DO & CO ■ THE ***GOURMET*** *ENTERTAINMENT COMPANY*

DO & CO INTERNATIONAL

ANNUAL REPORT
2004 | 2005

The **"Oyster Slurper"**, the illustration on the cover of this publication, is a work from the six-part **"Epicure Series"** that Erich Sokol † created exclusively for DO & CO. Note the details. Even after years of looking at his work, you can always find something new. That is a basic principle our company lives by. As one of the first to pave the way for DO & CO, Erich Sokol showed us what it means to live a quality life. He was a visionary who helped to shape the company in its formative years. From his pen is the distinctive DO & CO logo – a symbol for "an excellent grocers, prompting you to wonder why you don't know it". We shall be eternally grateful to him.

Ladies and Gentlemen,

I am pleased to present to you the DO & CO Annual Report for 2004/2005. Annual reports are not normally what you would think of as entertaining reading. As "Gourmet Entertainers" we have tried to change that by conveying as modern and "tasty" a picture of our company group as possible.

Business year 2004/2005 was one of the most successful the DO & CO Group has ever had. Our total sales of over EUR 134 million set an all-time sales record and boosted EBIT substantially over the year before, to EUR 3.45 million.

We are clearly positioned on the market. The DO & CO Group brands stand for unsurpassed quality and innovative products. Our corporate culture is flexible and is always open to new ideas. These traits are probably what have enabled us to post strong growth in all divisions at a time when markets and demand are undergoing a radical transformation.

Our Airline Catering Division had a boom year despite the difficult market climate. In an ever more polarized market, we offer an extremely flexible and innovative product portfolio on the world market.

DO & CO stands for the ultimate in premium quality. At the start of the year, we acquired a 27 % stake in a new partner SUPPLAIR B.V. This firm has the reputation of being the most creative and fastest growing supplier to Economy Class in the world. It is an ideal strategic combination, warmly welcomed by customers and sure to open up grand market opportunities to this unique alliance. Our performance, quality and innovation are in great demand. The best proof of this is our high caliber clientele, including customers such as British Airways, Emirates Airlines, Cathay Pacific, Lauda Air, and Lufthansa, which put us in charge of its First Class Lounges in Frankfurt.

International Event Catering also made a sterling showing this past business year. The division put in an excellent performance in the Formula 1, one of its culinary customers since 1992. It also managed the entire VIP hospitality operations at the European Soccer Championships in Portugal for the first time in 2004. These highlights plus one or two other prestigious sports events are featured on the following pages, along with a host of private and corporate celebrations.

The Division Restaurants & Bars is virtually on a par with the other divisions. Of special note in this segment is the successful development of K.u.K. Hofzuckerbäckerei Demel. With the restructuring of this legend long completed, the expansion phase now begins. A Demel will be opening in Salzburg in October 2005.

In closing, I thank all our employees for their unrivaled commitment and tireless efforts to deliver top quality and service. We are fully aware that you are this company's most valuable assets.

I also express my appreciation to our customers for the trust you have placed in us. As always, our greatest aspiration is to be your favorite host, at occasions large and small. It makes us happy to see you enjoying "Gourmet Entertainment by DO & CO".

Best regards,

Attila Dogudan

DO & CO INTERNATIONAL

DEMEL K. u. K. Hofzuckerbäcker 1786

Aioli

DIVISION

Restaurants & Bars

"Best tastes of the world"

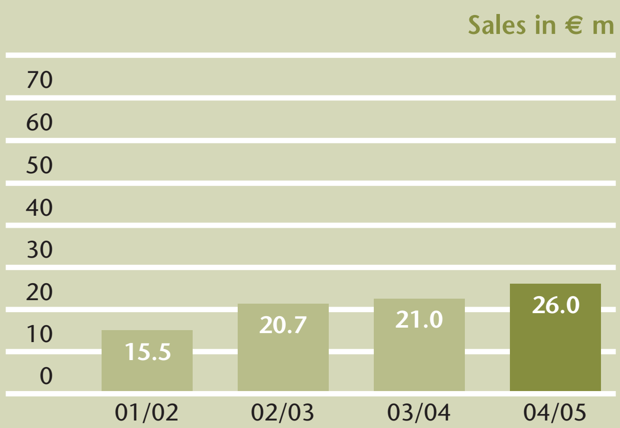
Restaurants, Lounges & Bars are the segment in which the company first started. Today, they remain the flagship stores of DO & CO and a showcase for the entire breadth of our product portfolio. As the heart of the group, this division also serves as a firm foundation for the successful brands in the group: DO & CO, DEMEL and AIOLI.

Key Figures for 2004/2005

Sales: EUR 26.03 million
Change against previous year: +24.1 %

EBITDA: EUR 1.51 million
Change against previous year: +6.3 %
EBITDA margin: 5.8 %

EBIT: EUR 0.46 million
Change against previous year: +53.3 %
EBIT margin: 1.8 %



DIVISION

Airline Catering

"First look at the menu – then choose the airline"

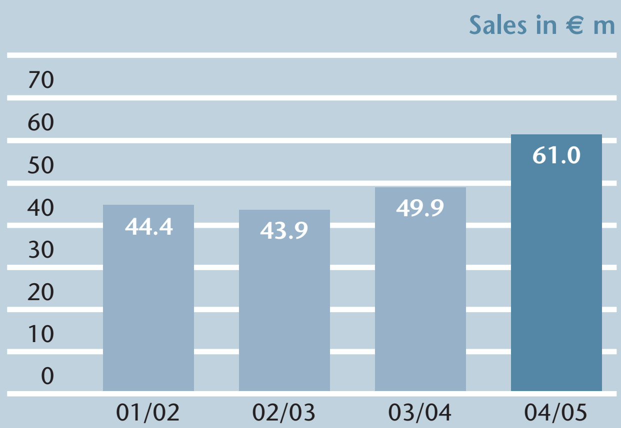
Airline Catering is the largest division in the group, accounting for 45.4 % of consolidated sales. This past business year DO & CO handled the catering for 20 international airlines. Product development in recent years has been driven by changes in the airline catering market. DO & CO responded to these changes by entering into an alliance with SUPPLAIR based on a forward-looking model. In another encouraging development, DO & CO was singled out to be in charge of guests services at the Lufthansa First Class Lounges.

Key Figures for 2004/2005

Sales: EUR 60.97 million
Change against previous year: +22.2 %

EBITDA: EUR 3.98 million
Change against previous year: +7.6 %
EBITDA margin: 6.5 %

EBIT: EUR 0.82 million
Change against previous year: +70.8 %
EBIT margin: 1.3 %



DIVISION

International Event Catering

The Gourmet Entertainment Company – the "no headache partner"

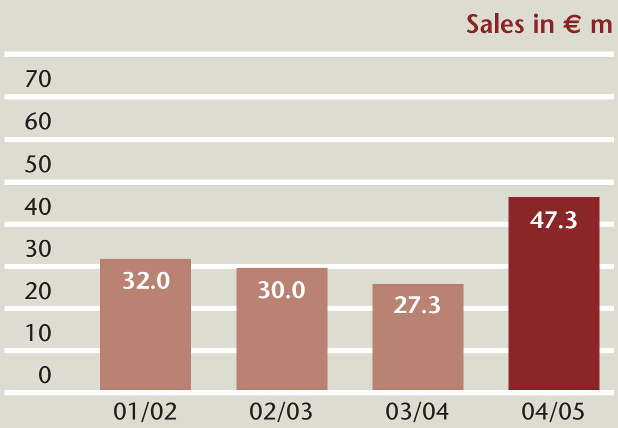
DO & CO is synonymous with an all-encompassing total product for special events. Besides its core product, the supply of food and beverages, the division also generates innovative ideas, themes and approaches within its own in-house creative agency. Customers can rely on perfect planning, execution and supervision as well as a partner with a solid financial record. The DO & CO team handles events involving anywhere from 2 to 100,000 guests. Sales in business year 2004/2005 were by far the highest in the company's history.

Key Figures for 2004/2005

Sales: EUR 47.26 million
Change against previous year: +73.2 %

EBITDA: EUR 3.37 million
Change against previous year: +10.5 %
EBITDA margin: 7.1 %

EBIT: EUR 2.17 million
Change against previous year: +18.6 %
EBIT margin: 4.6 %



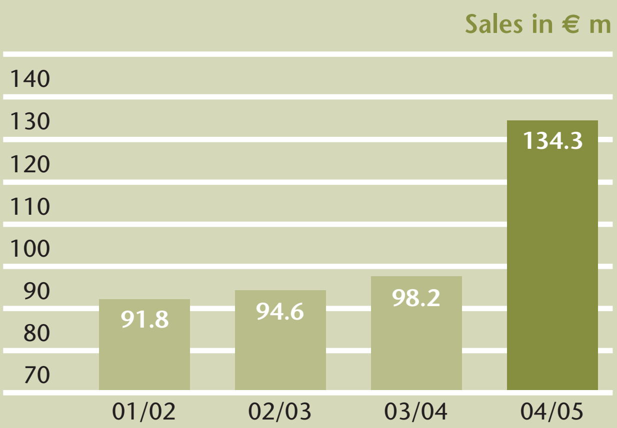
DO & CO Group

Key Figures for 2004/2005

Sales: EUR 134.26 million
Change against previous year: +36.8 %

EBITDA: EUR 8.86 million
Change against previous year: +8.4 %
EBITDA margin: 6.6 %

EBIT: EUR 3.45 million
Change against previous year: +32.2 %
EBIT margin: 2.6 %



DO & CO
Restaurants & Catering Aktiengesellschaft

Division
Restaurants & Bars

Austria

- DO & CO im Haas Haus Restaurantbetriebs GmbH
- DO & CO Albertina GmbH
- DO & CO Catering-Consult & Beteiligungs GmbH
- DO & CO - Baden Restaurants & Veranstaltungs GmbH
- Casino Wien Café - Restaurant & Catering GmbH
- K.u.K. Hofzuckerbäcker Ch. Demel´s Söhne GmbH
- AIOLI Restaurants & Party-Service GmbH
- B & B Betriebsrestaurants GmbH

Germany

- DO & CO Lounge GmbH

Divisions
International Event Catering & Airline Catering

Austria

- DO & CO Party-Service & Catering GmbH
- DO & CO - Salzburg Restaurants & Betriebs GmbH
- DO & CO im PLATINUM Restaurantbetriebs GmbH
- AIOLI – Vienna Airport Restaurants & Catering GmbH

GB / USA

- DO & CO International Catering Ltd., GB
- DO & CO International Investments Ltd., GB
- DO & CO Event & Airline Catering Ltd., GB
- DO & CO Holdings USA Inc., Wilmington
- DO & CO New York Catering Inc.
- DO & CO Miami Catering Inc.

Germany

- DO & CO Deutschland Holding GmbH
- DO & CO Frankfurt GmbH
- DO & CO München GmbH
- DO & CO Berlin GmbH

Italy / Spain / Portugal

- DO & CO Italy S.r.l.
- DO & CO España Restauración & Catering, S.L.
- DO & CO - Portugal Restauracao e Catering, Sociedade Unipessoal, Lda

Strategic Investments

- SUPPLAIR B.V. 27 %
- DO & CO - LAUDA-AIR Restaurants, Catering & Handling GmbH 50 %

The World of DO & CO

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www.doco.com www.demel.at www.platinum-events.at

Corporate Boards

MANAGEMENT BOARD

Attila Dogudan
Chairman

Michael Dobersberger
Board Member

Franz Kubik
Board Member and CFO
(until December 2004)

SUPERVISORY BOARD

Waldemar Jud
Chairman

Werner Sporn
Deputy Chairman

Georg Thurn-Vrints
Board Member

Christian Konrad
Board Member

History of DO & CO

1981
Founding of company:
Opening of first restaurant in Vienna

1983
Launch of party services

1987
Launch of airline catering
for Lauda Air

1989
Gourmet kitchen in Vienna put into operation

1990
Opening of DO & CO Stephansplatz
in downtown Vienna

1991
Assumed responsibility for the organization
and logistics of the City Hall Film Festival

1992
The first of three IFCA Golden Mercury
Awards for DO & CO (from the International
Flight Catering Association)

Launch of international event catering
at Formula 1 Grand Prix in Hungary

1995
Gourmet kitchen put into operation
at the Malpensa Airport in Milan

Opening of DO & CO Baden

1997
Establishment of
DO & CO Restaurants & Catering AG

1998
Opening of AIOLI Restaurant

Gourmet kitchen at Salzburg Airport
put into operation

IPO (initial public offering) of 735,000 shares
of DO & CO stock and listing on the Vienna
Stock Exchange, with about 45 % of the
share capital going to private investors

1999
Establishment of DO & CO subsidiary AIOLI – Vienna
Airport Restaurants & Catering GmbH

Gourmet kitchen at JFK Airport in New York
City put into operation

2000
Gourmet kitchens put into operation in
Miami, Munich and Frankfurt

2001
Gourmet kitchen in Berlin put into operation

2002
Acquisition of K.u.K. Hofzuckerbäcker Ch. Demel's
Söhne GmbH along with Café Griensteidl

2003
Opening of DO & CO Albertina

DO & CO gourmet kitchen
at London Heathrow put into operation

2004
VIP hospitality manager for the European Soccer
Championships 2004 in Portugal

Opening of DO & CO in PLATINUM VIENNA

DO & CO in the First Class Lounges of Lufthansa
at Frankfurt Airport

Opening of DO & CO in the Swarovski Crystal Worlds

Contents

DO & CO INTERNATIONAL

DIVISION

Restaurants & Bars

Sales 2004/2005:	EUR 26.03 million
Share in consolidated sales:	19.4 %

“We are ladies and gentlemen serving ladies and gentlemen.”

Crevettes Danieli and a selection of the freshest oysters. The finest French goose liver pates and Belgian chocolates. A small delicatessen restaurant in the heart of Vienna invited guests in 1981 to explore the best tastes of the world. What began as a modest little restaurant was destined to make gourmet history in the years thereafter. That is the story of DO & CO.

Culinary travel throughout the world is an aspect that has been retained, be it the best from all continents at the DO & CO Restaurant on Stephansplatz in Vienna or a journey through the Mediterranean countries at Aioli or the finest in Viennese confectionery from Demel. And although every restaurant is unique in its own way, they all share the common trait of diversity and they all shape the overall product of DO & CO.

The Restaurants & Bars Division is the segment in which DO & CO originally started in business and it still plays a significant role as the center of research and development of the DO & CO Group. Thanks to its closeness to customers, this division can implement innovative meal concepts quickly and develop an optimum final product. This segment at DO & CO picks up on trends early on and has even set a few trends itself.

The culinary expertise from this segment has also fundamentally shaped business in the segments added later – International Event Catering and Airline Catering – and made each unique. Even the incomparable service-oriented culture of the company has its roots in these beginnings, with its simple yet clear guiding principle: “We are ladies and gentlemen serving ladies and gentlemen.”

The restaurants are the flagships of the Group. They develop brands, position and shape them. It is this unique branding of the DO & CO gourmet product that creates added value and benefits for customers of the company.

DO & CO is the original and first brand. It stands for “the best tastes of the world” and invites customers on a culinary trip around the globe. As a premium brand, it offers top caliber gourmet catering, perfect service and an incomparable total product that evokes emotions, cultural refinement and pleasure.

DO & CO INTERNATIONAL

DEMEL K. u. K. HOFZUCKERBÄCKER 1786

Aioli

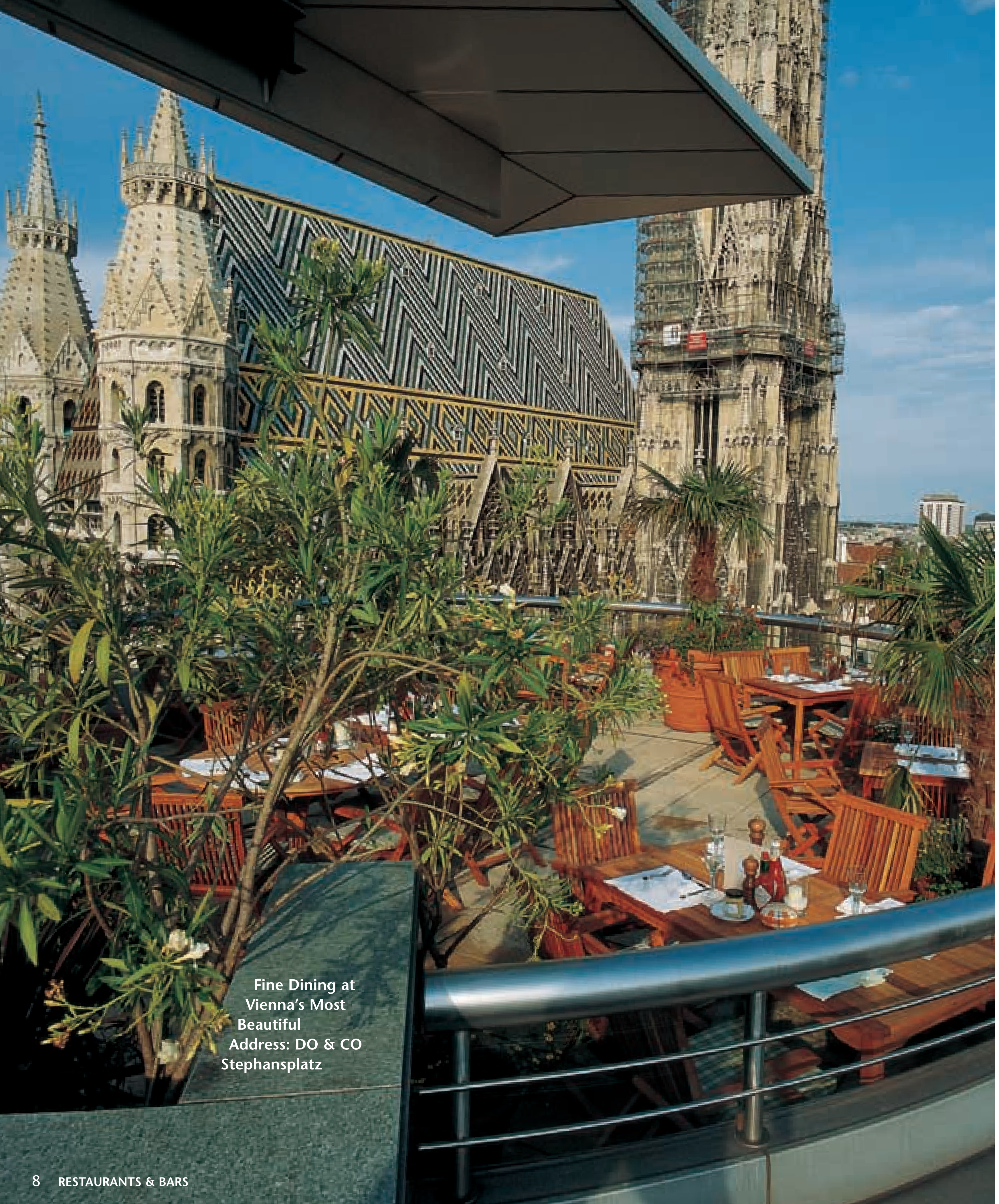
Casual & Mediterranean – the **Aioli** brand embodies southern European flair and Mediterranean cuisine. With its young and dynamic image and its flexible pricing, this brand is positioned in the broad quality market.

Demel is a brand that symbolizes centuries of tradition. As such, it is carefully preserved and, on occasion, re-polished to a new lustrous sheen. The incomparable brand skills combine the most skilled craftsmanship with the finest in patisserie arts. Exquisite confectionary, hand-made chocolate and the best in Viennese desserts are the three qualities associated with the Demel brand. This, the most luxurious patisserie brand in the world, is the ideal complement to the DO & CO premium brand.

Succumb to the sweet temptations on the pages ahead, as we take you on a tour through the world of DO & CO.

Served in style at Stephansplatz

Gourmet Entertainment
in the Heart of Vienna



Fine Dining at Vienna's Most Beautiful Address: DO & CO Stephansplatz

Where do people go to enjoy life on Vienna's most beautiful square? To DO & CO am Stephansplatz. Sitting in the heart of the city in the upper floors of the Haas Haus, you will be impressed by St. Stephen's Cathedral as the unique backdrop and by the superb culinary offerings. Take in the enchanting atmosphere of the roof-top terrace and the stunning view from the gourmet restaurant on the 7th upper floor. Delight in the lustrous onyx in what is probably Vienna's most attractive bar. At this point where modern architecture meets age-old tradition, you will be treated to delicacies of Thai cuisine and the finest in sushi and sashimi, not to mention the classic dishes of Viennese cuisine. Prepared authentically and presented in traditional style. A quick review of the world's best cuisines reveals that good taste transcends all borders. For 15 years now, the flagship enterprise at Stephansplatz in Vienna has been leading the way in gourmet entertainment, and is the creative home of many of DO & CO´s successful products.

An Enterprise of the
Restaurants & Bars Division

DO & CO
INTERNATIONAL

ART *Pleasures*

Albrecht Dürer, “The Great Piece of Turf”, 1503 • Albertina, Vienna

The Albertina in Vienna

has one of the finest and most valuable collections of graphic art in the world. DO & CO is responsible for the culinary arts in this venerable palais.

DO & CO Albertina, “Zucchini-Maki with Rosemary”, 2004

Located just behind the State Opera in Vienna, the Albertina is home to one of the world's most extensive and renowned graphics collections. It should come as no surprise that a palais with art treasures of this caliber also features masterworks of the culinary arts. Dining with Schiele – a unique symbiosis of cultural and culinary delights. The best breakfast in the city, a quick business lunch or a relaxing coffee after taking in the exhibition: The restaurant and bar offer fine dining at its best. And later on? The perfect end to a perfect evening at the opera. Culture at every step. Is it the Hall of Muses, an unforgettable setting for events in the Albertina? Or the Red Salon, where special events truly earn that name? Or maybe it is just the city's most beautiful terrace, with a lovely view of the Hofburg and Burggarten? Most likely it is all these aspects together. They remind us that Austrian specialties are "dishes with a history" and that the Albertina is the ideal place to enjoy them.

