50 |
| EBIT | 0.70 | 0.27 | 0.43 | 1.77 | 0.38 | 1.39 |
| EBITDA margin | 6.6 % | 5.0 % | | 7.4 % | 4.3 % | |
| EBIT margin | 3.9 % | 2.1 % | | 3.9 % | 1.1 % | |
| Share in consolidated sales | 20.8 % | 28.0 % | | 16.2 % | 22.0 % | |

The new DO & CO business location at the BMW World in Munich, which opened in October 2007, plays culinary host to national and international guests at two restaurants, a bistro and a coffee bar.

Renovation work in the restaurant facilities at the Swarovski Crystal Worlds and at the restaurant in the Casino Baden was completed and regular operations resumed following successful re-openings.

Restaurants, Lounges & Hotel improved its EBITDA figure by EUR 1.88 million, increasing it from EUR 1.42 million to EUR 3.30 million. Consequently, the EBITDA margin rose substantially from the previous year's figure of 4.3 % to 7.4 %. EBITDA grew by EUR 1.39 million, rising from EUR 0.38 million to EUR 1.77 million. The EBIT margin thus increased from 1.1 % last year to 3.9 %.

DO & CO STOCK

After a steady 22% rise in the ATX in 2006, investors on the Vienna Stock Exchange became extremely nervous in 2007, causing great volatility in prices. Following a slightly positive trend in the first quarter of 2007 (plus 4 %), the ATX peaked on 9 July 2007 at 4,982 points. The sub-prime mortgage crises in the US saw the ATX slipping up to the end of September to 4,527 points and then dropping off sharply to 4,172 on 21 November 2007. By the end of December the ATX had climbed back up to 4,513 points, which means a loss of value of about 3.45 % since 1 April 2007.

DO & CO stocks posted a loss of 17.55 % from 1 April to 31 December 2007. However, in comparison to 31 December 2006, the company bucked negative trends on the financial markets to chalk up gains of 30.3 %. (To facilitate comparison, the effect from the stock split in 2007/2008 was applied to the price values of the previous year).

Financial Calendar

Result for Business Year 2007/2008 – 12 June 2008

OUTLOOK

In the Airline Catering Division, DO & CO is currently participating in a number of international tenders. DO & CO withdrew from the British Airways all-inclusive tender for 2010 onward for supplying short- and long-haul routes including overall logistics, but believes it still has a chance to obtain contracts for supplying sub-areas and currently for the entire business class in the short-haul network.

A new return catering system for short and for some medium-distance flights ex Turkey was devised for Turkish Airlines in the third quarter of 2007/2008. The new approach promises to cut costs substantially and further increase the quality on the route network of Turkish Airlines. Implementation of the new system will continue in the fourth quarter.

In the fourth quarter now underway, International Event Catering has already provided Gourmet Entertainment from DO & CO at major Austrian winter sports events such as the Hahnenkamm Race in Kitzbühel (over 4,000 VIP guests), the well-attended Night Slalom Race in Schladming and the Four Hills Tournament at Berg Isel in Innsbruck and in Bischofshofen.

For the first time, DO & CO had the honor of acting as culinary host at the World Economic Forum in Davos. Turkey hosted a gala dinner for over 1,200 international guests and DO & CO treated them to traditional Turkish cuisine and modern interpretations thereof.

Preparations for the EURO 2008 in Austria and Switzerland are moving ahead at full steam as scheduled. The VIP Packages are selling very well, which means excellent capacity utilization at these European Football Championships, the third largest sports event in the world.

Restaurants, Lounges & Hotel posted encouraging growth in sales and profits at the British Museum in London and at DO & CO on St. Stephen's Square in Vienna. Capacity at the DO & CO Design Hotel is well utilized, with a large portion of business provided by regulars who return time and again.

The management expects business results to further improve as compared with last year for the fourth quarter of 2007/2008, barring the occurrence of unforeseeable circumstances over which DO & CO has no control.

