DO & CO AKTIENGESELLSCHAFT

ANNUAL FINANCIAL REPORT

BUSINESS YEAR 2019/2020

DO & CO | THE GOURMET ENTERTAINMENT COMPANY

CONTENT

Group Management Report for 2019/2020

1. Highlights

Strong organic growth in revenue: DO & CO grows by +10.3% despite the last quarter being very negatively influenced by the COVID-19 pandemic. Additional impairments, provisions and accruals affect the result which is negative for the first time in the Company's history.

Group revenue (€ 935.37m / 10.3%), Group net result (€ -24.87m). Earnings per share thus amount to € -2.55 (PY: € 2.71).

A global economic downturn and the economic consequences of the COVID-19 pandemic affect the result. Impairment tests result in impairment losses. In addition impairment losses were recorded and provisions were set up for risks with negative financial effects (renovation costs, among others). Restructuring measures already initiated resulted in one-off effects. In total, these one-off effects affected EBITDA by € -23.98m and EBIT (including EBITDA effects) by € -39.66m in the previous business year. In addition, start-up costs regarding British Airways and Iberia in the amount of € -9.28m as well as one-off legal and consulting fees for extraordinary M&A projects in the amount of approximately € -2.71m affect the EBITDA. In total these one-off effects affect the EBITDA in the amount € -35,96m, the EBIT in the amount of € -51,76m and the net result in the amount of € -40,21m. Against this backdrop and due to the unfavourable market environment, EBITDA decreased by -12.8% on the previous year from € 80.37m to € 70.11m. With regard to EBIT, impairment resulted in a negative annual total of € -1.92m (PY: € 51.45m). In line with the EBIT development and following a net financial result of € -14.47m (PY: € -2.81m), loss before income tax amounted to € -16.39m in the business year 2019/2020 (PY: € 48.64m). Since income tax was stated at a positive amount of € 0.77m (PY: € -11.71m) due to the negative development of the result, loss after income tax amounts to € -15.62m (2018/2019: € 36.93m).

The Management Board of DO & CO Aktiengesellschaft will thus propose to the General Meeting of Shareholders not to distribute a dividend for the business year 2019/2020.

DO & CO is building one of the largest European gourmet kitchens in London
For the takeover of the entire catering services for British Airways at London Heathrow, DO & CO is building one of the most modern and largest gourmet kitchens in Europe with an area of more than 35,000 sqm in London. On 12 May 2020, DO & CO took over catering services on all British Airways long-haul flights ex London Heathrow.

Successful start-up for Iberia and Iberia Express in Madrid
On 1 February 2020, DO & CO successfully took over all catering services on several Iberia and Iberia Express flights ex Madrid-Barajas. In the first month, approx. 170 flights per day, 140 thereof being short-haul flights and 30 long-haul flights, were smoothly provided with catering services. DO & CO was therefore able to demonstrate its capability with regard to its operational reliability.

Extension of the catering contract with Turkish Airlines

On 27 May 2019, DO & CO signed the contractual documentation for the agreement on the continuation of the cooperation with Turkish Airlines through the joint company Turkish DO & CO, which was concluded and announced on 23 October 2018. In particular, this provides for the continuation of the catering supply contract between Turkish Airlines and Turkish DO & CO for 15 years. The performance of the transaction is still subject to suspensive conditions, particularly to the approval by the competent competition authorities. In April 2019, the transfer of all Turkish Airlines flights from the Atatürk airport to the new airport in Istanbul was successfully accomplished without any interruptions or delays. Also in this respect, DO & CO once again proved its capability at one large homebase location.

Win of the IAG North America tender

DO & CO has won the IAG North America tender for British Airways and Iberia, comprising all catering services at the DO & CO locations in North America.

Intensifying the partnership with Cathay Pacific

DO & CO was able to acquire Cathay Pacific as new customer also at the London location. Since the beginning of May 2019, DO & CO has been providing catering services on five daily flights ex London Heathrow and one daily flight ex London Gatwick. DO & CO has therefore further expanded its market position also in London after having been awarded the contract for British Airways.

New customer Singapore Airlines at three German locations

DO & CO wins Singapore Airlines in Munich, Düsseldorf and Frankfurt and is thus able to significantly intensify its business relations with an additional quality carrier.

New customer Qatar Airways at the New York JFK location

With Qatar Airways, DO & CO has won another quality-focused and prestigious customer at the New York John F. Kennedy location mid-February 2020. DO & CO has therefore substantially improved its market position at this strategically important location and is the market leader for international airlines.

"Best Business Class Catering" award for Austrian Airlines

In the previous year, Austrian Airlines, using DO & CO catering, was awarded "Best Business Class Catering in Europe" and "Best Premium Economy Class Catering" by Skytrax (www.worldairlineawards.com) for the 2nd time within 4 years.

Contract extension with Formula 1

For DO & CO, the previous business year was already its 28th successive season of catering for Formula 1 grand prix races, with a total of 18 races hosted in 18 different countries. Towards the end of the business year, DO & CO and Liberty Media agreed to continue their successful cooperation until 2025.

Event catering for Amazon

Every Friday to Sunday on a total of five Formula 1 race weekends, DO & CO provided catering services for AWS at the "Amazon Executive Leadership Series" as a one stop partner, providing a unique event experience to the international guests at the different European locations.

Early extension of contract with Olympiapark München GmbH

The Olympic Park in Munich and DO & CO are continuing their successful cooperation to cater for guests and visitors at the Munich Olympic Park until the end of 2028.

Fourteenth Champions League final

For the 14^{th} time already, DO & CO was able to host the UEFA Champions League final held at the Estadio Metropolitano in Madrid on 1 June 2019.

Opening of the world's largest business class lounge

Turkish DO & CO has opened the world's largest business class lounge for Turkish Airlines at the new airport in Istanbul. The new lounges provide a unique and very diverse experience to the premium passengers of Turkish Airlines, with an even larger selection than they already enjoyed in the old, multiple-award winning lounges.

Win of significant new airline lounges customers:

DO & CO is extremely proud to add Qatar Airways, Cathay Pacific and Iberia to its customer portfolio in the lounges segment. With these four new lounges, DO & CO is strengthening its position as premium lounge caterer:

- **Iberia**
  On 1 February 2020, DO & CO took over catering services for both premium lounges of Iberia (Velazquez and Dali) at the Madrid-Barajas airport. In doing so, up to 3,000 guests are enjoying the fresh culinary treats of DO & CO on a daily basis.

- **Qatar Airways**
  Win of Qatar Airways business and frequent traveller lounges at London Heathrow.

- **Cathay Pacific**
  Win of Cathay Pacific business and frequent traveller lounges in Frankfurt.

2. Impacts of the COVID-19 crisis

In the first ten months of the business year 2019/2020, the DO & CO Group was very well on track to achieve its business targets. All business activities developed in line with the plans and forecasts. In the first three quarters of the business year 2019/2020, the DO & CO Group recorded an incredibly strong organic growth of +16.7%. Only on 1 February 2020, DO & CO took over airline catering services for Iberia and Iberia Express at the new Madrid-Barajas location as well as catering services for both premium lounges of Iberia (Velazquez and Dali) at the Madrid-Barajas airport. At the same time, the preparations for the largest business takeover in the history of the DO & CO Group, the takeover of the entire catering services for British Airways at London Heathrow, were in full swing and were going according to plan.

From mid-February to March 2020, the general conditions for the DO & CO Group changed dramatically when the global economy was hit by the unprecedented impact of the COVID-19 pandemic, leading to a sudden and significant decline in demand for international flights as almost all countries closed their borders and imposed strict travel restrictions. Despite the DO & CO Group operating in 21 countries in three different divisions with various distribution channels, all business activities were all of a sudden affected at the same time and brought the entire business to a standstill. The imposed governmental restrictions forced DO & CO to close all its restaurants around the world. All events such as, for example, Formula 1 races, football matches or other major events were cancelled. Moreover, passenger flights were reduced by up to -98% from end of March 2020 and therefore most airplanes were grounded due to the COVID-19 pandemic. The airplanes remaining in operation were mostly intended for repatriation schemes for travellers or air freight.

The Management Board had to act quickly to respond accordingly to this dynamic situation, with the health and safety of employees and customers always being paramount.

Due to the impacts of the COVID-19 pandemic, the Management Board resolved on an extensive set of unpleasant and difficult measures, which is already being implemented, to reduce personnel expenses and cost of material. This particularly includes the following items:

- Immediate recruitment freeze
- Suspension of subcontracted labour
- Paid and unpaid holidays
- Reduced working hours
- Layoffs
- Reducing investments to an absolute minimum
- Cash and cost monitoring on a daily basis
- Working capital management
- Use of governmental wage subsidy schemes
- Simplification and harmonisation of the product range

Against the backdrop of these structural changes of the global economic conditions, the long-term positioning of all significant business divisions of the DO & CO Group was examined. No change in strategy but a focus on efficient production processes are the results of this analysis. In some areas this results in the need for restructuring and impairment, with significant negative one-off effects on the result of the business year 2019/2020.

In the fourth quarter of the business year 2019/2020, the DO & CO Group raised additional liquidity by means of new bank loans in the amount of € 300m. This additional liquidity not only serves as reserve for the short-term impact of the COVID-19 pandemic on future cash flows but also as a sign of confidence of the financial institutions in the strength of the DO & CO business model and the medium-term outlook.

Despite all these unprecedented challenges, the DO & CO Group also considers the current crisis as an opportunity to test its processes and structures for utmost efficiency. The aim is to seize the opportunities, which will certainly arise, in an even more effective and flexible way when the COVID-19 pandemic is over. In doing so, the DO & CO Group will benefit from its economical business management in the previous years.

Knowing that particularly the Airline Catering business in its original form might remain affected for a longer period of time, the development of new business models was instantly commenced in all divisions in order to keep DO & CO flexible and competitive also in this difficult phase. This includes innovative models in the Airline Catering distribution such as the launch of new food delivery and gourmet shop concepts as well as adapting the management of major events to the current conditions (e.g. distancing rules) intended to enhance DO & CO's strengths and competitive advantages - innovation, highest quality and consistent production at high volumes. This helps to better utilize the capacity of gourmet kitchens around the world and to aim at new channels of distribution, with a substantially higher share of B to C business transactions than at present, using a manageable investments.

The business year 2019/2020 was thus significantly affected both with regard to its operations in the last weeks and by one-off effects in the financial statements. It is assumed that the business year 2020/2021 will continue to be strongly affected by the COVID-19 situation. A swift return to pre-crisis levels (scenario V) was certainly not assumed in DO & CO´s planning and scenarios, but that there will be a lasting recovery only after two years (scenario U).

The Management Board thus proposes not to distribute a dividend for the business year 2019/2020. The dramatic current situation once again shows the great strengths of DO & CO. On the one hand, employees who work hard on coping with this extraordinary situation, and on the other hand the clear strategic approach with the different business areas and various brands.

3. Key Figures of the DO & CO Group under IFRS

The calculation of the key figures is explained in the Glossary of Key Figures.

		Business Year 2019/2020	Business Year 2018/2019
Revenue	m€	935.37	847.80
EBITDA	m€	70.11	80.37
EBITDA margin	%	7.5%	9.5%
EBIT	m€	-1.92	51.45
EBIT margin	%	-0.2%	6.1%
Profit before income tax	m€	-16.39	48.64
Net result	m€	-24.87	26.40
Net result margin	%	-2.7%	3.1%
Cash flow from operating activities	m€	102.71	54.92
Cash flow from investing activities	m€	-115.03	-45.18
Free cash flow	m€	-12.31	9.75
EBITDA per share	€	7.20	8.25
EBIT per share	€	-0.20	5.28
Earnings per share	€	-2.55	2.71
ROS	%	-1.8%	5.7%

		31 March 2020	31 March 2019
Equity[1]	m€	206.32	249.25
Equity ratio[1]	%	18.9%	42.4%
Net debt (net financial liabilities)	m€	366.40	81.75
Net debt to EBITDA		5.23	1.02
Net gearing	%	177.6%	32.8%
Working capital	m€	-195.26	50.43
Cash and cash equivalents	m€	300.88	70.45
Equity per share (book entry)[1]	€	16.65	20.68
High[2]	€	96.70	91.50
Low[2]	€	30.00	45.55
Price at the end of the period[2]	€	35.90	73.30
Number of shares at the end of the period	TPie	9,744	9,744
Market capitalization at the end of the period	m€	349.81	714.24
Employees		10,726	9,919

1… Adjusted by proposed dividend payments

2… Closing rate

4. Economic environment[1]

Following the decline in global economic growth in the previous year and despite expected positive developments expected for the subsequent years, the worldwide economic performance fell short of expectations already at the beginning of 2019. In autumn 2019, the International Monetary Fund (IMF) already corrected the anticipated growth rate for 2019 from 3.3% to 3.0%. To a large part, this results from the decline in production and global trade arising, among others, from the increase in trade barriers and rising geopolitical tensions as well as uncertainties relating thereto. As a result of the COVID-19 pandemic which already affected most countries across the world by the end of March 2020, the IMF assumed a decline in global economic growth by -3.0% in April 2020. According to an IMF report, forecasts and assumptions are subject to uncertainty as many factors and developments cannot be estimated at the time of preparation, such as the situation improving as of the second half of 2020.

Assuming a slowdown of the spread of the coronavirus in the second half of 2020, a progressive relaxation of social and economic restrictions imposed to contain the virus, and by means of supportive fiscal measures of countries worldwide, a global economic growth of 5.8% and a gradual normalisation of the economic situation is expected for 2021.

In 2019, the IMF forecasted a growth of 1.2% for the euro zone. In the previous year, it amounted to 1.9%. Foreign demand which has continuously and slowly been on the rise since mid-2018, the decline in industrial production as well as the temporary difficulties of the automotive industry in Germany resulted in an only moderate economic growth also in 2019. For France as well as Germany, the forecasted growth in the first half of the year was adjusted downwards due to lower foreign demand. The expectations for economic growth in Spain and Italy were reduced beyond 2019, thus also for 2020. While before the outbreak of the COVID-19 pandemic, growth for the euro zone was forecasted at 1.3%, in April 2020, the IMF assumed a decline in economic performance to -7.5% in the euro zone.

In 2019, the Austrian economy grew by 1.6%, representing a significantly lower rate than in the previous year (2.4%). However, Austria's economic development performed better than the euro zone development. Investments, foreign trade as well as private consumption contributed to economic growth. At 4.5% (Eurostat definition), unemployment dropped again in 2019 (PY: 4.9%). Average unemployment within the EU also declined but at 6.7% clearly exceeds the Austrian rate. Compared to the previous year, the domestic inflation rate (Harmonised Index of Consumer Prices) decreased by 0.6% to 1.5% in 2019. As in the previous year, the inflation rate is therefore still higher than the rate of the European Union which reports an annual inflation of 1.4% in 2019 (PY: 1.9%). The Austrian Economic Chamber forecasts a decline in economic performance of -5.5% for 2020 (status May 2020).

[1]Source of economic data:
https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020
https://www.imf.org/en/Publications/WEO/Issues/2019/10/01/world-economic-outlook-october-2019
https://www.wko.at/service/aussenwirtschaft/tuerkei-wirtschaftsbericht.pdf
http://wko.at/statistik/eu/europa-arbeitslosenquoten.pdf
http://wko.at/statistik/eu/europa-inflationsraten.pdf

In 2019, economic growth in Turkey amounted to 0.9%. Following a sharp decline in economic performance in the previous year, the situation had stabilised in the second half of 2019. This development primarily resulted from a more favourable global economy but was also due to supportive fiscal policy measures. For 2020, the IMF forecasts a decline in economic performance by -5.0% due to the impact of the coronavirus.

Economic growth in the US amounted to 2.3% in 2019 and was thus below the previous year's rate of 2.9%, primarily resulting from trade-related uncertainties. As of April 2020, the IMF expects the economy to decrease by -5.9% in 2020.

Ukraine reported a growth of 3.2% in 2019 which was only slightly below the previous year's level of 3.3%. The forecasted decline in economic performance in 2020 amounted to -7.7% in April 2020 according to an IMF report.

South Korea, Asia's fourth largest national economy, reported a growth of 2.0% in 2019, thus falling short of the previous year's level of 2.7%. Taking into account the expected impact of the COVID-19 pandemic, the forecasted decline in economic performance amounted to -1.2% for 2020, according to the status from April 2020.

With interest rates low, earnings from overnight money and fixed-term deposits were markedly below the historic average also in 2019, which still means a lively demand for more profitable investment opportunities in the financial markets. The European Central Bank (ECB) left the base rate in the euro zone unchanged at the record low of 0.0%. Once again within a very short period of time, the American Federal Reserve (FED) decreased the base rate in March 2020 as a response to the spread of the coronavirus, with the interest rate now ranging between 0.00% and 0.25% (PY: 2.25 - 2.5%).

In the business year 2019/2020, the Austrian leading index ATX was down by -34.0%, the Turkish BIST 100 index decreased by -4.4%, with the values being observed at a time when the COVID-19 crisis had reached its peak.

In the business year 2019/2020, the US dollar varied between 1.10 and 1.12 against the euro. On 31 March 2020, the exchange rate stood at 1.10 EUR/USD, meaning that the US dollar was able to gain against the euro during the reporting period (PY: 1.12 EUR/USD on 31 March 2019). The British pound increased from 0.86 EUR/GBP on 31 March 2019 to 0.89 on 31 March 2020. The Turkish lira lost on the euro, falling from 6.34 EUR/TRY on 31 March 2019 to 7.21 on 31 March 2020. After the Swiss national bank discontinued the minimum exchange rate of 1.20 Swiss francs per euro in 2015, the EUR/CHF rate was 1.06 on 31 March 2020 compared to 1.12 in the previous year. The Ukrainian hryvnia reported a depreciation during the reporting period, showing a EUR/UAH exchange rate of 30.96 on 31 March 2020 (compared to 30.57 EUR/UAH on 31 March 2019).

5. Business Development

Group		Business Year			
		2019/2020	2018/2019	Change	Change in %
Revenue	**m€**	**935.37**	**847.80**	**87.57**	**10.3%**
Other operating income	m€	17.77	21.39	-3.62	-16.9%
Cost of materials	m€	-394.89	-362.31	-32.58	-9.0%
Personnel expenses	m€	-332.82	-282.29	-50.53	-17.9%
Other operating expenses	m€	-154.85	-144.59	-10.26	-7.1%
Result of equity investments accounted for using the equity method	m€	-0.46	0.38	-0.84	-223.0%
EBITDA - Operating result before amortisation / depreciation and effects from impairment tests	**m€**	**70.11**	**80.37**	**-10.26**	**-12.8%**
Amortisation / depreciation and effects from impairment tests	m€	-72.04	-28.92	-43.12	-149.1%
EBIT - Operating result	**m€**	**-1.92**	**51.45**	**-53.37**	**-103.7%**
Financial result	m€	-14.47	-2.81	-11.66	-415.0%
Profit before income tax	**m€**	**-16.39**	**48.64**	**-65.03**	**-133.7%**
Income tax	m€	0.77	-11.71	12.48	106.5%
Profit after tax	**m€**	**-15.62**	**36.93**	**-52.56**	**-142.3%**
Therof net profit attributable to non-controlling interests	m€	-9.25	-10.53	1.28	12.2%
Therof net profit attributable to shareholders of DO & CO Aktiengesellschaft (Net result)	**m€**	**-24.87**	**26.40**	**-51.27**	**-194.2%**
EBITDA margin	%	7.5%	9.5%		
EBIT margin	%	-0.2%	6.1%		
Employees		10,726	9,919	807	8.1%

5.1. Revenue

Revenue		Business Year			
		2019/2020	2018/2019	Change	Change in %
Airline Catering	m€	670.33	598.09	72.24	12.1%
International Event Catering	m€	134.13	129.53	4.60	3.5%
Restaurants, Lounges & Hotel	m€	130.90	120.17	10.73	8.9%
Group Revenue		**935.37**	**847.80**	**87.57**	**10.3%**

In the business year 2019/2020, the DO & CO Group recorded revenue in the amount of € 935.37m (PY: € 847.80m), representing an increase in revenue of € 87.57m or 10.3% compared to the previous year.

In the business year 2019/2020, revenue of the **Airline Catering division** grew by € 72.24m from € 598.09m to € 670.33m. This represents an increase of 12.1%. The Airline Catering division's revenue produced 71.7% of the Group's overall revenue (PY: 70.5%).

Almost all DO & CO locations report significant increases in revenue. It is particularly the locations in the US, Great Britain, Turkey, Poland and Ukraine that report a positive development.

In the business year 2019/2020, revenue of the **International Event Catering division** grew by € 4.60m from € 129.53m to € 134.13m. This represents an increase of 3.5%. The International Event Catering division's revenue produced 14.3% of the Group's overall revenue (PY: 15.3%).

In the business year 2019/2020, revenue of the **Restaurants, Lounges & Hotel division** increased by € 10.73m from € 120.17m to € 130.90m. This represents an increase of

8.9%. The Restaurants, Lounges & Hotel division's revenue produced 14.0% of the Group's overall revenue (PY: 14.2%).

5.2. Result

DO & CO applies the new standard IFRS 16 Leases for the first time as of 1 April 2019, resulting in material shifts in the consolidated income statement.
As lessee, DO & CO recognises a lease liability and a right-of-use asset as of the time the leased asset has been provided to DO & CO. This results in higher amounts of amortisation/depreciation/impairment and interest expenses in the consolidated income statement. On the other hand, rental expenses decrease. For reasons of comparability, the results of the business year 2019/2020 are also presented excluding the effects of IFRS 16 on group and division level.

Below, a detailed account is given on the impact as well as the business year 2019/2020 excl. IFRS 16:

in m€	Business Year 2019/2020	IFRS 16 Impact	Business Year excl. IFRS 16 2019/2020	Business Year 2018/2019
Revenue	**935.37**	**0.00**	**935.37**	**847.80**
Other operating income	17.77	0.02	17.75	21.39
Cost of materials	-394.89	0.00	-394.89	-362.31
Personnel expenses	-332.82	0.00	-332.82	-282.29
Other operating expenses	-154.85	27.64	-182.49	-144.59
Result of equity investments accounted for using the equity method	-0.46	0.00	-0.46	0.38
EBITDA - Operating result before amortisation / depreciation and effects from impairment tests	**70.11**	**27.66**	**42.45**	**80.37**
Amortisation / depreciation and effects from impairment tests	-72.04	-24.45	-47.58	-28.92
EBIT - Operating result	**-1.92**	**3.21**	**-5.13**	**51.45**
Financial result	-14.47	-9.77	-4.70	-2.81
Profit before income tax	**-16.39**	**-6.56**	**-9.83**	**48.64**
Income tax	0.77	0.93	-0.16	-11.71
Profit after income tax	**-15.62**	**-5.63**	**-9.99**	**36.93**
Thereof net profit attributable to non-controlling interests	-9.25	1.60	-10.85	-10.53
Thereof net profit attributable to shareholders of DO & CO Aktiengesellschaft (Net result)	**-24.87**	**-4.04**	**-20.84**	**26.40**
EBITDA margin	7.5%	3.0%	4.5%	9.5%
EBIT margin	-0.2%	0.3%	-0.5%	6.1%
Net Result margin	-2.7%	-0.4%	-2.2%	3.1%

Other operating income amounts to € 17.77m (PY: € 21.39m). This represents a decrease of € -3.62m.

In absolute figures, cost of materials increased by € 32.58m (9.0%), from € 362.31m to € 394.89m, at a revenue increase rate of 10.3%. Cost of materials as a proportion of revenue thus decreased slightly from 42.7% to 42.2%.

Personnel expenses in absolute figures increased to € 332.82m in the business year 2019/2020 (PY: € 282.29m). In relation to revenue, personnel expenses thus amount to 35.6% (PY: 33.3%).

Other operating expenses rose by € 10.26m or 7.1%. Accordingly, other operating expenses made up 16.6% of revenue (PY: 17.1%).

The result of investments accounted for using the equity method amounts to € -0.46m in the business year 2019/2020 (PY: € 0.38m).

The EBITDA margin was 7.5% in the business year 2019/2020 (PY: 9.5%). The EBITDA margin excluding the effects of IFRS 16 was 4.5% in the business year 2019/2020 (PY: 9.5%). In addition to one-off costs in the amount of € 23.98m due to the COVID-19 pandemic, the reduction in the EBITDA margin is also attributable to start-up costs regarding British Airways and Iberia in the amount of € 9.28m as well as one-off legal and consulting fees for extraordinary M&A projects in the amount of approximately € 2.71m.