An Enterprise of the
Restaurants & Bars Division

DO & CO
ALBERTINA
RESTAURANT & BAR

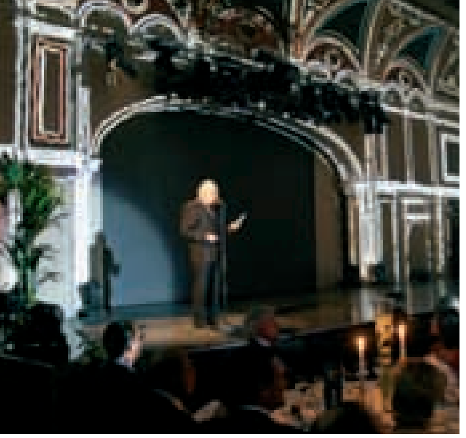
DO & CO AT THE BADEN & VIENNA CASINOS

You can bet …

… on pleasure – in Vienna and Baden. DO & CO has been operating three restaurant businesses at Casino Baden, Europe's largest gambling casino, since 1995: the Bistro Café, which is open all day, the Casino Restaurant with terrace and view of the lovely Kurpark, as well as its Casino Bar. After treating yourself to seasonal specialties and regional delicacies, we'll leave it up to you to decide who the real chef de table is … ➤

CASINOS AUSTRIA
Machen Sie Ihr Spiel

♠ ♦ ♣ ♥



Cultural Entertainment

Baden's Most Beautiful Terrace

Showtime

Bistro Café

Casino Vienna in Palais Esterhazy

Summer Operetta Festival in Baden

Full House à la DO & CO

Casino Restaurant

Dinner & Casino

What could be more romantic than an elegant evening at the casino, opening with an exquisite dinner at the DO & CO Restaurant? The Kongresshaus conference center is also a venue for many special events. It combines the entertainment value of professional event catering with the exciting atmosphere of a casino. DO & CO also plays first violin in a culinary sense when Baden stages the finest in music and culture at the Summer Operetta Festival.

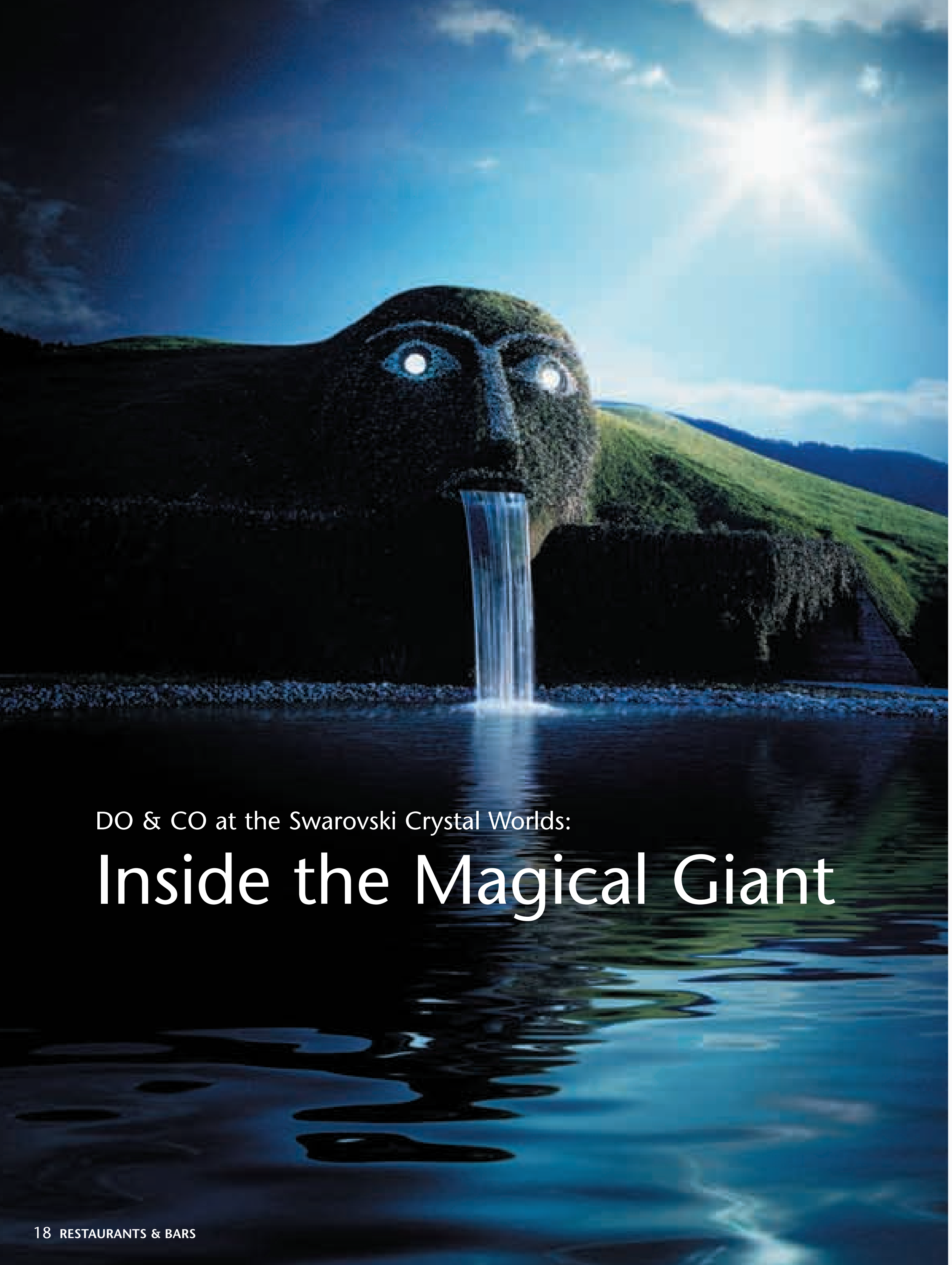
And if you should feel the urge to try your luck at Palais Esterhazy on Kärntnerstrasse in downtown Vienna, you can bet on us as well. We'll be there for you, at Casino Vienna!

Enterprises of the
Restaurants & Bars Division

GOURMET ENTERTAINMENT

BY

Preferred Partners



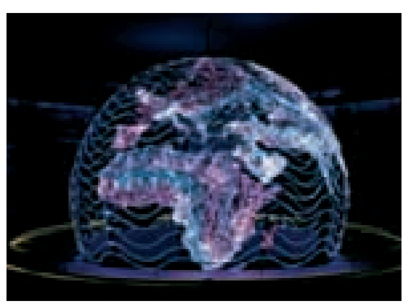
DO & CO at the Swarovski Crystal Worlds:

Inside the Magical Giant

Glittering crystals await you at one of Austria's most frequently visited tourist attractions. No less lustrous is the fine food served by DO & CO at the same venue

CRYSTAL CLEAR! TWO PARTNERS IN DAZZLING SPLENDOR

Glittering myths, sparkling theater and crystalline artworks. It was none other than master of fantasy André Heller himself who created this place of wonder at Wattens in the Tyrol. Crystal in all its manifestations takes center stage here, for all the senses to experience and enjoy. Passing through the water-spouting head of an Alpine giant, you enter a subterranean realm of cut glass. It is a world full of illusions, a fascinating interplay of sparkling stones and multi-faceted art. DO & CO was especially honored that Swarovski selected it to be a "Partner in Excellence" in this venture. This is a venue where millions of nuanced refractions of light enchant and delight visitors. DO & CO offers millions of culinary nuances designed to do the same. Come to the restaurant and fall under the spell of dazzling inspiration. And for any special event the DO & CO team stages for you in the sparkling halls of the Crystal Worlds it assures you a glittering after-glow.



An Enterprise of the
Restaurants & Bars Division

Special promotional by Event Catering Division

FOOD

BALL

and more …

DO & CO EVENT CATERING
On Tour with the Best in the World

Accompany our team starting on page 49

… and back to Vienna …

Three Stories to the Mediterranean

Olives, fresh bread from our in-house bakery and sauce Aioli – How's that for a tasty holiday in the heart of Vienna!

Designers from Barcelona, tables from Malaga, a wooden bar from a flea market in southern Spain – and the fish brought in fresh every day from the best fishing grounds in the Mediterranean. The Aioli is an authentic Mediterranean restaurant, from the interior to the individual ingredients.




Delicious tapas and antipasti, specialty dishes from Spain, Italy and France and a steady supply of freshly baked bread exude a southern European flair on Stephansplatz, inviting patrons on a trip to the south. La vita è bellissima …

An Enterprise of the
Restaurants & Bars Division

Aioli
Tapas & Antipasti

„Haben schon gewählt?"

Perfect Mastery of the Confectionery Arts

When the delicate aromas of chocolate and pastry begin drifting through the air in the early morning, you know that the cake and pastry bakers have begun their daily work. On Vienna's Kohlmarkt, master bakers produce the typical Demel specialties with the same attention to detail and perfection as two centuries ago: cream slices, fancy biscuits and small cakes, and of course home-made confections. They are busy into the late afternoon, stretching the apple strudel pastry paper thin, decorating Demel's Sacher tortes and producing Demel's own house chocolates. This careful hand labor is evident from the exquisite taste. Even the packaging of the bonbons is a true of work of art, with each bonbon individually wrapped and inserted by hand, with loving attention to detail. A world of wonders, a patisserie with a proud tradition. The art of window dressing has also been preserved here. Demel follows in the footsteps of Baron Federico Berzeviczy-Pallavicini who "created window displays the likes of which Vienna has never seen" in the late 1930s. It continues to have its masters of the confectionery arts depict a wide variety of themes in the shop window to the delight of passers-by.

"Haben schon gewählt?" roughly translates as "Has the Good Sir/Gentle Lady made His/Her selection?". In this royal form of address from imperial times, the Demel sales staff combines discrete politeness with the slightest suggestion of distance to express an inherent aspect of the Demel brand. You leave feeling well taken care of, yet not pressured in the slightest. Desirous of further information? Then be so kind as to pay Demel a visit…

An Enterprise of the
Restaurants & Bars Division

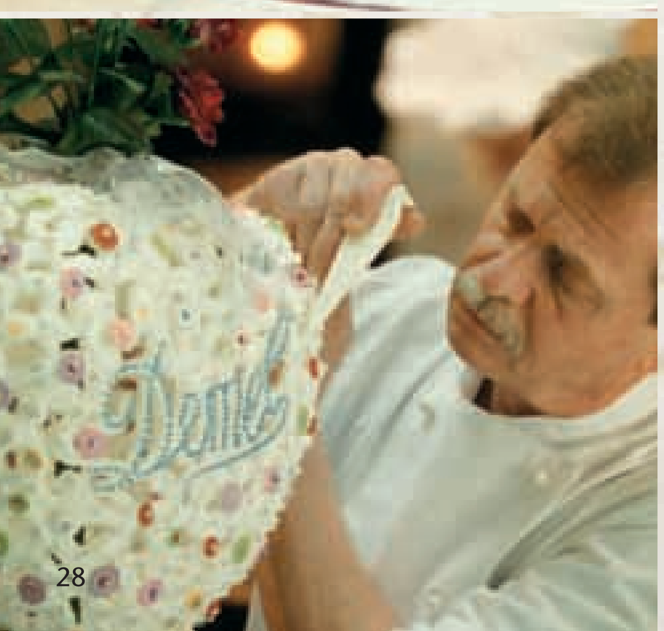
DEMEL
K. u. K. Hofzuckerbäcker
1786

Salesrooms
with a grand tradition.
Since 1786.

HANDMADE by DEMEL

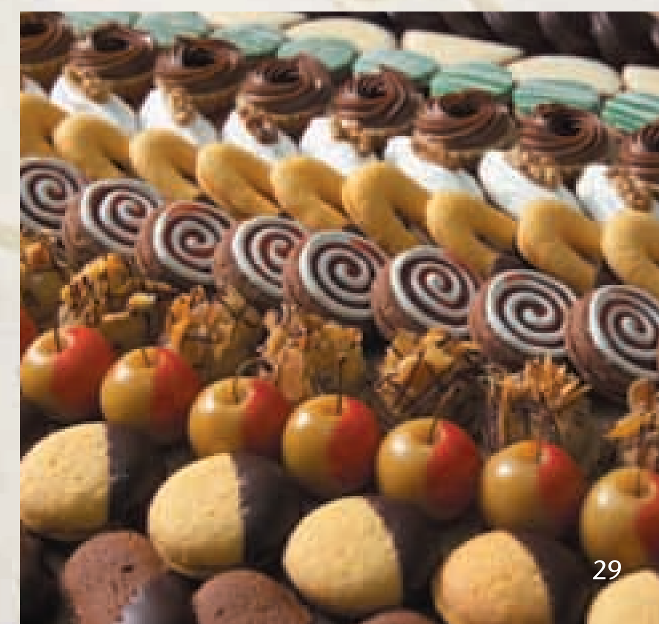
Chocolate and Marmalade…

Every day, Demel Sacher tortes are baked fresh, glazed before the eyes of the guests in the open bakery and sent out to customers throughout the world. Simply masterful!



The emperor was not the only one to satisfy his sweet tooth at Demel. Celebrities and prominent figures of our day also let us treat them to our luscious wares. We have taken the liberty of depicting some of them from their "sweet side".

A grand tradition of fine biscuits: In Demel's own open bakery, the masters are at work creating mandelpitzen, marzipanapferl, nussschifferl, mailänder and sandgolatschen according to the original recipes, each shaped and decorated meticulously by hand.



Division Restaurants & Bars

STRATEGY
- As the original line of business, R&D center and creator of ideas for new products
- Marketing instrument and standard bearer for the group and original brand development
- Development of human resources

PRODUCTS AND SERVICES
- A sampling of the best cuisines in the world at the DO & CO Restaurant in the Haas Haus
- Southern European flair and Mediterranean specialties at Aioli's
- The finest in hand-made patisserie arts at Demel's
- Sophisticated international bar atmosphere at the Onyx Bar
- Glorious art at the café/restaurant in the Albertina
- Dinner & casino at the restaurants and bars at Casino Baden plus small hot and cold gourmet specialties at Casino Vienna
- Flair of a traditional Viennese coffeehouse at Café Griensteidl
- Café restaurant at the Swarovski Crystal Worlds
- The various restaurants & bars as venues for press conferences and special events

HIGHLIGHTS OF 2004/2005
- Launch of restaurant and special events activities at Swarovski Crystal Worlds in Wattens, Tyrol, as the latter's Partner in Excellence
- Extensive restoration of Demel on Kohlmarkt in Vienna and loving renovation of the salon on the first upper floor and the historical rooms on the second upper floor of the building
- Preparations for a Demel Salzburg in the former Café Glockenspiel go into full swing

PREVIEW OF 2005/2006
- Opening of Demel Salzburg in the former Café Glockenspiel
- New design and renovation of DO & CO flagship in the Haas Haus in Vienna

DO & CO INTERNATIONAL

DIVISION
Airline Catering

Sales 2004/2005:	EUR 60.97 million
Share in consolidated sales:	45.4 %
Customers 2004/2005:	20 airlines worldwide

Lauda Air

When a Lauda Air Boeing 737-200 took off for Rhodos in summer 1987 with DO & CO catering on board for the first time, no one would have dreamt that this flight would lay the cornerstone for a completely new kind of airline catering product. The vision of operating "genuine restaurants" in the skies would indeed become a reality. Even in these early stages, meals were selected according to what was freshest on the market. Passengers could choose even back then from among seasonal specialties like asparagus, fresh mushrooms and the finest in dessert variations. But it was also the debut of warm bread and rolls, lovingly designed menus and the idea of a "properly set table", not to mention the "Flying DO & CO Chef" that made the only genuine on-board restaurant possible in the first place.

Before long, the Airline Catering product had been expanded into a comprehensive total service concept. Now, as then, many of our partner airlines depend on DO & CO not only for on-board menus and beverages but also for menu planning and design, the development of cabin crew procedures and crew training. The future goal is clear: to make satisfied customers at one location the long-term partners for global cooperation ventures.

The secret of DO & CO's success is simple: DO & CO took to the skies with its restaurant expertise. That expertise coupled, with the influence of International Event Catering, has shaped the DO & CO airline catering product over the years, giving it its incomparable and unique character. Partner airlines and customers reward these efforts with the highest in industry accolades.

OUR PARTNER AIRLINES' AWARDS CONFIRM OUR FINE PERFORMANCE:
IFCA Golden Mercury Award, Airline of the Year, Best Airline of Europe, Favourite Airline Worldwide, Best Airline – Food and Drinks, Best Business Class – Long Haul Airline, Best Catering, Best Service, Best Cabin Crew – First & Business Class, Travel Star Bronze Award, ...

Austrian Airlines Group

THE WORLD'S BEST RESTAURANTS AT OVER 35,000 FEET

Powered by DO & CO

Where do you find the crispest salad and fresh baked baguettes just like you'd get in Paris? Sole straight from the grill and a steak done to perfection? An egg sunny-side up for breakfast and luscious strawberries for dessert? The first Beaujolais nouveau of the season? Why at a DO & CO Gourmet Restaurant in the skies. Actually, there are 20 of them – each one unique, each one different. We have brought together the widest variety of tastes in the world for our airlines, naturally incorporating authentic products from our partners' countries of origin. Find the diversity of the Orient, culinary stepping stone through the Mediterranean, greetings from the Far East, the best of Austria and so much more in the DO & CO restaurants among the clouds. The only trait all of them share is our unique quality. And an increasing number of airlines are relying on the world's only gourmet brand product for the airline industry to provide their customers with an incomparable onboard experience. Our vision for the future? "First look at the menu – then choose the airline." Perhaps you too will choose one of our partner airlines sometime soon – we would be honored to welcome you on board. ➤

OS 86

NEW YORK ✈ VIENNA

Filet of veal with fresh basil

Vegetable Tempura

Home-made pappardelle

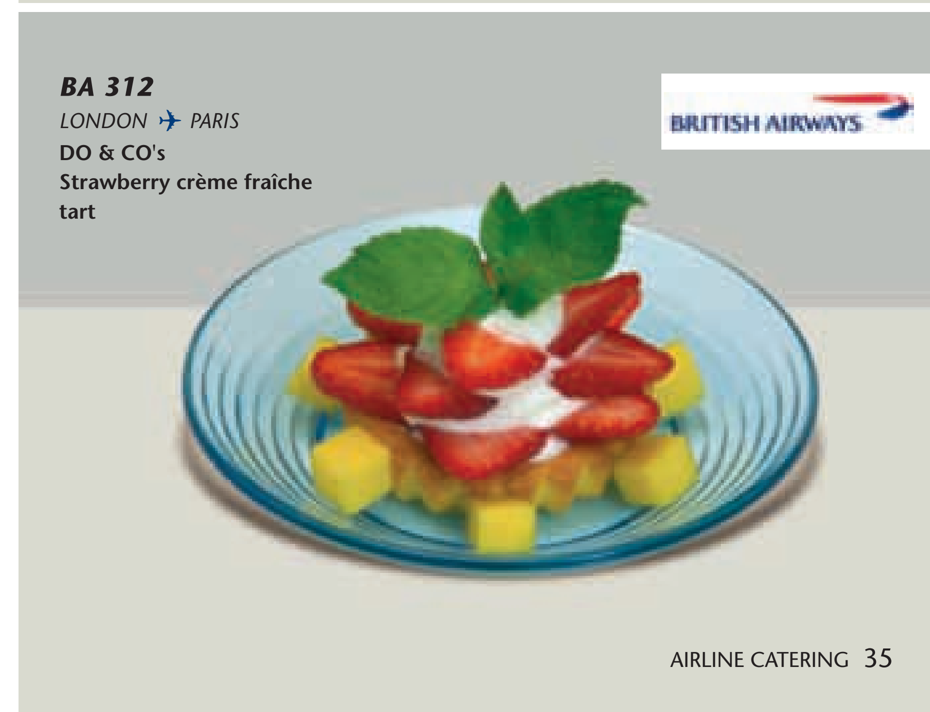
LH 404

TRIAL: FRANKFURT ✈ NEW YORK

Fresh Dover sole

Pureed wasabi

Sautéed vegetables



BA 312

LONDON ✈ PARIS

DO & CO's Strawberry crème fraîche tart

OS 007
VIENNA ✈ SINGAPORE
Fresh asparagus from the Marchfeld
Prosciutto di Parma
New potatoes

EK 128
VIENNA ✈ DUBAI
Fried giant prawns on chili salsa
Baked vegetables
Oriental rice

OS 001
KUALA LUMPUR ✈ SYDNEY
Thai chicken koi soy
Steamed jasmine rice

DO & CO
NEW YORK

DO & CO New York doubled its capacity at JFK: The existing building on the 10,000 square meter site (110,000 sq. ft) was expanded to nearly 5,000 square meters (55,000 sq. ft) and transformed into one of the most modern airline catering operations in the world. The number of airlines that take off with gourmet catering from DO & CO aboard is rising steadily.

Successful cooperation on "home market" of London: British Airways, one of the most successful airlines in the world, relies on DO & CO top quality for its premium customers. Every day more than 5,000 Business Class passengers on over 230 flights enjoy gourmet meals prepared to perfection.

DO & CO
LONDON

Z2 141
GRAZ ✈ STUTTGART
Breakfast fresh from the farm
Potpourri of fresh fruit
Scrambled eggs from country fresh eggs
with ham,
sautéed button mushrooms
and fried potatoes

BA 312
LONDON ✈ PARIS
Potpourri of antipasti
Prosciutto di Parma,
mozzarella caprese
peperonata,
zucchini
involtini

OS 86
NEW YORK ✈ VIENNA
Pear chardonnay in hot chocolate sauce
Home-made vanilla parfait

Food is whisked from the DO & CO gourmet kitchen aboard our partner airlines: freshness you can taste.

First look at the menu, then choose the airline …

airA!ps	AIR MAURITIUS	Austrian	BRITISH AIRWAYS
CSA	Emirates	FINNAIR	IBERIA
Lauda Austrian Airlines Group	LAUDA ITALY	Lufthansa	LUXAIR
NIKI	OLYMPIC	QATAR AIRWAYS	royal air maroc
SOUTH AFRICAN flysaa.com	Styrian Spirit	SWISS	TURKISH AIRLINES

Lufthansa & DO & CO

LUFTHANSA FIRST CLASS LOUNGES
FRANKFURT AIRPORT

Haven't you always wanted to have a special reception awaiting you at the airport…enjoy a fine meal prepared to order before take-off? And perhaps take a rest in a private setting or freshen up in pleasant surroundings? Frankfurt Airport has been making all these wishes come true since last year…

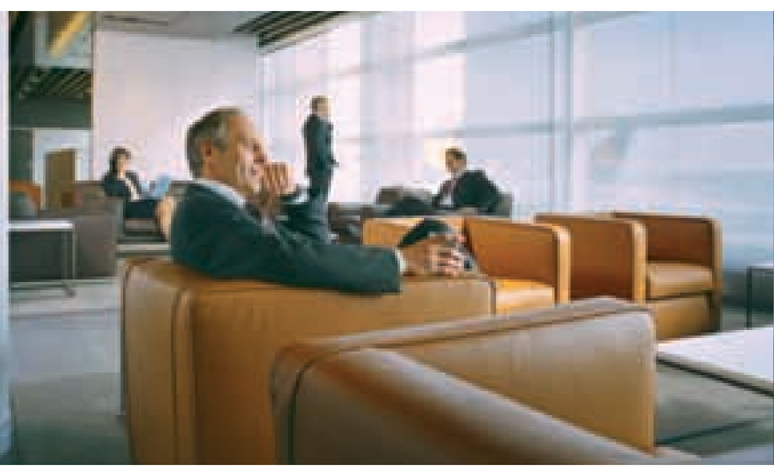
"Perfect pre-takeoff service for airline customers" is the motto with which Deutsche Lufthansa AG has been setting new standards in exclusive lounge management for its top customers since December 2004. We are therefore particularly proud that Lufthansa has selected DO & CO as its premium partner for the culinary services in these four first class lounges.