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST THREE QUARTERS
BUSINESS YEAR 2007/2008**

Balance Sheet as per 30 December 2007 (unaudited)

| Assets | in TEUR | 31 Dec 2007 | 31 Mar 2007 | Change |
|--|----------------|--------------------|--------------------|----------------|
| Intangible assets | | 47,684 | 47,633 | 51 |
| Tangible assets | | 43,657 | 43,419 | 239 |
| Investments | | 412 | 282 | 130 |
| Fixed assets | | 91,753 | 91,334 | 419 |
| Other long-term assets | | 545 | 323 | 221 |
| Long-term assets | | 92,298 | 91,658 | 640 |
| Inventories | | 7,251 | 7,125 | 126 |
| Trade accounts receivable | | 35,512 | 35,723 | -211 |
| Other Short-term accounts receivable and assets | | 17,207 | 14,080 | 3,126 |
| Non-current assets held for sale | | 1,358 | 12,858 | -11,500 |
| Cash and cash equivalents | | 29,992 | 25,753 | 4,240 |
| Current assets | | 91,319 | 95,538 | -4,219 |
| Deferred taxes | | 4,788 | 5,202 | -414 |
| Total assets | | 188,406 | 192,398 | -3,992 |
| Liabilities and shareholders' equity in TEUR | | | | |
| | | 31 Dec 2007 | 31 Mar 2007 | Change |
| Capital stock | | 14,162 | 14,162 | 0 |
| Capital reserves | | 35,892 | 35,892 | 0 |
| Revenue reserves | | 17,893 | 15,020 | 2,873 |
| Foreign currency translation reserve | | -4,356 | -3,676 | -681 |
| Treasury stock | | 0 | 0 | 0 |
| Consolidated result | | 4,356 | 3,834 | 521 |
| Minority interests | | 12,646 | 8,454 | 4,191 |
| Shareholders' equity | | 80,592 | 73,687 | 6,905 |
| Long-term provisions | | 16,047 | 14,870 | 1,177 |
| Long-term financial liabilities | | 16,136 | 16,236 | -101 |
| Other long-term liabilities | | 8,345 | 8,553 | -208 |
| Long-term liabilities | | 40,528 | 39,659 | 869 |
| Short-term provisions | | 28,552 | 23,169 | 5,384 |
| Short-term financial liabilities | | 3,768 | 9,672 | -5,904 |
| Trade accounts payable | | 25,282 | 20,125 | 5,157 |
| Liabilities directly allocable to non-current assets held for sale | | 0 | 11,500 | -11,500 |
| Other short-term liabilities | | 9,683 | 14,587 | -4,903 |
| Current liabilities | | 67,286 | 79,052 | -11,766 |
| Total liabilities and shareholders' equity | | 188,406 | 192,398 | -3,992 |

Income Statement for the first three quarters 2007/2008 (unaudited)

| in TEUR | Third Quarter 2007 / 2008 | Third Quarter 2006 / 2007 | 1st - 3rd Quarter 2007 / 2008 | 1st - 3rd Quarter 2006 / 2007 | Change 0708 / 0607 |
|--|------------------------------|------------------------------|----------------------------------|----------------------------------|-----------------------|
| Sales | 87,508 | 44,914 | 276,160 | 150,152 | 126,008 |
| Other operating income | 3,849 | 658 | 9,059 | 1,332 | 7,727 |
| Costs of materials and services | -35,505 | -16,684 | -106,065 | -56,824 | -49,241 |
| Payroll costs | -33,277 | -18,058 | -98,061 | -54,942 | -43,120 |
| Depreciation of tangible fixed assets and amortization of intangible fixed assets | -4,103 | -1,759 | -11,544 | -4,290 | -7,254 |
| Amortization of goodwill | 0 | 0 | 0 | 0 | 0 |
| Other operating expenses | -17,105 | -9,902 | -57,273 | -31,357 | -25,915 |
| EBIT - Operating result | 1,366 | -832 | 12,276 | 4,070 | 8,206 |
| Financial result | -582 | 776 | -723 | 1,067 | -1,790 |
| Result from ordinary business activities | 785 | -56 | 11,553 | 5,137 | 6,416 |
| Extraordinary result | 0 | 0 | 0 | 0 | 0 |
| Income tax | -630 | -126 | -3,699 | -1,777 | -1,922 |
| Result after income tax | 154 | -183 | 7,854 | 3,360 | 4,494 |
| Minority interests | -904 | -128 | -3,499 | -70 | -3,428 |
| Consolidated result | -750 | -311 | 4,356 | 3,290 | 1,066 |

