

**BUSINESS RESULTS FOR BUSINESS YEAR 2005/2006
(1 APRIL 2005 to 31 MARCH 2006)**

- ❖ **Best year in the company's history**
- ❖ **Increase in both sales and profits**
- ❖ **The premium brands DO & CO und DEMEL remain on course for international growth**

SALES	EUR	142.18 million	(+ 5.9 %)
EBITDA	EUR	11.06 million	(+ 24.9 %)
EBIT	EUR	4.20 million	(+ 21.7 %)

VIENNA – 23 June 2006 - DO & CO Restaurants & Catering AG announced its results today for business year 2005/2006 (1 April 2005 to 31 March 2006) in accordance with IFRS. During the period under review, DO & CO generated sales of EUR 142.18 million for an increase of 5.9 % over the previous business year.

Sales in Airline Catering rose from EUR 60.97 million to EUR 74.79 million. This increase can be attributed to numerous new customers at the DO & CO business location in New York and to the takeover of the airline catering division of Stockheim in Germany.

The division International Event Catering saw its sales decline from EUR 47.26 million to EUR 35.60 million. The sole reason for the decline as compared with the previous year was the discontinuation of the catering for the 2004 European Soccer Championship.

At Restaurants & Bars, sales grew by EUR 5.76 million (+22.1 %) to EUR 31.79 million. This increase is largely due to improved utilization of capacity at the Restaurant in the Albertina and Casino Baden, to the successful operation of LUFTHANSA First Class Lounges at Frankfurt Airport and to the business at DO & CO PLATINUM in Vienna.

SALES BY DIVISION	2005/2006	2004/2005	Change	
Business Year (April - March)	in m €	in m €	in m €	in %
Airline Catering	74.79	60.97	13.82	+ 22.7 %
International Event Catering	35.60	47.26	-11.66	- 24.7 %
Restaurants & Bars	31.79	26.03	5.76	+ 22.1 %
Group sales	142.18	134.26	7.92	+ 5.9 %

The consolidated EBIT for the DO & CO Group after goodwill amortization in business year 2005/2006 rose by 21.7 %, from EUR 3.45 million to EUR 4.20 million. EBITDA amounted to EUR 11.06 million (previous year: EUR 8.86 million) for an EBITDA margin of 7.8% (previous year: 6.6 %).

GROUP	2005/2006	2004/2005	Change	
Business Year (April - March)	in m €	in m €	in m €	in %
Sales	142.18	134.26	7.92	+ 5.9 %
EBITDA	11.06	8.86	2.20	+ 24.9 %
Depreciation/amortization *	-6.86	-5.41	-1.45	- 26.8 %
EBIT	4.20	3.45	0.75	+ 21.7 %
EBITDA margin	7.8 %	6.6 %		
EBIT margin	3.0 %	2.6 %		
Employees	1,340	1,133	207	+ 18.3 %

* including goodwill amortization

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

1. AIRLINE CATERING

AIRLINE CATERING	2005/2006	2004/2005	Change	
Business Year (April - March)	in m €	in m €	in m €	in %
Sales	74.79	60.97	13.82	+ 22.7 %
EBITDA	5.08	3.98	1.10	+ 27.6 %
Depreciation/amortization *	-3.89	-3.16	-0.73	- 23.1 %
EBIT	1.19	0.82	0.37	+ 45.1 %
EBITDA margin	6.8 %	6.5 %		
EBIT margin	1.6 %	1.3 %		
Share in consolidated sales	52.6 %	45.4 %		

* including goodwill amortization

Airline Catering, the Group's sales leader, added seven further business locations in Germany following the takeover of the airline catering business of the

Stockheim Group by DO & CO and AIR BERLIN. DO & CO already had three Gourmet Kitchens, in Berlin, Frankfurt and Munich. These will now be joined by facilities in Düsseldorf, Cologne/Bonn, Münster, Paderborn, Leipzig, Dortmund and Dresden, giving DO & CO a total of ten modern production and logistics bases in Germany. These locations will provide airline catering as well as event catering in the premium quality segment.

The New York location, whose renovation and enlargement was completed at the end of last business year, was especially successful in adding new clientele to its accounts. Besides CATHAY PACIFIC, the location can now count OLYMPIC AIRWAYS and EOS among the new customers it has won over for DO & CO.

In the German market, DO & CO emerged as the winner of a QATAR AIRWAYS invitation to bid and has been catering this carrier since 15 December 2005 on four flights a week from Berlin to Doha. This carrier, which DO & CO has been serving in Vienna since March 2005, is now part of the clientele for a second Group location.