In the business year 2019/2020, amortisation/depreciation and effects from impairment tests amounted to € 72.04m, representing a significant increase on the previous year (PY: € 28.92m). The reason for this significant increase is the first-time application of IFRS 16 on the one hand, and the impairment of property, plant and equipment as well as one goodwill on the other hand. Moreover, impairment of investments accounted for using the equity method is included. Disclosures on impairment are included in Sections 4.1. and 4.2. in the consolidated financial statements.

The EBIT margin is -0.2% in the business year 2019/2020 (PY: 6.1%).

The financial result for the business year 2019/2020 declined from € -2.81m to € -14.47m. Interest and similar expenses include interest expenses incurred for the corporate bond in the amount of € 5.00m (PY: € 5.00m), for loans, for the discounting of termination benefit obligations and other non-current obligations in the amount of € 1.26m (PY: € 1.28m) as well as for the compounding of lease liabilities in the amount of € 9.77m (PY: € 0.00m).

Income tax amounts to € 0.77m for the business year 2019/2020 (PY: € -11.71m), representing an increase by € 12.48m. The tax ratio (taxes as a proportion of untaxed income) was 4.7% in the business year 2019/2020 (PY: 24.1%).

For the business year 2019/2020, the Group generated a loss after income tax of € -15.62m (PY: € 36.93m). € 9.25m (PY: € 10.53m) of the loss after income tax is attributable to non-controlling interests.

The net loss attributable to the shareholders of DO & CO Aktiengesellschaft (net result) therefore amounts to € -24.87m (PY: € 26.40m). Earnings per share thus amount to € -2.55 (PY: € 2.71).

5.3. Statement of financial position

Total assets increased to € 1,089.82m as of 31 March 2020 (PY: € 588.51m). This is primarily due to two factors: The first-time application of IFRS 16 and the taking out of loans.

Property, plant and equipment increased to € 449.15m (PY: € 192.93m) as of 31 March 2020 due to the implementation of IFRS 16 and ongoing investments.

Non-current financial liabilities increased to € 470.93m (PY: € 0.00m) due to the taking out of loans in the amount of € 289.88m and the first-time application of IFRS 16.

Current financial liabilities also increased from € 24.50m as of 31 March 2019 to € 212.22m as of 31 March 2020 due to the first-time application of IFRS 16, the reclassification of the bond in the amount of € 149.69m from non-current to current financial liabilities and due to current liabilities from loans.

The Group's equity amounts to € 206.32m as of 31 March 2020. The equity ratio thus is 18.9% as of 31 March 2020 (31 March 2019: 42.4%), with the equity ratio adjusted by IFRS 16 being 24.1% as of 31 March 2020.

5.4. Employees

The average number of staff (full-time equivalent) in the business year 2019/2020 was 10,726 (PY: 9,919 employees). The increase is mainly due to the expansion of business activities at the British and Turkish locations as well as the establishment of the new gourmet kitchen in Spain.

5.5. Research and development

Within the context of creating and optimising service concepts for customers, the Company performs research and development activities with regard to meals and design of packaging, tableware and equipment.

5.6. Non-financial performance indicators

Pursuant to the Austrian Sustainability and Diversity Improvement Act (NaDiVeG), DO & CO is required to publish a non-financial report for the business year 2019/2020. This report is available at the website (**www.doco.com**).

5.7. Airline Catering

With its unique, innovative and competitive product portfolio, the Airline Catering division generates the largest share of the DO & CO Group's revenue.

DO & CO operates 32 gourmet kitchens worldwide in twelve countries on three continents.

DO & CO's customer portfolio includes more than 60 airlines. This clientele includes major players such as Austrian Airlines, Asiana Airlines, British Airways, Cathay Pacific, China Airlines, Emirates, Etihad Airways, EVA Air, Egypt Air, Iberia, Iberia Express, Jet Blue, Korean Air, Lufthansa, LOT Polish Airlines, Oman Air, Pegasus Airlines, Qatar Airways, Singapore Airlines, South African Airways, SWISS, Thai Airways and Turkish Airlines.

Airline Catering		**Business Year**				
		2019/2020	**2018/2019**	**Change**	**Change in %**	**2019/2020 excl. IFRS 16**
Revenue	m€	670.33	598.09	72.24	12.1%	670.33
EBITDA	m€	42.89	56.24	-13.34	-23.7%	25.52
Depreciation/amortisation	m€	-37.47	-20.03	-17.44	-87.1%	-22.87
Effects from Impairment tests	m€	-7.48	-1.51	-5.97	-395.2%	-6.99
Impairment	m€	-7.87	-2.69	-5.18	-192.6%	-7.37
Appreciation	m€	0.38	1.18	-0.80	-67.6%	0.38
EBIT	m€	-2.07	34.69	-36.76	-106.0%	-4.33
EBITDA margin	%	6.4%	9.4%			3.8%
EBIT margin	%	-0.3%	5.8%			-0.6%
Share of Group Revenue	%	71.7%	70.5%			71.7%

In the business year 2019/2020, the Airline Catering division generated revenue in the amount of € 670.33m (PY: € 598.09m), meaning an increase of 12.1% on the previous year despite a very competitive and volatile market environment as well as the commencing COVID-19 pandemic. The Airline Catering division's revenue produced 71.7% of the Group's overall revenue (PY: 70.5%). Altogether, the 32 gourmet kitchens operated by the DO & CO Group around the globe catered for more than 112 million passengers on over 683,000 flights.

At € 42.89m, EBITDA thus is € -13.34m or -23.7% below the figure of the same period of the previous year. EBIT amounts to € -2.07m (PY: € 34.69m). The EBITDA margin was 6.4% in the business year 2019/2020 (PY: 9.4%). The EBIT margin is -0.3% (PY: 5.8%).

In addition to one-off costs in the amount of € 23.98m due to the COVID-19 pandemic, the reduction in the EBITDA margin is also attributable to start-up costs regarding British Airways and Iberia in the amount of € 9.28m as well as one-off legal and consulting fees for extraordinary M&A projects in the amount of approximately € 2.71m.

With regard to the development of the international locations, the following is worth noting:

TURKEY

In April 2019, the joint company Turkish DO & CO successfully accomplished the transfer of all Turkish Airlines flights from the Atatürk airport to the new airport in Istanbul without any interruptions or delays. This does not only demonstrate DO & CO's excellent culinary expertise but also its operative strength with first-class logistics know-how.

Moreover, the contractual documentation for the agreement on the continuation of the cooperation with Turkish Airlines through the joint company Turkish DO & CO, which was concluded and announced on 23 October 2018, was signed on 27 May 2019. In particular, this contractual documentation provides for the continuation of the catering supply contract between Turkish Airlines and Turkish DO & CO for 15 years as well as the sale of the hotel in Istanbul by Turkish DO & CO to Turkish Airlines. The performance of the transaction is subject to suspensive conditions, particularly to the approval by the competition authorities.

SPAIN

On 1 February 2020, DO & CO successfully took over all catering services on several Iberia and Iberia Express flights ex Madrid-Barajas. The only reason for this difficult takeover having been performed smoothly was that a large number of experts within the DO & CO network was flown in to support the local team. DO & CO was thus able to prove once more that it is able to successfully take over large hub and homebase locations at one single date. Before outbreak of the COVID-19 pandemic approx. 170 flights per day, 140 thereof being short-haul flights and 30 long-haul flights, are easily provided with catering services.

AUSTRIA

Another pleasing development is that DO & CO's quality strategy does not only result in new business relations but also leads to airlines receiving prestigious awards. These in turn might be used as a marketing instrument in communication. In particular, Skytrax (www.worldairlineawards.com) should be mentioned in this context, where for example Austrian Airlines using DO & CO catering was awarded "Best Business Class Catering in Europe" and "Best Premium Economy Class Catering" in 2019.
The Airline Catering locations in Austria reported a slightly decreasing business development due to the COVID-19 pandemic. However, with one daily flight each of Air Canada and Ethiopian Airlines, DO & CO was able to expand its customer portfolio at the Vienna location in the previous business year 2019/2020. Particularly with regard to third-party customers, the Vienna location reported a very favourable development, among others attributable to numerous new customers such as Hainan Airlines, ANA and China Southern which were won in the course of the business year 2018/2019.

US

DO & CO has won the IAG North America tender for British Airways at four locations, comprising all catering services ex North America. Since October 2019, catering services have been provided to British Airways also at the Los Angeles and San Diego locations. Moreover, DO & CO won the Iberia North America catering tender at all three DO & CO locations. Since November and December 2019 all Iberia flights ex Chicago and Los Angeles have already been provided with catering services, with New York JFK following at the beginning of May 2020.

With Qatar Airways, DO & CO has won another quality-focused and prestigious customer at the New York John F. Kennedy location. Since mid-February 2020 and before outbreak of the COVID-19 pandemic, high-quality menus have been offered to Qatar Airways on two daily flights. DO & CO has therefore substantially improved its market position at this strategically important location and is the market leader for international airlines.

GREAT BRITAIN

The preparations for the takeover of the entire catering services for British Airways at London Heathrow are in full swing. In this context, DO & CO is building one of the most modern and largest gourmet kitchens in Europe with an area of more than 35,000 sqm in London. After the successful takeover of the first long-haul flights in December 2018, DO & CO took over catering services for another six British Airways destinations ex London Heathrow between April and June 2019.

Moreover, DO & CO was able to acquire Cathay Pacific as new customer also at the London location. Since the beginning of May 2019, DO & CO has been providing catering services on five daily flights ex London Heathrow and one daily flight ex London Gatwick. DO & CO has therefore further expanded its market position also in London after having been awarded the contract for providing catering and handling services on all British Airways short-haul and long-haul flights.

GERMANY

After Düsseldorf and Munich, Singapore Airlines has also switched to DO & CO at the large hub in Frankfurt with three daily flights since November 2019. DO & CO is thus able to significantly intensify its business relations with a further quality carrier.

DO & CO strategy

- Strengthening the division's position as "the" premium supplier in the Airline Catering segment
- Unique, innovative and competitive product portfolio
- Long-term sustainable partnerships with customers at several locations
- One-stop supplier of airline catering services
- Gourmet kitchen approach: meals for all divisions are prepared in central kitchens in order to ensure consistent quality, know-how exchange across all divisions and high capacity utilisation

Outlook on the business year 2020/2021

- Completing the establishment of the new gourmet kitchen at the airport in London Heathrow.
- Preparations for the takeover of catering and handling services on all British Airways long-haul and short-haul flights ex London Heathrow as of May and September 2020
- Participation in numerous tenders for existing and/or new customers
- Evaluation of takeover goals and expansion possibilities
- Evaluation of location closures
- Streamlining of products and processes

Competitive edge of DO & CO

- "The" premium airline caterer
- Product creativity and innovation
- Supplier of one-stop solutions

5.8. International Event Catering

The International Event Catering division generated revenue of € 134.13m (PY: € 129.53m) in the business year 2019/2020. The International Event Catering division's EBITDA stands at € 14.37m (PY: € 16.35m). The EBITDA margin is 10.7% (PY: 12.6%). EBIT is € 7.43m in the business year 2019/2020 (PY: € 11.77m). The EBIT margin is 5.5% (PY: 9.1%).

International Event Catering		Business Year				
		2019/2020	**2018/2019**	**Change**	**Change in %**	**2019/2020 excl. IFRS 16**
Revenue	m€	134.13	129.53	4.60	3.5%	134.13
EBITDA	m€	14.37	16.35	-1.98	-12.1%	12.96
Depreciation/amortisation	m€	-5.64	-4.57	-1.07	-23.3%	-4.32
Effects from Impairment tests	m€	-1.30	0.00	-1.30	0.0%	-1.30
Impairment	m€	-1.30	0.00	-1.30	0.0%	-1.30
Appreciation	m€	0.00	0.00	0.00	0.0%	0.00
EBIT	m€	7.43	11.77	-4.34	-36.9%	7.34
EBITDA margin	%	10.7%	12.6%			9.7%
EBIT margin	%	5.5%	9.1%			5.5%
Share of Group Revenue	%	14.3%	15.3%			14.3%

For DO & CO's International Event Catering division, the business year 2019/2020 was already its 28th successive season of catering for Formula 1 grand prix races. Altogether, it handled 18 Formula 1 grand prix races in 18 different countries.

It should also be noted in this context that DO & CO extended its commitment in the previous 2019 Formula 1 season. Each Thursday, DO & CO provided catering services to the participants of the Massachusetts Institute of Technology (MIT) at the Bahrain, Silverstone, Monza and Abu Dhabi races. For five weekends, DO & CO further catered for Amazon Web Services round the clock at the Barcelona, Le Castellet, Silverstone, Hockenheim and Monza races. From Friday to Sunday, DO & CO organised the "Amazon Executive Leadership Series" executive events as a one stop partner agency, providing a unique event experience to the international guests at the different European locations.

Due to the COVID-19 pandemic, the second Formula 1 grand prix race of the new season 2020 in Bahrain did not take place as planned at the end of March 2020.

DO & CO and Liberty Media agreed on a contract extension to cater for guests at the Formula 1 grand prix races for the years from 2020 onwards. Following the 28th season in a row, DO & CO will thus provide catering services for another five years at the exclusive Paddock Club. Besides catering, this also includes the Formula 1 VIP hospitality infrastructure of which DO & CO has been in charge since the business year 2014/2015.

In the business year 2019/2020, DO & CO handled the catering for a total of 22 football matches at the Allianz Arena. Its services comprised full-scale catering for the VIP and public areas for all home games of FC Bayern Munich as well as organising numerous sporting and business events at the Allianz Arena. A particular highlight among the events at the Allianz Arena was the Audi Cup that took place across two days in July 2019.

In addition to FC Bayern München, in the business year 2019/2020, DO & CO also was the culinary host for guests at numerous football matches of Juventus Turin Football Club, FK Austria Vienna and FC Red Bull Salzburg as well as at international ÖFB matches at the Ernst Happel Stadium in Vienna. With FC Bayern Munich, Red Bull Salzburg and Austria Vienna, DO & CO already provides catering services to three football clubs. It should also be noted in this context that the contract with Juventus Turin Football Club will not be extended beyond 30 June 2020 due to cost cutting measures.

Additionally, numerous events at the Munich Olympic Park were also hosted by DO & CO. The Olympic Park in Munich and DO & CO are continuing their successful cooperation to cater for guests and visitors at the Munich Olympic Park even after 2023. The Olympic Park in Munich already opted for an early extension of the contract by a further five years until the end of 2028.

The annual tennis tournament in the course of the ATP Tennis Masters Series in Madrid marked the beginning of early summer. Over a period of ten days, 32,000 VIP guests and the tour's top tennis players indulged in exclusive DO & CO catering. Moreover, DO & CO provided catering services for the national Open Golf Championship in Madrid for the first time.

Additionally, DO & CO was able to host the UEFA Champions League final at the Estadio Metropolitano in Madrid. This was already the fourteenth Champions League final catered for by DO & CO for UEFA.

Aachen hosted the equestrian tournament CHIO in July 2019, with DO & CO being again responsible for the catering for the VIP guests.

The highlight of the summer were once again the Beach Volleyball Major Series held in Vienna at the end of July and the beginning of August 2019, where over a period of six days VIP guests and players tasted the very best of DO & CO's catering.

Once again since 1992, DO & CO has hosted the annual Film Festival at the Rathausplatz in Vienna held from end of June until beginning of September 2019. DO & CO has been responsible for the planning, organisation, set-up and gastronomic logistics of the gourmet food market, an event that is unique in Europe.

The highlight of the winter season in January 2020 was once again the annual Hahnenkamm ski race in Kitzbühel. DO & CO provided a unique atmosphere and catering at the highest level at the Bergisel and Bischofshofen legs of the Four Hills Tournament and the night slaloms in Flachau and Schladming.

A particular highlight in the third quarter of the business year 2019/2020 were the 200th anniversary celebrations of Erste Bank in Vienna with more than 19,000 guests over three days.

DO & CO strategy

- Strengthening our core competence as a premium caterer
- Pushing our position as a "general contractor for gourmet entertainment" with "ready-made" creative solutions
- Enhancing the premium event brand established by DO & CO
- Establishing DO & CO as a strong and reliable partner

Outlook on the business year 2020/2021

- Catering and management of VIP hospitality infrastructure for Formula 1 grand prix races
- Catering for football games of FC Bayern Munich, FC Red Bull Salzburg and FK Austria Vienna

Competitive edge of DO & CO

- "One stop partner"
- Unique premium product – distinct and unequalled
- Maximum reliability, flexibility and a strong focus on quality have turned DO & CO into a "no headache" partner that is always ready to serve its customers
- An international and dynamic leadership team that is experienced in the premium segment

5.9. Restaurants, Lounges & Hotel

In the business year 2019/2020, the Restaurants, Lounges & Hotel division accounted for revenue of € 130.90m (PY: € 120.17m), which translates into a revenue increase by € 10.73m or 8.9%. EBITDA is € 12.85m (PY: € 7.79m). The EBITDA margin is 9.8% (PY: 6.5%). At € -7.29m, EBIT is below the previous year's level (PY: € 4.98m). The EBIT margin was -5.6% (PY: 4.1%).

Restaurants, Lounges & Hotel		**Business Year**				
		2019/2020	**2018/2019**	**Change**	**Change in %**	**2019/2020 excl. IFRS 16**
Revenue	m€	130.90	120.17	10.73	8.9%	130.90
EBITDA	m€	12.85	7.79	5.06	65.0%	3.97
Depreciation/amortisation	m€	-10.63	-2.87	-7.76	-270.7%	-2.60
Effects from Impairment tests	m€	-9.51	0.06	-9.57	-	-9.51
Impairment	m€	-9.51	0.06	-9.57	-	-9.51
Appreciation	m€	0.00	0.00	0.00	-100.0%	0.00
EBIT	m€	-7.29	4.98	-12.27	-246.3%	-8.14
EBITDA margin	%	9.8%	6.5%			3.0%
EBIT margin	%	-5.6%	4.1%			-6.2%
Share of Group Revenue	%	14.0%	14.2%			14.0%

The Restaurants, Lounges & Hotel division consists of the following business units: restaurants and Demel cafés, lounges, hotel, staff restaurants, retail and airport gastronomy. Until the COVID-19 pandemic, activities were going according to plan and in line with expectations.
In the fourth quarter of the business year 2019/2020, impairment for the Hédiard goodwill was recognised, resulting from the COVID-19 crisis (see Section 4.1. of the consolidated financial statements).

The 31 lounges operated around the world by DO & CO served culinary delights to over 5.9 million passengers in the business year 2019/2020.

Turkish DO & CO not only designed the new lounges concepts for Turkish Airlines at the new Istanbul airport but also manages their operations. The new lounges are among the world's largest business class lounges and, with an even larger selection than they already enjoyed in the old, multiple-award winning lounges, provide a very diverse and unique experience to the premium passengers of Turkish Airlines. In doing so, new standards are set again in this segment.

In the business year under review, DO & CO expanded its portfolio of lounges and took over both premium lounges of Iberia (Velazquez and Dali) at the Madrid-Barajas airport on 1 February 2020. In doing so, up to 3,000 guests are enjoying the fresh culinary treats of DO & CO on a daily basis.

A very favourable development to be also reported in this context is that after the takeover of catering services for Cathay Pacific at London Heathrow and London Gatwick, the entire selection of menus for the first class as well as the quality assurance for all locations in Europe and North America, DO & CO has now also won the tender for the business lounge in Frankfurt. DO & CO will take over this lounge in July 2020. Moreover, at the London Heathrow location, DO & CO will also take over catering services for the Qatar business and frequent traveller lounges as of July 2020. DO & CO is extremely proud to add Qatar Airways to its customer portfolio in the lounges segment.

DO & CO strategy

- Creative core of the DO & CO Group
- Marketing tool and image projector of the Group and brand development
- Direct sale to customers guarantees the highest quality and serves as indicator for customer satisfaction

Outlook on the business year 2020/2021

- Continued expansion in the retail segment with the opening of new locations of "Henry – the art of living" shops
- Continued expansion in the lounges, airport gastronomy and staff restaurants units

Competitive edge of DO & CO

- Pioneer in product innovation and take-up of international trends
- Strong brand that guarantees supreme quality
- Wide spectrum within the division: lounges, retail, airport gastronomy, restaurants and Demel cafés, hotel and staff restaurants
- Unique locations: Stephansplatz, Kohlmarkt, Albertina and Neuer Markt in Vienna as well as Place de la Madeleine in Paris

5.10. Share / Investor Relations / Information Pursuant to Section 243a UGB

Stock market overview

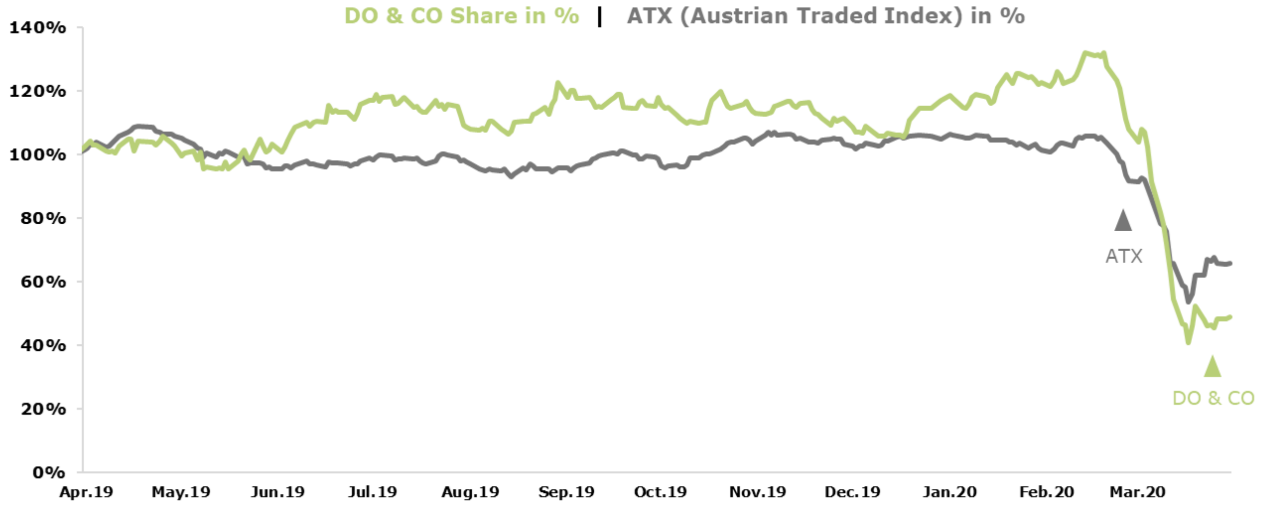
During the reporting period, the overall European stock index EuroStoxx 50 decreased by -17.5%. The US stock index Dow Jones Industrial and the DAX also reported a decrease of -15.5% and -13.8%, respectively.

The Vienna Stock Exchange index ATX fell by -34.0% from 3,034.04 points on 29 March 2019 to 2,001.60 points on 31 March 2020.

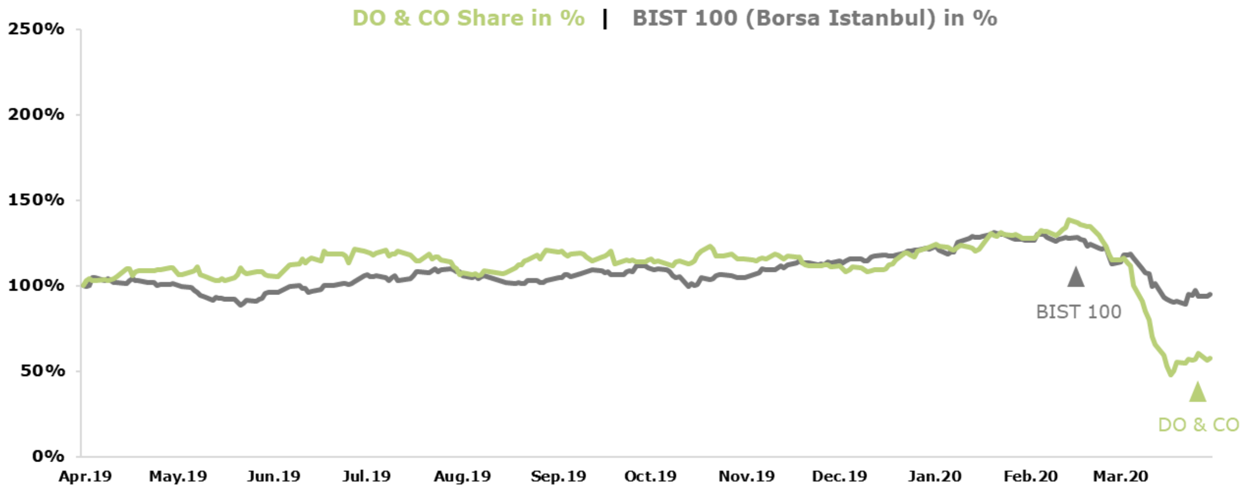
The Istanbul Stock Exchange also continued to move downwards in the reporting period. The Turkish BIST 100 fell by -4.4% during the reporting period, closing at 89,643.71 points on 31 March 2020.