The following Notes to the Consolidated Financial Statements form an integral part of this Consolidated Income Statement

| | | 1) | | 1) | Change |
|-----------------------------|------------------|-----------|------------------|-----------|-----------|
| Number of individual shares | 7,795,200 | 6,496,000 | 7,795,200 | 6,496,000 | 1,299,200 |
| Earnings per share | -0.10 | -0.05 | 0.56 | 0.51 | 0.05 |

- The capital increase to an extent of 324,800 new shares was placed on 26 March 2007. For this reason the total number of shares increased from 1,624,000 to 1,948,800 pieces.
- The stock split passed by the General Meeting on 5 July 2007 took effect on the reference date of 17 August 2007. As a result, the number of shares quadrupled to 7.795.200 (ratio 1:4).

1 ... The effect of the stock split was applied to previous year numbers to ease comparison.

Cash - Flow Statement for the first three quarters 2007/2008 (unaudited)

| in TEUR | Third Quarter 2007 / 2008 | Third Quarter 2006 / 2007 | Business Year 2006 / 2007 | Business Year 2005 / 2006 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| Cash-flow from operating activities | 6,850 | 7,585 | 11,716 | 7,633 |
| Cash-flow from investing activities | -3,913 | -2,562 | -65,572 | 9,513 |
| Cash-flow from financing activities | -5,199 | -912 | 59,589 | -3,205 |
| Total cash-flow | -2,263 | 4,111 | 5,732 | 13,941 |
| Cash and cash equivalents at the beginning of the year | 25,753 | 20,188 | 20,188 | 6,193 |
| Cash and cash equivalents at the end of the year | 29,362 | 27,493 | 25,753 | 20,188 |
| Free cash-flow | 2,936 | 5,023 | -53,857 | 17,146 |

Shareholders' Equity as of the first three quarters 2007/2008 (unaudited)

| in TEUR | Capital stock | Capital reserves | Revenue reserves | Foreign currency translation reserves | Consolidated result | Minority interests | Total |
|--|---------------|------------------|------------------|---------------------------------------|---------------------|--------------------|---------------|
| As of 31 March 2006 | 11,802 | 13,081 | 11,073 | -2,938 | 4,758 | -231 | 37,545 |
| Consolidated result 2006/2007 | | | | | 3,834 | 688 | 4,522 |
| Dividend payment 2005/2006 | | | | | -812 | | -812 |
| Profit carried forward 2005/2006 | | | 3,946 | | -3,946 | | 0 |
| Currency translation | | | | -738 | | -49 | -787 |
| Additions/Disposal of minority interests | | | | | | 8,047 | 8,047 |
| Capital increase | 2,360 | 24,273 | | | | | 26,634 |
| Costs of capital increase | | -1,463 | | | | | -1,463 |
| As of 31 March 2007 | 14,162 | 35,892 | 15,020 | -3,676 | 3,834 | 8,454 | 73,687 |
| Cons. result for the first half year 2007/2008 | | | | | 4,355.79 | 3,498.67 | 7,854.46 |
| Dividend payment 2006/2007 | | | | | -974.40 | | -974.40 |
| Profit carried forward 2006/2007 | | | 2,859.96 | | -2,859.96 | | 0.00 |
| Currency translation | | | | -680.65 | | 692.53 | 11.88 |
| Other changes | | | 13.30 | | | | 13.30 |
| As of 31 December 2007 | 14,162 | 35,892 | 17,893 | -4,356 | 4,356 | 12,646 | 80,592 |

NOTES (unaudited)

GENERAL INFORMATION

1. Basic Principles

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

Its reporting date is March 31.

The annual and interim financial statements of all subsidiaries included here were properly prepared in accordance with the International Financial Reporting Standards (IFRS) valid for the business year 2007/2008 as applied in the EU and in application of the parent's standard group-wide accounting and valuation principles.

The interim financial statements as of 31 December 2007 were prepared in accordance with IAS 34 (Interim Financial Reporting). The consolidated interim financial statements do not contain all information and disclosures that the annual financial statements do and should be view in connection with the consolidated financial statements of 31 March 2007.