You can feel the difference – in the highly personalized service and the broad range of culinary offerings, in the pleasant cigar lounge and the high tech office units. Then of course there are the private sleeping rooms with spacious showers and baths, all finely appointed.

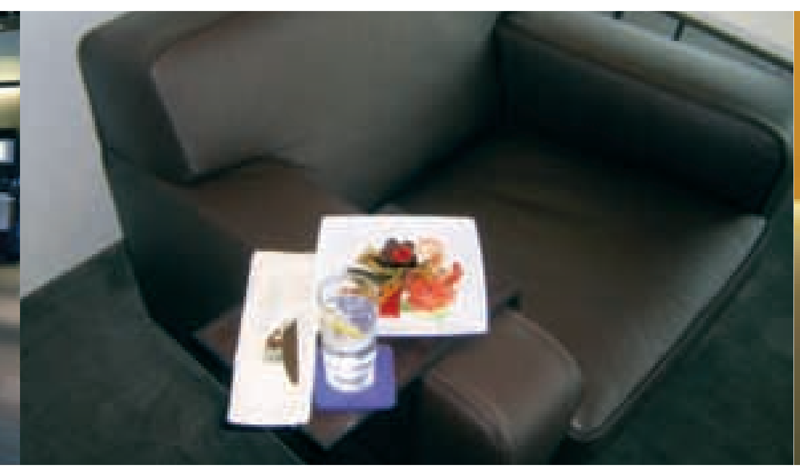
The culinary product sets new standards in lounge hospitality as well. The on-site DO & CO chefs utilize only the finest and highest quality ingredients to prepare fresh dishes for their guests, taking special care to comply with any special requests a guest may have. A selection of superb wines from around the world plus an extensive range of spirits (for example, over 70 brands of whiskey) round out the culinary offerings. And to top off the experience, guests are treated to their choice of hand-made specialties from Demel, the Imperial and Royal courts confectionary bakery.

Customer service of unsurpassed excellence is an essential factor in the success of the Lufthansa and DO & CO product philosophy. The best proof that this successful cooperation is attaining the desired results is the reaction of passengers. Since the lounges opened, they have given the services nothing but the very best ratings.

The common objective is clear:
the world's best airline lounge –
operated by Lufthansa and DO & CO.



The Lufthansa First Class Lounges are available to passengers at the first class terminal as well as terminal 1 of the Frankfurt Airport.



Passengers flying the 5:40 PM flight LH 404 from Frankfurt to New York anytime between January and May 2004 were treated to gourmet menus from DO & CO. Over this period, Lufthansa and DO & CO conducted a series of product trials that garnered outstanding reviews from passengers of all classes. The success of this cooperation was one crucial factor in Lufthansa's decision to commission DO & CO to manage the First Class Lounges.

Revolution in Airline Catering

What airlines expect from on-board catering has changed, forcing airline caterers to specialize and concentrate on their own core competences. A new model for catering specialization provides an innovative solution to this altered market.

The rapid pace of change on the airline market has posed a series of new challenges for airline caterers in recent years. To keep pace with fast-changing customer needs, caterers have to provide the most innovative and highest quality board product possible. But competition is fierce, so they are also forced to economize wherever possible.

In response to their new budget situation, many airlines cut back on board catering first, in what they saw as a fast, simple means of reducing costs. The short-term success of these measures has developed into a long-term problem. Ever more dramatic cutbacks seemed to close the door to any kind of appealing and competitive board product.

However, the most recent developments in airline catering have indicated otherwise. Two clear trends have emerged in product demand. In the premium segment the airlines are putting greater emphasis on top product quality whereas in the Economy Class segment in particular, they are opting for cost-optimized, yet innovative, solutions.

Successful collaborations with airline caterers will in future be characterized by a high degree of specialization and by a concentration on core competences. A new and revolutionary specialization model will be needed in airline catering to meet the demand for the very best in certain segments. The future partner for First and Business Class will have to be the very best premium airline caterer while large-quantity producers will be the ideal choice for suppliers to serve the Economy Class.

A return to "visible value for the customer" will also require a substantial reduction in logistics costs to free up additional money that can then be invested in the product.

Maximum value added, optimized budgets and absolute product flexibility make for a specialization model that represents an absolute win-win situation for all airline partners! ■

A sea change is occurring in airline catering, with the premium classes offering nothing but the best quality product while the Economy Class segment is focusing on a product that is easier on the budget.

"Freedom of choice"

Airline Catering in its full diversity, top quality and maximum cost cutting – an innovative catering model makes it all possible.

A successful brand can only stand for one value. It has to be either the best or the cheapest. Realizing this fact, DO & CO will continue to cultivate its brand reputation as the gourmet product as before. However, the market trends show that airlines will want both the best and the cheapest partner in the future, depending on the class involved.

Frantically developing products for segments not belonging to its brand's core business is not the solution. Nonetheless, DO & CO remains firmly convinced that being the sole firm responsible for all product areas is crucial to a successful airline partnership. Using an airline catering model unlike any other in the world, DO & CO has now teamed up with the world's most cost-efficient airline caterer.

DO & CO INTERNATIONAL
Supplair
UNIQUE PARTNERSHIP
IN AIRLINE CATERING

In March 2005 DO & CO Restaurants & Catering AG acquired a 27 % stake in the Dutch-based SUPPLAIR B.V.

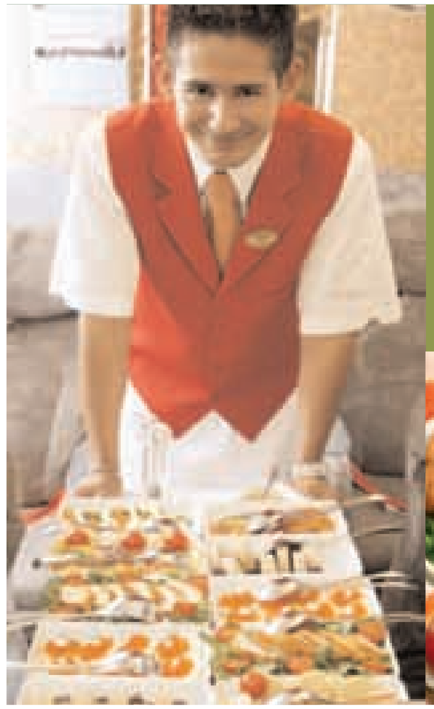
SUPPLAIR is the fastest growing supplier of board catering for Economy Class on the world market today while DO & CO continues to set standards for First and Business Class board products as the world's leading premium caterer. Together, they offer the airlines an extensive product portfolio.

As a single partner to the airlines they will be able to supply the best product in all classes and reduce costs substantially.

DO & CO currently has 9 gourmet kitchens in the US, Great Britain, Italy, Germany and Austria. SUPPLAIR has logistics operations at more than 80 airports in Europe and the US. As partners, they presently have a joint customer portfolio of more than 25 international airlines. DO & CO is convinced that together they will be able to achieve strong growth on the world market with existing and new clients in exchange for a relatively reasonable investment.

What expectations does each side have. Well, DO & CO hopes to further improve capacity utilization at its strategically well-positioned gourmet kitchens in this collaboration. SUPPLAIR, for its part, expects to benefit from ready access to fresh gourmet products from DO & CO businesses and from a tighter logistics chain.

DO & CO and SUPPLAIR are forging an innovative model for the future. It promises airline customers maximum product flexibility and substantially improved quality while also reducing overall costs significantly.



HANDMADE BY
DO & CO
INTERNATIONAL

Better and Cheaper

The world's best product portfolio: the collaboration between DO & CO and SUPPLAIR brings together specialists in different product segments. As a result, each airline can individually select the board product that best fits its own needs.

"Better and cheaper" was the objective in DO & CO and SUPPLAIR joining forces as experts in complementary products. Together they can cover the entire range of airline catering products.

Given this "freedom of choice", airlines can now select an extensive product which is also modular and flexible.

It ranges from specialties DO & CO carefully prepares by hand to budget-driven approaches from the joint product range.

Premium products from DO & CO will continue to set standards in the champion's league of airline catering. Yet as an airline partner, DO & CO has found a most innovative solution in this globally unique collaboration and will also be able to supply the best cost-optimized product.

Innovative Product Portfolio

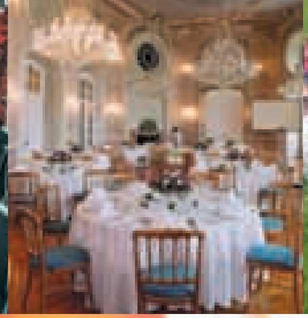
Airline Catering Division

STRATEGY
- To offer an unique quality product tailored to the needs of Economy and Business Class passengers
- To maintain and improve the DO & CO's reputation as a quality niche supplier in the premium segment
- To create and develop a global network of gourmet kitchens
- To cooperate effectively with existing airline customers and to win over new customers and existing customers for all business locations

PRODUCTS AND SERVICES
- Board meals and beverages
- Extensive development of complete service approaches
- Cabin crew training in mock-up aircraft and on site
- Development of cabin crew procedures
- Menu planning and menu design worldwide
- Flying DO & CO chef on long-distance flights

HIGHLIGHTS IN 2004/2005
- Cooperation with SUPPLAIR to develop an innovative airline catering model
- DO & CO as gourmet partner of Lufthansa First Class Lounges at Frankfurt Airport
- Lufthansa product trial on the Frankfurt – New York – Frankfurt route
- Extensive cooperation with British Airways at London Heathrow and product trial Virgin Atlantic
- Additions to clientele: DO & CO won over Emirates Airlines, Qatar Airways and Czech Airlines as customers at the Vienna business
- Doubling of the capacities at the gourmet kitchen at JFK in New York

PREVIEW OF 2005/2006
- Olympic Airways, LTU and Cathay Pacific as new customers ex New York
- Emirates Airlines ex Frankfurt starting in the first quarter of 2005/2006
- Increase in business at expanded location at JFK in New York



DO & CO INTERNATIONAL

DIVISION

International Event Catering

Sales 2004/2005:	EUR 47.26 million
Share in consolidated sales:	35.2 %
Events 2004/2005:	1,850 worldwide

So Festive, so Athletic

What do equestrians in Aachen, Formula 1 racers in Shanghai, soccer players in Portugal and skiers in Kitzbühel all have in common? That's simple: Their fans are all treated to superb catering from DO & CO. Guests at a host of other corporate and private events worldwide also enjoy DO & CO's own unique brand of event catering.

No matter who the host is, all these events share one trait: meticulous attention to detail. DO & CO has its own event agency and a creative team of trend scouts, marketing staff, catering supervisors, chefs, logisticians, and many others. Together, they take an idea and develop it step by miniscule step into a full-fledged concept.

Gourmet Entertainment Every Day of the Year

An individual theme is presented in all its facets. The choice of food and beverages match the occasion perfectly, as do the authentic presentation and innovative service approaches. Attention is naturally also given to assuring an attractive venue, an appealing atmosphere and just the right lighting. Last but not least, the lovingly rendered menu cards, decoration to highlight the theme and a host of entertaining elements that set apart the DO & CO brand from the competition. This is gourmet entertainment at its best.

Are you worried about the actual staging of your event? There is no need. You can leave everything to the competent DO & CO team worldwide. They handle the planning, execution and supervision of events, all services for sponsors, and event marketing. You can rely fully on this experienced and internationally proven crew. For them, no idea is too unrealistic; no venue, too unusual – no distance is too great; no challenge, too tough. They are pure professionals, in product development, production and implementation. And as a customer of DO & CO you also have financial security. Rely on us. We are your no headache partner, always there to lighten your burden and handle all the details. After all, we want you to be able to celebrate right along with your guests …

See for yourself: No party is too small, none is ever too large …

DREAMTEAM

A Nation in Raptures
and 100,000 Satisfied VIP Guests Join in the Celebration!

When all eyes in Europe are glued to 44 legs and a single ball, the team in the DO & CO Sports Division knows their time is at hand … On the field, only the best performing team captures the European championship. Like them, the DO & CO team has its hearts and minds set on one goal: perfect teamwork. In being put in charge of the entire hospitality management for the 2004 European Soccer Championship in Portugal, DO & CO landed a highly prestigious contract. Yet it also took on a gigantic challenge: 10 stadiums, 16 soccer teams and 31 games. That translated into 50 semi-trailer trucks, a kitchen tent covering 4,000 square meters in Lisbon and 200,000 plates. All this had to be at the right place at the right time. DO & CO trucks were constantly on the road between Porto and Algarve, transporting, among other supplies, 12,000 kg of beef and 4,000 kg of Belgium chocolate. And 1,000 DO & CO employees from 12 nations were bustling to ensure that every guest had an unforgettable total experience of culinary and athletic excellence. At times we were just as jittery as the fans of the national teams about achieving our joint goal. In the end, we did. 100,000 satisfied VIP guests in 24 days, a successful contribution from Austria to the European Soccer Championship in Portugal!



Up to 8,500 VIP guests a day celebrated the victories of their national teams with us, from Estádio da Luz to Dragão

PERFECT TEAMWORK

SPIRIT TO WIN

FORMULA 1

16 GRANDS PRIX WORLDWIDE

Sepang • Bahrain • Imola • Barcelona • Monte-Carlo • Nürburgring • Montreal • Indianapolis • Magny-Cours Silverstone • Hockenheim • Budapest • Spa-Francorchamps • Monza • Shanghai • Suzuka

Speed, Technique, Precision – Car racers have to focus on every single details. They need a reliable partner in kind

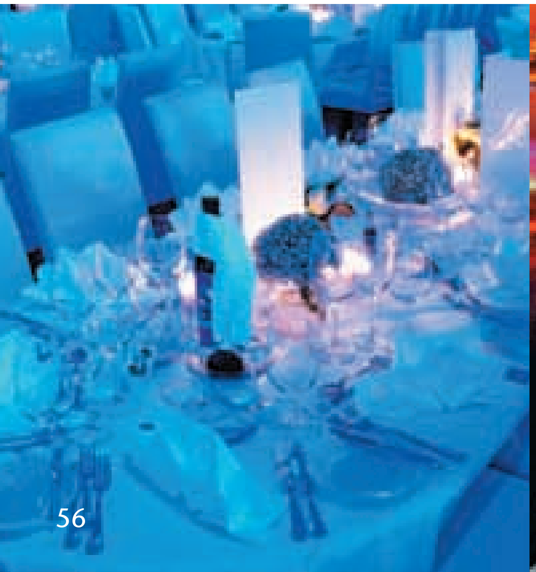
From the Bahrain desert to Monte Carlo, the pearl of the Mediterranean; from the stomping grounds of traditional racing in Indianapolis to the ultra-modern track in Shanghai – 16 races on three continents and DO & CO is always in on the action. And we are proud of that fact. We have been the exclusive catering partner of the Formula 1 worldwide since 1992. The racing crowd keeps moving on with the glittering Formula 1 race cars whose speed and technology fascinate people the world over. DO & CO joins this caravan, this wonderful world of science and precision, to set up its own wonderful world at each new venue. With high-tech kitchens plus finely designed buffet landscapes and dishes of unsurpassed perfection. And there is never a knife too few or a fork too many. The cloth napkin is always just so. Gourmet restaurants spring up at ever Grand Prix, right on site. And even more importantly, the DO & CO product is of the same high standard, for thousands of guests everywhere in the world. DO & CO's own formula 1 team makes it possible; sophisticated logistics make it a reality. Three complete kitchens, all fully equipped, are in operation worldwide, be the event in Asia, Europe or America. What is the secret to quality? An array of small gourmet kitchens, that much we will say … With culinary delicacies from around the world. That is how we spoil our guests – throughout the entire weekend of the Grand Prix. And then? Well, we move on, to be there for you at the next race.

Kitzbühel

The Victory of Perfection

Kitzbühel – the Monte Carlo of the Alps, magnet to thousands of skiers from around the globe, the winter resort par excellence. And naturally a synonym for what has to be the craziest and most exciting, the most incredible winter weekend of the year. The "Streif", the ultimate in downhill runs, puts everyone under its spell each year. Only the best prevail on this run. Perhaps it is this challenge to achieve perfection that creates such fascination. Perfection is also exactly what DO & CO provides its guests on the weekend of the Hahnenkamm Race.

Up to 2,700 guests can be served at a time in one and the same marquee. After enjoying the complete culinary spectrum of the alpine countries, they can proceed to the Demel Coffeehouse or the Havana Lounge to discuss the highlights of the competition. And when they leave the marquee after an exciting race and return in the evening to the social highlight of the weekend – the Kitz Race Party, they enter a different world. The space has a totally new look, the culinary theme is staged with elaborate care. And everything is once again just where it should be. Nothing is missing. Being the ultimate in gourmet entertainment, that is our place on the winners' stand.



When ski fans from around the world flock to the Hahnenkamm race in Kitzbühel, DO & CO treats its guests to a panorama of the best cuisines in the world

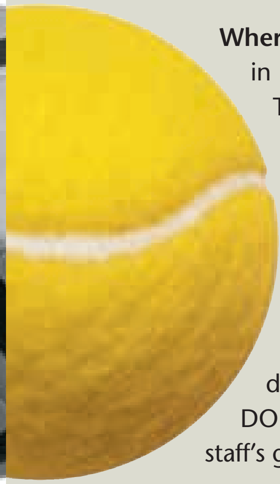
ON TOUR WITH THE BEST IN THE WORLD

UEFA CHAMPIONS-LEAGUE FINALS

Last May, DO & CO paid tribute to Europe's top culinary nations at the UEFA Champions League in Gelsenkirchen. At an event with the theme "Culinary Champions of Europe", a team of 400 DO & CO workers treated 4,500 guests to a selection of uniquely national dishes, tailored to the two finalists, FC Porto and AS Monaco. And in the "Champions Village", the main sponsors hosted the evening event. It was a successful rehearsal to the major soccer event of 2004 in Portugal.

An event for masters:
Be it in an ultra-modern stadium or
at the world's longest football table.

ATP MASTERS SERIES MADRID



Where does New York's Fifth Avenue meet Rome's Via Veneto? Siam Square in Bangkok meet Marrakesh's main square Djemaa el Fna? Why, at the ATP Tournament in Madrid. **"The Roads of the World"** is the culinary theme of one of the most fascinating tennis tournaments on Earth. And when DO & CO stages a theme, you know every facet will be covered, down to the finest details. DO & CO chefs representing a wide variety of nationalities naturally draw on the freshest ingredients from markets around the world to prepare their authentic dishes. Sometimes you can even see an Italian count cutting air-dried prosciutto direct from his estate for our guests. And right next to him, the best wok chef in Shanghai demonstrating her culinary skills. Genuine local color is also created at DO & CO events with special decorations, menus, giveaways and above all the staff's great attention to detail. Join us on a culinary journey around the world.

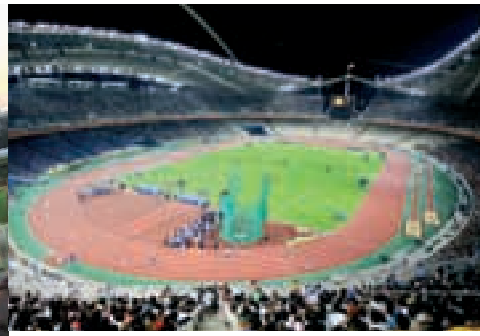
MASTERS SERIES MADRID '04

4-JUMP TOURNAMENT

DO & CO is a soaring success in the winter months, too. In fact, the first sports event of the year begins in the snow, or more accurately, above the snow. While the competitors execute spectacular jumps from Zaha Hadid's new ski jump, DO & CO keeps guests and judges in good spirits with specialties from its kitchen. You don't think all this fine food influences the scores they give out, do you …?

OLYMPIC GAMES ATHENS 2004

The best of the best and DO & CO is naturally in the midst of them. At the foot of the Acropolis, the world's best athletes rose to the Olympic challenge and DO & CO entered into a culinary competition of a similar kind. To create a culinary link between sports and pleasure, DO & CO staged a friendly contest at "Club Austria", the Austrian Olympics clubhouse in Athens: Greek baklava versus Austrian Wäscher-mädln, a Viennese pastry with apricot filling. The winner? As always, good taste.



That’s the way … I like it …

Where was the sports highlight of the summer season? No, it wasn’t Ibiza or Saint Tropez that attracted the greatest beach volleyball players in the world. They were drawn to the shores of a beautiful Austrian lake in the province of Carinthia: Wörthersee. A mega-event with mega-appeal featuring the ultimate in trend sports. You just have to be there every year at Klagenfurt Stadium to watch the Brasileiros demonstrate ball handling at its most breathtaking. Or to go to the chill-out parties after a hot day on center court. Or to take in the “Power of the Night” first hand. Or select the “true winners” at the Champions Night. If you want a quieter end to the day, go to the lakeside terrace and let yourself be enchanted by other arts, as DO & CO serves you culinary champions from around the world. Be prepared, next summer will be here before you know it.