DO & CO shares

On the Vienna Stock Exchange, DO & CO's share fell by -51.0% in the business year 2019/2020, reporting a closing rate of € 35.90 on 31 March 2020.



On the Istanbul Stock Exchange, the DO & CO share also fell significantly by -42.1%, closing at TRY 264.40 on 31 March 2020.



Both the loss on the Vienna and the Istanbul Stock Exchange result from the COVID-19 pandemic and its effects on the DO & CO Group's business activities.

Dividend

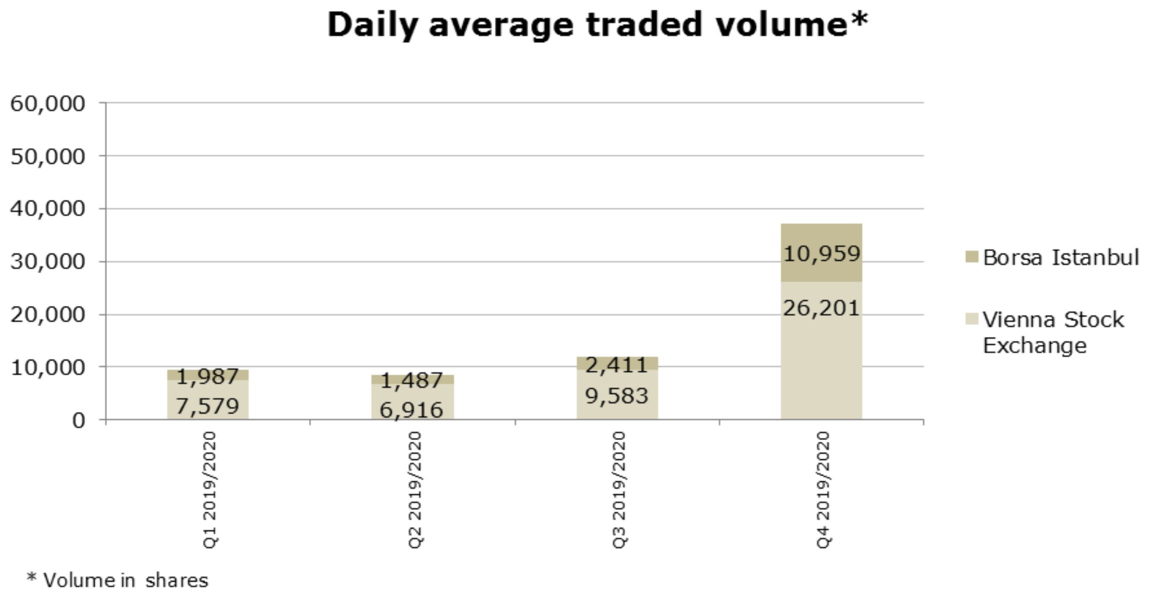
Considering the massive reduction of flights offered worldwide due to the continuing COVID-19 pandemic and the restrictions and prohibitions of events and the operation of restaurants mandated by authorities as a result, analysts' revenue and result expectations for the business year 2020/2021 which began on 1 April cannot be achieved. The Management Board of DO & CO Aktiengesellschaft will propose to the General Meeting of Shareholders not to distribute a dividend for the business year 2019/2020.

Trading volumes

On the Vienna Stock Exchange, an average of € 905k in DO & CO shares was traded daily during the business year 2019/2020. On the Istanbul Stock Exchange, an average of € 264k in DO & CO shares was traded daily during the business year 2019/2020. The trading volume in Vienna thus was higher than the one on the Istanbul Stock Exchange. Together, the two stock exchanges traded € 1,169k or 16,880 shares as a daily average. The daily trading volume thus decreased on the same period of the previous year.

	Vienna Stock Exchange		Istanbul Stock Exchange		Total	
	Business Year		Business Year		Business Year	
	2019/2020	2018/2019	2019/2020	2018/2019	2019/2020	2018/2019
Volume in shares*	12,608	18,909	4,272	6,210	16,880	25,119
Turnover in k€*	905	1,286	264	407	1,169	1,694

* daily average traded volume of the DO & CO shares



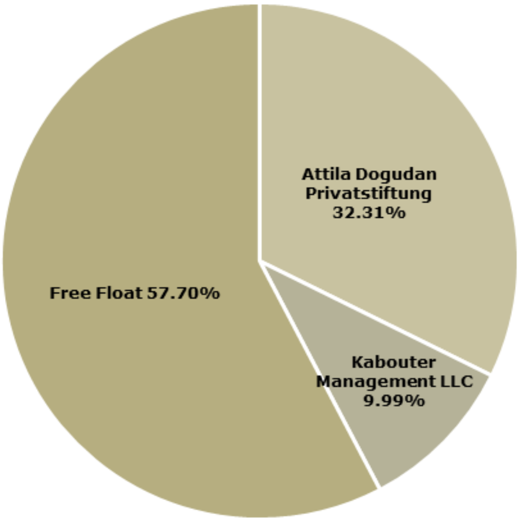
Key figures per share

		Business Year 2019/2020	Business Year 2018/2019
High [1]	€	96.70	91.50
Low [1]	€	30.00	45.55
Share price at the end of the period [1]	€	35.90	73.30
Number of shares at the end of the period	TPie	9,744	9,744
Market capitalisation at the end of the period	m€	349.81	714.24

1... Closing price

Shareholder structure of DO & CO Aktiengesellschaft

As of 31 March 2020, 57.70% of the shares are in free float. The remaining shares are held by the private foundation Attila Dogudan Privatstiftung (32.31%) and by Kabouter Management LLC (9.99%). The share of Attila Dogudan Privatstiftung includes a stake of 1.59% provided for management and staff participation.



Information on the DO & CO shares

ISIN	AT0000818802
Reuters Code	DOCO.VI, DOCO.IS
Bloomberg Code	DOC AV, DOCO. TI
Indices	ATX, ATX Prime, BIST ALL
WKN	081880
Listed in	Vienna, Istanbul
Currency	EUR, TRY

Financial calendar

5 July 2020	Record date for the General Meeting of Shareholders for the business year 2019/2020[2]
15 July 2020	General Meeting of Shareholders for the business year 2019/2020[2]
17 July 2020	Ex-dividend date[2]
20 July 2020	Record date for dividends[2]
31 July 2020	Dividend payment date[2]
12 August 2020	Results for the first quarter of 2020/2021[2]
19 November 2020	Results for the first half year of 2020/2021[2]
18 February 2021	Results for the first three quarters of 2020/2021[2]

[2] Postponed – new date will follow

Investor Relations

In the business year 2019/2020, the management of DO & CO Aktiengesellschaft held talks with numerous institutional investors and financial analysts.

Analyses and reports involving DO & CO's share are currently published by eight international institutions:

- Berenberg
- Hauck & Aufhäuser
- Kepler Cheuvreux
- Erste Bank
- HSBC
- Raiffeisen Centrobank
- İş Investment
- GSC Research

Analysts have an average price target of € 77.43 (status: 2 June 2020).

All published materials, the Corporate Governance Report and information on DO & CO's share are posted under Investor Relations on the DO & CO website at **www.doco.com**.

For more information please contact:
Investor Relations
Email: **investor.relations@doco.com**

Disclosures pursuant to Section 243a Austrian Commercial Code (UGB)

1. The share capital amounts to € 19,488,000.00 and is divided into 9,744,000 no-par value bearer shares. Only shares of this class are issued.
2. The Management Board is currently not aware of any limitations to the voting rights or to the transfer of DO & CO shares, even for those contained in agreements between shareholders.
3. At the reporting date, (i) Attila Dogudan Privatstiftung holds 32.31% and (ii) Kabouter Management, LLC 9.99% of the share capital of the Company.
4. There are currently no shares endowed with special control rights.
5. DO & CO staff owning Company shares can exercise their voting rights directly at the General Meeting of Shareholders.
6. The Company has no provisions on appointing and dismissing members of the Management Board that are not derived directly from the pertinent law on this matter. A simple majority of the share capital represented in the vote of a resolution suffices to make a change in the Articles of Association (as opposed to the statutory majority of 75%), unless that change pertains to a conditional capital increase, authorised capital or an ordinary or simplified capital reduction. The Supervisory Board may amend the Articles of Association if it only relates to the version.
7. For a duration of five years as of 1 August 2018, the Management Board is authorised
   a) in accordance with Section 169 Austrian Stock Corporation Act (AktG), subject to approval of the Supervisory Board, to increase the share capital from the current nominal amount of € 19,488,000.00 by up to a further € 2,000,000.00 through the issuance of up

to 1,000,000 new no-par value bearer shares in exchange for cash or non-cash contribution – in several tranches if need be – and to define the issue price, the issue conditions and the further details of carrying out the capital increase, in each case subject to approval by the Supervisory Board,
b) subject to exclusion of the subscription right pursuant to lit. c), to offer the new shares to the shareholders, if need be, through indirect subscription rights as defined in Section 153 (6) AktG,
c) subject to approval of the Supervisory Board, to exclude the shareholders' subscription right, (i) in the case the capital increase is made in exchange for non-cash contributions for the purpose of acquiring companies, operations, parts of companies or operations, or shares in one or multiple companies in Austria or abroad, or (ii) in order to exclude residual amounts from the subscription right of the shareholders, or (iii) in order to satisfy an over-allotment option granted to the issuing banks.
The share capital of the Company is increased pursuant to Section 159 (2) 1 Austrian Stock Corporation Act (AktG) by up to € 7,795,200.00 through the issuance of up to 3,897,600 new no-par value bearer shares for issuing to creditors of financial instruments as described in the resolutions of the General Meeting of Shareholders of 10 July 2008 and of 4 July 2013. The capital increase may only be carried out to the extent that the creditors of financial instruments exercise their warrant or conversion rights to Company shares.
Per resolution of the General Meeting of Shareholders dated 18 July 2019, the Management Board was authorised, for a duration of 30 months as of 18 July 2019, to acquire own shares up to the statutory maximum amount, even under the exclusion of the right to sell on a pro rata basis which may be associated with such an acquisition (exclusion of reverse subscription rights), to resolve on the disposal or use of own shares by means other than sale through the stock exchange or by means of a public offer by analogy with the provisions on the exclusion of subscription rights of shareholders, as well as to decrease the share capital by withdrawing these own shares without further resolution of the General Meeting of Shareholders.

8. Agreements have been made with clients of the DO & CO Group that entitle them to cancel the contractual relationship in full or in part if there is a change of control in the Company. These agreements are not further specified here owing to the considerable damage this disclosure would do to the Company.
9. No agreements have been made between the Company and the members of its Management or Supervisory Boards or its employees regarding any compensation in the event of a public takeover bid.

6. Outlook

Currently the world is facing unprecedented challenges due to the COVID-19 pandemic. The pandemic hit industries and the global economy as a whole so fast and to such an extent and with such a severity as nobody could have predicted. Around the globe, the food service, hospitality, travel and aviation industries are the ones most affected as countries are closing their borders, suspending flights and enforcing strict travel restrictions within the context of their measures implemented to contain pandemics.

Passenger flights around the world are still largely suspended, many countries are still experiencing a shut down and strict travel restrictions are still in place, which are gradually being eased. Most forecasts show that air traffic will be gradually resumed and that it will take at least 18 to 24 months until air traffic recovers to pre-pandemic levels.

DO & CO continues cooperating actively with regulatory and industry organisations to propose and develop new operating regulations in order to ensure the health and safety of the customers as well as crew and ground staff when flights are resumed. DO & CO has taken all measures required to protect the highly skilled employees and to secure the business while planning to resume business activities. DO & CO is ready to restart its processes to provide the best services to the customers as soon as circumstances permit. DO & CO cooperates with various regulatory authorities and is confident that changes to the regulations will allow for a secure and well-organised resumption of operations. The industry will adapt to new requirements the same way as it adapted to the developments with regard to safety requirements in the past.

DO & CO assumes that passenger demand will not recover to the 2019 level before 2023 and that the upcoming business year 2020/2021 and therefore Group net result will generally be affected considerably by the COVID-19 situation. The DO & CO Group is exposed to particular risks with regard to the further development of travel restrictions and the opportunities to host major events. To counter these risks in the best possible way, a group-wide restructuring will be indispensable in order to manage the crisis, focusing strongly on an appropriate level of liquidity. Moreover, the development of already existing and new B2C distribution channels will be accelerated. The Management Board is confident, that DO & CO will emerge stronger from this crisis.

Ever since the beginning of the crisis, DO & CO has acted quickly and attempted to prepare in the best possible way for future market requirements and the lower volumes relating thereto, by immediately reducing its running costs to a significant extent. At the same time, existing business models were newly interpreted and investments in the development of new business models were made, the results of which are expected to become apparent in the business year 2020/2021.

While – despite all the restrictions – restaurants have fortunately been covering a lot of ground back towards the previous year’s level since they have reopened, the first pleasing signs can also be seen with regard to event catering (e.g. Formula 1, private events or, starting in autumn, individual major events such as football matches with a reduced number of visitors) as well as gourmet retail. A very favourable development is that some large airline customers of DO & CO – particularly at times like these – continue to put great emphasis on excellent product quality and customer satisfaction, primarily in the premium classes such as first or business class. At the same time, all airlines are open to innovative and new distribution solutions, particularly with regard to the economy class.

Due to its diverse range of activities and divisions and particularly due to its innovative capacity and quick implementation capability, DO & CO was able to quickly adapt to the new reality, and is convinced that it will emerge stronger from this crisis owing to its flexible corporate culture and its strong brand portfolio.

Due to the impact of the situation resulting from the COVID-19 pandemic, the Management Board decided to propose to the General Meeting of Shareholders not to distribute a dividend for the business year 2019/2020. Additionally, the Management Board decided to postpone the date of the General Meeting of Shareholders 2019/2020 originally scheduled for 15 July 2020 until further notice.

Finally, the following events should be highlighted:

Successful takeover of catering services on British Airways long-haul flights at London Heathrow
DO & CO was able to take over all catering services for British Airways long-haul flights on 12 May 2020 without any interruptions or delays. The transfer of short-haul flights is currently scheduled for September 2020.

Start of the Formula 1 season 2020
Liberty Media has announced a short season for 2020, starting with two races in Austria. In order to ensure safety and ultimate control of all hygiene requirements, DO & CO was selected as the sole caterer for all teams in both race weeks.

Re-opening of the DO & CO restaurants in Vienna
Following the announcement of the Austrian government to ease the measures implemented to fight the COVID-19 pandemic and to allow the re-opening of restaurants from 15 May 2020, DO & CO reopened all its restaurants in Vienna.

Extension of the cooperation with FC Bayern München - FC Bayern München flagship store | DO & CO Hotel | DO & CO restaurants in the centre of Munich
DO & CO and FC Bayern Munich will continue their long-standing and very favourable partnership. At the end of 2020, the new FC Bayern München "Erlebniswelt" will be opened near Munich's Marienplatz. Located in the same building as the FC Bayern München flagship store, DO & CO will operate two restaurants (Bavarian and international), a boutique hotel as well as a premium event space.

New retail concept "The Lazy Chef"
DO & CO introduces its own retail application "The Lazy Chef", allowing to pre-order ready meals and prefabricated meal components from DO & CO that can be picked up from centrally located strategic distribution and retail shops.

7. Risk and Opportunity Management

DO & CO is exposed to widely varying risks because it conducts business globally in three different divisions: Airline Catering, International Event Catering and Restaurants, Lounges & Hotel. Yet this diversification also opens up many opportunities for a positive development of the Company.

As to opportunities, strategies that allow the Group to continue on its growth path include the acquisition of new customers. Extending the products and services provided for existing customers is also seen as an opportunity for DO & CO, whether it is by supplying a greater level of products and services at existing locations or by providing products and services at new locations. Opportunities also arise from innovative products and services with a view to promote the Company’s positive development.

DO & CO views risk management as a crucial instrument for managing the Company. These efforts ensure the continued existence of the business while creating opportunities to improve the Company’s assets, financial and earnings position by enhancing future potential for growth and profits. With its risk management, the Company responds reliably and promptly to any changes in basic conditions and to any resulting opportunities and risks.

The applied risk and opportunity management system is based on standardised, group-wide planning and control processes laid down in the risk and opportunity policy and on inter-company guidelines and reporting systems that adhere to the principles of risk management and risk structures according to COSO (Committee of Sponsoring Organizations of the Treadway Commission).

Risk and opportunity management is considered a core management task and an integral part of all business processes. Therefore, the Group can quickly identify both risks and opportunities. Reporting is done on an ongoing basis, and all managers and decision-makers are involved in risk management.

Identified risks and opportunities are grouped into risk and opportunity categories and assigned to the managers responsible for the given area. Strategies for coping with the identified risks and utilising the identified opportunities are then defined and subsequently pursued on site by local management. The aim of these actions is to reduce possible damage from risks and minimise the probability of them occurring while increasing opportunities for earnings and the possibilities for realising profits.

Diversification plays a significant role in this process. The Group conducts business in 12 countries worldwide in three divisions, thus alleviating the overall potential impact of specific threats in individual markets. In other words, the very business model of DO & CO itself provides additional mechanisms to compensate for risks.

Risk management activities are supported by a multitude of regulations and activities, including those of the Central Administration, Controlling, Legal Compliance and Internal Auditing departments.

The close cooperation with insurers ensures that proper coverage is provided for those risks that are insurable.

In particular, the following risk categories were identified as material for the business year 2019/2020:

Risks and trends specific to the airline industry

The airline industry is heavily dependent on economic developments. Specific problems the aviation industry faces, such as for example changes in fuel prices or intensifications of existing legislation on noise, also have an impact both directly and indirectly on DO & CO's Airline Catering division.

Political crises and terrorist attacks in recent years led to changes in travel and leisure patterns. Terrorist attacks that directly target airlines also threaten the safety of aviation and resulted in additional costs to improve security. Epidemic and pandemic diseases may moreover result in further changes in the consumer behaviour and safety requirements with regard to flight operations, thus contributing to potential additional costs or a loss of revenue.

With DO & CO achieving large parts of its revenue with only a handful of key customers, such as Turkish Airlines, British Airways, Austrian Airlines, Emirates, Cathay Pacific, LOT Polish Airlines, Qatar Airways and Pegasus Airlines, the Group is therefore also exposed to a "cluster risk".

The Company has thus instituted a course of permanent monitoring of the security situation combined with ensuring that its key account managers are in constant contact with airline clients, so that it can react quickly to any changes and promptly counter any negative effects on the DO & CO Group.

Economic developments

DO & CO's business is strongly dependent on global economic trends, because these trends have an enormous influence on tourism and consumers' leisure-time behaviour and thus on all three divisions. Volatility in consumers' travel activities, especially air travel, directly affects the Airline Catering division as well as indirectly also the Restaurants, Lounges & Hotel division. Restrictions with regard to events (both national and global) particularly affect the International Event Catering division.

Ongoing expansion and thus sales of DO & CO are at risk because of the permanent worldwide terrorist threat, political unrest, epidemics as well as pandemics, and the changing global political landscape, particularly due to the increase in protectionist economic policy and the rising threat of military conflicts in individual regions of the world.

To counter economic risks in its business segments, DO & CO is still diversifying its business internationally and operating in three different market segments. Prompt reporting of business results including analysis and forecasts of current operating business in each reporting entity (the Group companies are divided into units comparable to profit centres for internal reporting purposes). These efforts ensure that capacity is adjusted immediately.

Risks pertaining to terrorism and political unrest

Time and again, terrorist attacks and terrorist threats put safety at risk, both directly in the aviation industry and indirectly as a result of corresponding changes in travel behaviour. Additionally, major events may need to be cancelled at short notice whenever a concrete terror alert is issued.

DO & CO has an active monitoring in place, allowing advance assessment of developments in certain parts of the world and setting up preventive scenarios to combat possible problems. Necessary security measures are developed depending on the probability and impact of loss-causing events.

In creating in-depth security analyses for the Company and its customers, DO & CO makes use of information made available by national and international security agencies.

Next to performing a constant evaluation of risks for the Company, DO & CO accords great importance to ensuring the safety of its staff members who are promptly informed of the relevant security situation before being posted and while they stay abroad.

Risks pertaining to natural disasters

Risks may appear out of the blue, as events in the past have demonstrated time and again. Such events cannot be influenced and may completely or partially interrupt air traffic in an entire region.

The specific risk of long-term closing of large parts of the air space and attendant large-scale cancellation of flights by the Group's partners is monitored through close cooperation with airlines, aeronautical authorities (EASA) and the international air weather service.

Risks pertaining to epidemic and pandemic diseases

Risks that are beyond the control of DO & CO but which heavily impact the airline and tourism industries include the outbreak of epidemics and pandemics such as Severe Acute Respiratory Syndrome (SARS) in the form of the novel virus disease COVID-19 ("coronavirus") or Ebola fever. Due to epidemic, pandemic or other patterns of spreading such as bioterrorism, high disease rates as a result of the transmission via infectious agents pose a risk. Recent developments confirm expert estimates according to which humans on all continents may be infected via pathogens within only a few weeks. Travel restrictions and lockdowns imposed by health authorities resulting therefrom may impact the travel and leisure-time behaviour of people, leading to short-notice cancellations of flights and events alike. Moreover, business operations may be endangered or limited as a result of travel restrictions or disease rates of employees.

On an ongoing basis, DO & CO assesses information of the World Health Organisation (WHO), the German Robert Koch Institute and various national health authorities to early identify epidemic or pandemic threats and implement appropriate measures in the best possible way. The corresponding specialist departments of the individual countries regularly exchange information with national authorities to uncover, prevent the spread of and mitigate epidemic or pandemic threats. Employees are provided with extensive information, people particularly at risk receive personal protective equipment and all employees working in the operating business are subject to mandatory periodic health checks.

Reputation risks

Anything that might harm the DO & CO brand and its reputation is combated by a rule book that sets out a uniform standard for identifying, assessing and controlling such risks. Each and every staff member is personally charged with guarding the reputation of DO & CO. The overall responsibility for identifying, assessing, controlling, monitoring and reporting hazards rests with the national and international management units. If a potential risk to the Company's reputation is discovered, this triggers a centrally controlled risk management process which includes all activities required to ward off any harm to the Company's image and possible losses for DO & CO.

Hygiene risks

To ensure that the food DO & CO produces complies with its high hygienic standards, DO & CO carried out risk analyses in all business areas as part of the ongoing development of its HACCP (Hazard Analysis and Critical Control Points) system. Based on these analyses it has implemented group-wide hygienic guidelines to control and minimise risks. An internationally active quality control team constantly monitors the effectiveness of these actions and further develops them in accordance with the latest international findings.

Loss risks

The risk of losses from fire, storms, flooding or earthquakes is countered by safety and disaster policies and emergency plans which are trained and adapted on a regular basis. Such risks are covered by appropriate insurance coverage.

Personnel risks

For DO & CO, its employees represent the biggest asset and the corporate culture into which they breathe life. The employees are the most crucial factor in DO & CO's success. Consequently, the future development of DO & CO depends strongly on how effective it is in hiring and integrating highly skilled and motivated employees and in forging lasting bonds of loyalty between them and the Company. Professional training and consistent personnel development are central tools for achieving the desired growth.
At times of high staff turnover, there are increased risks with regard to the loss of know-how and employees' willingness or ability to change DO & CO counters these risks through particular efforts with regard to measures relating to staff retention, continuous exchange of know-how and the flexible deployment of personnel between the individual divisions.

The professional and profitable integration of new company units will be a major challenge for the continued success of DO & CO. Shared values and a vital corporate culture help new employees to understand the high quality standards of products and personal service and assist in anchoring those standards permanently in the Company.