Business with EMIRATES was expanded to two further DO & CO locations this past business year as well. This airline has already been benefiting from the culinary services of DO & CO for several years in Italy and since April 2004 at the Vienna International Airport. EMIRATES customers are now also supplied by a premium catering product at the Frankfurt and New York business locations of DO & CO. Of special note here once again is the New York location, where DO & CO is responsible not only for airline catering, but also for serving first and business class guests of EMIRATES in the lounge at JFK Airport.

In the middle of the business year, DO & CO sold the stake it acquired last business year in Supplair B.V., a supplier of innovative board catering in economy class, to the De Ster Group, a specialist in airline catering equipment products. At the same time, it forged a strategic alliance with De Ster on global collaboration. Under this cooperation, the original plan on taking over the Supplair stake can now be optimized.

Sales at Airline Catering increased by 22.7 % during the period under review, rising to EUR 74.79 million (previous year: EUR 60.97 million). EBITDA at Airline

Catering rose to EUR 5.08 million (previous year: EUR 3.98 million). EBIT totaled EUR 0.82 million as compared to the previous year's EUR 1.19 million.

2. INTERNATIONAL EVENT CATERING

INTERNAT. EVENT CATERING	2005/2006	2004/2005	Change	
	in m €	in m €	in m €	in %
Business Year (April - March)				
Sales	35.60	47.26	-11.66	- 24.7 %
EBITDA	3.69	3.37	0.32	+ 9.5 %
Depreciation/amortization *	-1.30	-1.20	-0.10	+ 8.3 %
EBIT	2.39	2.17	0.22	+ 10.1 %
EBITDA margin	10.4 %	7.1 %		
EBIT margin	6.7 %	4.6 %		
Share in consolidated sales	25.0 %	35.2 %		

* including goodwill amortization

Business year 2005/2006 brought an anticipated decline in sales to EUR 35.60 million (previous year: EUR 47.26 millions) in International Event Catering. The VIP hospitality management at the 2004 European Soccer Championship in Portugal was not there to boost sales as in the previous business year. This was the main reason for the decline. Disregarding this item, the division actually increased its level of business activities.

After hosting the guests at the finals of the Football Champions League in the new "Arena auf Schalke" in Gelsenkirchen in 2004, DO & CO was on hand again in 2005 at the finals in Istanbul to cater the most important game of the year in European club football. DO & CO also followed up on its 2004 performance at the Olympics in Athens and inspired again guests and athletes at Club Austria during the 2006 Winter Olympics in Turin/Sestriere.

At the traditional equestrian riding and jumping tournament CHIO Aachen, DO & CO gave VIPs and the general public a first foretaste of the World Equestrian Games in 2006 at the CHIO Riding Club in Aachen. The sports highlight of the third quarter of 2005/2006 was once again the ATP Tennis Tournament in Madrid. This event is considered the Masters tournament among top tournaments on the ATP Tour and successfully continued its premium strategy in tandem with DO & CO.

DO & CO figured prominently as a premium caterer at major national sports events, too, and persuaded all guests of its excellent quality. A focal point in the summer of 2005 was the Beach Volleyball Tournament on the shores of Wörthersee. DO & CO impressed the fans of this ever more popular sport with the diversity of its dishes.

During the winter season DO & CO supplemented the sports action with culinary highlights at the Hahnenkamm Race in Kitzbühel and the Night Slalom in Schladming. The Austrian Ski Association entrusted DO & CO with catering two major events in World Cup ski jumping at the Four Hills Tournament at Berg Isel in Innsbruck and in Bischofshofen. DO & CO furnished further proof of its reliability for delivering quality and flexibility while catering the FIS Ski-Flying World Championships at Kulm.

EBITDA for International Event Catering increased by EUR 0.32 million, or 9.5 %, to EUR 3.69 million (previous year: EUR 3.37 million). EBIT rose by EUR 0.22 million, or 10.1 %, to EUR 2.39 million (previous year: EUR 2.17 million). The EBIT margin changed from 4.6 % to 6.7 %.