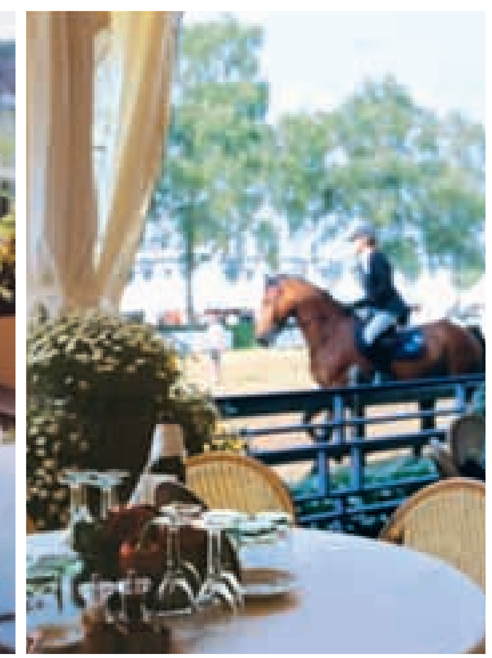
Beach boys, beach girls and DO & CO
in action at Wörthersee

CHIO AACHEN

The Grandest Equestrian Event in the World

In the summer, horse lovers cast their eyes to Aachen, the venue of the grandest equestrian event on Earth. The CHIO offers fans the ultimate in equestrian sports. And the organizing committee has opted for that same high standard for catering these past eight years by choosing DO & CO as its preferred partner. You can almost hear the riders' hearts beat faster as they watch the best of horses from the Camargue, Arabians from the Orient, wild horses from the Hungarian puszta and white steeds from Andalusia go through their paces. In this same way, DO & CO strives to win over the hearts of the 6,000 VIP guests at the tournament by taking them on a culinary trip through the horse nations of the world. What are the secrets of the best riders in the world? A good place to contemplate these mysteries is the CHIO Treff, on the sunny terrace of the Viennese Coffeehouse. Sit back, relax and watch as the competing horses take the final hurdles of their practice round. The event organizers have remained loyal to DO & CO since 1997, allowing our team to be part of this premier event in equestrian sports, the CHIO in Aachen. We will be firmly in the saddle again at next year's World Equestrian Games.

Looking for happiness? Ride a horse



NO PARTY IS TOO SMALL FOR US … … AND NONE IS EVER TOO LARGE

»Whenever a company has something to celebrate, DO & CO is there for them – even if thousands of employees are invited to join in the fun«

»Flowers are the crowning touch to a table – and our florists always select the most stunning«

»We have set over 20 banquet tables for state receptions in Vienna and Berlin«

»We have had the privilege and pleasure of accompanying 23 couples to the altar on their big day«

»DO & CO organizes the gourmet partners and logistics for Europe's largest event, the film festival at City Hall Square in Vienna«

»We've walked 40 culinary runways for fashion & lifestyle«

»And sometimes we stage dinner parties for just a handful of people…«

»Some 350,000 enthusiastic sports fans across the globe have fortified themselves at our buffets«

»We provided catering at the world premieres of 18 new car models last year«

»No one celebrates birthdays more often than we do …«

»At 20 film premieres we have acted as culinary director for our guests«

»We have staged events to celebrate the most important occasions of the year for over 350 families«

HANGAR-7

In Salzburg, the future has already begun

Whenever Red Bull has a flight of fancy, you can be sure of superlative results. For instance, the Flying Bulls built the most extraordinary hangar in the world at Salzburg airport as a new home for its peerless fleet of vintage aircraft. And the hangar doubles as a party venue for festivities which are equally extraordinary, festivities staged by DO & CO.

The architecture alone is breathtaking. From the outside, Hangar-7 resembles a wing, dynamic yet seeming to float in the air.

Stepping inside is like soaring into the sky, the shell hovering above, freely suspended… the aircraft have to feel right at home here. Hangar-7 is not an event location in the conventional sense and any special occasions staged there are sure to be just that: special. DO & CO naturally follows suit in this unique symbiosis of technology, art and entertainment. We do everything in our power to surpass our guests' expectations. It is our contribution to heavenly entertainment.

“The Sound of Vienna”

When the Vienna Philharmonic invites guests to join it in the “City of Music” to celebrate the 15th anniversary of its coin, you can be sure that DO & CO will play the full range of its catering repertoire. The culinary tour of the cities with the world’s best opera houses is accompanied by the magical atmosphere of the host city: Vienna. And to make that atmosphere all the more vivid, we set up a marquee with a glass roof and let the sparkling lights on the Giant Ferris Wheel turn for all against the night sky …

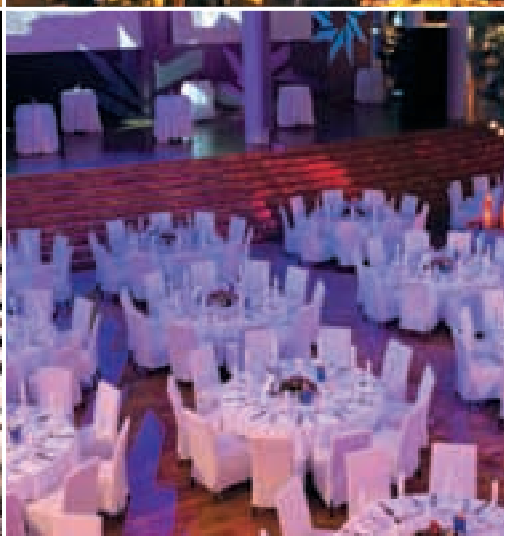
As a venue for management conferences or a summer party – a place for encounters and communication

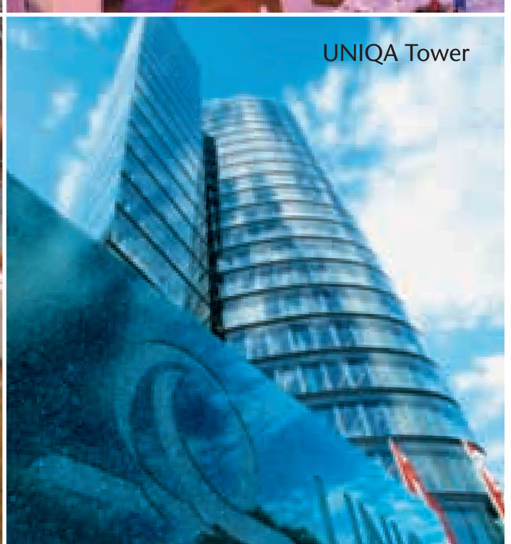
At one of Berlin's most prominent addresses, you will find a hub of international communication, the new headquarters of Bertelsmann AG in the German capital. It is an authentic reconstruction of the former Kommandatur building and as such fits harmoniously into the architectural ensemble of the city's most significant attractions. Modern structural elements at the rear and multimedia design in the interior form a striking contrast. The design has a clear message: openness and innovation. The building is meant to serve as a place of communication and encounters for figures from politics and business, the arts and the media. Fresh and stimulating ideas flow out from here, helping to shape social and cultural life in Berlin and beyond. We feel proud and privileged to be given this opportunity to instill culinary life into this new complex with our products. ■

Unter den Linden 1

Berlin's best address

BERTELSMANN
media worldwide





UNIQA Tower

PLATINUM

Vienna´s favourite event location

WONDERFULLY TRANSFORMABLE

A new facet was added to Vienna's special events scene this year with the opening of PLATINUM Vienna, the city's most modern venue for special events. It is located in the public area of UNIQA Tower, which opened in 2004. With its central location across from the Urania at the beginning of the Ringstrasse, the tower is a new landmark in Vienna, visible from far and wide.

Futuristic, dynamic and flexible in design, the architecture of this high tech location is anything but cold. And the multifunctional spaces covering some 1,600 square meters feature absolute state-of-the-art special event equipment and media systems unrivaled anywhere in Austria. Perfect staging of every event is assured.

Backed by catering and professional event management from DO & CO, this venue makes virtually anything possible.

Why not stop by. See for yourself just how welcoming the event facilities and PLATINUM bistro are, not to mention the elegant coffee shop lounge. Come in, make yourself comfortable, enjoy. ■

Division **International Event Catering**

STRATEGY

- To continue establishing DO & CO as a special event brand in Europe and in the US
- To strengthen the core competence of premium catering as a "Gourmet Entertainment Company" and build on it in order to become a "Gourmet General Contractor"
- To enter new lines of business in the special events segment

PRODUCTS AND SERVICES

An all-encompassing product covering all facets of special events:

- Preparation of food and beverages
- Brainstorming and idea development at the in-house DO & CO Event Agency
- Marketing and sponsoring management
- Total hospitality management for large-scale events
- Events for anything from 2 to over 100,000 people

HIGHLIGHTS IN 2004/2005

- Austria's contribution to the EURO 2004, the European Soccer Championships in Portugal: DO & CO managed the entire VIP hospitality operations
- DO & CO gourmet catering at the new Grands Prix in Bahrain and Shanghai
- Catering to guests at numerous sports events:
  CHIO World Equestrian Festival in Aachen, Tennis Masters Series tournament in Madrid, Soccer Champions League Finals Gelsenkirchen, Hahnenkamm race in Kitzbühel, Beach Volleyball World Tour in Klagenfurt, Austria House at the Olympic Games in Athens
- Numerous events for major auto manufacturers, including BMW, Porsche, Mercedes, Audi and Volkswagen
- Management of catering at the film festival at City Hall Square in Vienna
- Opening of the new DO & CO special events venue at PLATINUM VIENNA

PREVIEW OF 2005/2006

- Stimulus to Vienna business from new event location in the PLATINUM VIENNA
- Increased presence in western Austria thanks to the DO & CO branch at Swarovski Crystal Worlds
- Development of Istanbul as a new market: Football Champions League Finals in May 2005 and new Grand Prix in August 2005
- Defending market position in Austria and Germany, the company's home markets

Crème de Jour,
Part of a window display
Made of marzipan and sugar.
Hand-crafted by
K.u.K. Hofzuckerbäckerei
Demel in Vienna.

DEMEL
K. u. K. Hofzuckerbäcker
1786

Special promotional by Restaurants & Bars Division

Our Mission:

To adhere strictly to
the most stringent hygiene regulations
and to minimize our impact
on the environment

Environment & Hygiene

Three of the most important tasks of the DO & CO Hygiene Department are to reduce the amount of solid waste generated (e.g. by avoiding unnecessary packaging), to separate wastes strictly into different categories and to monitor compliance with waste water standards on an ongoing basis.

DO & CO accepts these responsibilities and duties as a user of natural resources. DO & CO is firmly obligated to provide its customers with food of the best quality. Through a comprehensive system of control and hygiene monitoring, the company assures the healthfulness and safety of its food at all production levels.

The DO & CO Hygiene Department is responsible for seeing that the company's high standards of hygiene are maintained, monitored and further developed. These standards naturally comply with the recognized principles of HACCP (hazard analysis control points) and international standards.

When food law among the Member States was harmonized, the EU fundamentally revised Community regulations. Food processing enterprises like DO & CO now have even more self-monitoring duties than before. In the business year under review, DO & CO already took steps to perform these duties more effectively. One involved implementing a traceability system for food at all production levels. Another entailed expanded monitoring in the form of more frequent microbiological checks of all operating areas and of raw materials and foods.

Sustainability

DO & CO manages its business in a sustainable and socially responsible manner. Sustainability has become a crucial factor and influences our corporate decisions. This influence is manifested in our consistent implementation of our solid waste management plan as well as in our climate protection measures and our logistics strategy and approach to goods transport.

DO & CO also feels a deep obligation to accept social and societal responsibility. It responded quickly and generously to the Tsunami catastrophe by sending donations and assisting in the search for family members.

1,800

1,800 friendly employees – unique and unrivaled. Our biggest asset.

The foundation of DO & CO's success worldwide

DO & CO increased its staff in the business year under review by 10.3 %, enlarging the total workforce in the DO & CO Group to 1,133 (423 female employees and 710 male employees). This growth is attributable largely to the new business locations in Frankfurt and Vienna and to the expansion of business in Airline Catering.

The company also employed 600 part-time staff members. Qualified and motivated employees are our most valuable assets. Their identification with the company is the real key. Competence, commitment and a sense of responsibility are the three major traits DO & CO nurtures and they are what make the corporate culture so unique. That culture is shaped by the flexibility and hard work of each and every employee.

In the business year under review, the employees once again had a chance to demonstrate their consistently fine performance at numerous international sports events. Highlights were the 2004 European Soccer Championships in Portugal, 16 Formula 1 Grands Prix and the worldwide premieres of the new BMW 3 series in Athens. Learning together in international teams creates a feeling of solidarity and fellowship. It also helps to engender trust and respect for other cultures and ultimately results in greater customer satisfaction. DO & CO naturally also made a conscious effort to train apprentices again in the year under review. Demel and Haas Haus were two group businesses which were particularly important in giving young people an opportunity to join the DO & CO team this past year.

IT support in work scheduling

- *Greatly increases the efficiency of work scheduling*
- *Assures staff planning that fits the qualifications and special skills of employees, e.g. foreign language skills in particular and in international assignments*
- *Reduces costs by making the planning of national and international events more transparent*
- *Provides worldwide access to planning tools over the Internet*

04 & 05

DO & CO
INTERNATIONAL

THE GOURMET ENTERTAINMENT COMPANY

CONTENTS

The use of automatic calculating aids in adding rounded figures and percentages could result in calculating differences. The abbreviations and means of calculating the key figures (ratios) are explained in the glossary on page 132.

MANAGEMENT REPORT 2004/2005

HIGHLIGHTS

New customers for Airline Catering in 2004/2005
- QATAR AIRWAYS ex Vienna
- CZECH AIRLINES ex Vienna
- VIRGIN ATLANTIC in a trial on flights to New York and Miami

Cooperation with SUPPLAIR to develop an innovative airline catering model
- DO & CO Restaurants & Catering AG acquired a 27 % equity interest in SUPPLAIR B.V. in March 2005, entering into a strategic partnership to broaden their joint product portfolio and to utilize existing resources more effectively

DO & CO Gourmet Entertainment at the EURO 2004
- DO & CO treated VIP guests and sponsors at the 2004 European Soccer Championships in Portugal from 12 June to 4 July 2004 to premium products from DO & CO and DEMEL
- DO & CO was the "one shop partner" in charge of organizing the entire VIP hospitality operations at 31 games in ten stadiums

LUFTHANSA First Class Lounges at Frankfurt Airport
- DO & CO has been playing host to guests in the LUFTHANSA First Class Lounges at Frankfurt Airport since 1 December 2004. In addition to the lounges in the new First Class Terminal, there are three other lounges in concourses A and B

Restaurants & Bars opens new business locations
- "DO & CO in PLATINUM" in the newly built UNIQA Tower – bistro and coffee shop plus the PLATINUM VIENNA center for special events involving up to 1,000 people
- "SWAROVSKI Crystal Worlds" – new event venue plus Café Luna

Growth at all levels
- Sales: +36.8 % to EUR 134.26 million
- EBITDA: +8.4 % to EUR 8.86 million
- EBIT: +32.2 % to EUR 3.45 million
- Earnings per share: EUR 1.48 (previous year: EUR 0.99)

With its solid financial base, DO & CO remains a strong and reliable partner
- Equity ratio: 47.4 % (previous year: 47.4 %)
- Net gearing: 11.8 % (previous year: -11.5 %)

DO & CO prevailed over the competition again in the first quarter of 2005/2006 in numerous tenders
- OLYMPIC AIRWAYS ex New York starting 19 April 2005
- LTU ex New York starting 2 May 2005
- EMIRATES AIRLINES ex Frankfurt starting 1 June 2005
- CATHAY PACIFIC ex New York starting 1 August 2005

ECONOMIC CLIMATE

The world economy grew at 3.8 % in 2004, the fastest rate in 15 years. In the course of the business year, the dynamic global trend began slowing, as fresh impetus from economic policy waned and oil prices rose.

A closer examination of the various economic areas shows a great divergence in regional economic development in 2004. Growth was especially robust in the US and also in the Asian economies while the European economy lagged behind the global economic trend.

US economic policy remained expansive, just like last year. The Bush administration attempted to stimulate demand for capital goods and encourage private consumption with tax cuts and government spending, especially for armaments. At 4.4 %, the economy expanded at a far faster rate than the year before (3.1 %). This trend was accompanied by a budget deficit of 3.6 % of GDP (previous year: 3.5 %) and a sizeable current account deficit. In fact, this latter deficit amounting to 5.7 % of GDP not only exceeded the previous year's figure of 4.9 %, it set an all-time record. The prime interest rate hit 1.0 % at mid-year, its lowest level since 1958. Thereafter, it was successively raised throughout the year to 2.5 %. The double deficit plus the low interest rates set the US dollar to a record low by the end of the year of 1.37 to the euro.

The Asia/Pacific region also enjoyed a healthy upswing, growing at 4.7 %. The Chinese economy posted a 9.5 % gain, making it the undisputed engine of growth, in the Asian economies and globally. Heavy Chinese demand for oil pushed crude prices up to an annual average of USD 40.90, a level that increasingly hampered economic growth elsewhere.

Although Europe (EU 15) fell short of expectations in 2004 with a growth rate of 2.2 %, its performance marked a definite recovery over the year before (0.8 %). Foreign demand is the engine of growth in Europe, but this component fell off in the second half of the year. The main factors braking economic growth were the strong euro, the high oil prices, and the consumer restraint associated with it. Other retardants to the Community's economic growth were, and are, fundamental structural problems in the large Member States. Germany and Italy even reported negative growth rates in the fourth quarter of 2004.

The economic picture for the newcomers to the Union, the countries which acceded to the EU on 1 May 2004, was much brighter. They registered growth of 5.0 % in 2004 following a rate of 3.8 % in 2003. Key interest rates remained unchanged. Given the moderate economic situation, the ECB took no steps to change interest rates.

Economic growth accelerated considerably in 2004. The Austrian economy grew by 1.9 % in 2004, thus boosting the level of economic activity substantially over the previous year (0.7 %). Dynamic exports were largely responsible for this trend. Austrian exporters saw a healthy +12.2 % increase in business in 2004 (previous year: +2.5 %).

Austrian tourism posted a slight decline in 2004. Although the number of tourists rose by 1.1 % against the previous year to 28.4 million, the average stay fell to 4.1 days. This decrease, in turn, reduced the number of overnight stays by 0.6 % to 117 million. Diverging regional developments shaped business at DO & CO. The trend was positive in Vienna (+6.2 %), Lower Austria and Salzburg yet negative in all other Austrian provinces.

Experts (WIFO) predict a continued, though somewhat slower, rise in the growth rate to 2.2 % in 2005. The tax reform is expected to bolster business activity and the indices on business sentiment and consumer confidence substantiate this view.

Developments in the Airlines Industry

The aviation industry recovered right along with the general economy in 2004. The number of passengers rose by 14 % against the year before, a rate nearly matched by that of cargo volume (+13 %). Airlines also made much better use of capacity.

The recovery in transport figures was not fully reflected in the business results of the airline industry. Oil prices went through the roof in 2004, topping the USD 50 mark in the US. They have remained at a high level since and have more or less offset any positive effects on profits from the higher passenger figures and improved capacity utilization. As a result, the industry had another year of heavy losses (USD 4.8 billion). The cumulative losses of the airline industry since 2001 now total USD 36 billion.

Business for no-frills carriers continues to boom, especially in Europe. The trend in traffic at Vienna Airport is a case in point. Total passengers carried rose in 2004 by 15.7 % to 14.7 million. Besides the positive effects of Eastern European traffic and long-distance routes, this growth is driven by the transport performance of the low-cost carriers. At Vienna Airport alone, they were responsible for carrying 1.6 million passengers in 2004. This represents an increase of 117 % against the year before.

Cost pressures on the airlines have increased dramatically owing to the fiercer competition unleashed by the low cost carriers and the higher prices for jet fuel. Airlines have responded by slashing costs and these efforts have had a direct effect on catering budgets. Many airlines have drastically reduced service on short-distance flights. Some have begun charging for them; others have eliminated services altogether. Parallel to this trend, a handful of airlines have sought to halt the declines in yield in the premium segments in particular with schemes to improve service. Performance in the coming quarters will show whether these schemes can solidify into firm industry trends.

The situation in the first quarter of 2005 remained more or less unchanged against 2004. The IATA reports growth of 8.7 % in passengers carried, moderate increases in capacity and stagnating capacity utilization. Although the oil price has declined slightly, it continues to put a major damper on industry profits.

SALES

For the group as a whole, DO & CO recorded a highly encouraging upsurge in sales of 36.8 %, or EUR 98.15 million, to EUR 134.26 million. With economic conditions in the year under review only slightly better than the year before, this performance demonstrates what a crucial competitive advantage DO & CO derives from its unique market position.

A close examination of the various divisions reveals three key factors influencing the development of the individual segments: the first full year of business at the London Heathrow location, the contract for VIP hospitality management for the EURO 2004, and the opening of new DO & CO locations in the Restaurants & Bars Division.

Sales by Division

Business year (April - March)	2004 / 2005 in € millions	2003 / 2004 in € millions	Change in € millions	Change in %	2002 / 2003 in € millions
Airline Catering	60.97	49.89	11.08	+22.2 %	43.94
International Event Catering	47.26	27.28	19.98	+73.2 %	29.98
Restaurants & Bars	26.03	20.98	5.05	+24.1 %	20.67
Group sales	**134.26**	**98.15**	**36.11**	**+36.8 %**	**94.59**

In Airline Catering, sales grew by EUR 11.08 million, or 22.2 %, to EUR 60.97 million. This strong growth is largely due to the first full year of business at London Heathrow and additions to airline clientele in Austria. The division's share in consolidated sales declined from 50.8 % to 45.4 %.

International Event Catering posted extraordinary growth of EUR 19.98 million, or 73.2 %, increasing its total sales to EUR 47.26 million. This upsurge can be attributed in the main to business at EURO 2004 and to catering for the new Grand Prix events in Bahrain and Shanghai. The upswing was also reflected in a rise in business in international large-scale sports events. As a result, this division's share in consolidated sales increased from 27.8 % to 35.2 %.

Restaurants & Bars, the company's original line of business, contributed 19.4 % of total consolidated sales in business year 2004/2005, increasing its divisional sales by an impressive EUR 5.05 million, or 24.1 %, to EUR 26.03 million. This fine showing can be traced mainly to the opening of the new DO & CO businesses at Frankfurt Airport, PLATINUM VIENNA and SWAROVSKI Crystal Worlds.

An overall review of the segments shows continuous growth for all three DO & CO segments. The company has laid a solid foundation for further growth in 2005/2006 with the renovation of the DO & CO gourmet kitchen at JFK in New York, equipment investments in International Event Catering and the new business locations in Restaurants & Bars.