Procurement risks

By processing food, DO & CO is exposed to some risk in procuring the requisite raw materials. Climatic, logistic and other events, such as epidemic or pandemic threats, may lead to restrictions in the supply of such raw materials. These are also subject to price fluctuations that cannot always be fully passed on to customers.

Through long-term delivery contracts, supplier diversification and permanent monitoring of the markets, DO & CO seeks to make sure that the raw materials required by it are always available at the highest possible quality standards and at competitive prices.

Risks of production plant failure

In order to minimise the risk that critical production plants (large-scale kitchens, cold storage houses) might fail, DO & CO regularly directs considerable investment funds to bring to and keep sensitive units at the latest state of the art. Stringent preventive maintenance, risk-focused spare-parts stocking and in-depth staff training are among the arsenal of key measures to reduce the risk of production plant failure.

Strict hygiene measures, pro-actively providing information employees with information, the provision of protective equipment, and mandatory periodic health checks minimise the risk of absence due to epidemics or pandemics as well as the corresponding temporary closures.

Information technology risks

Many processes within the DO & DO Group rely on computers and information generated from electronic systems. If these systems were to fail, this would constitute a risk that is countered by intense training and the deployment of internal and external experts. The Group’s IT infrastructure and systems are regularly maintained and optimised across the entire Group so as to ensure their continued and improved functionality and minimise their failure rate.

Legal risks

With its constant expansion and its global scope of business, DO & CO has to abide by a myriad of legal requirements at national and international level, especially in relation to food law, hygiene, waste management, human resources, taxes and levies, as well as special guidelines and regulations issued by various airlines. The Company needs to respond rapidly to any changes in legal regimes and to integrate them in its business processes.

Non-compliance of DO & CO with legal regulations and contractual agreements may give rise to claims for damages that could put a heavy burden on the Group. Moreover, DO & CO is exposed to the risk of economically motivated non-compliance with contractual obligations or amendments to contractual obligations that are unilaterally forced by customers. These risks are countered by means of a centrally organised legal department, an orderly contract management and periodic evaluation of contracts.

Specific insurance policies are taken out throughout the Group as the main means of minimising liability risks from damage that has proven unpreventable despite damage avoidance efforts.

Acquisition and integration of business units

The DO & CO Group aims, among other things, to grow not just through its established units but also through the acquisition of strategically suitable companies. In pursuit of this strategic goal, DO & CO has been buying businesses on an ongoing basis and integrating them into the DO & CO Group. Such a process is faced with numerous challenges that require efforts to achieve this goal and avoid pitfalls.

Foreign currency risks

DO & CO is highly vulnerable to exchange rate fluctuations due to the international nature of its business segments. The major foreign currencies involved are TRY, GBP, USD, PLN, CHF and UAH.

Closed positions are set up for hedging purposes by trying to offset proceeds in a given foreign currency against expenses in that same currency with the same maturity. The Group is also attentive to excluding additional risks to the greatest possible extent by entering into appropriate contractual agreements with customers and suppliers.

If required, DO & CO uses derivative financial instruments to manage currency risks. At the reporting date, the Company does not hold any derivatives to hedge foreign currency risks in its portfolio.

Liquidity risks

Precise financial planning is the key to control liquidity and avoid liquidity risks. If expansion and other projects are undertaken, an accurate analysis of their impact on Group liquidity must be conducted.

Deviations from financial planning are detected immediately thanks to regular and prompt financial reporting. This approach ensures that countermeasures can be initiated quickly.

Liquidity needs can be covered from currently existing funds and credit facilities offered by the banks.

Default risks

DO & CO keeps the risk of default as low as possible by closely monitoring outstanding debts as part of receivables management. The outstanding items are reported weekly, meaning that the Group monitors customer credit risks promptly and is able to respond quickly if the situation changes.

It also takes proactive steps to control the risk of default associated with major customers by entering into pertinent contractual agreements with them and by having customers furnish collateral. Despite these arrangements, DO & CO is exposed to the risk that the customers' payment behaviour might change to the worse due to economic or industry-specific developments.

DO & CO does not avail itself of credit insurance at present. Investments are made only at banks with first-class ratings.

Interest risks

Financing is done at usual market conditions, with maturities always matching those of the financed projects. The effects of a change in interest rates are monitored in sensitivity analyses. In March 2020, DO & CO concluded an interest-rate swap to hedge the interest rate risk relating to the taking out of a variable interest loan, and designated this hedging relationship as a cash flow hedge. For detailed information, please refer to the respective Section 7.3 Hedge Accounting in the notes to the consolidated financial statements.

DO & CO is exposed to the risk that the assets and liabilities as well as the results of operations might deteriorate due to economic or industry-specific developments. This might result in deteriorating conditions for financings that are to be newly taken out, such as for example higher interest rates.

Additional detailed information on foreign currency, liquidity, default and interest risks is provided in the notes (Section 4.6. Trade receivables and Section 7.3. Additional disclosures on financial instruments in the notes to the consolidated financial statements).

Overall assessment of the opportunity and risk situation

There are still uncertainties regarding the medium-term impact related to Brexit. In recent months, DO & CO has increasingly considered a no-deal exit of the UK and has taken precautionary measures. However, it cannot be excluded that macroeconomic or regulatory changes might affect DO & CO's financial development in the medium-term.

The spread of the virus disease COVID-19 ("coronavirus") and its impact on global air traffic, major events and the operations of restaurants and hotels have changed DO & CO's overall risk situation compared to the previous year.

According to recent OECD assessments, global economic growth will substantially slow down as compared to previous forecasts due to the spread of the coronavirus. The impact of the coronavirus on the economy in countries where DO & CO or its customers are operating has strong negative effects on the business development, particularly the demand, in all three divisions.

The decline in the number of flight passengers and events (both major and minor events) and a simultaneous worsening of the payment behaviour of significant customers in the fourth quarter of the business year resulted in an increase of customers' default risks and the corresponding increase of DO & CO's liquidity risk.

Moreover, DO & CO faces higher legal risks as compared to the previous year. This change results from various short-term adjustments to the service portfolio and an increasing number of customer requests relating to the modification of contracts, particularly the provisions with regard to pricing and payment conditions. The Group monitors this risk by enforcing clear contractual provisions and by detailed allocation to risk spheres pursuant to the contracts in place.

The raising of new funds in the amount of € 300m in the last quarter of the business year under review 2019/2020 results in an unusually high debt ratio for DO & CO, being reflected in the increase of the Group´s interest and credit risk. The conditions for the secured loans particularly depend on the relation of net debt to EBITDA, increasing the risk of an early repayment obligation or an adjustment of interest rates in an environment where expectations with regard to revenue and income are lower.

The crisis-related downsizing results in an increased staff-related risk, both directly due to the possible loss of carriers of know-how, and indirectly due to the staff turnover rate and possible negative effects on the motivation of the employees.

Lockdowns imposed by governments and the simultaneously accelerated establishment of opportunities to work from home result in increased IT risks despite the highest security arrangements.

The future progress of the crisis and the duration of the resulting burden cannot be estimated as of yet, making it impossible to fully assess the risk at present.

In general, the Management Board remains convinced that the opportunity and risk management system is effective. It continuous to strive for a balance of opportunities and risks. At present, the Management Board does not assume the Company's ability to continue as a going concern to be at risk.

8. Internal Control System

The Management Board meets its responsibility for organising an internal control system and risk management system, for accounting and for legal compliance. The internal control system for accounting ensures that financial information and data processing systems are complete and reliable. The system likewise ensures that business facts are recorded, compiled, processed and entered in the accounts in accordance with proper financial procedures. The objective of the internal control system is to guarantee effective and constantly improving internal controls for accounting, thereby ensuring that financial statements comply with the regulations. This system also ensures that the processes are appropriate and efficient and that all regulations (legal and otherwise) are adhered to.

The responsibilities for the internal control system are adapted on an ongoing basis to the organisational structure of the Company to ensure an environment for control activities that corresponds to and meets the requirements. The central functions Group Accounting and Group Controlling are responsible for drawing up uniform Group guidelines and for organising and monitoring financial reporting in the Group.

Compliance with the processes for recording, making account entries and accounting for transactions is regularly monitored as part of appropriate organisational actions. All monitoring actions apply to the entire current business process. Monitoring can constitute anything from management examining results for various periods, reconciling accounts in specific ways and analysing ongoing processes in accounting. Areas connected with the accounting process are given suitable qualitative and quantitative resources.

The data processing systems are efficiently refined and constantly optimised. Close attention is paid to IT security in this context. With respect to the financial systems used, pertinent authorisation arrangements are employed to guard access to corporate data. Restrictive authorisation allows sensitive activities to be separated from non-sensitive ones.

Suitable personnel resources, the use of adequate software and clear legal specifications form the basis for a proper, uniform and continuous accounting process.

Comprehensive financial reports are given regularly and promptly to the Supervisory Board and Management Board and to middle management.

The Group accounting department is the central contact for all accounting issues at the level of individual companies as well as at Group level. It is also responsible for the preparation of the consolidated financial statements by using an accepted consolidation software. Transferring the financial statements into the system and preparing the consolidated financial statements including the disclosures in the notes is supported by numerous controls to ensure the completeness and accuracy of the data. A Group accounting manual, which states the accounting and measurement approaches used by DO & CO and which is regularly updated, ensures the standardised processing of business transactions, reducing the risk of variations in the procedures within the Group. Ongoing staff training ensures that the accounts are kept in line with current law. In presenting complex facts, DO & CO obtains the support of external service providers in order to ensure that they will be properly presented in the separate financial statements and in the consolidated financial statements. This applies to transactions such as the acquisition of companies which carry risks from the integration of different bookkeeping systems and measurement risks. For some measurements (such as pensions and severance payment obligations), the Company draws on the know-how of experts.

In order to prevent any fraudulent act or abuse, the Company has implemented the separation of duties as well as ongoing and second-tier checks (four-eyes principle). Regular audits carried out by the internal audit department ensure that these processes are constantly improved and optimised.

Regardless of its design, no internal control system can absolutely ensure that its goals will be achieved. However, considering the ongoing care involved in designing, implementing and improving the controlling system, DO & CO considers the risk of preparing misleading financial statements to be negligible.

Consolidated Corporate Governance Report

1. Commitment to the Code of Corporate Governance

The Austrian Code of Corporate Governance (ÖCGK) is a set of regulations for responsible corporate governance and management of Austrian stock corporations and was written in accordance with international standards.

DO & CO has been committed to full compliance with the rules of the Austrian Code of Corporate Governance (available for perusal at www.corporate-governance.at) since February 2007. It satisfies all the legal requirements ("L Rules") and confirms that it will not deviate from the comply-or-explain requirements ("C Rules").

As regards corporate governance, management's goal at DO & CO is to increase the value of the Company on a sustainable, long-term basis. DO & CO adheres to strict principles of good corporate management and transparency while constantly refining its efficient system of corporate governance in the interest of all stakeholders. The ultimate priority is a corporate culture that engenders trust and enables the Company to achieve lasting gains in value.

DO & CO has had an independent external institution conduct regular and voluntary evaluations of its compliance with the Austrian Code of Corporate Governance since the business year 2007/2008 in accordance with Rule 62 of this Code. The evaluation for the business year 2019/2020 was performed by Ullrich Saurer, a lawyer with Held Berdnik Astner & Partner Rechtsanwälte GmbH. The report on this external evaluation is available on DO & CO's website at www.doco.com.

2. The Management Board

Attila DOGUDAN
Chairman, born in 1959
First appointed to the Board on 3 June 1997
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Gottfried NEUMEISTER
Member of the Board, born in 1977
First appointed to the Board on 16 July 2012
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Workings of the Management Board
Business responsibilities and modes of cooperation of the Management Board are laid down in the Articles of Association and the Internal Rules of Procedure.

The Chairman of the Management Board is responsible for the overall management of the Company and for coordinating the work of the Management Board. All members of the Management Board must report to each other on all important business events that occur in their assigned area of business.

The Chairman of the Management Board, Attila Dogudan, is responsible for the strategy and organisation of the Group, the central units, personnel and procurement, M & A, legal issues, IT and he takes the lead in all matters related to the operational business.

Board Member Gottfried Neumeister is responsible for finances, investor relations, for all production locations worldwide and airline catering distribution, and supports the Chairman of the Management Board in developing the Group's strategy and organisation.

The Internal Rules of Procedure contain the information and reporting duties of the Management Board and a list of actions requiring the approval of the Supervisory Board.

Shares held by Members of the Management Board
At the reporting date 31 March 2020, Gottfried Neumeister held 10,000 no-par value shares of DO & CO Aktiengesellschaft.

3. The Supervisory Board

Andreas BIERWIRTH
Chairman, independent, born in 1971
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021), First appointed on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:
- Member of the Board of Directors of EasyJet PLC, Great Britain

Peter HOFFMANN-OSTENHOF
First Deputy Chairman, independent, born in 1955
Current term runs until the 24th Ordinary General Meeting of Shareholders (2022), First appointed on 27 July 2017
Seats on supervisory boards or comparable positions at non-Group listed companies:
- Deputy Chairman of the Supervisory Board at Österreichische Staatsdruckerei Holding AG, Austria

Cem KOZLU
Second Deputy Chairman, independent, born in 1946
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021), First appointed on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:
- Member of the Board of Directors of Pegasus Hava Tasimaciligi A.Ş., Turkey
- Member of the Board of Directors of Anadolu Efes Biracilik ve Malt Sanayi A.Ş., Turkey
- Member of the Board of Directors of Arcelik A.Ş., Turkey
- Member of the Board of Directors of Coca-Cola Icecek A.Ş., Turkey
- Member of the Board of Directors of Sisecam A.Ş., Turkey
- Member of the Board of Directors of Koç Holding A.Ş., Turkey

Georg THURN-VRINTS
Member until 18 July 2019, independent, born in 1956
First appointed to the Board on 20 March 1997
No further seats on supervisory boards of listed companies

Daniela NEUBERGER
Member, independent, born in 1961
Current term runs until the 26th Ordinary General Meeting of Shareholders (2024), First appointed on 18 July 2019
No further seats on supervisory boards of listed companies

Workings of the Supervisory Board
The legal basis for the actions of the Supervisory Board are the Austrian Stock Corporation Act (AktG), the Articles of Association as well as the Internal Rules of Procedure of the Supervisory Board and the Austrian Corporate Governance Code to which the Supervisory Board is expressly committed to complying.

In the business year 2019/2020, the Supervisory Board performed its duties under the law and the Articles of Association in four meetings and - due to the coronavirus - one conference call. They particularly focused on advising the Management Board regarding the Company's strategic approach and advising them regarding the transition plan for the accounts won, British Airways in London as well as Iberia/Iberia Express in Madrid including investments to be made in this context. Moreover, the takeover of LSG in Europe was discussed.
Furthermore, risk distribution was debated, both geographically and strategically, with existing and new distribution channels having been evaluated in this context. In doing so, dependence on major customers was measured and the acquisition of interests was assessed in order to strengthen the Company's strategic approach.
Towards the end of the business year 2019/2020, the Management Board and the Supervisory Board had a discussion on the impact and consequences of the COVID-19 crisis, as well as the measures to be taken to mitigate the losses and to ensure the Company's ability to continue as a going concern. Moreover, it was examined how the employees' safety at work can be guaranteed during the crisis.

Shares held by Members of the Supervisory Board
At the reporting date 31 March 2020, Andreas Bierwirth held 450 no-par value shares in DO & CO Aktiengesellschaft. Cem Kozlu held 10,191 no-par values shares in DO & CO Aktiengesellschaft at the reporting date 31 March 2020.

Independence
The Supervisory Board of DO & CO has no members who have either been former Management Board members or senior officers of the Company; similarly there are no interlocking directorates. Existing business relations to companies in which Supervisory Board members of DO & CO Aktiengesellschaft are active are handled on arm's length terms.

Adhering to Rules 39 and 53 and Annex 1 of the Austrian Code of Corporate Governance, the Supervisory Board in its meeting of 14 February 2007 adopted the following criteria for assessing the independence of its members and committee members:
A member of the Supervisory Board shall be deemed independent if said member does not have any business or personal relations with the Company or its Management Board that constitute a material conflict of interests and are therefore likely to influence the member's conduct.

Further criteria for the assessment of the independence of a member of the Supervisory Board:

1. The Supervisory Board member has not been a member of Management Board or senior officer of the Company or any of its subsidiaries in the past five years.

2. The Supervisory Board member has no current business relationship nor has had any business relationship within the last year with the Company or any of its subsidiaries of an extent that is material for such Supervisory Board member. This also applies to business relationships with companies in which the Supervisory Board member has a considerable economic interest. Approval of any individual business matters by the Supervisory Board member in line with L Rule 48 does not automatically cause him/her to be qualified as non-independent.

3. For the past three years, the Supervisory Board member has not been an auditor of the Company or stakeholder or employee of the company auditing DO & CO.

4. The Supervisory Board member is not a management board member of another company in which a Management Board member of the Company serves as a supervisory board member.

5. The Supervisory Board member is no direct family member (direct descendant, spouse, domestic partner, parent, uncle, aunt, sibling, niece, nephew) of a Management Board member or of any person who is in any one of the positions described above.
The members of the Supervisory Board each declare that they are independent within the meaning of the above criteria.

Composition and workings of the Committees

AUDIT COMMITTEE:
Andreas BIERWIRTH: Chairman
Peter HOFFMANN-OSTENHOF: First Deputy Chairman
Cem KOZLU: Second Deputy Chairman
Georg THURN-VRINTS: Member until 18 July 2019
Daniela NEUBERGER: Member since 18 July 2019

The Audit Committee’s brief includes supervising the reporting process, monitoring the effectiveness of the Company’s internal control, internal audit and risk management systems, supervising the audit of the Company’s and Group’s financial statements, investigating and monitoring the auditor’s (Group auditor’s) independence, especially with regard to additional services rendered for the audited company, submitting a report on the audit findings to the supervisory board and explaining how the audit contributed to the reliability of the financial reporting including the role of the audit committee in this process, checking the separate financial statements and preparing their approval, considering the proposal for the appropriation of profit, management report, consolidated corporate governance report and consolidated sustainability report, as well as reporting the audit findings to the Supervisory Board, examining the consolidated financial statements and the group management report, submitting the report on the audit findings to the Supervisory Board, and preparing a proposal by the Supervisory Board for appointing the auditor (Group auditor).

The brief of the Audit Committee is currently discharged by the entire Supervisory Board. The Chairman of the Supervisory Board also chairs the Audit Committee and serves as its financial expert. The Deputy Chairmen of the Supervisory Board also serve as Deputy Chairmen of the Audit Committee.
In the business year 2019/2020, the Audit Committee met twice with the auditor present as well as discussing issues with the auditor in the absence of the Management Board. During these meetings, it concentrated on discussing measures of the internal control system and the performance of risk management, as well as implementation of an internal audit and other audit activities to be performed under Para 4a of Section 92 Austrian Stock Corporation Act.

COMMITTEE OF THE CHAIRMAN:
Andreas BIERWIRTH: Chairman
Peter HOFFMANN-OSTENHOF: Deputy Chairman

The Committee of the Chairman is made up of the Chairman and the First Deputy Chairman.
The Committee of the Chairman is also charged with acting as nominating committee, remuneration committee and committee authorised to make decisions in urgent cases.

In its capacity of nominating committee, the Committee of the Chairman submits proposals to the Supervisory Board for filling vacant seats on the Management Board and deals with issues of succession planning. During the business year 2019/2020, the nominating committee did not meet.

In its capacity of remuneration committee, the Committee of the Chairman discusses matters concerning relationships to the Company and the members of the Management Board, remuneration of members of the Management Board and the content of employment contracts with members of the Management Board. The remuneration committee met once in the business year 2019/2020, deliberating on the granting of variable salary components to members of the Management Board in the business year 2018/2019.
In its capacity of committee authorised to make decisions in urgent cases, the Committee of the Chairman is charged with taking decisions on matters that require its consent.

4. Remuneration Report

The remuneration report summarises the principles applied in determining the remuneration for the Management Board and Supervisory Board of DO & CO Aktiengesellschaft.

Remuneration of the Management Board

Total pay of the Management Board is divided into fixed and performance-linked components. The fixed component is geared to the tasks and areas of responsibility of the members of the Management Board. Another key element of Management Board remuneration is a variable component similarly based on their scope of tasks and responsibilities and on the criteria of Rule 27 of the ÖCGK. As a result, the variable components are determined by long-term, sustainable criteria that extend over several years and that include non-financial parameters.

For the business year 2019/2020, the variable remuneration was calculated in particular on the basis of the EBITDA margin and EBIT margin, combined with the performance in terms of strategic company targets as well as personal performance targets.

The performance-linked component depends on measurable criteria and is subject to caps in terms of amount or percentages of fixed pay, not exceeding 100% of fixed pay.
Remuneration of the business year 2019/2020 was as follows:

Remuneration Management Board 2019/2020			
in k€	**Fixed Remuneration**	**Variable Remuneration**	**Total**
Attila DOGUDAN *	954	0	954
Mag. Gottfried NEUMEISTER **	820	0	820
Total	**1,773**	**0**	**1,773**

*Including remuneration in kind and including € 21k for activities as deputy chairman of the Board of Directors and CEO of THY DO & CO Ikram Hizmetleri A.Ş.
**Including € 20k for activities as member of the Board of Directors of THY DO & CO Ikram Hizmetleri A.Ş.

Currently, no arrangements have been made regarding any in-house retirement provision for the Management Board. The chairman of the Management Board is entitled to severance pay analogously to the Salaried Employees Act. The employment contracts of the members of the Management Board provide for a gratuity of three monthly salaries in the event that their membership in the Board is terminated early without compelling cause. No such claim is due if a management contract is terminated for a cause that is within such member's control. No further claims are due to a member of the Management Board upon retirement.
Furthermore, no arrangements have been made so far in the event of a change of control.

Remuneration of the Supervisory Board

By resolution of the General Meeting of Shareholders of 18 July 2019 applying to the business year 2018/2019, a remuneration totalling € 140k was paid to the Supervisory Board members, distributed as shown in the table below.

Remuneration Supervisory Board 2018/2019 *	
in k€	
Andreas BIERWIRTH	45
Peter HOFFMANN-OSTENHOF	35
Cem KOZLU	35
Georg THURN-VRINTS	25
Total	**140**

*No meeting attendance fees were paid

In addition, DO & CO Aktiengesellschaft has taken out a consequential loss and liability insurance (D&O insurance) whose beneficiaries are the Company's officers. Its cost is assumed by the Company.

5. Diversity Concept

In selecting the members of the Supervisory Board, expert qualifications, personal competence and commitment as well as many years of experience in leading positions are paramount. Additionally, aspects of diversity, of member internationality and age structure are taken into account. The members of the Supervisory Board are between 49 and 74 years of age, with one member having many years of experience in the Turkish market.

In appointing the Management Board and the Supervisory Board, Company-specific requirements as well as the quality of members of the Management Board and Supervisory Board should be considered. DO & CO Aktiengesellschaft’s boards should consist of personalities who have the necessary knowledge of the business segments relevant to DO & CO, meet the personal requirements and have the experience that is required by and ensures the management and monitoring of a globally active and publicly traded group. One woman is currently part of the Management Board and the Supervisory Board. A great number of women are in leading positions at the executive level of the DO & CO Group (see also Section 6 in this respect).

6. Measures to promote Women to the Management Board, Supervisory Board and in Executive Positions

The Company puts considerable emphasis on ensuring equal treatment of men and women in posting candidates to executive positions and paying equal wages and salaries. Management positions at DO & CO Aktiengesellschaft and its subsidiaries are appointed without consideration of gender, with the result that the Group boasts a high share of women in executive positions within the companies and in a senior executive capacity at Group level. When selecting candidates to fill a vacancy on the Supervisory Board the last time, a woman was considered and appointed as member of the Supervisory Board.
Of particular note is the Company’s position in creating an appropriate framework for returning women into senior management positions after maternity and parental leave. A number of part-time models allow women to re-enter their original management positions and continue to serve in an executive position.

Vienna, 15 June 2020

Attila Dogudan m.p.	Gottfried Neumeister m.p.
Chairman of the Management Board	Member of the Management Board

Report of the Supervisory Board

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

Georg Thurn-Vrints left the Supervisory Board after the 21st Ordinary General Meeting of Shareholders on 18 July 2019 was concluded. On this occasion, the Supervisory Board would like to thank him for his long-standing commitment and the excellent cooperation.
Therefore, the Supervisory Board currently consists of 4 members.