The interim financial statements are stated in thousands of euros (TEUR), as are the figures in the Notes unless otherwise indicated.

2. Accounting and Valuation Principles

The accounting and valuation principles were the same as those applied in the previous year's consolidated financial statements.

3. Scope of Consolidation

The interim financial statements as of 31 December 2007 included the newly formed companies DO & CO Olympiapark München Restaurant GmbH and DO & CO Olympiapark München Catering GmbH as wholly owned subsidiaries for the first time in the scope of consolidation. Airst Bratislava was included in the consolidated accounts for the first time on June 30.

4. Currency Translation

The annual financial statements of the foreign subsidiaries were translated in accordance with the functional currency principle as outlined in IAS 21 (The Effects of Changes in Foreign Exchange Rates). The functional currency of all companies is the national currency of their country of registration since the subsidiaries are financially, economically and organizationally independent in their conduct of business.

The annual financial statements of five foreign subsidiaries with registered offices outside the Community Territory of the Member States of the European Union and two subsidiaries with registered offices in Great Britain and one subsidiary with registered office in Slovakia were translated in accordance with the principles of the modified current rate method. The balance sheet items were valued at the mean rate on the reporting date of 31 December 2007. Income and expenses on the income statement were translated at the annual average rate.

Translation differences on the reporting date arising from the balance sheet were allocated to shareholders' equity without affecting profit and loss. Translation differences between the reporting date rate within the balance sheet and the average rate in the income statement were offset in shareholders' equity.

Non-realized translation differences in conjunction with monetary items which are economically allocable to a share in an associated company, particularly borrowings under company loans issued to American subsidiaries, were allocated with no effect on profit or loss to an adjustment item for translation differences and offset in shareholders' equity.

The exchange rates used in currency conversion for significant currencies developed as follows:

| in EUR | Reporting Date Rate | | Kum. Average Rate | |
|--------------------|---------------------|-------------|-------------------|-------------|
| | 31 Dec 2007 | 31 Dec 2006 | 31 Dec 2007 | 31 Dec 2006 |
| 1 US Dollar | 0.679302 | 0.759301 | 0.714694 | 0.779688 |
| 1 British Pound | 1.363605 | 1.489203 | 1.445552 | 1.470214 |
| 1 New Turkish Lira | 0.582411 | 0.536481 | 0.569889 | 0.531162 |

5. Seasonality

Fluctuations in business volume are significant in Airline Catering and International Event Catering. The larger volume of flights and passengers especially in the first and second quarters of the business year during the holiday and charter season have a major influence on Airline Catering customers whereas for International Event Catering the main factor is the changing dates of large-scale sports events.

NOTES TO THE BALANCE SHEET

(1) Trade Accounts Receivable Other Short-term accounts receivables and assets

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|--|---------------|---------------|---------------|---------------|
| Trade accounts receivable | 35,512 | 18,058 | 35,723 | 16,967 |
| Accounts receivable from associated companies | 0 | 0 | 126 | 0 |
| Accounts receivable from companies with distributed ownership | 638 | 81 | 230 | 51 |
| Other accounts receivable and assets | 16,133 | 11,199 | 12,387 | 3,600 |
| Prepaid expenses and deferred charges | 436 | 521 | 1,297 | 377 |
| Other current assets | 0 | 0 | 41 | 0 |
| Total of other current accounts receivable and other current assets | 17,207 | 11,801 | 14,080 | 4,028 |
| Total | 52,719 | 29,859 | 49,803 | 20,995 |

The increase in trade accounts receivable against 31 December 2006 can be traced to strong sales growth in Airline Catering. Other receivables consist largely of receivables for previously paid value-added tax related mainly to the commencement of business in Turkey. The increase in other receivables as compared to 31 March 2007 was due to prepayments of corporate tax, among other factors.

(2) Non-Current Assets Held for Sale

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|---|--------------|-------------|---------------|-------------|
| For realisation maintained long-term Assets | 1,358 | 0 | 12,858 | 0 |
| Total | 1,358 | 0 | 12,858 | 0 |

In connection with the acquisition of AIREST Catering GmbH, the acquiring DO & CO group company spun off the operating units remaining with the original owner of this company (SAVE Group) and sold them at a pre-set price with retroactive economic effect to 1 January 2007.