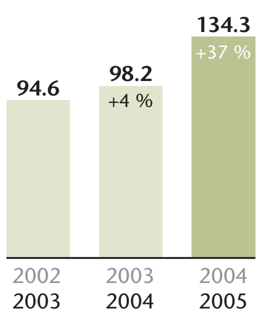
DO & CO was successful as a Gourmet Entertainment Company on three different continents once again in business year 2004/2005, serving customers in the following countries, among others: Austria, Bahrain, Belgium, Canada, China, France, Germany, Great Britain, Greece, Hungary, Italy, Japan, Malaysia, Monaco, Portugal, Spain, Switzerland, and the United States.

The portion of sales generated in the EU rose from 85.2 % last year to 90.4 % in the business year under review. Portugal accounted for much of this increase in EU sales owing to the European Soccer Championships. In Great Britain, the DO & CO gourmet kitchen at Heathrow had its first full business year and will continue to gain in significance in business year 2005/2006.

Austrian sales as a percentage of total sales decreased from 59.7 % to 52.2 %. The Restaurants & Bars Division generated sales outside of the Austrian market for the first time with the founding of DO & CO Lounge GmbH in Frankfurt. If only sales from Airline Catering and International Event Catering are taken into account, international sales still increased from 52.2 % to 57.2 %.

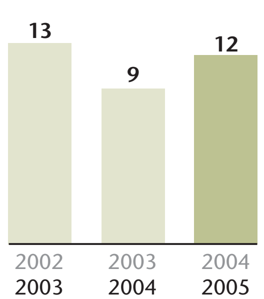
Sales outside the EU account for 9.6 % of total consolidated sales. They were down somewhat due to the further decline of the US dollar and dips in sales at both US businesses owing to realignment.

Sales in EUR millions



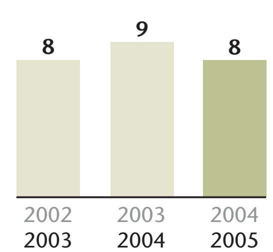
Austria
Sales in EUR millions

Germany
Sales in EUR millions

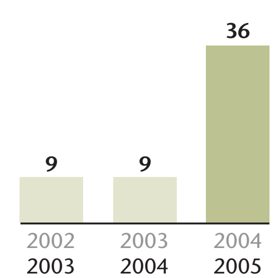


USA
Sales in EUR millions

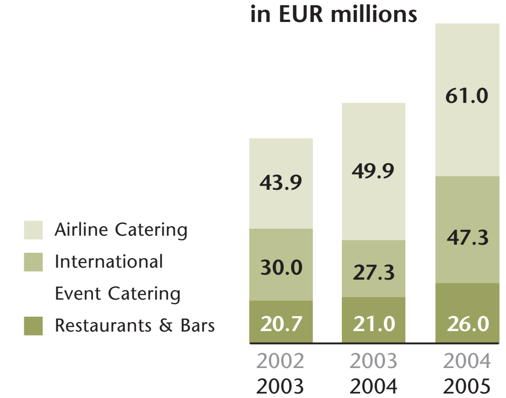
Italy
Sales in EUR millions



Other Countries
Sales in EUR millions



Sales by Division
in EUR millions



PROFIT & ASSETS

In business year 2004/2005, the DO & CO Group generated higher consolidated earnings before interest and tax (EBIT) following goodwill amortization. This item increased from EUR 2.61 million in 2003/2004 to EUR 3.45 million in the year under review, which represents an increase of 32.2 %, or EUR 0.84 million. The EBIT margin in this same period also rose within the group, by EUR 0.69 million, or 8.4 %.

Group

Business year (April - March)	2004 / 2005 in € millions	2003 / 2004 in € millions	Change in € millions	Change in %	2002 / 2003 in € millions
Sales	134.26	98.15	36.11	+36.8 %	94.59
EBITDA	8.86	8.17	0.69	+8.4 %	10.06
Depreciation/amortization *	-5.41	-5.56	0.15	+2.7 %	-6.49
EBIT	3.45	2.61	0.84	+32.2 %	3.57
EBITDA margin	6.6 %	8.3 %			10.6 %
EBIT margin	2.6 %	2.7 %			3.8 %
Employees	1,133	1,027	106	+10.3 %	962

*...including amortization of goodwill

Costs of materials and services rose by 66.8 % over the year before. This upsurge is attributable mostly to services for the European Soccer Championship in Portugal. Other increases related primarily to additional materials and services for the growing Airline Catering business in Austria and Great Britain and the expansion in the Restaurants & Bars Division.

DO & CO created new jobs again in business year 2004/2005, both in Austria and abroad. It employed an average of 1,133 people, 106 more than the year before (+10.3 %). These newcomers are also reflected in the 23.2 % rise in payroll costs.

Investments in tangible assets increased again in the year under review, rising by EUR 2.0 million to EUR 6.5 million. As a result, depreciation for this position was 6.8 % higher than the year before. However, this trend was more than offset by the application of IFRS 3 Business Combinations, which defers goodwill amortization. Amortization and depreciation was therefore somewhat lower overall (-2.7 %).

Other operating expenses rose slightly more slowly than sales in the period under review, with an increase of 30.3 %. Proportionally high growth was recorded in expenses for travel and communication as well as for transport, vehicles and maintenance as part of staging the EURO 2004 in Portugal. The change in legal, auditing and consulting expenses against the previous year is largely attributable to the expansion of the DO & CO group and the new projects planned for the years ahead which are associated with that expansion.

The profit/loss from financial activities reflects the group's situation, just as it did last year. Although the profit/loss from other financial activities remained virtually unchanged, this stagnation was substantially offset by a much improved result from investments (equity interests).

The taxation ratio (ratio of tax costs to untaxed income) amounted to 31.1 % in business year 2004/2005 in a further decline against the year before (previous year: 34.1 %).

Capital investments for the DO & CO Group totaled EUR 12.06 million, a figure far higher than the previous year (EUR 8.96 million). In the category of tangible fixed assets, this item pertains mostly to the renovation of the DO & CO gourmet kitchen at JFK in New York and equipment acquisitions for large-scale events in International Event Catering. In the category of financial assets, the major sub-item relates to the purchase of the strategic stake in SUPPLAIR.

The consolidated shareholders' equity of the DO & CO Group rose by EUR 1.85 million to EUR 33.16 million. Despite the larger balance sheet total, the group managed to keep the equity ratio (following adjustments for planned dividend payments and less the book values of goodwill) at the same high level as the previous year, namely 47.4 %.

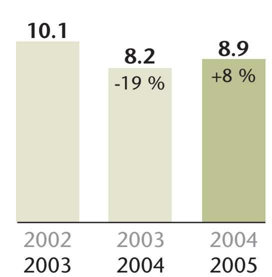
At the end of business year 2004/2005, net interest payable by the DO & CO Group was up EUR 3.81 million on the year before. The previous year's figure of EUR -3.36 million demonstrated the solid financial state of the DO & CO even during an expansion phase. In March 2005, the group borrowed outside funds to acquire a 27 % stake in SUPPLAIR. This acquisition is a strategically crucial step given the future potential of the partnership. The return on capital employed was slightly lower, falling from 7.3 % in 2003/2004 to 7.0 % in the business year under review. The decline was caused by the slightly higher result, including goodwill amortization, and by the marginal increase in average capital employed.

Cash flows from operating activities were up sharply, rising from EUR 4.04 million to EUR 5.94 million. Besides a much improved result from ordinary business activities, this trend is traceable primarily to the lower build-up in trade accounts receivable at Airline Catering. Cash flows from investing activities totaled EUR -12.23 million (previous year: EUR -6.04 million). Investments in tangible fixed assets at the businesses in New York and Vienna were mainly responsible for this trend, along with the acquisition of shares in associated companies. The resulting free cash flow for the year under review rose from EUR -2.00 million to EUR -6.29 million.

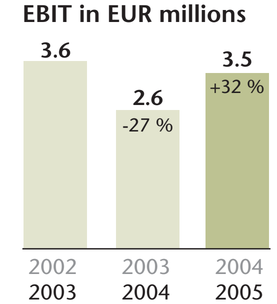
For further information on the employees of the DO & CO Group, please refer to page 78.

The following segment reporting in accordance with IAS 14 deviates somewhat from the specifications in the International Financial Reporting Standards (IFRS) because certain group companies conduct business in several segments, making it only conditionally possible to report on a segment basis.

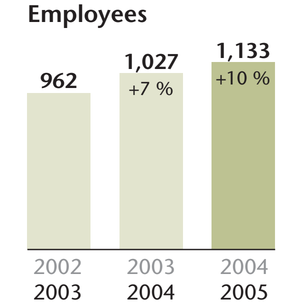
EBITDA in EUR millions



EBIT in EUR millions



Employees



AIRLINE CATERING

Airline Catering remained the sales leader among the divisions in the DO & CO Group, recording 45.4 % (previous year: 50.8 %) of total group sales at its locations in New York, Miami, London, Frankfurt, Munich, Berlin, Milan, Salzburg and Vienna. This division reported growth of EUR 11.08 million, or 22.2 %, in the year under review.

Airline Catering

Business year (April - March)	2004 / 2005 in € millions	2003 / 2004 in € millions	Change in € millions	Change in %	2002 / 2003 in € millions
Sales	60.97	49.89	11.08	+22.2 %	43.94
EBITDA	3.98	3.70	0.28	+7.6 %	3.80
Depreciation/amortization *	-3.16	-3.22	0.06	+1.9 %	-3.26
EBIT	0.82	0.48	0.34	+70.8 %	0.54
EBITDA margin	6.5 %	7.4 %			8.6 %
EBIT margin	1.3 %	1.0 %			1.2 %
Employees	565	508	57	+10.1 %	459
Share in consolidated sales	45.4 %	50.8 %			46.5 %

*...including amortization of goodwill

The main reason for this strong growth was the expansion of business with existing customers at national and international Airline Catering locations. Of particular note in this regard was the positive impact in the second half of the year of the recently opened gourmet kitchen at London Heathrow, the home airport of BRITISH AIRWAYS. DO & CO is in charge of catering on European flights for the entire BRITISH AIRWAYS Business Class from this London base.

Another factor in the success of the Airline Catering Division has been its successful efforts to broaden its customer base. The addition of EMIRATES AIRLINES to the clientele in Vienna is one prime example. In addition, the group conducted product trials for VIRGIN ATLANTIC in the year under review. Towards the end of the year, the group won over QATAR AIRWAYS as a new customer in Vienna.

DO & CO also successfully completed the renovation and expansion of its gourmet kitchen in New York towards the end of the year. It will serve as a base for winning over further clients at JFK Airport. Existing and potential customers have responded positively to the newly adapted DO & CO gourmet kitchen. This positive feedback confirms the strategic significance of this project.

In early March 2005, DO & CO acquired a 27 % stake in SUPPLAIR B.V., a fast-growing supplier for innovative in-flight catering in the Economy Class. In entering into this collaboration, DO & CO was responding with innovation to the rapidly changing structure of demand in the airline industry. What the industry now wants is the best possible product in the premium classes (Business and First Class) as well as a cost-optimized product for Economy Class. With the two firms' complementary product portfolio, it will now be possible to provide everything from ultra-inexpensive products to absolute premium wares and optimally meet the varying product demands of the airlines from "a single source."

EBITDA and EBIT in the Airline Catering Division both increased against the previous year. EBIT amounted to EUR 0.82 million, a figure far above that of the previous year (EUR 0.48 million). EBITDA, for its part, rose from EUR 3.70 million to EUR 3.98 million.

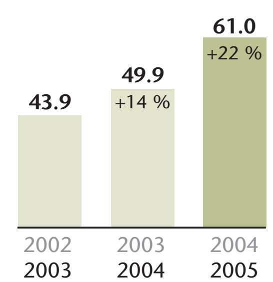
Preview of business year 2005/2006

- Increased business at the expanded business location in New York
- OLYMPIC AIRWAYS, LTU and CATHAY PACIFIC as new customers ex New York
- EMIRATES AIRLINES ex Frankfurt set to start in first quarter of 2005/2006

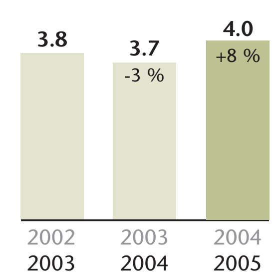
Competitive advantage of DO & CO

- Niche supplier in the premium segment
- Product creativity and innovation in core segments and secondary segments
- Dual-brand strategy: DO & CO and AIOLI
- Cooperation of DO & CO with SUPPLAIR

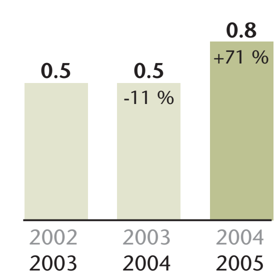
Sales in EUR millions



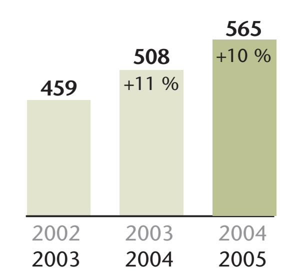
EBITDA in EUR millions



EBIT in EUR millions



Employees



INTERNATIONAL EVENT CATERING

Business year 2004/2005 saw sales in the International Event Catering Division rise by an impressive 73.2 %, or EUR 19.98 million, to EUR 47.26 million. This significant growth increased the division's share in consolidated sales from 27.8 % last year to 35.2 % in the year under review. The three biggest factors in this fine performance were the division's successful VIP hospitality management at the EURO 2004 European Soccer Championships in Portugal and the two new Grand Prix events in Bahrain and Shanghai, plus the general upward trend in other large-scale international sports events.

International Event Catering

Business year (April - March)	2004 / 2005 in € millions	2003 / 2004 in € millions	Change in € millions	in %	2002 / 2003 in € millions
Sales	47.26	27.28	19.98	+73.2 %	29.98
EBITDA	3.37	3.05	0.32	+10.5 %	4.58
Depreciation/amortization *	-1.20	-1.22	0.02	+1.6 %	-2.13
EBIT	2.17	1.83	0.34	+18.6 %	2,45
EBITDA margin	7.1 %	11.2 %			15.3 %
EBIT margin	4.6 %	6.7 %			8.2 %
Employees	156	139	17	+12.2 %	144
Share in consolidated sales	35.2 %	27.8 %			31.6 %

*...including amortization of goodwill

The first quarter of business year 2004/2005 was dominated by the EURO 2004. In its management of the entire VIP hospitality operations, DO & CO naturally shone as a one shop partner with its core skills as a "Gourmet Entertainment Company". But it also proved its qualities as a reliable partner for the UEFA, the European Soccer Association, in its smooth handling of all auxiliary services.

This milestone in the history of the DO & CO company will be a compelling reference in future for tenders on international events. The Soccer Champions League finals at the new arena in Gelsenkirchen is another fine reference DO & CO added to its credentials in the segment of large-scale international sports this past year. In addition, DO & CO received rave reviews from the guests and athletes it served at "Club Austria" at the Olympic Games in Athens. A further highlight was DO & CO's traditional catering of CHIO Aachen, one of the world's premier equestrian festivals. It handled catering for both VIPs and the general public once again this year. DO & CO looks forward to returning to this festival in 2005 and is already firmly in the saddle as a caterer for the World Equestrian Games to be held in 2006 at the same venue (Aachener Rennverein facility).

In large-scale national sports events, DO & CO successfully defended its strong position as a premium caterer and chalked up extra points for reliability. The undisputed highlight of the 2004 summer season was the Beach Volleyball Tournament on the shores of Wörthersee. DO & CO treated the enthusiastic fans of this popular sport to excellent quality food and drink. In the winter season, DO & CO put in a rousing culinary performance at red-letter sports events like the Hahnenkamm race in Kitzbühel and the night slalom in Schladming.

The Austrian Ski Association also relied on the quality and flexibility of DO & CO at two traditional Austrian events: the 4-Jump Tournament during the Ski Jumping World Cup in Innsbruck and Bischofshofen.

On the corporate events front, DO & CO adhered to its premium strategy in business year 2004/2005. This consistency made a compelling impression on numerous major auto manufacturers, including BMW, Porsche, Mercedes, Audi and Volkswagen. For instance, BMW entrusted DO & CO with a multi-week presentation of the new BMW Series 1 model for the press and major customers. Audi turned to DO & CO to handle the unveiling ceremony for its new Audi A6 in Hangar 7 in Salzburg.

In a collaborative effort with the city of Vienna, DO & CO organized the catering again in 2004 for the annual summer film festival on City Hall Square in Vienna. DO & CO is in charge of overall organization and logistics for all caterers throughout this more than two month long festival. Given the large crowds, this popular event and meeting point for tourists and the Viennese in July and August promises to be another big success again in 2005.

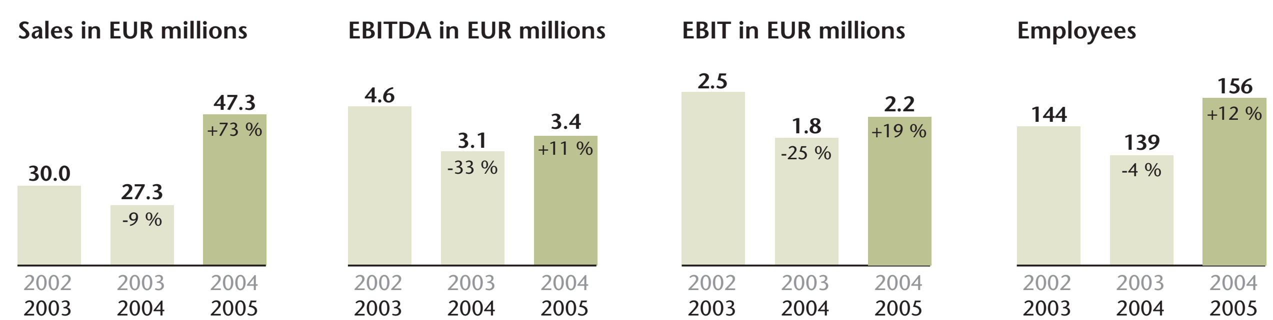
Sales in the International Event Catering Division increased in business year 2004/2005 by EUR 19.98 million, or 73.2 %, to EUR 47.26 million. EBITDA rose by 10.5 % to EUR 3.37 million (previous year: EUR 3.05 million). As a result the EBITDA margin within the DO & CO Group remained at a high level of 7.1 % (previous year: 11.2 %). EBIT saw an 18.6 % change and amounted to EUR 2.17 million (previous year: EUR 1.83 million). This translated into an EBIT margin of 4.6 % (previous year: 6.7 %).

Preview of business year 2005/2006

- Stimulus to Vienna business from new event location at PLATINUM VIENNA
- Increased presence in western Austria thanks to the DO & CO branch at SWAROVSKI Crystal Worlds
- Development of Istanbul as a new market as a caterer for the Soccer Champions League Finals in May 2005 and the new Grand Prix in August 2005
- Successful defense of market position in Austria and Germany, the company's home markets

Competitive advantage of DO & CO

- Conducts business worldwide from 9 gourmet kitchens
- Unmistakable and irreplaceable on the market as a one-shop partner with a premium product
- Known for its flexibility and adherence to stringent quality criteria, making it a "no headache partner"



RESTAURANTS & BARS

Restaurants & Bars achieved strong sales growth of EUR 5.05 million, or 24.1 %, in business year 2004/2005, pushing sales up to EUR 26.03 million. This division's share in consolidated sales fell from 21.4 % in 2003/2004 to 19.4 % in the year under review.

There are two factors driving this growth. The first is the successful opening of the DO & CO in PLATINUM at the PLATINUM VIENNA high-tech special events center in the new UNIQA Tower in Vienna. The second is the launch of the LUFTHANSA First Class lounges at Frankfurt Airport.

Restaurants & Bars

Business year (April - March)	2004 / 2005 in € millions	2003 / 2004 in € millions	Change in € millions	Change in %	2002 / 2003 in € millions
Sales	26.03	20.98	5.05	+24.1 %	20.67
EBITDA	1.51	1.42	0.09	+6.3 %	1.68
Depreciation/amortization *	-1.05	-1.12	0.07	+6.3 %	-1.10
EBIT	0.46	0.30	0.16	+53.3 %	0.58
EBITDA margin	5.8 %	6.8 %			8.1 %
EBIT margin	1.8 %	1.4 %			2.8 %
Employees	412	380	32	+8.4 %	359
Share in consolidated sales	19.4 %	21.4 %			21.9 %

*...including amortization of goodwill

PLATINUM VIENNA has a bistro and a coffee shop, frequented by hundreds of employees of the UNIQA insurance group and other guests. The 1,600 square-meter special events center can accommodate up to 1,000 guests. Thanks to state-of-the-art event equipment and gourmet entertainment from DO & CO, PLATINUM VIENNA is currently Vienna's most modern and appealing event venue.

Catering services for LUFTHANSA's top customer segment were launched towards the end of 2004. The four First Class Lounges at Frankfurt Airport serve 350 to 400 First Class passengers and members of the LUFTHANSA HON CIRCLE every day. This venture is a sign of LUFTHANSA's confidence in the services of DO & CO and marks the successful start to a new line of business for DO & CO.

Besides the new PLATINUM VIENNA locations and the LUFTHANSA First Class lounges in Frankfurt, DO & CO also reported good progress in the renovation of DEMEL. The building has splendid state-rooms that are truly historical treasures and will soon serve as wonderful venues for receptions and special events.

In the autumn of 2004, DO & CO accepted a contract to restore Café Glockenspiel in Salzburg to its former glory. At this new location, DO & CO will offer Salzburg patrons the finest in patisserie arts and traditional coffeehouse culture under the premium brand name DEMEL.

Following the successful rehabilitation of the main business location on Kohlmarkt in Vienna, this project is the first step in an expansion of Austrian coffeehouse culture under the Demel brand name. Planning went forward in the final months of business year 2004/2005 for the renovation of the Restaurant in the Haas Haus as well.

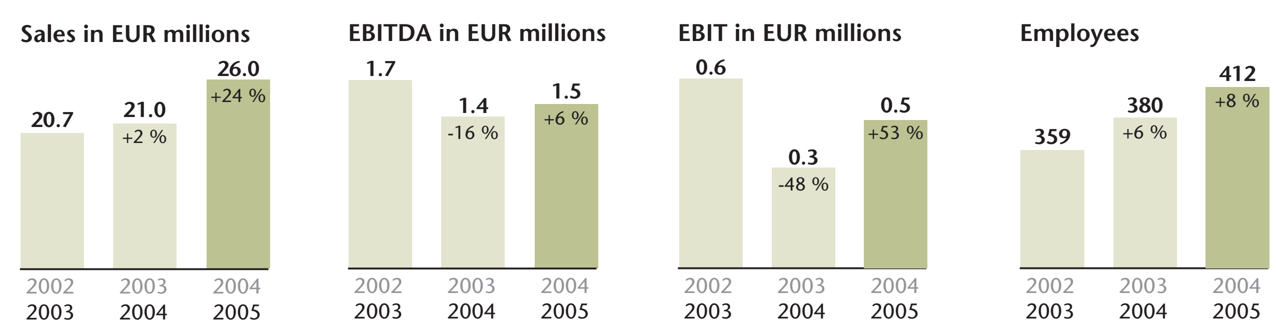
Despite startup costs for the above businesses, EBITDA and EBIT both increased. EBITDA rose from EUR 1.42 million in 2003/2004 to EUR 1.51 million in the year under review. EBIT increased from EUR 0.30 million to EUR 0.46 million.