In the business year 2019/2020, the Supervisory Board performed its duties under the law and the Articles of Association in four meetings and - due to the coronavirus - one conference call. They particularly focused on advising the Management Board regarding the Company's strategic approach and advising them regarding the transition plan for the accounts won, British Airways in London as well as Iberia/Iberia Express in Madrid including investments to be made in this context. Moreover, the takeover of LSG in Europe was discussed.
Furthermore, risk distribution was debated, both geographically and strategically, with existing and new distribution channels having been evaluated in this context. In doing so, dependence on major customers was measured and the acquisition of interests was assessed in order to strengthen the Company's strategic approach.
Towards the end of the business year 2019/2020, the Management Board and the Supervisory Board had a discussion on the impact and consequences of the COVID-19 crisis and the measures to be taken to mitigate the losses and to ensure the Company's ability to continue as a going concern. Moreover, it was examined how the employees' safety at work can be guaranteed during the crisis.

The Chairman of the Supervisory Board and the Management Board regularly consulted on material issues of the Company's development.

The Audit Committee met twice in the business year 2019/2020.

At its meeting on 15 June 2020, the Audit Committee examined the separate financial statements of DO & CO Aktiengesellschaft, the proposal for the appropriation of profit, the management report, the Consolidated Corporate Governance Report as well as the Consolidated Sustainability Report, the Consolidated Financial Statements and the Group Management Report and prepared the approval of the separate financial statements. The Audit Committee proposed to select PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as auditor of the separate financial statements and the consolidated financial statements for the business year 2020/2021.

The Audit Committee particularly monitored the accounting system, the internal control system, as well as the functionality of the risk management system and the internal audit system.
The remuneration committee met once in the business year 2019/2020, deliberating on the granting of variable salary components to members of the Management Board in the business year 2018/2019.

The separate financial statements plus notes of DO & CO Aktiengesellschaft as of 31 March 2020 along with the management report were prepared in accordance with Austrian accounting regulations and audited by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH, which issued an unqualified auditor's report on these documents. The auditor submitted the additional report to the Audit Committee pursuant to Article 11 Audit Regulation, providing a written report on the findings of the audit. The Supervisory Board concurred with the Management Board in the latter's report on the audit findings and approved the financial statements for 2019/2020. They are thus adopted in accordance with Section 96 (4) of the Austrian Corporation Act (AktG).

The consolidated financial statements as of 31 March 2020 plus notes were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union and were audited, along with the Group management report, by PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH. The auditor presented the additional report in accordance with Article 11 of the Audit Regulation to the Audit Committee and reported in writing on the result of the audit of the consolidated financial statements. In the auditor's opinion, the consolidated financial statements present fairly, in all material respects, the actual assets and financial position of the DO & CO Aktiengesellschaft Group as of 31 March 2020 and the results of its operations and its cash flows for the business year 2019/2020 in conformity with International Financial Reporting Standards (IFRS) as adopted in the European Union and additional requirements under Section 245a Austrian Commercial Code (UGB). The Supervisory Board concurred with the findings of the audit.

Under the provisions of the Austrian Stock Corporation Act, the financial statements of DO & CO as of 31 March 2020, prepared in accordance with the Austrian financial reporting requirements, provide the basis for the distribution of a dividend. These financial statements show no net profit for the year. The Management Board proposes to the General Meeting of Shareholders not to distribute a dividend. A proposal for the appropriation of profits by the Management Board is therefore superfluous and a resolution on the appropriation of profits by the General Meeting of Shareholders is omitted.

The compliance review within the scope of the Consolidated Corporate Governance Report as provided for in Section 267b UGB and an evaluation of compliance by DO & CO Aktiengesellschaft with the rules of the Austrian Corporate Governance Code (ÖCGK) during the business year 2019/2020 were carried out by Ullrich Saurer, lawyer at Held Berdnik Astner & Partner Rechtsanwälte GmbH. It was found that DO & CO has complied with the Rules of the Austrian Corporate Governance Code in the business year 2019/2020.

The Supervisory Board also conducted a self-evaluation of its activities, the results of which were extensively discussed in the Supervisory Board meeting on 14 February 2020.

The Supervisory Board proposes to appoint PKF CENTURION Wirtschaftsprüfungsgesellschaft mbH as the auditor of the (separate and consolidated) financial statements for the business year 2020/2021.

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

Vienna, 15 June 2020

Andreas Bierwirth
Chairman of the Supervisory Board

Consolidated Financial Statements 2019/2020 of DO & CO Aktiengesellschaft pursuant to IFRS

1. Consolidated Statement of Financial Position

Notes	Assets in m€	31 March 2020	31 March 2019
4.1.	Intangible assets	37.05	48.89
4.2.	Property, plant and equipment	449.15	192.93
	Investment property	3.37	2.04
4.3.	Investments accounted for using the equity method	1.96	7.40
4.4.	Other financial assets	3.66	5.20
4.14.	Deferred tax assets	13.94	5.33
	Other non-current assets	44.80	20.32
	Non-current assets	**553.93**	**282.12**
4.5.	Inventories	34.81	32.53
4.6.	Trade receivables	97.22	110.89
	Other financial assets	10.92	12.52
4.14.	Income tax receivables	2.80	4.20
4.7.	Other non-financial assets	33.07	30.34
4.9.	Cash and cash equivalents	300.88	70.45
4.8.	Non-current assets held for sale	56.19	45.45
	Current assets	**535.89**	**306.39**
	Total assets	**1,089.82**	**588.51**

Notes	Shareholders' equity and liabilities in m€	31 March 2020	31 March 2019
	Share capital	19.49	19.49
	Capital reserves	70.51	70.51
	Retained earnings	151.34	186.76
	Other comprehensive income	-78.39	-66.63
	Special item from transactions with non-controlling interests	-0.72	-0.33
	Equity attributable to the shareholders of DO & CO Aktiengesellschaft	**162.23**	**209.79**
	Non-controlling interests	44.09	47.74
4.10.	**Shareholders´ equity**	**206.32**	**257.53**
4.11.	Bond	0.00	149.37
4.12.	Other financial liabilities	470.93	0.00
4.13.	Non-current provisions	15.90	20.31
	Other non-current liabilities	0.01	0.04
4.14.	Income tax liabilities	0.03	0.04
4.14.	Deferred tax liabilities	3.85	4.20
	Non-current liabilities	**490.72**	**173.96**
4.15.	Other financial liabilities	212.22	24.50
4.16.	Trade payables	100.58	89.25
4.17.	Current provisions	22.08	13.62
4.14.	Income tax liabilities	8.43	13.49
4.18.	Other liabilities	36.35	16.09
4.8.	Liabilities directly allocable to non-current assets held for sale	13.13	0.06
	Current liabilities	**392.79**	**157.01**
	Total shareholders' equity and liabilities	**1,089.82**	**588.51**

2. Consolidated Income Statement

Notes	in m€	Business Year 2019/2020	Business Year 2018/2019
5.1.	**Revenue**	**935.37**	**847.80**
5.2.	Other operating income	17.77	21.39
5.3.	Cost of materials	-394.89	-362.31
5.4.	Personnel expenses	-332.82	-282.29
5.5.	Other operating expenses	-154.85	-144.59
	Result of equity investments accounted for using the equity method	-0.46	0.38
	EBITDA - Operating result before amortisation / depreciation and effects from impairment tests	**70.11**	**80.37**
5.6.	Amortisation / depreciation and effects from impairment tests	-72.04	-28.92
	EBIT - Operating result	**-1.92**	**51.45**
	Financing income	2.51	3.24
	Financing expenses	-16.30	-6.47
	Other financial result	-0.68	0.43
5.7.	**Financial result**	**-14.47**	**-2.81**
	Profit before income tax	**-16.39**	**48.64**
5.8.	Income tax	0.77	-11.71
	Profit after income tax	**-15.62**	**36.93**
	Thereof net profit attributable to non-controlling interests	-9.25	-10.53
	Thereof net profit attributable to shareholders of DO & CO Aktiengesellschaft (Net result)	**-24.87**	**26.40**

		Business Year 2019/2020	Business Year 2018/2019
	Net result in m€	**-24.87**	**26.40**
	Number of shares at the end of the period (in Pie)	9,744,000	9,744,000
5.9.	**Basic/diluted earnings per share (in €)**	**-2.55**	**2.71**

3. Consolidated Statement of Comprehensive Income

in m€	Business Year 2019/2020	Business Year 2018/2019
Profit after income tax	**-15.62**	**36.93**
Differences of currency translation	-15.68	-20.27
Income tax	0.02	-1.25
Cash Flow Hedge Reserve	-1.22	0.00
Income tax	0.31	0.00
Total of items that will be reclassified subsequently to the income statement	**-16.59**	**-21.53**
Termination benefits and pension payments obligations	-2.88	0.09
Income tax	0.58	-0.02
Total of items that will not be reclassified subsequently to the income statement	**-2.29**	**0.07**
Other comprehensive income after income tax	**-18.88**	**-21.46**
Total comprehensive income for the period	**-34.50**	**15.46**
Thereof attributable to non-controlling interests	2.14	-1.58
Attributable to DO & CO Aktiengesellschaft (Total result)	**-36.64**	**17.04**

4. Consolidated Statement of Cash Flows

	in m€	Business Year 2019/2020	Business Year 2018/2019
	Profit before income tax	**-16.39**	**48.64**
+/-	Amortisation / depreciation and effects from impairment tests	72.03	28.92
-/+	Gains / losses from disposals of non-current assets	0.11	-0.20
-/+	Gains / losses from associated companies measured at equity without cash effect	0.86	-0.38
+/-	Other non-cash expenses / income	3.71	-0.07
+/-	Interest result	13.78	3.71
+/-	Dividends	0.00	-0.02
	Gross cash flow	**74.10**	**80.60**
-/+	Increase / decrease in inventories and other current assets	-4.43	-27.40
+/-	Increase / decrease in provisions	0.30	-7.09
+/-	Increase / decrease in trade payables and other liabilities	43.50	18.60
-	Income tax payments	-10.77	-9.79
	Cash flow from operating activities (net cash flow)	**102.71**	**54.92**
+	Payments received for disposals of property, plant and equipment and intangible assets	0.84	0.68
+	Payments received for the disposal of other financial assets	0.06	0.08
-	Additions to property, plant and equipment	-94.92	-41.45
-	Additions to intangible assets	-0.69	-0.39
-	Additions to other financial assets	-26.29	-6.89
-	Cash outflows for the acquisition of subsidiaries, less acquired cash	3.45	0.00
+	Dividends received	0.00	0.02
+	Interest received	2.52	2.77
	Cash flow from investing activities	**-115.03**	**-45.18**
-	Dividend payment to shareholders of DO & CO Aktiengesellschaft	-8.28	-8.28
-	Dividend payment to non-controlling interests	-4.38	0.00
-	Cash outflows for the acquisition of non-controlling interests	-4.05	0.00
+	Increase in financial liabilities	300.00	0.00
-	Repayment of financial liabilities	-22.92	0.00
-	Interest paid	-14.72	-4.88
	Cash flow from financing activities	**245.64**	**-13.16**
	Net increase/decrease in cash and cash equivalents	**233.34**	**-3.42**
	Cash and cash equivalents at the beginning of the period	70.45	76.47
	Effects of exchange rate changes on cash and cash equivalents (opening balance)	-1.51	-2.81
	Effects of exchange rate changes on cash and cash equivalents (movement)	-1.39	0.21
	Cash and cash equivalents at the end of the period	300.88	70.45
	Net increase/decrease in cash and cash equivalents	**233.34**	**-3.42**

Please refer to Section 6. for comments on the consolidated statement of cash flows.

5. Consolidated Statement of Changes in Equity

	Equity of the shareholders of DO & CO Aktiengesellschaft									
				Other comprehensive income						
in m€	Share capital	Capital reserves	Retained earnings	Currency translation differences	Revaluation IAS 19	Cash Flow Hedge Reserve	Special item from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
As of 1 April 2019	**19.49**	**70.51**	**186.76**	**-64.66**	**-1.96**	**0.00**	**-0.33**	**209.79**	**47.74**	**257.53**
Dividend payments 2018/2019			-8.28					**-8.28**	-4.38	-12.66
Additions to non-controlling interests			-2.26					**-2.26**	-1.79	-4.05
Total result			-24.87	-9.63	-1.21	-0.92		**-36.64**	2.14	-34.50
Transactions with non-controlling interests							-0.38	**-0.38**	0.38	0.00
As of 31 March 2020	**19.49**	**70.51**	**151.34**	**-74.30**	**-3.18**	**-0.92**	**-0.72**	**162.23**	**44.09**	**206.32**
As of 1 April 2018	**19.49**	**70.51**	**168.91**	**-55.27**	**-1.99**	**0.00**	**-0.86**	**200.78**	**47.61**	**248.39**
Initial recognition IFRS 9			-0.28					**-0.28**		-0.28
Adjusted as of 1 April 2018	**19.49**	**70.51**	**168.64**	**-55.27**	**-1.99**	**0.00**	**-0.86**	**200.50**	**47.61**	**248.11**
Dividend payments 2017/2018			-8.28					**-8.28**	-2.07	-10.36
Total result			26.40	-9.39	0.03			**17.04**	-1.58	15.46
Transactions with non-controlling interests							0.53	**0.53**	-0.53	0.00
As of 31 March 2019	**19.49**	**70.51**	**186.76**	**-64.66**	**-1.96**	**0.00**	**-0.33**	**209.79**	**47.74**	**257.53**

Information on shareholders’ equity is provided in Section 4.10.

6. Segment Reporting

The Management Board of DO & CO is the chief decision-maker to allocate resources to the business segments as well as to measure their profitability. It controls the Group based on financial data calculated in line with IFRS. The accounting and valuation principles of the segments subject to mandatory reporting correspond to the accounting and valuation principles described in the Notes to the Consolidated Financial Statements.

According to the management approach, segment reporting follows internal reporting to the Management Board of DO & CO with regard to the business segments

- Airline Catering,
- International Event Catering, and
- Restaurants, Lounges & Hotel.

Both earnings figures, EBIT and EBITDA, are of relevance for the management with regard to control. Management predominantly focuses on EBIT in respect of resource allocation; EBIT therefore is the segment result within the meaning of IFRS 8. The values used for segment reporting comply with the accounting and valuation methods applied in the IFRS consolidated financial statements. The operating result (EBIT) is reported as segment result. The transfer prices are defined in line with the OECD Guidelines.

The Group centrally controls the financial result and the tax expense.

The segment result mainly comprises property and buildings, including buildings on third party land, assets in the course of construction and any advance payments made in their regard, goodwill and other rights, the Hédiard brand in the Restaurant, Lounges & Hotel segment as well as other non-current assets in the International Event Catering segment.

Financial liabilities are not allocated for internal reporting purposes.

The major part of revenue in the DO & CO Group is generated by the Airline Catering division on three continents with its unique innovative and competitive product portfolio. The core of the Airline Catering segment consists of 32 gourmet kitchens at international airports (among which Istanbul, London, New York, Vienna, Frankfurt, Warsaw, Milan, Madrid), offering culinary treats to 112 million passengers on more than 683,000 flights in the business year 2019/2020. DO & CO's customer portfolio includes a large number of airlines. This clientele includes major players such as Austrian Airlines, Asiana Airlines, British Airways, Cathay Pacific, China Airlines, Emirates, Etihad Airways, EVA Air, Egypt Air, Iberia, Iberia Express, Jet Blue, Korean Air, Lufthansa, LOT Polish Airlines, Oman Air, Pegasus Airlines, Qatar Airways, Singapore Airlines, South African Airways, SWISS, Thai Airways and Turkish Airlines.

In the International Event Catering segment, the DO & CO Group operates on a global scale and offers its customers also one-stop solutions at events that include logistics, decoration, furniture, tents, music, entertainment and lighting in addition to traditional catering. Here, references include, amongst others, the catering for 18 Formula 1 grand prix races, UEFA Champions League finals, the catering at Allianz Arena and the Olympic Park in Munich, as well as the catering for Juventus Football Club in Turin, FC Red Bull Salzburg and FK Austria Vienna. Long-standing partnerships confirm: national and international organisers trust DO & CO as host and one-stop shop with regard to hospitality solutions.

The Group has its origins in the Restaurants, Lounges & Hotel segment. This segment comprises a number of different areas, such as lounges, retail, airport gastronomy, restaurants and Demel cafés, hotel and staff restaurants.
DO & CO has one customer whose share in the Group's overall revenue exceeds 10%, with the share amounting to € 283.54m in the business year 2019/2020. The revenue with this customer is particularly included in the segments Airline Catering and Restaurants, Lounges & Hotel.

Segment reporting by division for the business year 2019/2020 and the business year 2018/2019 is as follows:

Business Year 2019/2020		**Airline Catering**	**International Event Catering**	**Restaurants, Lounges & Hotel**	**Total**
Revenue	m€	670.33	134.13	130.90	935.37
EBITDA	m€	42.89	14.37	12.85	70.11
Depreciation/amortisation	m€	-37.47	-5.64	-10.63	-53.74
Effects from Impairment tests	m€	-7.48	-1.30	-9.51	-18.30
Impairment	m€	-7.87	-1.30	-9.51	-18.68
Appreciation	m€	0.38	0.00	0.00	0.38
EBIT	m€	-2.07	7.43	-7.29	-1.92
EBITDA margin	%	6.4%	10.7%	9.8%	7.5%
EBIT margin	%	-0.3%	5.5%	-5.6%	-0.2%
Share of Group Revenue	%	71.7%	14.3%	14.0%	100.0%
Total investments	m€	249.77	15.67	46.42	311.86

Business Year 2018/2019		**Airline Catering**	**International Event Catering**	**Restaurants, Lounges & Hotel**	**Total**
Revenue	m€	598.09	129.53	120.17	847.80
EBITDA	m€	56.24	16.35	7.79	80.37
Depreciation/amortisation	m€	-20.03	-4.57	-2.87	-27.47
Effects from Impairment tests	m€	-1.51	0.00	0.06	-1.45
Impairment	m€	-2.69	0.00	0.06	-2.63
Appreciation	m€	1.18	0.00	0.00	1.18
EBIT	m€	34.69	11.77	4.98	51.45
EBITDA margin	%	9.4%	12.6%	6.5%	9.5%
EBIT margin	%	5.8%	9.1%	4.1%	6.1%
Share of Group Revenue	%	70.5%	15.3%	14.2%	100.0%
Total investments	m€	28.27	1.93	12.86	43.06

External revenue of the DO & CO Group can be broken down by **geographical regions** according to the location of the service-rendering subsidiary as follows:

Business Year 2019/2020		Turkey	Austria	Great Britain	Germany	USA	Other Countries	Total
Sales	m€	297.95	156.21	133.46	132.88	123.57	91.29	935.37
Share of Group Revenue	%	31.9%	16.7%	14.3%	14.2%	13.2%	9.8%	100.0%

Business Year 2018/2019		Turkey	Austria	Great Britain	Germany	USA	Other Countries	Total
Sales	m€	248.43	160.08	138.40	128.19	113.31	59.40	847.80
Share of Group Revenue	%	29.3%	18.9%	16.3%	15.1%	13.4%	7.0%	100.0%

Non-current assets pursuant to IFRS 8 by geographical regions (excl. income tax receivables and deferred taxes) as of 31 March 2020 and 31 March 2019 are presented below:

31 March 2020		Great Britain	Austria	USA	Turkey	Germany	Spain	Other Countries	Total
Non-current assets	m€	179.68	96.74	85.28	51.99	52.24	18.54	55.51	539.99
in %		33.3%	17.9%	15.8%	9.6%	9.7%	3.4%	10.3%	100.0%

31 March 2019		Great Britain	Austria	USA	Turkey	Germany	Spain	Other Countries	Total
Non-current assets	m€	41.70	29.95	68.68	32.63	39.68	0.00	64.15	276.79
in %		15.1%	10.8%	24.8%	11.8%	14.3%	0.0%	23.2%	100.0%

Notes to the Consolidated Financial Statements

1. General Information

DO & CO Aktiengesellschaft (DO & CO, the Company), domiciled in 1010 Vienna, Stephansplatz 12, is the parent company of an international catering group. It conducts business in the three divisions Airline Catering, International Event Catering, and Restaurants, Lounges & Hotel. The shares of DO & CO Aktiengesellschaft are listed on the Vienna Stock Exchange and the Istanbul Stock Exchange.

The consolidated financial statements of DO & CO Aktiengesellschaft for the business year from 1 April 2019 to 31 March 2020 (2019/2020) have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union for capital market-oriented entities as well as pursuant to the supplementary provisions of Section 245a of the Austrian Commercial Code (UGB).

DO & CO has fully complied with these provisions. The consolidated financial statements present a true and fair view of the DO & CO Group's financial situation and performance. The financial statements of all material domestic and foreign entities that are fully included in the consolidated financial statements have been audited.

In accordance with IAS 1, the consolidated statement of financial position is to be structured according to maturities. Assets and liabilities are classified as current if they are expected to be realised (assets) or settled (liabilities) within 12 months after the reporting date. The income statement is prepared using the total expenditure format.

The consolidated financial statements are prepared in euros, the functional currency of the holding company. Unless otherwise stated, the figures in the consolidated financial statements are presented in millions of euros (m€). Both individual figures and total amounts represent the smallest rounding difference. When the reported individual figures are aggregated, slight differences to the reported total amounts may therefore arise.

The preparation of the consolidated financial statements in accordance with the generally accepted accounting methods under IFRS as adopted in the European Union requires assumptions and estimates that affect the amount and presentation of recognised assets and liabilities, as well as income and expenses during the reporting period. Although these estimates are made by the Management Board on the members' best knowledge by drawing on experience gained in similar transactions, the actual values may differ from these estimates.

On 15 June 2020, the Management Board of DO & CO released the consolidated financial statements for the business year 2019/2020 for publication and released for disclosure to the Supervisory Board. On 15 June 2020, the Company's Supervisory Board will approve the consolidated financial statements.

2. Effects of new and/or amended IFRS

In the reporting period 2019/2020, the first-time mandatory application of the following standards and interpretations newly issued or amended by the IASB or the IFRS Interpretations Committee and adopted by the European Union did not have an impact or did not have a material impact on the presentation of DO & CO's assets, financial situation and performance or results, with the exception of IFRS 16 Leases.

2.1. New and amended standards and interpretations

Standard / Interpretation (until 31 March 2020)		Endorsed and effective from beginning of	Mandatory effective date for DO & CO	Expected impact on consolidated financial statements
IFRS 16	Leases	January 2019	1 April 2019	material impact
IFRS 9	Amendments to IFRS 9: Prepayment Features with Negative Compensation	January 2019	1 April 2019	no impact
IFRS 3	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Business Combinations	January 2019	1 April 2019	no impact
IFRS 11	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Joint Arrangements	January 2019	1 April 2019	no impact
IAS 19	Amendments: Employee Benefits	January 2019	1 April 2019	no impact
IAS 12	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Income Taxes	January 2019	1 April 2019	no impact
IAS 23	Annual Improvements of IFRSs 2015-2017 Cycle Amendments: Borrowing Costs	January 2019	1 April 2019	no impact
IFRIC 23	Uncertainty over Income Tax Treatments	January 2019	1 April 2019	no impact
IAS 28	Amendments: Long-term Interests in Associates and Joint Ventures	January 2019	1 April 2019	no impact

IFRS 16 Leases

The accounting standard IFRS 16 "Leases", issued in January 2016, replaces the previous IAS 17 "Leases" as well as the corresponding interpretations. It introduces a single lease accounting model for lessees that will no longer differentiate between operating lease and finance lease but requires right-of-use assets and lease liabilities to be recognised for all lease agreements. IFRS 16 provides for exceptions for short-term leases and assets of low value. There will only be minor changes for lessors compared to the accounting under IAS 17 as they still differentiate between operating leases and finance leases.
As lessee, DO & CO recognises a lease liability and a right-of-use asset as of the time the leased asset has been provided to DO & CO. The lease liability is discounted and redeemed by current payments. The right-of-use asset is amortised on a straight-line basis over the contract term. This results in an increase in assets and liabilities and therefore in higher amortisation/depreciation/impairment and interest expenses. On the other hand, rental expenses decrease. In the course of the first-time application of IFRS 16, DO & CO recognised right-of-use assets in the amount of € 135.82m and lease liabilities in the amount of € 131.73m. Thereof, € 127.13m of right-of-use assets relate to real estate. The remaining € 8.70m relate to other property, plant and equipment. EBITDA (€ +27.66m) and EBIT (€ +3.21m) improved as a result of the application of IFRS 16. The net result, however, decreased by € -4.04m. DO & CO uses the modified retrospective approach for the first-time application as of 1 April 2019. Prior-

year figures have therefore not been adjusted. DO & CO uses the options not to apply the provisions of IFRS 16 on the recognition of short-term leases (with a term of one year or less) and leases where the underlying asset is of low value (replacement value up to an amount of approximately € 5,000). For lease liabilities recognised for the first time as of 1 April 2019, country-specific interest rates between 0.5% and 18.39% were applied.