The spin-off was recorded in the Commercial Register in the second quarter of the business year 2007/2008.

(3) Shareholders' Equity

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|--------------------------------------|---------------|---------------|---------------|---------------|
| Capital stock | 14,162 | 11,802 | 14,162 | 11,802 |
| Capital reserves | 35,892 | 13,081 | 35,892 | 13,081 |
| Revenue reserves | 17,893 | 14,657 | 15,020 | 11,073 |
| Foreign currency translation reserve | -4,356 | -3,379 | -3,676 | -2,938 |
| Consolidated result | 4,356 | 3,290 | 3,834 | 4,758 |
| Minority interests | 12,646 | 7,965 | 8,454 | -231 |
| Total | 80,592 | 47,416 | 73,687 | 37,546 |

The increase in share capital and in the paid-in capital surplus stems from the capital increase effected in March 2007.

The minority interests item includes the 10% minority interest in the equity of the fully consolidated DO&CO PLATINUM Restaurantbetriebs GmbH as well as the 50% interest in THY DO & CO Ikram Hizmetleri A.S.

(4) Long-Term Provisions

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|--|---------------|---------------|---------------|--------------|
| Provisions for severance payments PBO | 11,721 | 8,363 | 10,481 | 2,242 |
| Provisions for long-service anniversary payments PBO | 2,621 | 1,414 | 2,533 | 1,226 |
| Provisions for deferred tax | 999 | 253 | 1,148 | 1,188 |
| Provisions for pension payments | 552 | 0 | 552 | 0 |
| Other Provisions | 155 | 0 | 155 | 135 |
| Total | 16,047 | 10,030 | 14,870 | 4,791 |

The increase in the provisions for severance payments PBO is mainly attributable to the foundation of THY DO & CO Ikram Hizmetleri A.S. and to the acquisition of AIREST Catering GmbH.

(5) Long-Term Financial Liabilities

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|----------------------|---------------|---------------|---------------|-------------|
| Liabilities to banks | 16,136 | 16,200 | 16,236 | 0 |
| Total | 16,136 | 16,200 | 16,236 | 0 |

The long-term financial liabilities result from borrowing to finance the joint venture in Turkey.

(6) Other Long-Term Liabilities

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|------------------------|--------------|-------------|--------------|--------------|
| Trade accounts payable | 92 | 363 | 299 | 566 |
| Other liabilities | 8,223 | 167 | 8,133 | 123 |
| Deferred income | 30 | 151 | 121 | 363 |
| Total | 8,345 | 681 | 8,553 | 1,052 |

Other liabilities pertain mostly to a loan granted by the holder of a minority interest at a foreign subsidiary.

(7) Short-Term Provisions

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|--|---------------|---------------|---------------|---------------|
| Provisions for taxation | 6,068 | 3,331 | 4,323 | 2,288 |
| Other personnel provisions | 9,253 | 6,130 | 9,909 | 6,650 |
| Deliveries and services not yet invoiced | 5,373 | 5,151 | 1,458 | 1,383 |
| Other provisions | 7,858 | 3,592 | 7,478 | 2,687 |
| Total | 28,552 | 18,204 | 23,169 | 13,008 |

The increase in other provisions relates in part to the inclusion of THY DO & CO Ikram Hizmetleri A.S..

(8) Short-Term Financial Liabilities

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|-------------------|--------------|---------------|--------------|--------------|
| Loan | 0 | 0 | 7,172 | 0 |
| Current account | 0 | 0 | 0 | 807 |
| EUR cash advances | 3,768 | 18,173 | 2,500 | 6,800 |
| Total | 3,768 | 18,173 | 9,672 | 7,607 |

The decline in short-term financial liabilities resulted from a repayment of money borrowed during the foundation of THY DO & CO Ikram Hizmetleri A.S..