Preview of business year 2005/2006

- Opening of DEMEL in Salzburg
- Renovation of the Group's flagship in the Haas Haus

Competitive advantage of DO & CO

- Businesses exclusively in unique and prime locations
- Research & Development Center with the brands DO & CO, AIOLI and DEMEL



STOCK / INVESTOR RELATIONS

The Vienna Stock Exchange can look back on a highly successful year. In fact, the Vienna stock market was the front-runner in Europe in 2004, with the local ATX index making gains of 57 %. This robust trend continued in the first quarter of 2005. On 7 March 2005 the ATX hit an all-time high of 2,803 points. International investors are especially appreciative of the growth opportunities Austrian companies have in nearby Central and Eastern Europe.

DO & CO Stock

Following a lateral trend culminating in a performance decline of some 17 % in 2003/2004, the year under review saw a gain of some 19 %. The stock opened the business year trading at EUR 30.30. As the year progressed, the price of DO & CO shares rose steadily. After peaking at EUR 39.50 on 16 March 2005, the stock closed the year at EUR 36,00. This price corresponds to a market capitalization of EUR 58.46 million.

With this performance, DO & CO prevailed quite successful given the otherwise slowly recovering economy and the difficult situation in the aviation industry. DO & CO Restaurants & Catering Aktiengesellschaft met all criteria for trading on the Prime Market except that of having 25 % of shares in free float. As a result, the stock was shifted from trading on the Prime Market to the Standard Market Continuous on 19 March 2004 after a review by the ATX Committee. A notification of this change was issued by the Vienna Stock Exchange on 4 March 2004. The company considers it an important priority to return DO & CO shares to the Prime Market as soon as possible.

Shareholders' structure

The shareholders' structure remained unchanged in the business year under review: Attila Dogudan Privatstiftung 51.6 %, DZR Immobilien und Beteiligungs GmbH (a wholly-owned subsidiary of Raiffeisen-Holding Niederösterreich-Wien) 25.1 %, and 23.3 % in free float.

Financial Calendar

15 June 2005:
Results for business year 2004/2005

7 July 2005:
General Meeting of Shareholders

12 July 2005:
Dividend ex day

29 July 2005:
Dividend payout

25 August 2005:
Results for the first quarter
(April to June 2005)

17 November 2005:
Results for the first half year
(April to September 2005)

16 February 2006:
Results for the first three quarters
(April to December 2005)

DO & CO share price (from April 2004)

Key figures per share

		2004 / 2005	2003 / 2004	2002 / 2003
EBITDA	in EUR	5.46	5.03	6.32
EBIT [1]	in EUR	2.14	1.93	3.08
Earnings [1]	in EUR	1.50	1.30	2.16
Dividend [2]	in EUR	0.50	0.50	0.50
Equity	in EUR	19.92	18.04	18.32
High [3]	in EUR	39.50	38.50	40.15
Low [3]	in EUR	30.00	30.30	31.00
Year-end [3]	in EUR	36.00	30.30	36.56
PER high		26.4	29.5	18.6
PER low		20.1	23.2	14.4
PER year-end		24.1	23.2	16.9
Dividend yield	in %	1.4 %	1.7 %	1.4 %
Number of shares year-end	in TPie	1,624	1,624	1,624
Market capitalization year-end	in m EUR	58.46	49.21	59.37

[1] Adjusted to take goodwill amortization into account, [2] Proposal to the General Meeting of Shareholders 2004/2005, [3] Closing price

Details on DO & CO stock

Securities code	DOC
Securities no	081880
ISIN Code	AT0000818802
Trading segment	Official Trading
Market segment	Standard Market Continuous
Contained in the following indices	WBI
No. of individual shares	1,624,000
Listed nominal value	EUR 11,802,068
Initial listing	30 June 1998
In free float	23.3 %

Relevant information on the capital market

Phone	+43 (1) 74000-191
Fax	+43 (1) 74000-194
e-mail	investor.relations@doco.com
Reuters Code	DOCO.VI
Bloomberg Code	DOC AV
Homepage of Vienna Stock Exchange	www.wienerboerse.at

STOCK / INVESTOR RELATIONS

Dividend Distribution

The Management Board of DO & CO Restaurants & Catering Aktiengesellschaft will propose to the General Meeting of Shareholders that a dividend of EUR 0.50 per share be distributed for the business year 2004/2005. This corresponds to a dividend yield of 1.39 % in relation to the closing price on 31 March 2005 (previous year: 1.65 %).

Authorized Capital

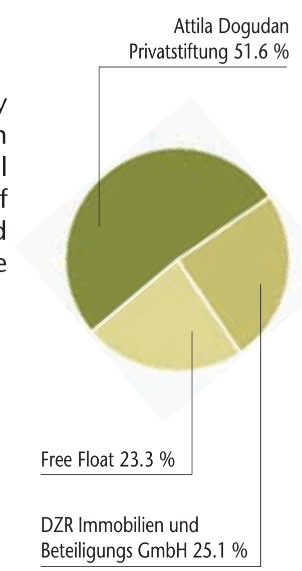
The General Meeting of Shareholders on 10 July 2002 gave the Management Board the right until 30 June 2007 to increase the share capital on approval by the Supervisory Board by up to a further EUR 5,901,034.13 in exchange for cash contributions and/or contributions in kind through the issuance of up to 812,000 shares of ordinary stock. The Management Board did not exercise this right in the year under review.

Investor Relations

With its unique focus on the core segments Airline Catering, International Event Catering, and Restaurants & Bars as well as Logistics and Consulting, DO & CO has evolved over the years into a formidable and visible player on the global market. But it is precisely this alignment as a “Gourmet Entertainment Company” which makes it difficult to benchmark DO & CO adequately against other companies. It is thus all the more important for the company to interest private and institutional investors and analysts in the company’s development by pursuing a modern and straightforward information policy. On our homepage at **www.doco.com** or **www.doco.com/investor.htm**, DO & CO provides a wealth of information for investors, customers and the interested public.

Corporate Governance

DO & CO Restaurants & Catering AG takes issues of company management and supervision seriously and complies strictly with regulations and legal provisions governing corporations, the capital market and the stock market. Corporate governance by the boards of DO & CO are based on the strictest adherence to all applicable law and on voluntary compliance with parts of the Austrian Code of Corporate Governance.



OUTLOOK

The first quarter of 2005/2006 opened with numerous project inquiries and invitations to tender. In other words, the encouraging trend at the end of 2004/2005 remains firmly in place.

In Airline Catering, OLYMPIC AIRWAYS was smitten by DO & CO quality and won over as a first-time customer. It has had DO & CO cater all OLYMPIC flights ex John F. Kennedy Airport with products from the DO & CO gourmet kitchen New York since April 2005. EMIRATES AIRLINES, a long-time client of DO & CO in Milan and Vienna, has now opted for DO & CO services at the Frankfurt Airport and has been serving gourmet meals from DO & CO since 1 June 2005. This progressive international broadening of our customer base is the result of constant, quality-focused efforts on our part.

International Event Catering is continuing to pursue a consistent internationalization strategy. After premieres in Shanghai and Bahrain in the year under review, DO & CO went on to Istanbul in the first quarter of 2005/2006 to handle the hospitality operations at the Soccer Champions League Finals.

The Restaurants & Bars Division is about to take its first step in the DEMEL expansion project. With business developing so well at the main DEMEL in downtown Vienna, the management is now planning to open a DEMEL on the premises of Café Glockenspiel in Salzburg. Another focal point of attention will be to build up business at PLATINUM VIENNA in the UNIQA Tower and the LUFTHANSA First Class Lounges at Frankfurt Airport, the two newcomers to the DO & CO Group in 2004/2005. Moreover, DO & CO will re-evaluate its restaurant strategies for the Haas Haus on Stephansplatz and realign them for future business as part of the extensive structural remodeling now underway.

Our relentless focus on brand positioning and premium quality has increasingly paid off in higher customer satisfaction and accepted bids. In large-scale international events, a trend towards brand and quality products is starting to emerge. Customers still have tight budget constraints, but there are definite signs of a turnaround. Instead of “senseless cost cutting” that does nothing but alienate customers, companies are thinking again about offering better quality that adds value for customers. The year ahead will be shaped by the strategic partnership with SUPPLAIR, unchanged conditions in the industry and conservative financial management even as the company undertakes a number of acquisitions and start-ups. Against this backdrop, you can expect DO & CO to act with flexibility and agility again in business year 2005/2006 to continue its solid business performance within a unique corporate culture.

Attila Dogudan　　Michael Dobersberger

REPORT OF THE SUPERVISORY BOARD

The Supervisory Board performed its duties under the law and the articles of association in business year 2004/2005 in five meetings, including the constituent meeting of the Supervisory Board following the election of new members. The Management Board reported regularly in writing and orally to the Supervisory Board on the progress of business and the situation of the company as well as on major business events. Based on the reports and information from the Management Board, the Supervisory Board monitored the management, deliberated on business processes of special significance and assured itself that management was being conducted properly. Beyond that, the Chairman of the Supervisory Board and the Management Board consulted regularly on essential issues of company development.

The General Meeting of Shareholders on 9 July 2004 re-elected Messrs. Waldemar Jud, Werner Sporn, Georg Thurn-Vrints and Christian Konrad to the Supervisory Board.

The annual financial statements plus notes of DO & CO Restaurants & Catering Aktiengesellschaft as of 31 March 2005 along with the Management Report were prepared in accordance with Austrian accounting regulations and audited by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH, which then issued an unqualified opinion on these documents. The Supervisory Board approved the financial statements for 2004/2005 after examining the documents. They are thus adopted in accordance with Section 125 (2) of the Stock Corporation Act (AktG).

The consolidated financial statements as of 31 March 2005 plus notes were prepared in accordance with the International Financial Reporting Standards (IFRS) and were also audited, along with the management report on the group, by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH. In the auditor's opinion, it was noted that the consolidated financial statements present fairly, in all material respects, the actual assets and financial position of the DO & CO Restaurants & Catering AG Group as of 31 March 2005 and the results of their operations and their cash flows for the business year 2004/2005 in conformity with the International Financial Reporting Standards (IFRS). The only particularity pertains to the information on Segment Reporting in accordance with IAS 14, which deviates somewhat from the specifications in the standards. This is because certain group companies conduct business in several segments, making it only conditionally possible to report on a segment basis. The Supervisory Board took note of the audited consolidated financial statements.

Furthermore, the Supervisory Board examined the proposal for the appropriation of profit of DO & CO Restaurants & Catering Aktiengesellschaft. At the General Meeting of Shareholders on 7 July 2005, a proposal will be made to distribute a dividend of EUR 0.50 for every share entitled to a dividend from the total balance-sheet profit of EUR 10,456,356.38 and to carry the remaining amount forward to new account.

The Supervisory Board proposes, in accordance with Section 270 (1) Austrian Commercial Code, that PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH be appointed to be (group) auditor for the financial statements for business year 2005/2006.

Vienna, 9 June 2005

Waldemar Jud
Chairman of the Supervisory Board

CONSOLIDATED FINANCIAL STATEMENTS 2004/2005

of the DO & CO Group prepared in accordance with IFRS

BALANCE SHEET AS OF 31 MARCH 2005

ASSETS

Notes No.		31 March 2005 in TEUR	31 March 2004 in TEUR
	Intangible assets	3,881	5,646
	Tangible assets	27,408	26,841
	Investments	5,541	447
(1)	Fixed assets	36,829	32,934
(2)	Other long-term assets	594	470
	Long-term assets	**37,424**	**33,404**
(3)	Inventories	3,297	2,750
(4)	Trade accounts receivable	13,735	14,682
(4)	Other short-term accounts receivable and assets	3,262	2,321
(5)	Cash and cash equivalents	6,193	7,156
	Current assets	**26,487**	**26,909**
(6)	Deferred taxes	4,394	2,745
	Total assets	**68,305**	**63,058**

LIABILITIES AND SHAREHOLDERS' EQUITY

Notes No.		31 March 2005 in TEUR	31 March 2004 in TEUR
	Capital stock	11,802	11,802
	Capital reserves	13,081	13,081
	Revenue reserves	9,476	7,256
	Foreign currency translation reserve	-3,258	-2,128
	Consolidated result	2,406	1,601
	Minority interests	-345	-294
(7)	**Shareholders' equity**	**33,163**	**31,318**
(8)	Long-term provisions	3,443	3,532
(9)	Long-term financial liabilities	5,400	0
(10)	Other long-term liabilities	465	4,821
	Long-term liabilities	**9,307**	**8,353**
(11)	Short-term provisions	7,374	6,411
(12)	Short-term financial liabilities	4,600	3,800
(13)	Trade accounts payable	10,247	7,009
(13)	Other short-term liabilities	3,613	6,167
	Current liabilities	**25,835**	**23,387**
	Total liabilities and shareholders' equity	**68,305**	**63,058**

The following Notes to the Consolidated Financial Statements form an integral part of this Consolidated Balance Sheet.

INCOME STATEMENT

for Business Year 2004/2005

Notes No.		31 March 2005 in TEUR	31 March 2004 in TEUR
(14)	**Sales**	**134,259**	**98,147**
(15)	Other operating income	2,043	1,464
(16)	Costs of materials and services	-50,475	-30,255
(17)	Payroll costs	-48,042	-38,988
(18)	Depreciation of tangible fixed assets and amortization of intangible fixed assets	-5,384	-5,041
(19)	Amortization of goodwill	-23	-517
(20)	Other operating expenses	-28,924	-22,200
(21)	**EBIT - Operating result**	**3,452**	**2,610**
(22)	Financial result	-69	-186
	Result from ordinary business activities	**3,384**	**2,424**
(23)	Income tax	-1,051	-828
	Result after income tax	**2,333**	**1,596**
(24)	Minority interests	73	5
	Consolidated result	**2,406**	**1,601**

		in EUR	in EUR
(25)	**Earnings per share before amortization of goodwill**	**1.50**	**1.30**
(25)	**Earnings per share**	**1.48**	**0.99**
(26)	**Planned or paid-out dividend per share**	**0.50**	**0.50**

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

CASH-FLOW STATEMENT

in TEUR		2004/2005	2003/2004
	Result from ordinary business activities	**3,384**	**2,424**
+	Depreciation and amortization	5,407	5,558
-/+	Gains / losses from disposals of fixed assets	104	17
+/-	Earnings from associated companies	-73	2
-	Other non cash income	-1	-1
-/+	Increase / decrease in inventories and short-term accounts receivable	-1,037	-8,272
+/-	Increase / decrease in provisions	1,113	244
+/-	Increase / decrease in trade accounts payable and other liabilities	-1,724	4,312
+/-	Curreny-related changes in non fund assets	1,214	2,180
+/-	Change in adjustment items from debt consolidation	-1,311	-1,515
-	Income tax payments and changes in deferred taxes	-1,133	-908
	Cash-flow from operating activities	**5,943**	**4,041**
+	Incoming payments from disposals of tangible and intangible fixed assets	411	1
-	Outgoing payments for additions to tangible and intangible fixed assets, including changes in cash and cash equivalents arising from changes to the scope of consilidation	-12,868	-6,141
-	Outgoing payments for additions to long-term investments	0	-2
-/+	Increase / decrease in long-term liabilities	227	107
	Cash-flow from investing activities	**-12,231**	**-6,035**
-	Dividend payment to shareholders	-812	-812
+/-	Increase / decrease in short-term financial liabilities	6,200	-850
	Cash-flow from financing activities	**5,388**	**-1,662**
	Total cash-flow	**-900**	**-3,657**
	Cash and cash equivalents at the beginning of the year	7,156	10,903
	Effects of exchange rate changes on cash and cash equivalents	-63	-90
	Cash and cash equivalents at the end of the year	6,193	7,156
	Change in funds	**-900**	**-3,657**

SUBSIDIARIES

of DO & CO Restaurants & Catering AG as of 31 March 2005

Company	Place of registration	Country	Share of stock in %	Controlling company [1]	Currency	Nominal capital 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 & Veranstaltungs GmbH	Baden	A	100.0	DCAG	EUR	36	[3]
DO & CO Albertina GmbH	Vienna	A	100.0	DCAG	EUR	35	[3]
AIOLI - Vienna Airport Restaurants & Catering GmbH	Schwechat	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]
B & B Betriebsrestaurants GmbH	Vienna	A	100.0	DCAG	EUR	36	[3]
Cafe-Restaurant & Catering im Casino Wien GmbH	Vienna	A	100.0	DCCC	EUR	35	[4]
DO & CO im PLATINUM Restaurantbetriebs GmbH	Vienna	A	90.0	DCCC	EUR	35	
DO & CO (Deutschland) Holding GmbH	Berlin	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.	Milan	I	100.0	DCAG	EUR	1,275	
DO & CO Restauración & Catering España, S.L.	Barcelona	E	100.0	DINV	EUR	3	
DO & CO International Catering Ltd.	Feltham	GB	100.0	DCAG	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	0	[6]
DO & CO Holdings USA, Inc.	Wilmington	USA	90.0	DINV	USD	100	
DO & CO Miami Catering, Inc.	Miami	USA	90.0	DHOL	USD	1	
DO & CO New York Catering, Inc.	New York	USA	90.0	DHOL	USD	1	
DO & CO - Restauração & Catering, Lda	Lisbon	P	100.0	DINV	EUR	5	
Companies included at equity in the consolidated accounts							
DO & CO – LAUDA-AIR Restaurants, Catering & Handling GmbH	Vienna	A	50.0	DCAG	EUR	150	
Giava Demel S.r.l.	Milan	I	50.0	DCCC	EUR	30	
Supplair B.V.	Amsterdam	NL	27.0	DCAG	EUR	39	

[1] DCAG = DO & CO Restaurants & Catering AG
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

[2] TDC = in thousands of domestic currency units

[3] There is a profit transfer agreement between these companies and DO & CO Restaurants & Catering AG.

[4] There is a profit transfer agreement between these companies and DO & CO Catering-Consult & Beteiligungs GmbH.

[5] There is a profit transfer agreement between these companies and DO & CO (Deutschland) Holding GmbH.

[6] The nominal capital was initally paid in GBP.

NOTES

In application of Section 245a of the Austrian Commercial Code, these consolidated financial statements of DO & CO Restaurants & Catering AG as of 31 March 2005 were prepared in accordance with the provisions of the guidelines of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). They are also in accord with the guidelines of the European Union regarding consolidated accounting (Directive 83/349/EEC).

I. 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 & Bars.

The consolidated financial statements for business year 2004/2005 conform to the valid International Financial Reporting Standards (IFRS). The newly formulated IFRS 3 Business Combinations, IAS 36 Impairment of Assets, and IAS 38 Intangible Assets were applied in particular to these financial statements.

The financial statements of all domestic and foreign companies included in full in the consolidated accounts were audited by independent auditors who issued unqualified opinions on them in each case. The only exceptions were companies already subject to audit under national law and immaterial to presenting a fair picture of the assets, earnings and financial situation of the group. The annual and interim financial statements of all subsidiaries included here were all properly prepared in accordance with the International Financial Reporting Standards (IFRS) valid for the business year 2004/2005 and in application of the parent's standard group-wide accounting and valuation principles.

2. Consolidation Principles

2.1. Scope of Consolidation

The scope of consolidation was determined in accordance with the principles of IAS 27 (Consolidated Financial Statements). In accordance with this standard, eleven domestic and eleven foreign subsidiaries were included in the consolidated accounts as of 31 March 2005 along with DO & CO Restaurants & Catering AG. All the above subsidiaries are wholly-owned directly or indirectly by the company. The group has a 90 % stake in three foreign companies and one domestic company included in full in the consolidated accounts.

One domestic company and one foreign company, each of which is jointly managed by DO & CO Restaurants & Catering AG (ie associated companies) and in each of which the latter has a 50 % stake, were included in the consolidated accounts at equity. One foreign company in which DO & CO Restaurants & Catering AG has a 27 % stake was also included in the consolidated accounts at equity because of the significant influence exerted by the former on this company.

The scope of consolidation (including DO & CO Restaurants & Catering AG) developed as follows in the year under review:

Scope of Consolidation	Included in full	Included at equity
As of 1 April 2004	25	2
Included in the consolidated accounts for the first time in the business year (27 % stake)		
▪ Supplair B.V.	0	1
Founded in the business year:		
▪ DO & CO Lounge GmbH (wholly-owned)		
▪ DO & CO in PLATINUM Restaurantbetriebs GmbH (90 % stake)	2	0
As of 31 March 2005	**27**	**3**
Of which foreign companies	14	2

The initial consolidation of subsidiaries included for the first time in the consolidated accounts was carried out at the date of acquisition or at the (reporting) date close in time to the attainment of domination and control if the effects thereof were immaterial as compared with an inclusion the date of acquisition.

Taking into consideration consolidation-related requirements, changes in the scope of consolidation due to the inclusion of newly founded subsidiaries affected the consolidated income statement as follows:

in TEUR	2004/2005
Sales revenues	4,125
EBITDA	-63
EBIT – Operating result	-94

2.2 Consolidation Methods

The initial consolidation was carried out on 1 April 1997 or at the later date of acquisition or at the reporting date close in time if the effects thereof were immaterial as compared with the date of acquisition. The capital of fully consolidated associated companies was consolidated on the basis of the proportional present value of the equity interest. In the process, the book value of the equity interest was offset against the subsidiary's proportional share in shareholders' equity allocable to the interest at the time of acquisition ("purchase method"). The remaining differences carried as assets were recorded as goodwill unless allocable to the newly valued assets and were amortized over their expected useful life of five to nine years.

In accordance with IFRS 3 Business Combinations, goodwill arising from acquisitions is now subject only to an annual impairment test on its value and to scheduled amortization. Declines in goodwill were recorded to the extent that their acquisition costs were reduced or written off in full through the capitalization of other identifiable assets, particularly deferred taxation on the assets side realizable at a later date.