For leases previously classified as operating leases, lease liabilities were recognised in the course of the first-time application of IFRS 16. They are measured at the present value of the future lease payments, applying the incremental borrowing rate at the date of first-time application. Right-of-use assets were recognised at the amount of the lease liability, taking into account advance or accrued payments.

In the course of the first-time-application of IFRS 16, DO & CO applied the relief provisions with regard to leases previously classified as operating leases. Leases with a term ending within 12 months after the first-time application were accounted for in such a way as if it were current leases. The costs relating to these leases are reported within expenses for current leases. In the course of measuring right-of-use assets, incidental direct costs were not taken into account.

First-time application of IFRS 16 as of 1 April 2019 has the following impact on the consolidated statement of financial position:

	31 March 2019	**Adjustment IFRS 16**	**1 April 2019**
Property, plant and equipment	192.93	131.65	324.58
Other current non-financial assets	30.34	0.01	30.35
Other current liabilities	16.09	-0.01	16.08
Other non-current financial liabilities	0.00	111.60	111.60
Other current financial liabilities	24.50	20.14	44.64
Assets held for sale	45.45	14.12	59.57
Liabilities directly allocable to non-current assets held for sale	0.06	14.12	14.18

The following table shows the reconciliation of the minimum lease payments reported as of 31 March 2019 and the lease liability reported on 1 April 2019:

	in m€
Future operating lease payments to be made under operating lease agreements that cannot be cancelled prematurely as of 31 March 2019	153.46
Discounted using the average incremental borrowing rate at initial application of IFRS 16	116.10
Shortterm leases	-0.59
Leases of low value	-0.01
Adjustment due to different assumptions	16.22
Lease liablities recognised as of 1 April 2019	131.73

2.2. New standards not yet effective

The following standards and interpretations newly issued or amended by the IASB or the IFRS Interpretations Committee were not yet applied in the reporting period 2019/2020 as they either have not been endorsed by the EU yet or were not yet effective. The option of voluntary early application is not used by DO & CO.

Standard / Interpretation (until 31 March 2020)		Not yet endorsed and effective from beginning of	Mandatory effective date for DO & CO	Expected impact on consolidated financial statements
IFRS 14	Rate-regulated Activities	January 2016	not adopted by the EU	no impact
IFRS 10 IAS 28	Investments in Associates / Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	deferred indefinitely	deferred indefinitely	no impact
Conceptual framework	Amendments to References to the Conceptual Framework in IFRS Standards	January 2020	1 April 2020	no impact
IFRS 3	Amendment to IFRS 3: Definition of a business	January 2020	1 April 2020	no impact
IAS 1/ IAS 8	Amendments to IAS 1 and IAS 8: Definition of Material	January 2020	1 April 2020	in evaluation
IFRS 17	Insurance Contracts	January 2021	preliminary 1 April 2022	no impact

3. Significant Accounting Principles

3.1. Consolidation

3.1.1. Scope of consolidation

The consolidated financial statements as of 31 March 2020 comprise, in addition to DO & CO, all material subsidiaries which the Company directly or indirectly controls. An entity is controlled when DO & CO or one of its subsidiaries is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. For subsidiaries of DO & CO, such control normally results from the ownership of the majority of voting rights.

DO & CO holds 50% of the voting rights in the subsidiary THY DO & CO Ikram Hizmetleri A.Ş. As DO & CO is in a position to appoint members to the bodies of the company, DO & CO has the power to exert an influence on the relevant activities of THY DO & CO Ikram Hizmetleri A.Ş. and is thus in a position to influence its own yield resulting from this investment. Against this background, the Management Board of DO & CO thus considers DO & CO to have control over THY DO & CO Ikram Hizmetleri A.Ş.

With regard to the disclosure requirements for investments in subsidiaries pursuant to IFRS 12, refer to Section 4.10.

Three foreign companies in which DO & CO shares control with another entity via indirect shareholding are included at equity in the consolidated financial statements of DO & CO as a joint venture.

DO & CO has significant influence over two foreign companies (associates) as the Company indirectly holds 40% of the shares and voting rights of each of the two companies as well as over one domestic company in which DO & CO indirectly holds 49% of the voting rights. This means that DO & CO has the power to participate in financial and operating policy decisions. These companies are included at equity in the consolidated financial statements.

Disclosures on joint ventures and associates are provided in Section 4.3.

3.1.2. Changes in the scope of consolidation

The following companies founded by DO & CO were consolidated for the first time in the business year 2019/2020:

- DO & CO Restauración España SL
- DO & CO Airline Catering Spain SL
- DO & CO Airport Hospitality Spain SL
- DO & CO Restauracion y Eventos Holding SL

In the second quarter of the business year 2019/2020, DO & CO acquired a further 5% of the shares in Lasting Impressions Food Company Ltd. at a purchase price of € 4.05m. The Group now holds 90% of the equity of Lasting Impressions Food Company Ltd. At the acquisition date, the carrying amount of the non-controlling interests in Lasting Impressions Food Company Ltd was € 2.03m. The Group recorded a decrease in non-controlling interests of € 1.79m and a decrease in equity attributable to the shareholders of the parent company of € 2.26m (purchase price excess recorded in the parent company's equity).

The joint venture Nespresso DO & CO, which was included at equity in the consolidated financial statements, was terminated with effect as of 31 August 2019. Effective as of 1 September 2019, DO & CO acquired 50% of the shares in the joint venture at a purchase price of CHF 1 and now holds 100% of the shares. With this purchase, DO & CO intends to further expand the retail segment on an international level.

The following entities are now fully included in the consolidated financial statements:

- Nespresso – DO & CO SA
- DO & CO Café UK Ltd.
- DO & CO Restaurant & Cafe USA Inc.
- Nespresso - DO & CO Cafe GmbH

The net assets acquired break down as follows on the basis of the fair values at the time of acquisition:

in m€	
Non-current assets	12.19
Current assets	3.73
Thereof cash and cash equivalents	3.36
Non-current provisions and liabilities	11.91
Current provisions and liabilities	2.33
Net assets	**1.69**
Badwill	1.69
Consideration transferred (purchase price)	**0.00**

No material trade receivables are included.

Badwill resulting from the purchase price of CHF 1 is reported under other operating income. It is due to a payment received from the joint venture partner in the course of terminating the joint venture in accordance with the termination agreement.

In the period from 1 September 2019 to 31 March 2020, the acquired entities generated revenue in the amount of € 0.56m and a net result of € -1.54m. If the acquisition would have taken place as of 1 April 2020, revenue would amount to € 935.84m and the net result to € -25.85m.

The non-operating subsidiary DO & CO – Restauração e Catering, Sociedade Unipessoal, Lda was deconsolidated as of 31 March 2020.

Hédiard Traiteur SAS was merged into Hédiard SA as of February 2020.

3.1.3. Consolidation principles

Subsidiaries are initially consolidated at the date of their acquisition, i.e. when DO & CO obtains control of the subsidiary. Subsidiaries are deconsolidated from the date that control ceases.
Initial consolidation is based on the acquisition method. This method requires the parent company to measure acquired assets and assumed liabilities at their fair values at the acquisition date. The acquisition costs of the acquisition are the fair value of the consideration transferred. DO & CO recognises goodwill to the extent that the consideration transferred (including the value of the shares of other shareholders and the fair value of any shares held prior to the moment when control is obtained; i.e. acquisition achieved in stages) exceeds the fair value to be recognised for the assets acquired and liabilities identified. If this is not the case, after a re-examination of the purchase price allocation, the Company recognises the difference with immediate effect in profit or loss. DO & CO measures non-controlling interests at the proportionate share of the subsidiary's identifiable net assets.

Goodwill arising from acquisitions is not subject to amortisation, but is tested annually for impairment (impairment test) and written down to its lower recoverable value in the case of impairment.

DO & CO uses the equity method to account for investments in joint ventures and associates. Acquired investments are initially recognised at cost at the time of their acquisition, including transaction costs. If the acquisition costs incurred for the investment exceed the acquired interest in the fair values of the assets and liabilities, goodwill is recognised. Goodwill is part of the carrying amount of the investment and is not tested separately for impairment. Any negative difference is recognised immediately in profit or loss. The carrying amount of the investment is subsequently measured taking into account DO & CO's proportionate share of the changes in the net assets of the investment. Any losses carried forward by an associate or a joint venture that exceed the carrying amount of the investment held by DO & CO are only recognised to the extent that DO & CO has incurred legal or constructive obligations to cover any losses. DO & CO tests investments accounted for using the equity method for impairment if there is indication of such impairment.
The financial statements of the joint venture or the associate at the reporting date of DO & CO form the basis for investments being accounted for using the equity method. In the case of deviating reporting dates, DO & CO uses interim financial statements of the respective entity prepared at the reporting date for the update of the carrying amount of the investment.

Subsidiaries, joint ventures and associates are included in the consolidated financial statements according to uniform accounting methods. Significant inter-company transactions, balances, unrealised income arising from supply and service relationships among the companies of the consolidated group are eliminated. Transactions between the parent company or subsidiaries and entities included at equity are eliminated on a prorated basis. The same applies to unrealised losses unless the transaction implies that the transferred assets are impaired.

3.2. Currency translation

The euro is DO & CO Group’s presentation currency. The functional currency of foreign entities partly differs from the Group’s presentation currency. Financial statements of subsidiaries, joint ventures and associates that do not have the euro as functional currency are translated in accordance with IAS 21 using the modified reporting date method. Assets and liabilities of the financial statements of the entities to be included are translated using the average spot exchange rate as of 31 March 2020, income and expenses are translated using the average annual exchange rate.

Foreign currency transactions are translated into the respective functional currency using the exchange rates prevailing at the dates of the transactions. Monetary items (most notably receivables and liabilities) are subsequently translated at the respective closing rates. Any currency translation differences are immediately recognised through profit or loss by DO & CO. Unrealised currency translation differences with regard to monetary items, however, that economically belong to the net investment in a foreign operation are recognised directly in equity as currency translation differences (net investment approach). This particularly includes loans to British, US-American and Swiss subsidiaries of which the repayment is neither planned nor probable for the near future.

Movements in non-current assets are translated at average exchange rates. Any effects resulting from changes in the average exchange rate at the reporting date compared to the average exchange rate of the previous period, as well as from the application of average rates, are reported separately in the consolidated asset movement schedule under currency translation.

Currency translation differences resulting from the use of different closing rates for items in the statement of financial position or from exchange rate differences between the closing rates applied to the translation of expenses and income in the income statement and associated changes in net assets in the statement of financial position are recognised under differences of currency translation within equity. Currency translation differences recognised without affecting profit or loss during a company’s association with the Group will be reclassified to the income statement upon deconsolidation of the respective company.

The exchange rates applied with regard to the translation of significant currencies have developed as follows:

1 Euro corresponds to:	Reporting Date Rate 31 March 2020	Reporting Date Rate 31 March 2019	Average Rate 31 March 2020	Average Rate 31 March 2019
US Dollar	1.0956	1.1235	1.1113	1.1575
British Pound	0.8864	0.8583	0.8748	0.8821
Turkish Lira	7.2063	6.3446	6.5198	6.0449
Swiss Franc	1.0585	1.1181	1.0965	1.1466
Polish Zloty	4.5506	4.3006	4.3021	4.2913
Ukrainian Hryvnia	30.9617	30.5680	28.0875	31.4673
Mexican Peso	26.1773	21.6910	21.6095	22.3959
South Korean Won	1,340.4826	1,277.1392	1,313.6979	1,288.8757

3.3. Accounting methods

General measurement principle

Unless otherwise stated, DO & CO has consistently applied the accounting methods below to all the periods presented in these consolidated financial statements (see Section 2). The consolidated financial statements are prepared under the historical cost convention, excluding assets and liabilities recognised at fair value.

Intangible assets

DO & CO particularly recognises goodwill as well as acquired customer agreements, licenses, trademarks and rights of use under the item Intangible assets in the consolidated statement of financial position. Capitalisable development expenses are not incurred at DO & CO. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. DO & CO charges amortisation for intangible assets with definite useful lives on a straight-line basis over a useful life of 2 to 17 years. Amortisation is recognised in the income statement under *Amortisation / depreciation and effects from impairment tests*. Goodwill and other intangible assets with an indefinite useful life are not subject to amortisation. If evidence exists that intangible assets are impaired, DO & CO tests the respective assets for impairment. Irrespective of such evidence, DO & CO tests goodwill and other intangible assets with an indefinite useful life annually for impairment. With regard to the determination and recognition of impairment, reference is made to Section *Impairment of non-financial assets*.

Property, plant and equipment

Property, plant and equipment is recognised at cost less accumulated depreciation and accumulated impairment losses. In addition to the purchase price and directly attributable expenses required to transfer the asset to a location and to render the asset operational as intended by management, cost also includes the estimated expenses for a possible obligation for dismantling and removing the asset and for restoring the site at which the asset is located. With regard to qualifying assets, DO & CO has not yet recognised borrowing costs as part of cost, since they were insignificant for the business year 2019/2020.

At DO & CO, depreciation of property, plant and equipment subject to wear and tear is charged on a straight-line basis over the useful lives shown below and by taking into account significant residual values:

Land and buildings	25.00	to	40.00	years
Buildings on land owned by others	2.00	to	25.00	years
Plant and machinery	2.00	to	20.00	years
Other equipment and office equipment	2.00	to	10.00	years

Depreciation is recognised in the income statement under *Amortisation / depreciation and effects from impairment tests*.

If evidence exists with regard to potential impairment, DO & CO assesses the need to impair the assets in line with the principles set forth in this Section entitled *Impairment of non-financial assets*.

Gains and losses arising from the disposal of property, plant and equipment are determined at the time when the assets are derecognised by comparing the net disposal proceeds with the carrying amount of the asset to be disposed and are recognised within *Other operating income* or *Other operating expenses*.

Investment property

DO & CO treats developed property held for an undetermined future use as investment property. Investment property was initially recognised at cost including associated costs incurred and subsequently measured at cost less accumulated depreciation. Property is subsequently measured at cost less accumulated depreciation since commissioning and accumulated impairment losses.

Leases

At contract inception, DO & CO assesses whether a contract includes a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For the assessment whether a contract conveys the right to control an identified asset, DO & CO adopts the definition of a lease in accordance with IFRS 16. DO & CO uses the option to not recognise short-term leases where the lease term is 12 months or less and leases where the underlying asset is of low value (approx. € 5,000). DO & CO recognises lease payments relating to such leases as an expense on a straight-line basis over the lease term.

<u>Right-of-use assets</u>
Right-of-use assets are measured at cost. At initial recognition, they include:
- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs and an estimate of costs to be incurred by the lessee in dismantling or removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

In the case of remeasurement of the lease liabilities, right-of-use assets are adjusted and tested for impairment, if required (see Impairment of non-financial assets).

<u>Lease liabilities</u>
At the commencement date, the lease liabilities are recognised at the present value of the future lease payments. These lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives received
- variable lease payments that depend on an index or a(n) (interest) rate
- residual amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- payments of penalties for terminating a lease, if the lease term reflects that DO & CO will exercise the option to terminate the lease.

Lease payments are discounted at the interest rate implicit in the lease or at the Group's incremental borrowing rate, i.e. the rate of interest that the Group would have to pay to borrow the funds necessary to acquire an asset of a similar value and at similar terms in a similar economic environment.
Lease liabilities are measured at amortised cost. Lease liabilities are remeasured if there is a change in future lease payments resulting from a change in an index or a(n) (interest) rate used to determine those payments, or if there is a change in the assessment of an option to purchase, terminate or extend the lease.

Impairment of non-financial assets

DO & CO tests capitalised goodwill annually for impairment. All intangible assets, property, plant and equipment and investment property are tested for impairment when there is evidence or any indicator that their carrying amounts may not be recoverable either by selling the assets or by using the assets in the Company. If this assumption is confirmed, DO & CO recognises an impairment loss equivalent to the difference between the carrying amount and the lower recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the discounted net cash inflow from the future use of the asset (value in use). If individual assets cannot be allocated to separately identifiable cash flows, impairment is tested at the lowest level of cash-generating units for which cash flows can be identified and which are largely independent from cash flows of other cash-generating units (CGU). DO & CO tests goodwill for impairment at the lowest level within the Group where management monitors these assets for internal management purposes. The underlying CGU only includes one operating segment.

Impairment results in a corresponding decrease of the carrying amount of the asset. If impairment is assessed on the basis of cash-generating units, impairment primarily reduces the goodwill allocated to the unit. Any remaining amount reduces non-current assets in proportion to their carrying amounts, whereas the impairment is limited by a value of zero and – if determinable – by the net selling price or the value in use of the relevant asset.

Impairment losses are recognised in the income statement of DO & CO under *Amortisation / depreciation and effects from impairment tests.*

If evidence exists that an asset subject to amortisation or depreciation is impaired, DO & CO reviews the asset's remaining useful life, the method of amortisation or depreciation applied and any residual value taken into account based on whether or not an impairment loss has to be recognised.

If the recoverable amount of an impaired asset (except for goodwill) increases again at a later reporting date, DO & CO adjusts the carrying amount accordingly. In this case the amortised cost is the upper threshold for measurement purposes. Income from write-ups is recognised under *Amortisation / depreciation and effects from impairment tests* in the income statement. Reversals of the impairment of goodwill are not allowed under IFRS.

Financial assets

DO & CO recognises financial assets if the Company becomes a contracting party to the agreements on a financial instrument. Financial assets have to be derecognised if the rights of cash flows granted by them are phased out or if the asset is transferred effectively to a third party. Purchases and sales of financial assets at market prices are recognised or derecognised on the settlement day.
At the time of acquisition, DO & CO classifies financial assets in one of the following measurement categories: The classification depends on the type of the financial asset and the purpose for which the financial asset was acquired. It is reviewed at the end of every reporting period.

At the reporting date, DO & CO assigned financial assets to the following two classifications:

- **Financial assets measured at amortised cost:**
  Financial assets are measured at amortised cost if they are held within a business model whose objective is achieved by collecting contractual cash flows.
  Financial assets measured at amortised cost are to be tested for impairment annually. Impairment is determined based on the impairment model of IFRS 9 which takes into account credit losses expected over the entire term (lifetime expected loss model). The model is described under Section 7.3. on the default risk. Impairment, interest income as well as exchange rate changes are recognised in the income statement. Gains or losses arising from the derecognition are recognised in profit or loss.

- **Financial assets measured at fair value through profit or loss:**
  Financial assets are measured at fair value through profit or loss if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Net gains and losses are recognised in profit or loss, including interest and dividend income. Investments and securities held to cover pensions and termination obligations were designated in this category.

Inventories

Inventories are stated at the lower of cost or net realisable value on the reporting date. DO & CO determines cost primarily by using the average price method. The net realisable value is the estimated selling price in the ordinary course of business, less estimated costs until completion and selling expenses still to be incurred.

Cash and cash equivalents

Cash and cash equivalents primarily comprise cash at banks and – to a minor extent – cash on hand and cheques. Foreign currency balances are translated using the exchange rate prevailing at the reporting date.

Shareholders' equity

Equity is the residual value of the Group's assets after deducting all its liabilities. Equity is reported in the consolidated statement of financial position showing equity attributable to the shareholders of the parent company and non-controlling interests under separate items.

In connection with a business combination, DO & CO entered into a forward transaction on the remaining shares held by other shareholders of the acquisition target. This transaction is presented in the consolidated financial statements as follows:

With the initial recognition of a business combination, the non-controlling interests are recorded in equity as a separate item. This item is subsequently adjusted for any changes in the net assets of the non-controlling interests (prorated allocation of profit or loss and distributions). Correspondingly, DO & CO recognised a non-current derivative financial liability with regard to the obligation resulting from the put option. The liability was recognised in equity and offset against a special item from transactions with non-controlling interests in equity. Based on the assumption that DO & CO acquires the current balance of the respective investment of the non-controlling interests, the Company derecognises the amount reported in equity for the non-controlling interests at the end of every reporting period. Differences between the derecognised equity amounts and the amounts at which the derivative financial liability is recognised and amortised are taken into account by DO & CO in accordance with the provisions on the presentation of transactions between shareholder groups as adjustment of the parent company's equity.

Employee benefits

DO & CO committed itself to grant employees post-employment benefits. The obligation is limited to a contribution to be paid to an external provider under defined contribution plans. DO & CO recognises this contribution as *Personnel expenses* in the income statement. Obligations not fulfilled at the reporting date are recognised as current liabilities.

With regard to defined benefit pension plans, DO & CO is under an obligation to provide the agreed benefits to employees after termination of employment. Employees whose employment is subject to Austrian law and commenced prior to 1 January 2003 are entitled to termination benefits after three years of uninterrupted employment in case employment is terminated by the employer or if employment was terminated for compelling reasons. The same holds true if the employee reaches the pensionable age after 3 years of uninterrupted employment with the company. Furthermore, DO & CO undertook to pay lifelong annuity to a former employee. In this case, DO & CO bears the investment risk and the risk that higher expenses than expected may be incurred (actuarial risk). The amounts recognised under *Non-current provisions* on the liabilities side correspond to the present value of the vested amounts ("*defined benefit* *obligation*", DBO). They are calculated annually based on the *projected unit credit method* and take into account annuities known at the reporting date and acquired pension entitlements, as well as estimated future increases in remuneration and pensions, taking into account the staff turnover rate depending on the years of service. The present value of the obligation is based on the return of the senior fixed-interest corporate bonds of the relevant currency area. In the business year 2019/2020 the benefits expected to be provided were calculated using a discount rate of 1.35% p.a. (PY: 1.00% p.a.), taking into account expected wage and salary increases of 1.90% p.a. (PY: 1.90% p.a.) and applying an expected pensionable age of 65 years for women and 65 years for men (PY: 65/65). The average maturities amount to 11.2 years for termination benefits, 9.4 years for anniversary bonuses and 4.3 years for pensions. Termination benefits from foreign companies were calculated on the basis of comparable methods and recognised on the liabilities side, unless defined benefit pension plans are in place. Termination benefits vis-à-vis employees in Turkish group companies are calculated using a discount rate of 12.50% p.a. (PY: 25.55%) and expected inflation-related wage and salary increases of 8.00% p.a. (PY: 19.71%). Under Turkish law, each employee is entitled to this benefit if his employment is terminated with no compelling cause after one year of employment, if he faces military conscription, if he passes away, as well as if a male employee has been with the company for 25 years upon retirement (20 years for female employees) and reaches a pensionable age of 60 years (58 years for female employees). Management is of the opinion that defined benefit obligations do not result in extraordinary risks or risk concentrations. Any gains and losses resulting from adjustments of and changes in financial and demographic assumptions are recognised without affecting profit or loss in Other comprehensive income in the period in which they arise. Past-service costs are recognised under *Personnel expenses* in the income statement in the year in which they are incurred.

The measurement of other long-term employee benefits (most notably anniversary bonuses for employees employed with Austrian companies) is based on the principles outlined with regard to defined benefit obligation plans. The present values of these obligations calculated based on expert opinions take into account the staff turnover rate depending on the years of service. In contrast, actuarial gains and losses arising from other long-term employee benefits are not recognised in Other comprehensive income but are immediately recognised under *Personnel expenses* in the income statement having an effect profit or loss.

Other provisions

DO & CO recognises provisions on the liabilities side when it has a present legal or constructive obligation as a result of past events that will probably lead to a future outflow of economic resources and the amount can be reliably estimated. The provision is measured on the basis of the best possible estimate of the expected future cash outflow. In the case of longer-term obligations, the estimated cash outflow is discounted. Reimbursement rights against third parties that are virtually certain to arise are taken into account at DO & CO with the recognition of a separate asset.

Financial liabilities

Original financial liabilities are recognised on the liabilities side of the consolidated statement of financial position if DO & CO is under a contractual obligation to transfer cash or other financial assets to a third party. The liability is initially measured at its fair value and is subsequently measured at amortised cost, using the effective interest method. Financial liabilities are derecognised if they are settled, cancelled or expired. Any net gains or losses are recognised in profit or loss (including interest income calculated using the effective interest method, exchange rate gains or losses as well as impairment).