3. RESTAURANTS & BARS

RESTAURANTS & BARS Business Year (April - March)	2005/2006		2004/2005		Change	
	in m €		in m €		in m € / in %	
Sales	31.79	26.03	5.76	+ 22.1 %		
EBITDA	2.29	1.51	0.78	+ 51.7 %		
Depreciation/amortization *	-1.67	-1.05	-0.62	- 59.0 %		
EBIT	0.62	0.46	0.16	+ 34.8 %		
EBITDA margin	7.2 %	5.8 %				
EBIT margin	2.0 %	1.8 %				
Share in consolidated sales	22.4 %	19.4 %				

* including goodwill amortization

Restaurants & Bars saw sales surge a healthy +22.1 % to EUR 31.79 million (previous year: EUR 26.03 million). This increase is largely due to the superb development of business at the Restaurant in the Albertina, at Casino Baden and at DO & CO PLATINUM in Vienna as well as to the LUFTHANSA First Class Lounges in Frankfurt. The lounges opened at the end of 2004 and offer Gourmet Entertainment from DO & CO to 400 first class passengers a day and to members

of the LUFTHANSA HON CIRCLE. This is the first full year of these business activities to be included in the annual accounts.

Other projects also shaped business in the Restaurants & Bars Division in business year 2005/2006.

DO & CO Restaurant am Stephansplatz was reopened at the beginning of December 2005 following a total renovation. Exquisite materials and innovative, trend-setting design lend the flagship of the DO & CO Restaurant Division a new luster. The restaurant was expanded to include parts of the eighth and ninth upper floors while the Onyx Bar was made somewhat smaller to accommodate part of the new DO & CO Hotel.

A further expansion project in the Restaurants & Bars Division involved the opening of the first DO & CO Hotel in April 2006. The hotel features 43 rooms (2 of which are suites) on the third to sixth floor of the Haas Haus. The timeless and extravagant decor coupled with high technology and unsurpassed service will satisfy even the most demanded tastes.

DO & CO scored a major triumph in England in late 2005 when it beat out a national and international field to land the contract to run restaurant operations at the British Museum in London. Following the opening of the Airline Catering Unit at the end of 2003, this gives DO & CO its first foothold in the restaurant market in London. With 5 million visitors a year, the British Museum is one of the world's most famous museums. These business activities in the British Museum offer DO & CO the opportunity to set a new benchmark in museum restaurants. They could also greatly boost the name recognition of the DO & CO and DEMEL brands in London and on the UK market.

EBITDA for the Restaurant & Bar Division rose by EUR 0.78 million to EUR 2.29 million (previous year: EUR 1.51 million). Despite increased write-offs, EBIT was higher as well, rising by EUR 0.16 million to EUR 0.62 million (previous year: EUR 0.46 million).

DO & CO STOCK

The price of DO & CO stock rose by a healthy 31.9 % from 1 January 2005 to 31 March 2006. Market capitalization totaled EUR 77.14 million at the closing price of EUR 47.50 on 31 March 2006.

OUTLOOK

The first quarter of 2006/2007 saw a continuation of these encouraging business trends. The current picture is certainly a positive one, with the opening of new businesses, a good level of orders in national and international event catering, start-ups with new airline customers at various locations and a large number of inquiries.

DO & CO is pursuing clear strategies in all its divisions:

In Airline Catering, DO & CO stands for innovative and flexible product solutions and an unmistakable branded product. Judging from the growth of this division, the market has been highly desirous of and receptive to these creative tailor-made products in which years of work have been invested. DO & CO is an international caterer in select markets and has a wide variety of brands. As such it can offer unique solutions to premium customers (LUFTHANSA, EMIRATES) as well as innovative concepts for new business models (buy-on-board concepts).

DO & CO is already one of the market leaders in Germany, with 10 production locations. The strategy of expanding activities at heavily frequented airports like London, New York or Frankfurt has likewise proved to be correct, as customer interest clearly shows. DO & CO is also fully prepared to handle catering on the new wide-bodied aircrafts scheduled to be put into operation soon.

Developments at Event Catering have been equally encouraging. The clear strategy of this division for many years has been to focus on top product quality, the best in personal service and superb entertainment. This has yielded further growth with sustainable margins. DO & CO is already one of the leading suppliers of VIP hospitality at major sports events. DO & CO also has an exceptionally large portion of satisfied and loyal customers who place orders repeatedly.

The restaurants, lounges and the hotel are flagship stores for the DO & CO and DEMEL brands and will play an important role in the future in the company's success. DO & CO and DEMEL foresee good opportunities for growth at existing and new locations, particularly at the British Museum in London, the BMW Welt in Munich and at the new Demel in Salzburg.

Given the current positive trends in all segments and assuming the continuation of present market conditions, the management of DO & CO expects sales and profits for 2006/2007 to increase.

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Commercial Register No: 156765 m, Commercial Court Vienna	Market segment:	Standard Market
VAT-No: ATU42375504	In following indices:	Continuous
	No. of shares:	WBI
	Listed nominal:	1,624,000
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Financial calendar:

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