Differences totaling TEUR 22 carried as assets were charged to the accounts in the year of the initial inclusion of the subsidiaries in a way that affected profit and loss in previous years. Differences carried as liabilities which surpassed the applicable current market values of the acquired assets and which did not result from negative expectations regarding future earnings were recorded as of the reporting date at TEUR 62 in a way that affected profit and loss.

The capital of the associated company was likewise consolidated on the basis of the proportional current value of the equity interest. Any national valuation methods were either retained or no adjustment was made if effects on the annual profit/loss included proportionally in the consolidated financial statements were immaterial.

Minority interests in the equity of fully consolidated subsidiaries which exceeded these shareholders' proportional share in equity due to incurred losses were offset against the consolidated equity and reported separately.

In the course of debt consolidation, receivables and payables between companies included in the consolidated accounts were offset against each other. Moreover, sales revenues and other income from deliveries and services between the fully consolidated companies were offset against the corresponding expense items. Any interim results in fixed and current assets from deliveries and services within the group were eliminated unless of negligible significance. Discounts applied to determine the current value of future payments and other one-sided entries affecting profit/loss were adjusted in the consolidated financial statements.

2.3 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 independent financially, economically and organizationally in their conduct of business.

The annual financial statements of three foreign subsidiaries with registered offices outside the Community Territory of the Member States of the European Union or in Great Britain 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 March 2005. 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. Translation differences between the reporting date rate within the balance sheet and the average rate in the income statement were offset in shareholders' equity.

The 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 "currency changes."

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 recorded in shareholders' equity.

The exchange rates used in currency conversion developed as follows:

in EUR	Reporting Date Rate		Annual Average Rate	
	31 March 2005	31 March 2004	2004/2005	2003/2004
1 US Dollar	0.771367	0.818063	0.792169	0.849310
1 British Pound	1.452433	1.501727	1.463804	1.461666

3. Accounting and Valuation Principles

The accounting and valuation principles are unchanged over the previous year's consolidated financial statements except for the amortization of goodwill from capital consolidation and an adjustment of the interest rate for calculating personnel provisions from 4.5 % to 4.0 % p.a.

Intangible Fixed Assets and Tangible Fixed Assets
Acquired intangible assets are shown at the cost of acquisition less scheduled amortization.

In application of IFRS 3 Business Combinations, scheduled depreciation of goodwill was discontinued from business year 2004/2005 onwards and impairment tests undertaken instead. The book values of goodwill as of 31 March 2004 were classified as acquisition costs as of 1 April 2004 with the exception of an amount totaling TEUR 23, and ongoing amortization was discontinued. Declines were recorded in an amount of TEUR 1,189 due to the recognition of other assets. Goodwill amortization totaling TEUR 517 is contained in the statements for business year 2003/2004.

The differential amounts from capital consolidation carried forward as of 31 March 2005 were as follows:

in TEUR	31 March 2005	31 March 2004
Capitalized goodwill	0	1,212

Tangible fixed assets are recorded at their cost of acquisition or production less scheduled, allocated depreciation or less unscheduled and continued depreciation. Assets showing signs of diminished value and present values of future payment surpluses under the book values were written down in accordance with IAS 36 (Impairment of Assets) to a value obtainable if they were sold singly or to the liquidation value.

Scheduled depreciation was effected on a straight-line basis. Assets added in the first half of the financial year were always written down at the full annual rate of depreciation; those added after 30 September 2004 were written down pro rata temporis.

The following service life figures based on expected economic or technical usefulness were applied in the main to the scheduled, straight-line depreciation and amortization of fixed assets:

a) Intangible fixed assets	2.0	to	25.0	years
b) Land and buildings	25.0	and	40.0	years
c) Buildings on land owned by others	2.0	to	10.0	years
d) Plant and machinery	2.0	to	10.0	years
e) Other production plant and office equipment	1.5	to	10.0	years

Assets of minor value are immediately written down to a token amount during the year of acquisition to the full extent permitted by tax law. In the schedule of changes in fixed assets, assets of minor value are recorded as a disposal on expiration of a period of assumed usefulness of three years.

Government grants and third-party building cost subsidies (investment grants) are recorded under liabilities and are written down in a way affecting profit/loss in accordance with the useful life of the subsidized asset.

Leased tangible fixed assets deemed economically to be asset purchases involving long-term financing and a transfer of substantially all the risks and rewards incident to asset ownership (finance lease) were recorded under assets at their present value in accordance with IAS 17 (Leases). Amortization is scheduled and undertaken in accordance with the useful economic life of the assets. Payment obligations arising from the future leasing rates were appropriately discounted and recorded under trade payables.

Shares in Associated Companies and Other Financial Assets
The shares in associated companies were valued at equity. Securities were valued at the cost of acquisition or the lower applicable market value.

Inventories
Inventories were valued at cost of acquisition or the lower market value on the reporting date. The cost of acquisition was determined primarily using the moving average price method. The quantities were determined by physical stock-taking conducted close to the balance sheet date.

Trade Accounts Receivable and Other Assets
Accounts receivable and other assets were carried as assets at their nominal value unless, in the case of discernible specific risks, suitable value adjustments were made and the lower applicable value was to be applied. Non-interest or non-interest-bearing receivables were recorded at their discounted present value.

Foreign-currency items from the financial statements of individual companies included in the consolidated accounts were largely valued at the foreign-exchange buying rate as of the reporting date unless the price of acquisition was below the foreign-exchange buying rate as of the reporting date, with the deviations being not insubstantial.

Current Financial Assets
Current financial assets (cash in hand and at banks) were recorded under cash and cash equivalents and, in case of receivables expressed in foreign currency, were valued at the current market rates.

Deferred Taxes
Deferred taxes were allocated in accordance with IAS 12 (Income Taxes) for all temporary valuation and accounting differences between the values applied in the individual companies' balance sheets under commercial law and under tax law as well as for consolidation operations if the latter were not permanent in nature.

The value adjustments were calculated 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. Capitalized deferred taxes on loss carry-forwards were recognized to the extent that they can be expected to be realized in the future within a foreseeable period.

Prepaid Expenses or Deferred Income
Prepaid expenses and deferred income are carried under other receivables and liabilities. These items pertain to expenditures or incoming payments received prior to the reporting date but intended for a certain time after that date.

Provisions for Severance Payments and Similar Types of Payments
The projected benefit obligation (PBO) method was applied in calculating Austrian group companies' obligations to employees under the law or under collective agreements to set up a one-time severance payment to be paid out on dismissal or retirement. In the process, the projected benefits were determined on the basis of an imputed rate of 4.0 % pa (previous year's rate: 4.5 % pa) and expected pay raises (2.0 % pa), with 60 assumed as the retirement age for female employees and 65 for male employees.

A provision for long-service anniversaries primarily for employees at Austrian companies was recorded under liabilities as an obligation similar to severance pay. This provision was determined on the basis of the same calculation factors applied to severance provisions. The present value of these provisions was determined in an expertise and recorded under liabilities taking into account a discount for age-related fluctuation. Actuarial gains and losses were immediately offset in the year of occurrence in a manner affecting profit and loss owing to their immaterial influence on earnings. Benefit-based severance obligations of foreign companies were provided for in accordance with comparable methods unless contribution-based provision systems were involved.

Other Provisions
Other long and short-term provisions take account of all discernible risks and uncertain liabilities up to the reporting date in an amount deemed most probable after careful analysis of the situation.

Liabilities
Liabilities have been valued at acquisition cost, the nominal value or the higher repayment amounts. Foreign currency liabilities were valued at the selling rate applicable on the reporting date.

Derivative Financial Instruments
Hedges, particularly options and forward exchange dealings, to hedge changes in foreign exchange rates were recognized on the conclusion of the contracts at acquisition cost and valued at the reporting date at the fair value. With respect to fair value hedges, the valuation of the underlying instrument was adjusted by the change in the fair value affecting profits. The change in the fair value of derivative instruments qualifying as cash flow hedges under IAS 39 were recorded in a way not affecting profit and loss.

Estimates
To a certain extent, consolidated financial statements require that estimates and assumptions be made which affect the balance-sheet assets and liabilities involved, information on other obligations as of the reporting date, and the presentation of income and expenses during the period reviewed. The amounts actually realized in the future could diverge from these estimates.

II. Notes to the Balance Sheet and the Income Statement

II.1. Notes to the Balance Sheet

(1) Fixed Assets

in TEUR	31 March 2005	31 March 2004
Intangible assets	3,881	5,646
Tangible assets	27,408	26,841
Investments	5,541	447
Total	**36,829**	**32,934**

A breakdown of the fixed asset items summarized in the consolidated balance sheet and changes in them during business year 2004/2005 are shown in the attached assets schedule. Translation adjustments 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 year under review and from the use of average rates.

The intangible fixed assets recorded pertain solely to rights, in particular trademark titles and software licenses. The group had no company-produced intangible fixed assets eligible for capitalization in the year under review.

The land included under tangible fixed assets has a value of TEUR 2,677 (previous year: TEUR 2,839). The company effected unscheduled depreciation on this item in business year 2004/2005 amounting to TEUR 150 (previous year: TEUR 186).

The following amounts were recorded under tangible fixed assets (other production plant and office equipment) based on finance lease agreements the company entered into:

in TEUR	31 March 2005	31 March 2004
Acquisition costs	2,299	2,299
Accumulated depreciation	1,953	1,493
Book value	346	806

Obligations from the use of property, plant and equipment not reported in the balance sheet pertain to lease or rental agreements on movables and to leases on real estate and were as follows:

in TEUR	31 March 2005	31 March 2004
In the following business year	5,656	4,723
In the next five business years	27,581	20,338

Other production plant and office equipment includes standard values of TEUR 209 (previous year: TEUR 223) for tableware, cutlery, table linen and containers. The standard values were carried under assets at the companies producing sales in the Restaurants & Bars Division.

Income from equity interests in three associated companies included at equity amounted in business year 2004/2005 to TEUR 73 (previous year: TEUR 2 in expenses).

The fixed-interest securities were valued at their cost of acquisition or the lower prices from previous years. At book value, the holdings amounted to TEUR 6 (previous year: TEUR 385); the sale value of these securities amounted to TEUR 7 (previous year: TEUR 406). The other securities carried under fixed assets were valued at acquisition cost.

(2) Other Long-Term Assets

in TEUR	31 March 2005	31 March 2004
Other long-term assets	594	470
Total	**594**	**470**

The other long-term assets of subsidiaries included in the consolidated accounts pertain primarily to capitalized advance income tax payments by DO & CO Restaurants & Catering AG due to the latter having a business year that diverges from the calendar year and to deposit payments put down for leased facilities.

(3) Inventories

in TEUR	31 March 2005	31 March 2004
Raw materials and supplies	884	875
Goods	2,413	1,875
Total	**3,297**	**2,750**

The sub-item "Goods" includes TEUR 1,468 (previous year: TEUR 1,044) in standard-value items for tableware, cutlery, table linen, serving aids and containers as well as for other work aids, with account taken of future usefulness. The increase of TEUR 424 is attributable to large-scale events staged in business year 2004/2005. The standard values were carried as assets of the companies in the International Event Catering Division.

(4) Trade Accounts Receivable, Other Short-Term Accounts Receivable and Assets

The current assets with a residual term of less than one year can be summarized as follows:

in TEUR	31 March 2005	31 March 2004
Trade accounts receivable	**13,735**	**14,682**
Accounts receivable from associated companies	45	28
Other accounts receivable and assets	2,894	1,768
Prepaid expenses and deferred charges	323	525
Total of other current accounts receivable and other current assets	**3,262**	**2,321**
Total	**16,997**	**17,003**

Trade receivables were recorded at nominal value less required specific write-downs amounting to TEUR 855 (previous year: TEUR 1,130) for any default risk or interest losses.

The TEUR 1,126 increase in other accounts receivable and assets from TEUR 1,768 to TEUR 2,894 pertained largely to the offsetting of value-added tax claims with foreign authorities and to damage claims.

(5) Cash and Cash Equivalents

in TEUR	31 March 2005	31 March 2004
Cash, checks	248	189
Cash at banks	5,945	6,967
Total	**6,193**	**7,156**

(6) Deferred Taxes

Deferred tax carried on both sides of the balance sheet result from the following temporary accounting and valuation differences between the reported book values and the corresponding bases of assessment for taxation:

in TEUR	31 March 2005		31 March 2004	
	Assets	Liabilities	Assets	Liabilities
Intangible fixed assets	247	-221	414	-255
Property, plant and equipment	822	-332	550	-531
Financial assets	7	-1,682	18	-1,753
Inventories		-73		-55
Accounts receivable	43	-21	86	
Cash and cash equivalents				-7
Consolidating entries	1,465	-270	1,585	
Provisions	378	-43	503	-7
Liabilities	1,532		1,345	
Prepaid expenses or deferred income		-9		-40
Total deviations in balance sheet	**4,494**	**-2,651**	**4,501**	**-2,649**
Tax losses carried forward	4,388		4,866	
Valuation discount for capitalized deferred tax	-2,090		-4,278	
Offsetting of differences with the same tax authorities	-2,398	2,398	-2,344	2,344
Total	**4,394**	**-253**	**2,745**	**-305**

No deferred taxes were capitalized in these consolidated financial statements for differences on the asset side and for tax loss carry-forwards totaling TEUR 2,090 (previous year: TEUR 4,278), because the company is not yet sufficiently certain that these deferred tax claims can be realized as future tax relief.

NOTES

(7) Shareholders' Equity

The consolidated shareholders' equity developed as follows in the business years 2004/2005 and 2003/2004:

in TEUR	Capital Stock	Capital reserves	Revenue reserves	Foreign currency translation reserve	Consolidated result	Minority interests	Total
As of 31 March 2003	**11,802**	**13,081**	**5,973**	**-919**	**2,103**	**-325**	**31,715**
Consolidated result 2003/2004					1,601	31	1,632
Dividend payment 2002/2003					-812		-812
Profit carried forward 2002/2003			1,291		-1,291		0
Currency translation				-1,209			-1,209
Other changes			-8				-8
As of 31 March 2004	**11,802**	**13,081**	**7,256**	**-2,128**	**1,601**	**-294**	**31,318**
Consolidated result 2004/2005					2,406	-51	2,356
Dividend payment 2003/2004					-812		-812
Profit carried forward 2003/2004			789		-789		0
Currency translation				-1,130			-1,130
Other changes			1,432				1,432
As of 31 March 2005	**11,802**	**13,081**	**9,476**	**-3,258**	**2,406**	**-345**	**33,163**

The capital stock of DO & CO Restaurants & Catering AG totals EUR 11,802,068.26 and is divided into 1,624,000 individual bearer shares endowed with voting rights.

At the General Meeting of Shareholders on 10 July 2002, the Management Board was given the right, in accordance with Section 169 Stock Corporation Act, until 30 June 2007 to increase the share capital by up to a further EUR 5,901,034.13 in exchange for cash contributions and/or contributions in kind, even to the exclusion of preemptive rights (authorized capital).

The shares of DO & CO Restaurants & Catering AG have been listed in the Standard Market Continuous of the Vienna Stock Exchange since 19 March 2004 (prior to that in the Prime Market segment). The majority shareholder of DO & CO Restaurants & Catering AG is Attila DOGUDAN Privatstiftung. DZR Immobilien und Beteiligungs GmbH, a wholly owned subsidiary of Raiffeisen-Holding Niederösterreich-Wien, holds a stake of 25.1 %, and the remaining shares are in free float.

The paid-in surplus contains tied-up capital reserves from capital increases in accordance with Austrian corporation law. These reserves remained unchanged against the previous year at TEUR 13,081.

Besides earnings salted away in reserves, the revenue reserve item contains revenue reserves in the amount of the tax investment allowances taken advantage of, as recorded in the individual financial statements of domestic companies. No deferred tax provision was formed for these untaxed reserves. Besides legally stipulated revenue reserves of various individual companies included in the consolidated accounts, this item contains all revenue reserves at subsidiaries not eliminated in the course of capital consolidation as well as changes arising from consolidation entries adapted in 2004/2005, whereby said changes had no effect on profit and loss.

Minority interests include the direct 10 % minority interest in the equity of the fully consolidated DO & CO Holdings USA Inc. and DO & CO im PLATINUM Restaurantbetriebs GmbH as well as the indirect minority interests in subsidiaries (DO & CO New York Catering Inc., DO & CO Miami Catering Inc.).

(8) Long-Term Provisions – Schedule of Provisions

The composition of and changes in long-term provisions as of the reporting date were as follows:

in TEUR	As of 31 March 2004	Consumed	Release	Allocation	As of 31 March 2005
Provisions for severance payments PBO	1,743	-174	-2	433	2,000
Provision for long-service anniversary payments PBO	932	-87	-3	229	1,071
Provisions for deferred tax	305	0	-52	0	253
Other provisions	552	-433	0	0	119
Total	**3,532**	**-694**	**-57**	**662**	**3,443**

The values of provisions for severance payments and for long-service anniversary payments were calculated as of the reported date along actuarial lines in expert opinions applying the projected benefit obligation method. The imputed interest rate was 4.0 % pa (previous year: 4.5 % pa) whereas the pay increase rate remained unchanged over the previous year at 2.0 % pa. Actuarial gains and losses were recognized in the year of their occurrence in a manner affecting profit and loss.

in TEUR	Severance payment provision		Long-service anniversary provision	
	31 March 2005	31 March 2004	31 March 2005	31 March 2004
Present value of obligations (PBO) on 1 April	1,743	1,529	932	817
Long-service anniversary expenses	182	206	165	152
Interest expenses	64	51	55	37
Severance payments	-110	-99	-66	-34
Result along actuarial lines	122	55	-15	-39
Present value of obligations (PBO) on 31 March	**2,000**	**1,743**	**1,071**	**932**

Other long-term provisions include expenses pertaining to a commitment to cover losses exceeding the existing equity interest in an associated company.

9) Long-Term Financial Liabilities

in TEUR	31 March 2005	31 March 2004
Liabilities to banks	5,400	0
Total	**5,400**	**0**

Capital investment in business year 2004/2005 was funded from the cash flow and with longer term borrowing, for which interest averaged 2.7 %.

(10) Other Long-Term Liabilities

in TEUR	31 March 2005	31 March 2004
Trade accounts payable	0	4,306
Other liabilities	101	152
Deferred income	363	363
Total	**465**	**4,821**

Apart from a construction cost grant and deposit payments received, there were no other long-term liabilities on the reporting date based on remaining term.

(11) Other Short-Term Provisions – Schedule of Provisions

in TEUR	As of 31 March 2004	Currency changes	Consumed	Release	Allocation	As of 31 March 2005
Tax provisions	534	23	-469	-4	263	347
Other personnel provisions	3,782	-2	-3,777	-12	4,195	4,186
Deliveries and services not yet invoiced	572	0	-304	-18	625	875
Other provisions	1,523	-17	-936	-445	1,842	1,967
Total	**6,411**	**3**	**-5,485**	**-480**	**6,925**	**7,374**

Provisions for personnel expenses pertain largely to provisions totaling TEUR 914 (previous year: TEUR 754) for pro rata special payments due to having a business year not coinciding with the calendar year as well as to provisions totaling TEUR 2,283 (previous year: TEUR 2,105) for vacation not yet taken as of the reporting date as well as to other provisions totaling TEUR 989 (previous year: TEUR 923) for performance-linked components of pay.

(12) Short-Term Financial Liabilities

in TEUR	31 March 2005	31 March 2004
EUR cash advance	4,600	3,800
Total	**4,600**	3,800

Financial liabilities existing as of the reporting date resulted from euro cash advances taken out at various banks at an interest rate of 2.6 % (previous year: 2.7 %).

(13) Trade Accounts Payable and Other Short-Term Liabilities

in TEUR	31 March 2005	31 March 2004
Trade accounts payable	**10,247**	**7,009**
Amounts owed to associated companies	52	0
Advance payments received on orders	352	3,071
Other liabilities	3,106	2,969
Deferred income	103	127
Total other short-term liabilities	**3,613**	**6,167**
Total	**13,861**	**13,176**

The TEUR 3,238 increase in trade accounts payable from TEUR 7,009 to TEUR 10,247 pertained to finance lease contracts for movables, with the remaining term taken into account, and to the performance of payment agreements in the following business year. The other liabilities with a remaining term of less than one year totaled TEUR 3,106 (previous year: TEUR 2,969) and resulted largely from liabilities to tax authorities for value-added tax and other pay-related taxes, from liabilities to social insurance funds and from liabilities to service providers in an amount equal to current remuneration payments.

Contingent Liabilities

in TEUR	31 March 2005	31 March 2004
Guarantees	1,713	1,437

The amounts recorded under this item pertain to bank guarantees to secure claims in connection with leases and to secure refunds of advance tax payments from the Italian fiscal authorities.

II.2. Notes to the Income Statement

The consolidated income statement was prepared in accordance with the total cost method.

(14) Sales

in TEUR	2004/2005	2003/2004
Airline Catering	60,971	49,887
International Event Catering	47,255	27,283
Restaurants & Bars	26,033	20,977
Total	**134,259**	**98,147**

Realized sales were defined for primary segment reporting in accordance with the internal report structure. Regionally, sales were divided according to the place of performance by the companies of the DO & CO group ("Management Approach" in accordance with IAS 14). As regards the detailed presentation of the sales revenues, please refer to segment reporting in the Management Report.

(15) Other Operating Income

in TEUR	2004/2005	2003/2004
Accounting gains from the disposal of fixed assets	9	1
Income from the release of provisions	479	794
Release of provisions for bad depts	269	37
Insurance payments	100	43
Rent income	122	131
Exchange rate differences	0	2
Other operating income	1,065	456
Total	**2,043**	**1,464**

The TEUR 609 increase in other operating income from TEUR 456 to TEUR 1,065 is largely attributable to damage payments.

(16) Costs of Materials and Services

in TEUR	2004/2005	2003/2004
Costs of materials (including goods purchased for resale)	34,840	24,583
Costs of services	15,635	5,672
Total	**50,475**	**30,255**

(17) Payroll Costs

in TEUR	2004/2005	2003/2004
Wages	30,234	23,743
Salaries	7,630	6,819
Expenses for severance payments	643	412
Expenses for legally mandanted social security contributions and for related costs	8,606	7,436
Other social expenses	930	578
Total	**48,042**	**38,988**

(18) Amortization of Intangible Fixed Assets and Depreciation of Tangible Fixed Assets

in TEUR	2004/2005	2003/2004
Scheduled amortization and depreciation	5,234	4,855
Unscheduled amortization and depreciation	150	186
Total	**5,384**	**5,041**

(19) Amortization of Goodwill

in TEUR	2004/2005	2003/2004
Amortization of goodwill	23	517
Total	**23**	**517**

The recorded amortization of goodwill from the capital consolidation was eliminated in business year 2004/2005 down to an amount of TEUR 23 and was calculated in the previous business year on the basis of an assumed useful life of five to nine years.