Financial liabilities are classified as current if the Group does not have the unconditional right to delay the settlement of the liability by at least twelve months after the reporting period. In all other cases they will be classified as non-current liabilities.

In March 2020, DO & CO took out a variable interest bullet loan and simultaneously concluded an interest-rate swap with a term of 5 years. The derivative is held for cash flow hedging purposes only. The risk management objective is to hedge the interest rate risk and to limit any associated fluctuations in cash flows. Measurement is based on the fair value and on calculations from external experts. Taking into account deferred taxes, changes in the fair value of the hedging instrument are recognised without affecting profit or loss in the cash flow hedge reserve in other comprehensive income. Any ineffective portions are to be recognised in the financial result. As of 31 March 2020, no ineffective portions exist that are to be recognised in profit or loss. If the hedge accounting is discontinued and if no further cash flows from the underlying transaction are expected to occur, the measured amount recognised in other comprehensive income is to be reclassified to profit or loss.

Prior to the conclusion of the derivative transaction, there was a formal designation and documentation of the hedging relationship as well as the risk management objective and strategy in order to comply with the qualifying criteria for a cash flow hedge. DO & CO uses qualitative methods to measure the prospective effectiveness of the hedging relationship. At the date of designation, the effectiveness assessment was carried out by means of the critical terms match method. The significant contract terms such as nominal amount, term, interest rate benchmark, payment dates and currency of the underlying transaction correspond to those of the hedging instrument. With values generally moving in opposite directions, the requirement of an economic relationship between the underlying transaction and the hedging instrument is considered to be met. At a hedge ratio of 100 per cent, the hedging relationship corresponds to the risk management objective. The hedging relationship entered into by DO & CO meets the hedge effectiveness requirements under IFRS 9. The interest rate difference between the hedging transaction and the underlying transaction is accounted for as a correction to interest expenses.

Deferred taxes

Deferred tax assets are recognised on deductible temporary differences arising between the carrying amounts of assets and liabilities and their tax bases, on tax loss carry-forwards and tax credits, to the extent that it is probable that future taxable profit will be available. Deferred tax liabilities are recognised at DO & CO for taxable temporary differences arising between the carrying amounts and the tax bases of assets and liabilities. In both cases assumptions are made with regard to the estimated future tax effect that results from the reversal of temporary differences or from the use of the loss carry-forwards or from tax credits. The tax rate applicable at the reporting date serves as the basis to calculate deferred income tax. This tax rate, however, is only applied if no deviating tax rate has already been agreed upon with regard to the point in time when temporary differences are expected to reverse or a tax loss carry-forward or a tax credit is expected to be used.

Deferred taxes are recognised in the income statement as income or expense under *Income tax*. Deferred taxes on transactions having a direct impact on equity are excluded. These are recognised without effect on profit or loss.

Revenue recognition

DO & CO mainly generates revenue from contracts with customers in the context of catering, handling and infrastructure services, and presents them under *revenue*. Other income from operations is recognised in *Other operating income*.

<u>Airline Catering</u>

The transactions in Airline Catering are largely based on global framework contracts with the airlines. Additional local agreements with the same characteristics as the global framework contracts may be concluded at specific locations. In the framework contracts, DO & CO commits to supply food & beverages to the airlines and to perform handling services. Based on the framework contracts, airlines are able to request services depending on the season and demand, the framework contracts for which may partly have specific terms. These requests thus represent short-term transactions. Goods and services are offered at a fixed agreed price. If contractually agreed, rebates are taken into account as variable consideration in determining the transaction price pursuant to IFRS 15.50 et seq., and calculated based on the contractual agreement and the underlying volume data. Revenue is recognised as control is transferred – hence through the transfer of the physical control of the asset, the transfer of the significant risks and rewards and the transfer of the legal title to the asset, i.e. when the aircraft is loaded. Invoicing takes place periodically with payment terms usual in the industry.

<u>International Event Catering</u>

This segment includes both contracts with major customers as well as contracts with consumers as regards the provision of catering, infrastructure and planning services. Apart from fixed prices, contracts with major customers also include variable components. Revenue is recognised at the time of the event. Services in this segment are generally to be recognised over time. Since inputs used for the performance obligation are of minor significance, an output-based method is to be selected, if possible. IFRS 15 offers the „right to invoice" practical expedient according to which, under certain circumstances, those amounts of revenue may be recognised where there is a right to invoice. This is deemed to be satisfied in this regard. Major customers are issued the invoice after the event and usually settle the invoice within a quarter.

<u>Restaurants, Lounges & Hotel</u>

With regard to restaurants, hotels or airport gastronomy (shops at the airport), the contracting party pursuant to IFRS 15 is the respective visitor or consumer. The performance obligation may include food & beverages, accommodation, room service, cleaning services etc. The prices for meals, accommodation, various services are fixed. So far, revenue was recognised when the invoice was issued or when payment was effected at the cash desks.

With regard to lounges, contracts are concluded between the airlines or the airports and DO & CO. The customer is considered the airport or the airline as the services are rendered to the ordering party. DO & CO is solely commissioned for the operation and supply of food & beverages. Goods and services are mainly offered at a fixed agreed price in framework contracts. As regards contracts on the operation of staff restaurants, more than one group of customers was identified. On the one hand, those companies that commission DO & CO with a staff restaurant are to be considered as customers. In addition, the staff members working for the companies are to be regarded as customers, too, in case they consume and also pay for meals at the restaurants. DO & CO provides the staff, infrastructure and the DO & CO products. The transaction prices are generally fixed and may only differ depending on the location. Revenue is recognised upon payment by the dining guest or when the invoice is issued to the customer under subsidised models.

The Airline Catering, International Event Catering and Restaurants, Lounges & Hotel divisions are not significantly affected by the separation of performance obligations. Contrary to the Airline Catering and Restaurant, Lounges & Hotel divisions, more than one performance obligation was identified in the International Event Catering division: (1.) catering services, and (2.) infrastructure services.

DO & CO recognises interest income using the effective interest method. Dividends are recognised when the title to them has been legally accrued.

Earnings per share

Earnings per share reported in the income statement are calculated by dividing profit or loss attributable to the shareholders of DO & CO by the weighted average number of ordinary shares issued during the business year.

3.4. Significant discretionary decisions and estimates

The preparation of the consolidated financial statements is based on discretionary decisions and estimates as well as assumptions made by DO & CO that affect the accounting of assets and liabilities, the presentation of income and expenses and the relevant disclosures including the disclosure of contingent liabilities. These discretionary decisions and estimates may have a material impact on DO & CO’s financial situation and performance.

Significant estimates and assumptions as well as uncertainties relating to the selected accounting policies are particularly made with regard to the following. In addition, reference is made to the notes to the respective items.

- The initial recognition of intangible assets and property, plant and equipment arising from business combinations requires estimates with regard to the determination of the fair value. The same applies to acquisitions of shareholdings in associates and joint ventures with regard to the net assets represented by the share acquired.

- A material assessment relates to the accounting treatment of a forward for the acquisition of non-controlling interests. On the basis of the agreement, DO & CO considers the current state of the investments of non-controlling interests at each reporting date to have been acquired (see also the comments on *Shareholders' equity* in Section 4.10.). This treatment of non-controlling interests has an influence on the equity structure.

- For the purpose of the subsequent measurement, estimates and assumptions have to be made to determine amortisation and depreciation – particularly to determine the useful lives, the methods of depreciation and amortisation, and the residual values – of intangible assets, property, plant and equipment and investment property subject to amortisation and depreciation. These estimates are based on historical experience and assessments of the management.

- In determining the lease terms, management considers all facts and circumstances that create an economic incentive to exercise options to extend the lease, or not to exercise options to terminate the lease. They are only included in the lease term if it is reasonably certain that they will be exercised or not exercised.

- Mandatory and event-related impairment tests of non-current assets require measurements and estimates in several respects. In particular, such measurements and estimates include the identification of internal and external evidence indicating potential impairment. In this regard, management particularly takes into account changes in current competitive conditions, significant deviations from the expected results, the loss of a key customer, suspension of services, detrimental developments of the political and economic environment as well as significant changes in exchange rate parities and interest rate levels. As far as investments in associates and joint ventures are concerned, management measures the existence of impairment by using criteria which indicate possible economic difficulties of the companies. Uncertainties associated with this test concern the timing of the recognition of an impairment. The calculation of the recoverable amounts of the individual objects to be measured is also based on estimates and assumptions. To the extent that these are based on present value calculations, DO & CO assesses the estimated cash inflows and outflows based on approved financing plans for a five-year detailed planning period and a depreciation or amortisation period corresponding to the probable useful life of the object to be measured. The cash flow estimate is based on the Company's ability to continue as a going concern and relies on planning taking into account experiences and assumptions with regard to the macro-economic environment and developments of the respective industry. Remaining uncertainties are taken into account appropriately. The interest rates used to determine the present value are based on the Company's costs of capital.

- Post-employment benefits are measured based on actuarial principles which require in particular assumptions on discount rates, estimated remuneration and pension trends, turnover rates and mortality. DO & CO uses the return of senior industrial bonds with a similar term to maturity as the corresponding measured liability to calculate appropriate country-specific discount rates. Estimates on the mortality risk are based on publicly available, country-specific reference guidelines. The remuneration and pension increases taken into account rely on estimated country-specific inflation rates as well as operational experience. Defined benefit obligations are highly sensitive to changes in these assumptions. The future development may indeed deviate from the estimates included in the measurement owing to changing market, economic and social conditions. Amounts reported are mainly based on expert opinions. The underlying assumptions are reviewed by DO & CO on an annual basis.

- Estimation uncertainties exist with regard to the recognition and measurement of other provisions. These uncertainties relate to the question if such obligations exist and when they arise, as well as to the question of the amount of the outflow potentially required to settle the uncertain liabilities.

- Accounting of deferred taxes requires an estimate with regard to the extent to which it is probable that the relating future tax benefit can be realised. This requires a prognosis as to the extent that it is probable that taxable profits will be available to make use of tax reducing effects. This prognosis has to take into account the effects from the reversal of taxable temporary differences, budgeted operating results as well as tax planning opportunities. The future tax result and the point of time when deferred tax assets may be realised have to be estimated.

- The business activities of all entities part of the DO & CO Group in each of the three divisions are affected by the COVID-19 pandemic and considerably restricted. In preparing the consolidated financial statements, DO & CO's management assumes that the Group will be able to continue as a going concern and made estimates and assumptions regarding the further course of the crisis. These include the further development of the restrictions related to COVID-19 such as, for example, the anticipated duration of travel restrictions or any other restrictions relating to major events. The further development of the aviation industry as well as the consumer behaviour after the crisis have also been assessed based on externally available information, and planning has been derived therefrom. DO & CO conservatively assumes a slow recovery of revenues, with the planning assuming that absolute pre-crisis levels will only be reached in the business year 2022/2023 or at a later date (scenario U). Management used scenario U as basis for assessing the Company's ability to continue as a going concern, assuming another lockdown due to a second wave of COVID-19 will not happen. Based on the Company's planning and the initiated restructuring measures, management is convinced that the covenants relevant for the bank financing can be met.
  The estimation uncertainties described in this paragraph relate to the following items:
  - Non-current assets (please refer to Section 4.1. and 4.2.)
  - Trade receivables (please refer to Section 4.6.)
  - Other provisions (please refer to Section 4.17.)
  - Deferred tax assets (please refer to Section 4.14.)
  - Contract liabilities (please refer to Section 5.1.)

Management reviews the estimates and assumptions made at every reporting date. Amounts recognised are regularly adjusted in the current reporting period through profit or loss if changes occur. Transactions immediately recognised in equity are exempt.

4. Comments on the Consolidated Statement of Financial Position

4.1. Intangible assets

Intangible assets comprise goodwill, the Hédiard brand and acquired rights and licenses in such rights. The rights and licences particularly include customer agreements, trademark titles, and rights of use and software licenses. With the exception of goodwill and the Hédiard brand, all intangible assets have definite useful lives.

Hédiard is a brand already established in 1845 with a high degree of brand recognition in France. Due to this high degree of brand recognition and the brand's long history, an indefinite useful life can be assumed.

The development of intangible assets in the business year compared to the previous year is presented below:

in m€	Goodwill	Right-of-use assets and contracts with customers	Trademark Hédiard	Total
Cost at 31 March 2019	**31.78**	**59.39**	**9.94**	**101.11**
Changes in the scope of consolidation and reclassifications	0.00	0.05	0.00	**0.05**
Currency translation	-1.16	-0.32	0.00	**-1.48**
Additions	0.00	0.37	0.00	**0.37**
Disposals	0.00	-0.20	0.00	**-0.20**
Reclassifications	0.09	0.50	0.00	**0.59**
At 31 March 2020	**30.70**	**59.78**	**9.94**	**100.43**
Accumulated depreciation and impairment losses at 31 March 2019	**9.11**	**43.10**	**0.00**	**52.21**
Changes in the scope of consolidation and reclassifications	0.00	0.00	0.00	**0.00**
Currency translation	-0.98	-0.20	0.00	**-1.18**
Additions (amortisation)	0.00	4.33	0.00	**4.33**
Additions (impairment)	7.79	0.05	0.00	**7.84**
Appreciation	0.00	0.00	0.00	**0.00**
Disposals	0.00	-0.16	0.00	**-0.16**
Reclassifications	0.00	0.33	0.00	**0.33**
At 31 March 2020	**15.93**	**47.45**	**0.00**	**63.38**
Carrying amounts at 31 March 2020	**14.77**	**12.33**	**9.94**	**37.05**

in m€	Goodwill	Right-of-use assets and contracts with customers	Trademark Hédiard	Total
Cost at 31 March 2018	**35.64**	**59.18**	**9.94**	**104.76**
Changes in the scope of consolidation and reclassifications	-2.31	-0.01	0.00	**-2.33**
Currency translation	-1.54	-0.07	0.00	**-1.62**
Additions	0.00	0.35	0.00	**0.35**
Disposals	0.00	-0.09	0.00	**-0.09**
Reclassifications	0.00	0.04	0.00	**0.04**
At 31 March 2019	**31.78**	**59.39**	**9.94**	**101.11**
Accumulated depreciation and impairment losses at 31 March 2018	**12.97**	**38.42**	**0.00**	**51.39**
Changes in the scope of consolidation and reclassifications	-2.32	-0.01	0.00	**-2.33**
Currency translation	-1.54	-0.06	0.00	**-1.60**
Additions (amortisation)	0.00	4.83	0.00	**4.83**
Additions (impairment)	0.00	0.01	0.00	**0.01**
Appreciation	0.00	0.00	0.00	**0.00**
Disposals	0.00	-0.08	0.00	**-0.08**
Reclassifications	0.00	0.00	0.00	**0.00**
At 31 March 2019	**9.11**	**43.10**	**0.00**	**52.21**
Carrying amounts at 31 March 2019	**22.67**	**16.28**	**9.94**	**48.89**

Goodwill is tested annually for impairment using the DCF method. For the purpose of impairment testing, DO & CO allocates goodwill to cash-generating units that are expected to benefit from the synergies of the respective business combination. For comparison purposes, DO & CO calculates the value of use of cash-generating units in addition to the carrying amount.

The table below presents an overview of goodwill to be tested annually for impairment and the material assumptions made with regard to the relevant impairment tests. Due to the COVID-19 crisis, a triggering event occurred in March 2020 requiring a new impairment test as of 31 March 2020.

Cash-generating unit	Airline Catering Austria	Airline Catering DO & CO Poland	Arena One Allianz Arena	Hédiard	Oleander Group AG / Lasting Impressions
Segment	**Airline Catering**	**Airline Catering**	**International Event Catering**	**Restaurants, Lounges & Hotel**	**Airline Catering**
Carrying amount of goodwill in m€	4.06	1.16	7.76	0.87	0.93
Deadline for the annual impairment test	29th February	29th February	31st December	31st December	29th February
Length of detailed planning period in years	5	5	11	10	5
Cash flow growth after detailed resp. general planning period in %	2%	3%***	-1 %*	1.89%	2%
Pre-tax discount rate**	5,08 - 6,40%	8.29%	7,92 - 9,95 %	5.78 - 7.26% (31.03.2020), 7.11% (31.12.2019)	6,08 - 6,32%
After-tax discount rate**	5.15%	6.81%	5,36 - 5,74%	6.07% (31.03.2020), 5.73% (31.12.2019)	5.37%
Approach	value in use	value in use	value in use	fair value less cost to sell	value in use

*Three scenarios in total, of which only two scenarios assumes a projection beyond the detailed planning period
**As of 31 March 2020, if not otherwise stated
***Two scenarios in total, of which one scenario assumes a growth rate beyond the detailed planning period

In mid-March 2020, the general conditions for the DO & CO Group changed with the outbreak of the COVID-19 pandemic, leading to a significant decline in the demand for international flights and lockdowns combined with the closure of restaurants and the cancellation of major events. Despite the DO & CO Group operating in 21 countries with its three divisions, all business activities were affected. This triggering event resulted in goodwill and other intangible assets being tested for impairment again on 31 March 2020. These tests resulted in a reduction of the excess in carrying amounts for all cash generating units to be tested. Nevertheless, impairment had to be recorded only for one cash-generating unit carrying goodwill.

<u>Airline Catering:</u>
Cash flow projections used to determine the value in use are generally based on forecasts which, in turn, are based on financial plans approved by management. For the preparation of financial plans for the Airline Catering division, the Group made assumptions based on externally available forecasts on the development of the airline industry (e.g. IATA „Covid-19 Outlook for air travel in the next five years‟ and Roland Berger „Covid-19-How we will need to rethink the aerospace industry‟). The development of the airline industry for the planning period is derived from these forecasts. The non-occurrence of these assumptions may require an impairment loss in the next business years. Several scenarios were calculated, with a baseline scenario ("scenario U") considered most likely which takes into account negative effects arising from this crisis for the following two business years and predicts an economic recovery to pre-crisis levels from the third year following the crisis. Due to the planning uncertainties, an additional scenario ("scenario L") was included which considers a sustained negative impact on DO & CO's Airline Catering division. For one cash-generating unit, two "L scenarios" with different times of occurrence of the sustained negative impact were calculated. These scenarios were weighted based on

management's assumptions. Even when giving double weighting to the scenario L, no impairment would have to be recorded with respect to the goodwill to be tested.

The growth assumptions used for impairment testing are based on adapted past experiences. They also take into account assumptions with regard to the loyalty of major customers as well as with regard to the attracting of such customers and the expected developments in the relevant markets. The development of the cost structure also reflects past experiences, measures implemented to improve efficiency and expected developments of the individual cost factors. In order to continue cash flow forecasts beyond the detailed planning period and the general planning period DO & CO takes into account growth rates that are particularly based on forecast inflation rates of the respective local market environment. External sources were used to predict the inflation rates.

International Event Catering
Cash flow projections used to determine the value in use are generally based on forecasts which, in turn, are based on financial plans approved by management. For the preparation of financial plans for the International Event Catering division, the Group made assumptions based on customer forecasts. The development for the planning period is derived from these forecasts. To the extent that the stable business outlook necessary for calculating the perpetual annuity is not guaranteed at the end of the detailed planning period, DO & CO includes a general planning phase in this planning. The extension of the detailed planning period at Arena One Allianz Arena is due to the underlying term of the contract. Several scenarios were calculated, with a baseline scenario ("scenario U") considered most likely which takes into account negative effects arising from this crisis for the following two business years and predicts an economic recovery to pre-crisis levels from the third year following the crisis. An additional scenario was calculated which does not provide for an extension of the existing contract after the contract term. Due to planning uncertainties, another scenario ("scenario L") was included which considers a sustained negative impact. These scenarios were weighted based on management's assumptions. Even when giving double weighting to the scenario L, no impairment would have to be recorded in the course of the impairment tests for Arena One Allianz Arena. The non-occurrence of these planning assumptions may require an impairment loss in the next business years.

The growth assumptions used for impairment testing are based on adapted past experiences. The development of the cost structure also reflects past experiences, measures implemented to improve efficiency and expected developments of the individual cost factors. In order to continue cash flow forecasts beyond the detailed planning period and the general planning period DO & CO takes into account growth rates that are particularly based on forecast inflation rates of the respective local market environment. External sources were used to predict the inflation rates.

Restaurants, Lounges & Hotel

The calculation of the fair value less costs to sell is also based on approved financial plans as well as expectations on the future development of the cash-generating unit's business model that are customary in the industry, without taking into account company-specific synergy effects. The fair values are to be allocated to level 3 given the planning assumptions used.
To the extent that the stable business outlook necessary for calculating the perpetual annuity is not guaranteed at the end of the detailed planning period, DO & CO includes a general planning phase in this planning. The extension of the detailed planning period with regard to Hédiard it is due to the starting phase that is required until a stable business outlook is attained. The growth assumptions used for impairment testing are based on adapted past experiences. They also take

into account assumptions with regard to the loyalty of major customers as well as with regard to the attracting of such customers and the expected developments in the relevant markets. The development of the cost structure also reflects past experiences and expected developments of the individual cost factors.

In order to continue cash flow forecasts beyond the detailed planning period and the general planning period DO & CO takes into account growth rates that are particularly based on forecast inflation rates of the respective local market environment. External sources were used to predict the inflation rates.

In the course of these impairment tests, goodwill in the amount of € 7.79m was impaired at the CGU Hédiard, a renowned gourmet food company with its headquarters in Paris/France. This CGU globally operates in retail and is allocated to the Restaurants, Lounges & Hotel division. The impairment loss resulted from the impact of the COVID-19 crisis. The recoverable amount of this CGU is based on the fair value less costs to sell and amounts to € 27.34m as of 31 March 2020.

Sensitivity analyses have been carried out for those cash generating units carrying goodwill where there is no impairment as at the reporting date. The sensitivity analyses carried out showed that the recoverable amounts as of 31 March 2020 of the cash-generating units to which goodwill was allocated and which were tested for impairment would have exceeded the respective carrying amounts also if the discount rate had increased by 0.5 percentage points. The same holds true if the growth rates applied to perpetual annuity had decreased by 0.5 percentage points or double weighing had been given to the scenario L.

Customer contracts acquired in the course of business acquisitions were capitalized at the fair value applicable at the acquisition date and amortised on a straight-line basis over their estimated useful lives of up to 17 years. The residual term is 10 or 4 years respectively. They are recognised at a carrying amount of € 7.15m (PY: € 8.73m) under the item intangible assets.

4.2. Property, plant and equipment

The table below presents an overview of the development of property, plant and equipment in the reporting period and the comparative period:

in m€	Land and buildings including buildings on third party land	Plant and machinery	Other equipment and office equipment	Payments in advance and assets in course of construction	Total
Cost at 31 March 2019	**170.08**	**42.98**	**111.43**	**46.37**	**370.85**
Changes in the scope of consolidation and reclassifications	11.99	0.17	0.72	0.47	**13.35**
Currency translation	-6.46	-1.68	-3.94	-1.03	**-13.11**
Additions	215.15	2.77	23.35	70.24	**311.49**
Disposals	-1.31	-0.62	-1.82	0.12	**-3.64**
Reclassifications	20.17	2.60	7.20	-35.04	**-5.07**
At 31 March 2020	**409.61**	**46.22**	**136.93**	**81.12**	**673.88**
Accumulated depreciation and impairment losses at 31 March 2019	**71.43**	**28.79**	**77.33**	**0.36**	**177.92**
Changes in the scope of consolidation and reclassifications	0.47	0.10	0.42	0.00	**1.00**
Currency translation	-2.46	-0.85	-2.93	-0.03	**-6.27**
Additions (depreciation)	32.56	3.83	12.62	0.00	**49.01**
Additions (impairment)	2.57	1.09	1.35	1.43	**6.43**
Appreciation	-0.23	0.00	0.00	0.00	**-0.23**
Disposals	-1.00	-0.53	-1.62	0.00	**-3.15**
At 31 March 2020	**103.35**	**32.44**	**87.17**	**1.76**	**224.72**
Carrying amounts at 31 March 2020	**306.25**	**13.78**	**49.76**	**79.36**	**449.16**

in m€	Land and buildings including buildings on third party land	Plant and machinery	Other equipment and office equipment	Payments in advance and assets in course of construction	Total
Cost at 31 March 2018	**168.09**	**45.77**	**104.27**	**83.08**	**401.20**
Changes in the scope of consolidation and reclassifications	0.00	-2.90	-0.24	0.00	**-3.14**
Currency translation	-1.25	-2.95	-4.56	-9.63	**-18.38**
Additions	0.99	2.12	6.38	32.51	**42.01**
Disposals	-0.13	-0.34	-2.41	-0.12	**-2.99**
Reclassifications	2.39	1.28	7.98	-59.49	**-47.84**
At 31 March 2019	**170.09**	**42.98**	**111.43**	**46.37**	**370.87**
Accumulated depreciation and impairment losses at 31 March 2018	**66.88**	**28.47**	**72.72**	**0.46**	**168.54**
Changes in the scope of consolidation and reclassifications	0.00	-2.90	-0.24	0.00	**-3.14**
Currency translation	-2.70	-1.30	-3.51	-0.10	**-7.62**
Additions (depreciation)	8.37	3.55	10.65	0.00	**22.57**
Additions (impairment)	0.19	1.29	-0.03	0.00	**1.46**
Appreciation	-1.18	0.00	0.00	0.00	**-1.18**
Disposals	-0.11	-0.33	-2.25	0.00	**-2.69**
At 31 March 2019	**71.45**	**28.79**	**77.33**	**0.36**	**177.93**
Carrying amounts at 31 March 2019	**98.64**	**14.19**	**34.09**	**46.01**	**192.93**

Property, plant and equipment includes right-of-use assets amounting to € 201.03m which relate to leases that do not meet the definition of an investment property.