(9) Trade Accounts Payable

| in TEUR | 31 Dec 2007 | 31 Dec 2006 | 31 Mar 2007 | 31 Mar 2006 |
|---|---------------|---------------|---------------|---------------|
| Trade accounts payable | 25,282 | 13,175 | 20,125 | 15,569 |
| Advance payments received on orders | 314 | 202 | 876 | 0 |
| Other liabilities | 9,249 | 23,456 | 13,494 | 4,279 |
| Deferred income | 121 | 117 | 217 | 107 |
| Total other short-term liabilities | 9,683 | 23,775 | 14,587 | 4,386 |
| Total | 34,965 | 36,951 | 34,712 | 19,955 |

The increase in trade accounts payable against 31 December 2007 can be traced to strong sales growth in Airline Catering. The decline in other liabilities compared to 31 March 2007 resulted from the repayment of money borrowed in connection with the commencement of business in Turkey.

Contingent Liabilities

Bank guarantees to secure claims in connection with leases increased by TEUR 176 as compared to 31 March 2007.

NOTES TO THE INCOME STATEMENT

A comparison of third quarter results for 2007/2008 versus 2006/2007 is presented in the Financial Report.

EVENTS AFTER THE BALANCE SHEET DATE

DO & CO was eliminated from the British Airways all-inclusive tender from 2010 for supplying short and long-distant routes including overall logistics, but believes it still has a chance to obtain contracts for supplying sub-areas and currently for the entire business class in the short-distance network. There are no other important events to report since the interim reporting date of 31 December.

RELATED PARTY DISCLOSURES

Raiffeisenlandesbank Niederösterreich-Wien AG is indirectly a related party as it holds a stake in DO & CO Restaurants & Catering AG through Raiffeisen-Holding Niederösterreich-Wien reg Gen mbH and the latter's wholly owned subsidiary DZR Immobilien und Beteiligungs GmbH. Business relations with Raiffeisenlandesbank Niederösterreich-Wien AG were continued in the period under review, at terms and conditions customary for external customers.

Existing business relations with enterprises in which members of the Supervisory Board of DO & CO Restaurants & Catering AG are active are conducted at terms and conditions customary for external customers.

The Group has a 50 % stake in THY DO & CO Ikram Hizmetleri AS. Turkish Airlines (Türk Hava Yollari A.O.) holds the remaining 50 % stake in this company. THY DO & CO Ikram Hizmetleri A.S. provides airline catering services to Turkish Airlines. Sales revenues were generated in this regard in the first half of 2007/2008 and receivables from Turkish Airlines are included in trade account receivables. In addition, non-current and current liabilities related to the financing of THY DO & CO Ikram Hizmetleri A.S. are also reported in the consolidated balance sheet.

SEGMENT REPORTING

| GROUP Q1-Q3 2007 / 2008 | | Airline Catering | International Event Catering | Restaurants, Lounges & Hotel | Total |
|-----------------------------|--------|---------------------|---------------------------------|---------------------------------|--------|
| Sales | in m € | 194.82 | 36.60 | 44.74 | 276.16 |
| EBITDA | in m € | 16.41 | 4.11 | 3.30 | 23.82 |
| Depreciation/amortization | in m € | -8.91 | -1.10 | -1.54 | -11.54 |
| EBIT | in m € | 7.50 | 3.01 | 1.77 | 12.28 |
| EBITDA margin | in % | 8.4 % | 11.2 % | 7.4 % | 8.6 % |
| EBIT margin | in % | 3.9 % | 8.2 % | 3.9 % | 4.4 % |
| Share in Consolidated sales | in % | 70.5 % | 13.3 % | 16.2 % | |

The Financial Report in this interim report includes detailed segment reporting on the divisions for the third quarter of 2007/2008 and for the first three quarters of 2007/2008.

Vienna, 14 February 2008

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

Interest-incurring debt less cash and cash equivalents

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 from operating activities plus cash from investing activities

ROS – Return on sales

Return on sales, i.e. the ratio of the result on ordinary activities to sales

Capital employed

Equity after dividend payments less the book values of goodwill plus interest-incurring borrowed capital and net debts and less financial investments

ROCE – Return on capital employed

Shows return on capital invested by juxtaposing EBIT before amortization of goodwill and extraordinary result and less the adjusted taxes with the average capital employed

ROE – Return on equity

The ratio of taxed earnings (before amortization of goodwill) to average equity after dividend distribution and deduction of the book values of goodwill