(20) Other Operating Expenses

The composition of other operating expenses was as follows:

in TEUR	2004/2005	2003/2004
Taxes other than those included under income tax	479	438
Rentals, leases, and operating costs (including airport fees and charges)	11,505	10,436
Travel and communication expense	5,020	2,645
Transport, vehicle expense and maintenance	5,109	3,028
Insurance	757	840
Legal, auditing and consulting expenses	1,715	1,228
Advertising expense	391	480
Other personnel costs	564	336
Rest of other operating expenses	1,066	600
Losses on bad debts, value adjustments and other losses	771	635
Exchange rate differences	512	819
Accounting losses from the disposal of fixed assets	113	18
Other administrative expenses	924	697
Total	**28,924**	**22,200**

(21) EBIT – Operating Result

EBIT increased against the year before by TEUR 842, or 32.2 %, from TEUR 2,610 to TEUR 3,452. This growth is attributable mainly to the upsurge in sales in all segments and the parallel rise in potential earnings. The effect of the elimination of TEUR 494 in goodwill amortization was largely offset by scheduled amortization and depreciation, which was TEUR 379 higher than the previous year. For a detailed analysis of these results, please refer to the Management Report.

(22) Financial Result

in TEUR	2004/2005	2003/2004
Result from investments		
Result from investments	100	2
Of which from associated companies	73	-2
Total result from investments	**100**	**2**
Result from other financial activities		
Income from other securities carried under fixed assets	23	23
Other interest received and similar income	140	88
Other interest paid and similar expenses	-343	-299
Other financial result	11	0
Total result from other financial activities	**-169**	**-188**
Total	**-69**	**-186**

(23) Income Tax

in TEUR	2004/2005	2003/2004
Income tax expenses	259	239
thereof non periodic	-102	0
Deferred tax	792	589
Total	**1,051**	**828**

This item contains income tax paid by and owing to DO & CO Restaurants & Catering AG and its subsidiaries and the provisions for deferred taxes.

The effective tax burden on the DO & CO Group, defined as a ratio of total tax expenses to profit before tax, amounted to 31.1 % (previous year: 34.1 %). The Austrian corporate tax rate for business year 2004/2005 was 31.75 % as calculated on the basis of the proportional allocation of the tax result. The reasons this latter figure differed from the reported consolidated tax rate were as follows:

in TEUR	2004/2005	2003/2004
Consolidated result before tax	**3,384**	**2,424**
Tax expense at tax rate of 31.75 % (previous year: 34.00 %)	**1,074**	**824**
Non-temporary differences, and tax expenses and income from prior periods	-180	-19
Losses for which no deferred tax provisions were created	155	13
Changes in tax rates	2	10
Effective tax burden	**1,051**	**828**
Effective tax rate in %	**31.1**	**34.1**

(24) Minority Interests
Minority interests in the annual loss of fully consolidated companies amounted to TEUR 73 (previous year: TEUR 5).

in TEUR	2004/2005	2003/2004
Share of annual result going to minority interests	73	5
Total	**73**	**5**

III. Other Information

(25) Earnings per Share
The number of shares issued as of 31 March 2005 totaled 1,624,000. Just as in the previous business year, the company held no treasury stock as at the reporting date.

	2004/2005	2003/2004
Issued shares (number of individual shares)	1,624,000	1,624,000
Weighted shares (number of individual shares)	1,624,000	1,624,000
Earnings per share before amortization of goodwill (in EUR)	**1.50**	**1.30**
Earnings per share (in EUR)	**1.48**	**0.99**

Based on the consolidated result of TEUR 2,406 (previous year: TEUR 1,601), the earnings per share amounted to EUR 1.48 (previous year: EUR 0.99). The earnings per share based on the adjusted consolidated result of TEUR 2,429 (previous year: TEUR 2,118), ie on taking into account goodwill amortization, amounted to EUR 1.50 (previous year: EUR 1.30). The Management did not exercise the right given to it at the General Meeting of Shareholders on 10 July 2002 to acquire treasury stock pursuant to Section 65.1.8 Stock Corporation Act, the maximum number of shares to be acquired limited to 10 % of the share capital and the authorization to be in force for a period of 18 months.

(26) Proposal for Appropriation of Profit
According to the provisions of the Stock Corporation Act (AktG), the annual financial statements of DO & CO Restaurants & Catering AG as of 31 March 2005, prepared in accordance with the Austrian accounting regulations, form the basis for the distribution of a dividend. These financial statements show a balance sheet profit of EUR 10,456,356.38. The Management Board will therefore suggest to the General Meeting of Shareholders that a dividend of EUR 0.50 per share be distributed on the share capital totaling EUR 11,802,068.26 and that the remaining profit be carried forward to new account.

(27) Cash Flow Statement
The cash flow statement was presented in accordance with the indirect method, whereby the fund of cash and cash equivalents corresponds to the cash in hand and at banks.

Income tax payments are presented separately as a sub-item of cash flow from operating activities. Incoming and outgoing interest payments were also carried under current business activities. The dividend payments to shareholders of DO & CO Restaurants & Catering AG were recorded as part of the financing activities.

(28) Financial Instruments
The core segments at DO & CO are Airline Catering, International Event Catering and Restaurants & Bars. Key determinants of group business include developments in the aviation industry and the requirements arising for catering enterprises from these developments. Other key factors are the development of general global economic conditions and the effect they have on the willingness of major international corporations to allocate budget resources to large-scale special events. Our business activities are subject to the usual market risks. Based on present knowledge, there are no discernible risks that could endanger the continuation of business at the company. DO & CO faces interest rate and currency risks owing to the nature of its operating activities and utilized derivative financial instruments to control and limit these risks. In no case were derivatives employed for trading or speculative transactions.

Financial instruments are claims to payment as a result of a contractually based economic operation (IAS 32). They include what are considered original financial instruments, namely, trade receivables and payables as well as financial receivables and financial debts. They also include derivative financial instruments used to hedge currency risks and interest risks. Claims or obligations arising from derivative contracts to hedge foreign currency positions did exist as of the reporting date. The fair values of options carried as receivables in the balance sheet totaled TEUR 38 (previous year: TEUR 139). They were offset by liabilities totaling TEUR 57 (previous year: TEUR 163). Changes in the fair values in comparison to the concluded underlying transaction were recorded for fair value hedges affecting profit and loss and for cash flow hedges not affecting profit and loss.

NOTES

The level of original financial instruments is evident from the balance sheet. The accounting and valuation principles pertinent to the individual balance sheet items were applied in each case. The receivables recorded under assets and reduced by appropriate value adjustments represent the maximum solvency and default risk. Since the solvency of existing and new customers is continuously monitored; the credit risk from customer receivables can be considered negligible based on present knowledge. This risk depends on market developments. The credit risk arising from the investment of cash and cash equivalents and securities is also deemed to be non-existent, given the excellent credit rating of the contractual partners and the low level of assets tied up in securities.

The recorded book values for cash and cash equivalents, short-term investments and short-term receivables and liabilities correspond in the main to the current market values due to the short maturities involved. There were outstanding financial debts as of the reporting date from a euro cash advance and a long-term financial exposure to finance the further expansion of the group with a concordance of maturity. These debts could pose an interest risk depending on how money market interest rates develop. Virtually all of the other receivables and liabilities resulting from operations had a remaining term of less than one year and posed no interest risk of material significance.

Currency risks exist in all cases in which receivables and liabilities are invoiced in a currency other than the local currency of the company. The company strives to use the foreign currency in internal group deliveries and services as a counter-balance to minimize the currency risk as long as no closed foreign exchange positions arise, allowing receivables in the foreign currency to be offset against liabilities equivalent as regards term and amount in the same currency.

Currency risks in respect of trade receivables derive primarily from the US dollar, with a share of 5 % (previous year: 15 %) and the British pound with 17 % (previous year: 15 %). In respect of trade payables, the US dollar accounts for 11 % (previous year: 19 %) of total currency risk while the British pound accounts for 22 % (previous year: 11 %). Investments at any given group company are made largely within that company's own currency area so that only quite limited currency risks arise in this respect.

(29) Subsequent Events
Events occurring after the reporting date which are significant to the valuation on the balance sheet date, e.g. pending legal cases, claims for damages and other obligations or threats of losses are required to be included in the accounts or divulged in accordance with IAS 10 (Events after the Balance Sheet Date). DO & CO Restaurants & Catering AG took any such events it was aware of into account in these consolidated financial statements.

The business premises in Haas Haus on Stephansplatz are undergoing extensive structural renovation. Parallel to this project, the restaurant strategy at this location is being re-evaluated. The business activities conducted by DO & CO Miami Catering, Inc. may be realigned depending on the outcome of negotiations on a shift in location. To carry out our worldwide expansion, DO & CO plans to establish additional subsidiaries, in particular in order to cover the promising Turkish market and to expand the sales network. The company law documents serving as the legal basis for "Total Inflight Solution GmbH" were signed at the end of the business year, but this company has not yet been entered in the Commercial Register.

(30) Related Party Disclosures
Raiffeisenlandesbank Niederösterreich-Wien AG is indirectly a related party as it holds a stake in DO & CO Restaurants & Catering AG through DZR Immobilien und Beteiligungs GmbH. Business relations with Raiffeisenlandesbank Niederösterreich-Wien AG were intensified in the year under review and were handled at terms and conditions customary for external customers.

(31) Information on Corporate Boards and Employees
The average number of employees was as follows:

Number	2004/2005	2003/2004
Workers	927	850
Salaried employees	206	177
Total	**1,133**	**1,027**

On average, a further 198 individuals (previous year: 221) worked part-time in addition to the workers indicated above.

The following individuals served as members of the corporate boards of DO & CO Restaurants & Catering AG in business year 2004/2005:

Management Board:
Attila Dogudan, Vienna, Chairman
Michael Dobersberger, Vienna
Franz Kubik, Langenzersdorf, up to 31 December 2004 (entered in the Commercial Register on 4 February 2005).

The emoluments for the members of the Management Board in the year under review totaled TEUR 505 (previous year: TEUR 481).

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 remuneration totaling TEUR 19 for the year under review (previous year: TEUR 19) in accordance with a decision by the General Meeting of Shareholders on 9 July 2004.

Vienna, 19 May 2005

The Management Board

Attila Dogudan mp
Chairman

Michael DOBERSBERGER mp

SCHEDULE OF CHANGES IN FIXED ASSETS
as of 31 March 2005

in TEUR	Cost of Acquisition and Production						
	As of 31 March 2004	Addition to scope of consolidation	Translation differences	Additions	Reclassifi-cations	Disposals	As of 31 March 2005
I. Intangible assets							
1. Industrial property rights and similar rights and benefits including licenses deriving from them	7,595	0	-118	56	0	64	7,468
2. Goodwill	2,250	0	0	0	0	2,250	0
	9,845	**0**	**-118**	**56**	**0**	**2,314**	**7,468**
II. Tangible assets							
1. Land and buildings including buildings on third-party land	30,180	0	-1,003	3,308	244	14	32,715
2. Plant and machinery	7,346	0	-50	958	0	223	8,032
3. Other production-plant and office equipment	18,179	0	-208	1,987	6	1,410	18,555
4. Payments on account and assets in course of construction	418	0	-8	277	-250	57	379
	56,123	**0**	**-1,268**	**6,531**	**0**	**1,704**	**59,682**
III. Investments							
1. Investments in associated companies	24	5,400	0	75	0	2	5,497
2. Securities held as long-term investments	432	0	0	0	0	388	44
	456	**5,400**	**0**	**75**	**0**	**390**	**5,541**
Total	**66,423**	**5,400**	**-1,386**	**6,662**	**0**	**4,408**	**72,691**

in TEUR	Accumulated Amortization/Depreciation						Book Value	
	As of 31 March 2004	Translation differences	Depreciation/ amortization during the year	Reclassifications	Disposals	As of 31 March 2005	As of 31 March 2005	As of 31 March 2004
I. Intangible assets								
1. Industrial property rights and similar rights and benefits including licenses deriving from them	3,161	-9	500	0	64	3,588	3,881	4,434
2. Goodwill	1,037	0	23	0	1,061	0	0	1,212
	4,198	**-9**	**523**	**0**	**1,125**	**3,588**	**3,881**	**5,646**
II. Tangible assets								
1. Land and buildings including buildings on third-party land	9,338	-135	1,610	169	13	10,968	21,747	20,842
2. Plant and machinery	5,864	-25	770	0	214	6,395	1,637	1,482
3. Other production-plant and office equipment	13,891	-154	2,492	0	1,320	14,910	3,645	4,288
4. Payments on account and assets in course of construction	189	-10	12	-169	22	0	379	229
	29,282	**-324**	**4,884**	**0**	**1,569**	**32,274**	**27,408**	**26,841**
III. Investments								
1. Investments in associated companies	0	0	0	0	0	0	5,497	24
2. Securities held as long-term investments	9	0	0	0	9	0	44	423
	9	**0**	**0**	**0**	**9**	**0**	**5,541**	**447**
Total	**33,489**	**-333**	**5,407**	**0**	**2,703**	**35,861**	**36,829**	**32,934**

AUDITOR'S OPINION

and Auditor's Report

To the Management Board of DO & CO Restaurants & Catering AG

We have audited the consolidated financial statements as of 31 March 2005 of DO & CO Restaurants & Catering AG, consisting of balance sheet, income statement, cash flow statement and notes. These statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The company's management is responsible for the preparation and content of these consolidated financial statements. Our responsibility is to express an opinion on these financial statements based on our audits. Some of the sets of financial statements of subsidiaries included in the consolidated financial statements were audited by other auditors. Our audit opinion as regards these subsidiaries is based solely on the unqualified opinions issued by these other auditors.

We conducted our audits in accordance with the International Standards of Auditing issued by the International Federation of Accountants (IFAC) and in accordance with generally accepted standards in Austria for properly auditing financial statements. These standards require that we plan and perform the audit of the consolidated financial statement to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also involves assessing the accounting principles applied and the significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the actual assets and financial position of the DO & CO Restaurants & Catering AG Group as of 31 March 2005 and the consolidated results and cash flows from operating activities for the business year 2004/2005 in conformity with International Financial Reporting Standards (IFRS). We note one particularity, namely, that the information relating to segment reporting in accordance with IAS 14 deviates from the provisions of the standards in that it is only conditionally possible to furnish this information due to the fact that the individual companies conduct operating activities in more than one segment.

In accordance with the provisions of Austrian commercial law, there is an obligation to examine the Management Report on the group and to determine whether the legal requirements for exemption from preparing consolidated financial statements in accordance with Austrian law are met. We confirm that the legal requirements for exemption from the obligation to prepare a set of consolidated financial statements and Management Report on the group in accordance with Austrian commercial law are met. The consolidated financial statements and the Management Report on the group are in conformity with the Seventh EC Directive.

Vienna, 27 May 2005

PKF CENTURION
Wirtschaftsprüfungsgesellschaft mbH
Member Firm of PKF International

Irene Linsbauer mp — Andreas Staribacher mp
Certified Public Accountants and Tax Consultants

SIGNIFICANT DIFFERENCES

between Austrian Accounting Standards and International Financial Reporting Standards (IFRS)

Goodwill from capital consolidation:
The Austrian Commercial Code permits the offsetting of retained earnings without effect to net income. IFRS 3, for its part, stipulates that goodwill be capitalized and that it was to be amortized up to 31 March 2004 over its useful life. This scheduled amortization has now been eliminated. In its stead, an annual impairment test is to be conducted.

Deferred tax:
In accordance with IAS/IFRS, deferred taxes are to be accrued for all temporary differences between the tax balance sheet and the IFRS balance sheet, applying the currently valid tax rate. In deviation from the regulations of the Austrian Commercial Code, deferred tax assets under IFRS are also to be recognized for as yet unused tax losses carried forward, insofar as it is likely that they can be offset against taxable profits in the future.

Other provisions:
The Austrian Commercial Code is based on the principle of commercial prudence. IAS/IFRS, for its part, is geared towards the determinability of payment obligations for which provisions should be formed and the degree of probability of the relevant events occurring. Unlike Austrian commercial law, IAS/IFRS does not permit expense provisions to be formed.

Personnel provisions:
Under IAS/IFRS, personnel provisions (for severance pay, long-service anniversary bonus) are calculated on the basis of the Projected Benefit Obligation Method, applying the current interest rate on the capital market and taking into account future pay raises. Under the Austrian Commercial Code, these provisions are calculated according to the part-value method applying an imputed discounted rate which is usually 4 %.

Sales of marketable securities:
According to the Austrian accounting rules, marketable securities are to be assessed at their cost of acquisition or at the lower market values. Under the IFRS, marketable securities are to be assessed at market values.

Valuation of foreign currency amounts:
Receivables and liabilities in foreign currency are always valued on the reporting date at the rate prevailing on that date. As a result, any currency fluctuation is recorded in a manner affecting profit and loss. The Austrian Commercial Code takes a different approach. Only unrealized losses are recorded on the balance sheet in keeping with the imparity principle. Under IFRS, conversion-related currency differences from debt consolidation in connection with inner-group loans are recorded under shareholders' equity as unrealized price gains or losses without an effect on profit or loss.

Extraordinary result:
IFRS does not permit a company to record an extraordinary result; Austrian commercial law does.

Expanded divulgence obligation:
IAS/IFRS requires that the items on the balance sheet, income statement, cash flow statement and the development of shareholder's equity be explained in detail in the Notes. It also imposes additional information obligations as regards business segments and derivative financial instruments in particular.

BALANCE SHEET AS OF 31 MARCH 2005

of DO & CO Restaurants & Catering AG

ASSETS

in TEUR	31 March 2005	31 March 2004
Intangible assets	22	37
Tangible assets	329	241
Investments	30,049	26,394
Fixed assets	**30,401**	**26,672**
Trade accounts receivable	267	365
Receivables from group companies	18,397	16,718
Receivables from associated companies	46	28
Other receivables and assets	243	567
Receivables and other assets	**18,952**	**17,678**
Cash and checks in hand, cash at banks	**2,415**	**3,321**
Current assets	**21,367**	**20,999**
Prepaid expenses and deferred charges	**19**	**5**
Total assets	**51,787**	**47,676**

LIABILITIES

in TEUR	31 March 2005	31 March 2004
Capital stock	11,802	11,802
Capital reserves	13,081	13,081
Revenue reserves	94	88
Retained earnings	10,456	12,465
Shareholders' equity	**35,434**	**37,436**
Untaxed reserves	**0**	**10**
Provisions for severance payments	411	384
Provisions for taxes	308	308
Other provisions	2,293	2,606
Provisions	**3,012**	**3,298**
Bank loans and overdrafts	10,000	3,800
Trade accounts payable	394	290
Accounts payable to group companies	2,690	2,418
Other liabilities	258	424
Liabilities	**13,342**	**6,932**
Total Shareholders' equity and liabilities	**51,787**	**47,676**
Contingent liabilities	**2,511**	**2,519**

INCOME STATEMENT

for Business Year 2004/2005 of DO & CO Restaurants & Catering AG

in TEUR	2004/2005	2003/2004
Sales	**8,419**	**7,637**
Other operating income	783	276
Costs of materials and services	-1,612	-592
Payroll costs	-5,601	-5,312
Amortization and depreciation	-205	-1,074
Other operating expenses	-3,068	-3,041
Operating result	**-1,284**	**-2,106**
Income from equity interests	5,495	4,287
Income from other securities	5	5
Other interest and similar income	529	672
Profits on disposal of investments	3	0
Expenses from investments and marketable securities	-4,039	-2,260
Expenses from equity interests	-328	-810
Interst and similar expenses	-1,294	-193
Financial result	**370**	**1,701**
Result from ordinary business activities	**-914**	**-405**
Taxes on income	-287	-6
Result after income tax	**-1,201**	**-411**
Write-back of untaxed reserves	10	15
Allocation to revenue reserves	-6	-15
Annual result	**-1,197**	**-411**
Profit carried forward from previous year	11,653	12,876
Retained earnings	**10,456**	**12,465**

The annual financial statements, along with the management report, of DO & CO Restaurants & Catering AG were prepared in accordance with the Austrian accounting regulations. The audit of these documents by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH resulted in an unqualified opinion. These statements will be submitted together with their accompanying documents to the Commercial Registry of the Commercial Court of Vienna under Commercial Registry Number 156765 m.

Proposal for Appropriation of Profit

According to the provisions of the Stock Corporation Act (AktG), the annual financial statements of DO & CO Restaurants & Catering AG as of 31 March 2005, prepared in accordance with the Austrian accounting regulations, form the basis for the distribution of a dividend. These financial statements show a balance sheet profit of EUR 10,456,356.38. The Management Board will therefore suggest to the General Meeting of Shareholders that a dividend of EUR 0.50 per share be distributed on the share capital totaling EUR 11,802,068.26 and that the remaining profit be carried forward to new account.

Vienna, 19 May 2005 The Management Board of DO & CO Restaurants & Catering AG

GLOSSARY OF KEY FIGURES

EBITDA margin
Consists of EBITDA (earnings before interest and tax plus depreciation and amortization) divided by sales

EBIT margin
Consists of EBIT (earnings before interest and tax) divided by sales

ROS – Return on sales
The return on sales, ie the ration of the result on ordinary activities to sales

Net Debts
Interest-incurring debt less cash and cash equivalents

Gearing Ratio
Indicates financial management as the ratio between net debts and equity (adjusted by dividend payments and book values for goodwill)

ROE – Return on equity
The ratio of the result after income tax and before amortization of goodwill and the result from extraordinary activities to common equity after dividend distribution

Capital Employed
Equity after dividend payments less the book values of goodwill plus 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

Free Cash-Flow
Cash from operating activities plus cash from investing activities

Working Capital
Is the surplus of current assets in excess of short-term borrowed capital

Equity Ratio
Shows the relationship of equity capital, adjusted by dividend payments and book values for goodwill, to total capital

SWEET FINALE
À LA DO & CO...

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Thank you!

"It was wonderful –
So nice to have been here."

See you again in 2005/2006.