Additions in the business year 2019/2020 mainly result from the expansions or establishment of gourmet kitchens at the London Heathrow and Madrid locations as well as in Turkey in the Airline Catering division.

As already disclosed in Section 4.1., the COVID-19 crisis also resulted in extensive impairment tests of property, plant and equipment.

They resulted in impairment of property, plant and equipment in the amount of € 6.43m.

In the Airline Catering division, three CGUs with three different production facilities in Germany were affected. Restructuring and reorganisation of the production facilities lead to the recognition of an impairment loss in the amount of € 2.17m. An impairment loss in the amount of € 1.59m was recognised for one CGU located in Frankfurt. The fair value less costs to sell amounts to € 4.81m as of 31 March 2020. An impairment loss in the amount of € 0.24m was recognised for one CGU located in Düsseldorf. The fair value less costs to sell amounts to € 0.13m as of 31 March 2020. An impairment loss in the amount of € 0.33m was recognised for one CGU located in Munich. The fair value less costs to sell amounts to € 1.49m as of 31 March 2020. All fair values less costs to sell are to be allocated to level 3.

The Airline Catering and the International Event Catering divisions were both affected with one CGU with a production facility in Italy each. Reduced revenue expectations and changed framework conditions in aviation in the course of the COVID-19 crisis resulted in the recognition of an impairment loss in the amount of € 2.60m. In both CGUs, an amount of € 1.30m each was impaired. The fair value less costs to sell in both CGUs amounts to € 0.00m each as of 31 March 2020 and is to be allocated to level 3.

In the Restaurants, Lounges & Hotel division, two CGUs in retail were affected. One CGU relates to a location under construction in the US. Due to the COVID-19 situation, an assessment of the business models was carried out. The recognition of impairment losses became necessary due to the planned change of concept. The recoverable amount of this CGU is based on the fair value less costs to sell and amounts to € 6.26m as of 31 March 2020. An impairment loss in the amount of € 0.46m was recognised. An additional CGU located in Great Britain also had to recognise an impairment loss in the amount of € 1.32m due to a change of concept. The recoverable amount of this CGU is based on the fair value less costs to sell and amounts to € 3.90m as of 31 March 2020 and is to be allocated to level 3.

4.3. Investments accounted for using the equity method

Investments in joint ventures relate to strategic partnerships in the Airline Catering and Restaurants, Lounges & Hotel divisions.

Investments accounted for using the equity method have developed as follows in the current and the previous business year:

in m€	**Business Year 2019/2020**		**Business Year 2018/2019**	
	Associated companies	Joint ventures	Associated companies	Joint ventures
As of 1 April	**3.05**	**4.35**	**2.78**	**4.50**
Attributable net result	0.12	-0.56	0.66	-0.30
Impairment	-0.89	-3.51	0.00	0.00
Currency translation	0.00	-0.18	0.00	0.13
Shares of other comprehensive income	0.00	-0.02	0.00	0.02
Attributable dividend payment	-0.40	0.00	-0.38	0.00
As of 31 March	**1.89**	**0.08**	**3.05**	**4.35**

The change of the attributable net result with regard to joint ventures compared to the same period in the previous year is due to the investments Sharp DO & CO Korea LLC (€ -0.54m / PY: € 0.42m) and Versilia Solutions Ltd. (€ -0.04m / PY: € -0.72m). In the business year 2019/2020, no pro-rated losses were recorded off-balance sheet (PY: € 1.08m).

The attributable net result equals the attributable result from continuing operations of the entities.

Reduced revenue expectations and changed general conditions in aviation in the course of the COVID-19 crisis resulted in the recognition of impairment losses for two entities in the Airline Catering division accounted for using the equity method, stated in amortisation / depreciation and effects from impairment tests. For one joint venture that is a service provider for the sale of products on board of an aircraft, an impairment loss in the amount of € 3.51m was recognised.

The fair value less costs to sell amounts to € 0.00m as of 31 March 2020. For one associated company operating in the services sector, an impairment loss in the amount of € 0.89m was recognised. The fair value less costs to sell amounts to € 1.13m as of 31 March 2020. All fair values less costs to sell are to be allocated to level 1 and level 3.

The carrying amounts of the investments accounted for using the equity method reported in the consolidated financial statements with regard to joint ventures and associates are shown in the table below:

in m€	31 March 2020		31 March 2019	
	Associated companies	Joint ventures	Associated companies	Joint ventures
Carrying amounts	1.89	0.08	3.05	4.35
Shares of other comprehensive income	0.00	-0.02	0.00	-0.03

4.4. Other financial assets (non-current)

Section 7.3. provides additional information on these financial assets.

4.5. Inventories

DO & CO's inventories break down as follows at the reporting dates:

in m€	31 March 2020	31 March 2019
Raw materials and supplies	16.99	13.86
Goods	17.82	18.67
Total	34.81	32.53

As goods were for the most part directly resold to the customer, impairment was only to be recognised to a minor extent at the end of the reporting period. The same holds true for raw materials and supplies that have a short turnover period.

4.6. Trade receivables

Trade receivables have a remaining period of a maximum of 12 months after the reporting period. With regard to impairment of trade receivables, creditworthiness is assessed on an ongoing basis. Default is principally defined on the basis of generally accepted rating classes as well as the credit standing which is externally available or internally defined. In addition, further internally available information is used to assess the default risk.

The development of trade receivables is as follows:

in m€	31 March 2020	31 March 2019
Trade accounts receivable	104.15	113.61
Specific allowance	-6.67	-2.55
General allowance related to IFRS 9	-0.26	-0.17
Trade receivables	97.22	110.89

The following risk concentrations exist with regard to trade receivables: At 31 March 2020, trade receivables from one customer amount to € 14.01m (PY: € 22.89m), of which € 13.64m (PY: € 3.16m) was still outstanding in mid-May 2020. No evidence exists that these receivables are uncollectible.

Of the total amount of trade receivables as of 31 March 2020, € 52.09m (PY: € 78.53m) are neither impaired nor past due.

Impairment of trade receivables mainly relate to receivables more than 80 days past due and has developed as follows:

in m€	Business Year 2019/2020	Business Year 2018/2019
As of 1 April	**2.72**	**3.83**
Allocation	4.69	0.37
Reclassification/ FX effects	-0.03	-0.07
Consumption	-0.18	-0.30
Release	-0.27	-1.12
As of 31 March	**6.93**	**2.72**

The increase in specific allowances is mainly due to the developments in Airline Catering. Since the beginning of the COVID crisis, changes in Airline Catering customers' payment behaviour have been observed. Allowances were recorded in those cases where recoverability is estimated to be unlikely.
DO & CO made assumptions with regard to future payments of airline customers that are subject to estimation uncertainties due to COVID-19 pandemic.

Impairment for expected credit losses in the amount of € 0.26m (PY: € 0.17m) was recognised as of 31 March 2020.

At 31 March 2020 and 31 March 2019, unimpaired trade receivables have the following past due periods:

in m€	31 March 2020	31 March 2019
undue	52.09	78.53
up to 20 days due	27.86	11.97
21 to 40 days due	4.76	4.36
41 days to 80 days due	3.22	7.50
more than 80 days due	9.28	8.53
Total	**97.21**	**110.88**

4.7. Other non-financial assets (current)

Other non-financial assets (current) include the following assets:

in m€	31 March 2020	31 March 2019
Prepaid expenses	4.99	6.17
Other receivables and assets	28.08	24.18
Total	33.07	30.34

Allowance for other non-financial assets (current) has developed as follows in the business year:

in m€	Business Year 2019/2020	Business Year 2018/2019
As of 1 April	**0.14**	**0.14**
FX effects	0.00	0.00
Allocation	0.07	0.00
Consumption	-0.14	0.00
Release	0.00	0.00
As of 31 March	**0.07**	**0.14**

4.8. Assets held for sale / liabilities directly attributed to assets held for sale

In the second quarter of the business year 2018/2019, the Management Board of DO & CO Aktiengesellschaft took the decision to pursue the disposal of Turkish DO & CO's hotel on the Bosporus, which is under construction, to Turkish Airlines. These assets or liabilities are accordingly classified as "asset held for sale" and "liabilities directly attributed to assets held for sale" in the consolidated statement of financial position as of 30 September 2018 and reclassified at the carrying amount. A right-of-use asset regarding a lease contract in the amount of € 13.34m relating to leases was also reclassified to this item. The catering contract including the agreement for the sale of the hotel located in Istanbul was signed in May 2019. The transaction will be performed after approval by the competition authorities. DO & CO expects to receive the approval within the next six months, though there may be a delay given the current situation. These assets and liabilities are part of the "Restaurants, Lounges & Hotel" segment.

4.9. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in transit and cash at banks with a maturity of less than 3 months. They are recognised at the most recent amount at the reporting date. € 300.88m (31 March 2019: € 70.45m) was recognised in the statement of financial position at the reporting date.

Cash and cash equivalents include foreign currencies, such as:

	31 March 2020	31 March 2019
mUSD	14.71	17.07
mTRY	129.84	52.29
mUAH	61.14	94.66
mGBP	9.06	3.16
mPLN	6.28	3.16

With regard to restrictions of availability of cash, please refer to Section 4.10.

4.10. Shareholders' equity

The share of DO & CO has been listed in the prime market of the Vienna Stock Exchange since March 2007 and at the Istanbul Stock Exchange since December 2010.

As of 31 March 2020, 57.70% of the shares are in free float. The remaining shares are held by the private foundation Attila Dogudan Privatstiftung (32.31%) and by Kabouter Management LLC (9.99%). The share of Attila Dogudan Privatstiftung includes a stake of 1.59% provided for management and staff participation.

The nominal capital of DO & CO amounts to € 19.49m at the end of the reporting period. 9,744,000 fully paid in no-par value shares are issued. Each share grants one vote.

By resolution of the 21st General Meeting of Shareholders of DO & CO Aktiengesellschaft held on 18 July 2019, a dividend of € 0.85 per dividend-bearing share for the business year 2018/2019 was approved. The dividend was paid out on 5 August 2019.

The capital reserve mainly includes amounts from past capital increases that were made in excess of the nominal capital less capital procurement costs, net of tax.

The accumulated remaining equity includes the currency translation reserve, the differences from the translation of financial statements prepared in foreign currencies that were recognised directly in equity in the business year under review and in previous years, as well as net investment effects, the IAS 19 reserve, actuarial gains and losses from defined benefit plans, net of income tax, as well as the cash flow hedge reserve, net of income tax.

The special item from transactions with non-controlling interests recognised within equity results from the acquisition of 51% of the shares and voting rights in DO AND CO KYIV LLC. As the Company simultaneously undertook to purchase the 49% of the shares held by the other shareholders at a later point in time, a liability had to be recognised in the amount of the present value of the purchase price obligation. This liability was initially recognised directly in equity by offsetting the liability against the special item reported in equity, with the item non-controlling interests not having been derecognised. Based on the assumption that DO & CO acquires the current balance of the respective investment of non-controlling interests, the Company derecognises the amount reported in equity for non-controlling interests at the end of every reporting period. Differences between the derecognised equity amounts and the amounts at which the derivative financial liability is recognised and amortised at cost are taken into account at DO & CO in accordance with the provisions on the presentation of transactions between shareholder groups by adjusting the special item.

The Management Board was authorised in the course of the General Meeting of Shareholders dated 12 July 2018 to increase the share capital from the current nominal amount of € 19,488,000 by up to a further € 2,000,000 through the issuance of up to 1,000,000 new no-par value bearer shares. After the respective increase(s), this corresponds to a proportion of share capital of up to (rounded) 9.31%.

By resolution of the General Meeting of Shareholders dated 4 July 2013, the Company's share capital is increased pursuant to Section 159 (2) No. 1 Austrian Stock Corporation Act (AktG) by up to € 7,795,200.00 through the issuance of up to 3,897,600 new no-par value bearer shares for issuing to creditors of financial instruments. The capital increase may only be carried out to the extent that the creditors of financial instruments exercise their subscription or conversion rights with regard to the Company's shares.

In the General Meeting of Shareholders dated 18 July 2019, the Management Board was authorised to acquire own shares (on exchange/off exchange) up to a maximum amount of 10% of the nominal capital, even under the exclusion of the right to sell on a pro rata basis which may be associated with such an acquisition (exclusion of reverse subscription rights). Moreover, the Management Board was authorised to resolve on the disposal or use of own shares by means other than sale through the stock exchange or by means of a public offer, applying the provisions on the exclusion of subscription rights of shareholders by analogy, as well as to decrease the share capital by withdrawing these own shares without further resolution of the General Meeting of Shareholders.

The shares of other shareholders include the direct non-controlling interests in the equity of the fully consolidated THY DO & CO İkram Hizmetleri A.Ş. amounting to 50%, the fully consolidated Lasting Impressions Food Company Ltd amounting to 10% and the fully consolidated DO & CO

Netherlands Holding B.V. amounting to 49%. Moreover, this item included the non-controlling interests in DO & CO im PLATINUM Restaurantbetriebs GmbH amounting to 10%.

The influence exercised by non-controlling interests (NCI) with a significant investment in subsidiaries on the activities and the cash flow of the entities is presented in the tables below.

			31 March 2020		31 March 2019	
Subsidiary	Place of business	Voting rights	Net Result NCI in m€	Carrying amount NCI in m€	Net Result NCI in m€	Carrying amount NCI in m€
THY DO & CO Ikram Hizmetleri A.S.	Turkey	50%	9.40	43.49	10.56	45.43

in m€			Business Year 2019/2020 Income statement - result				
Subsidiary	Revenue	Expenses	Parent	NCI	Total	Other comprehensive income	Dividends to NCI
THY DO & CO Ikram Hizmetleri A.S.	297.97	279.16	9.40	9.40	18.81	-7.12	4.22

in m€			Business Year 2018/2019 Income statement - result				
Subsidiary	Revenue	Expenses	Parent	NCI	Total	Other comprehensive income	Dividends to NCI
THY DO & CO Ikram Hizmetleri A.S.	248.13	227.01	10.56	10.56	21.13	-11.61	2.07

	31 March 2020					
in m€	Assets		Liabilities		Equity	
Subsidiary	Current	Non-current	Current	Non-current	Parent	Other shareholders
THY DO & CO Ikram Hizmetleri A.S.	122.51	52.10	59.58	28.05	43.49	43.49

	31 March 2019					
in m€	Assets		Liabilities		Equity	
Subsidiary	Current	Non-current	Current	Non-current	Parent	Other shareholders
THY DO & CO Ikram Hizmetleri A.S.	106.16	31.90	41.07	6.12	45.43	45.43

	31 March 2020			
in m€	Cash flows			
Subsidiary	Cash flow from operating activity (net cash flow)	Cash flow from investing activities	Cash flow from financing activities	Net increase/decrease in cash and cash equivalents
THY DO & CO Ikram Hizmetleri A.S.	38.26	-40.70	13.77	11.33

	31 March 2019			
in m€	Cash flows			
Subsidiary	Cash flow from operating activity (net cash flow)	Cash flow from investing activities	Cash flow from financing activities	Net increase/decrease in cash and cash equivalents
THY DO & CO Ikram Hizmetleri A.S.	22.89	-22.78	-4.14	-4.03

Due to legal requirements, the fully consolidated subsidiary THY DO & CO Ikram Hizmetleri A.S. has a deviating reporting date (31 December).

With the foreign exchange regulation of the Ukrainian National Bank coming into force on 18 June 2019, the legal requirement for the mandatory conversion of foreign exchange earnings was revoked. On 10 July 2019, the limit on the repatriation of dividends was finally abolished. From this time on, no restrictions with regard to foreign exchange and dividends exist in Ukraine.

4.11. Bond

At the beginning of March 2014, DO & CO placed a corporate bond at a notional amount of € 150.00m. The bond falls due on 4 March 2021 and has an interest rate of 3.125% per annum. The interest expense according to the effective interest method amounts to € 5.00m in the business year 2019/2020 (PY: € 5.00m). Payments are made annually on 4 March.

4.12. Other financial liabilities (non-current)

in m€	31 March 2020	31 March 2019
Loans	289.88	0.00
Lease Liability IFRS16 non-current	179.83	0.00
Liabilities derivative financial instruments	1.22	0.00
Other non-current financial liabilities	470.93	0.00

At the reporting date, other non-current financial liabilities include the loans taken out in the amount of € 289.88m in the fourth quarter of the business year 2019/2020 as well as long-term lease liabilities and a derivative liability from an interest rate swap concluded for hedging purposes.

Section 7.3. provides additional information on these financial assets.

4.13. Non-current provisions

The breakdown of non-current provisions arising from employment contracts are as follows at the end of the reporting period:

in m€	31 March 2020	31 March 2019
Provisions for severance payments DBO	12.43	15.24
Provisions for long-service anniversary payments DBO	2.91	4.48
Provisions for pension payments DBO	0.56	0.60
Other provisions	0.00	0.00
Total	15.90	20.31

€ 8.78m of the total amount of non-current provisions is due in the short term.

The projected unit credits of the defined benefit obligations and the anniversary bonuses have developed as follows in the business year 2019/2020:

	Termination benefits		Pensions		Anniversary bonuses	
in m€	**2019/2020**	**2018/2019**	**2019/2020**	**2018/2019**	**2019/2020**	**2018/2019**
Present value of obligations (DBO) on 1 April	**15.24**	**15.40**	**0.60**	**0.58**	**4.48**	**4.09**
Currency changes	-0.78	-1.41	-0.01	0.00	0.00	0.00
Current service cost*	2.07	1.20	0.02	0.01	0.36	0.12
Interest cost	1.21	1.23	0.01	0.01	0.04	0.05
Benefit payments	-8.36	-1.06	-0.09	-0.08	-0.33	-0.22
Settlements / curtailments*	0.00	0.00	0.00	0.00	0.00	0.00
Actuarial gains and losses**	3.06	-0.12	0.03	0.07	-1.63	0.44
thereof arising from expierenced based adjustments	0.46	-0.37	0.04	0.04	-1.38	-0.08
thereof arising from changes in financial assumptions	2.44	0.40	-0.01	0.01	-0.10	0.16
thereof arising from changes in demographic assumptions	0.00	-0.09	0.00	0.00	-0.16	0.37
Present value of obligations (DBO) on 31 March	**12.43**	**15.24**	**0.56**	**0.60**	**2.91**	**4.48**

* These items are included in the Personnel expenses
** This item is for long-service anniversary included in the Personnel expenses

The actual development of the obligations may deviate from the estimates included in the measurement owing to changing market, economic and social conditions. The above table

presents the resulting value adjustments and the changes in these estimates as actuarial gains and losses.
DO & CO recognises actuarial gains and losses with regard to provisions for termination benefits and pensions in the business year in which they originate in the consolidated statement of comprehensive income (without effect on income) under Revaluation IAS 19. With regard to anniversary bonuses, the revalued obligations are directly recognised under *Personnel expenses* in the income statement. The interest expense resulting from the discounting of personnel provisions is reported in the *Financial result*.

The breakdown of expenses from termination benefits and pensions is shown below. These expenses are reported in the relevant income statement items presented:

in m€	**Income statement position**	**Termination benefits 2019/2020**	**Termination benefits 2018/2019**	**Pensions 2019/2020**	**Pensions 2018/2019**
Current service cost	Personnel expenses	2.07	1.20	0.02	0.01
Interest cost	Financial expenses	1.21	1.23	0.01	0.01
Total		**3.28**	**2.43**	**0.03**	**0.02**

4.14. Income tax

Effective income tax receivables result from tax advances. Income tax receivables for which a legally enforceable right to offset against income tax liabilities exists, were offset.

Deferred taxes as of 31 March 2020 result from temporary differences arising between the carrying amounts and the tax bases of assets and liabilities as well as tax loss carry-forwards. Deferred taxes primarily result from the following:

	31 March 2020		**31 March 2019**	
in m€	**Deferred tax assets**	**Deferred tax liabilities**	**Deferred tax assets**	**Deferred tax liabilities**
Intangible assets	0.00	-1.93	0.04	-2.26
Property, plant and equipment and investment property	1.22	-61.32	12.15	-7.63
Non-current financial assets	0.00	0.00	0.00	0.00
Inventories	0.01	-1.94	0.00	-1.91
Current financial assets and other current assets	4.52	-4.15	0.34	-12.84
Provisions	3.71	-2.42	3.98	0.00
Liabilities	49.59	-0.01	1.99	-0.25
Total temporary differences	**59.04**	**-71.77**	**18.51**	**-24.88**
Tax losses carried forward	23.57	0.00	7.75	0.00
Valuation discount for deferred tax assets	-0.75	0.00	-0.24	0.00
Offsetting of differences with the same tax authorities	-67.93	67.93	-20.68	20.68
Total	**13.94**	**-3.85**	**5.33**	**-4.20**

In the business year 2019/2020 a tax income of € 0.64m (PY: € -1.27m) was directly recognised in equity arising from the revaluation of provisions for pensions and termination benefits and net investments as well as for the cash flow hedge. The book value of deferred tax reserve recognised in other comprehensive income amounts to € 1.62m (PY: € 0.99m). The book value of the non-controlling interests was € 0.46m (PY: € 0.19m).

Loss carry-forwards capitalised and not capitalised as well as the ability to carry forward losses that were not capitalised are presented in the table below:

in m€	31 March 2020	31 March 2019
Loss carry-forwards – capitalised	96.90	28.39
Loss carry-forwards – not capitalised	139.70	139.56
of which loss carry-forwards forfeitable in one year	0.00	0.00
of which loss carry-forwards forfeitable between two and five years	0.00	0.00
of which loss carry-forwards forfeitable in more than five years (excluding non-forfeitable loss carry-forwards	0.00	0.00
Non-forfeitable loss carry-forwards	139.70	139.56
Total unused loss carry-forwards	**236.60**	**167.95**

In the business year, DO & CO recognised deferred taxes in the amount of € 0.00m (PY: € 0.00m) for loss carry-forwards previously not taken into account. For tax loss carry-forwards in the amount of € 139.70m (PY: € 139.56m) no deferred tax assets were recognised since the realisation of potential tax benefits within the planning period is not sufficiently secured. Out of the loss carry-forwards capitalised in the previous year, deferred tax assets in the amount of € 1.03m (PY: € 0.00m) were subject to valuation discounts.

The accounting for deferred tax assets (not covered by deferred tax liabilities) on temporary differences and loss carry-forwards requires additional substantial indications that taxable results can be used for the anticipated tax relief in subsequent years. The future positive taxable results in accordance with the forecasts approved by the Management Board generally serve as basis for assessing the recoverability of deferred tax assets – after deducting temporary differences on the liabilities side. Particularly in countries where the requirements laid down by IFRS with regard to the reliability of the tax planning are higher due to losses recorded in recent years, there are additional substantial indications that taxable results can be used for the anticipated tax relief in subsequent years.

In the countries Germany, US, Austria and Spain one-off effects caused by the COVID-19 crisis are resulting in tax losses which, however, do not have a lasting negative effect on the medium-term and long-term earnings capacity of the core business. With regard to the losses incurred in Germany, restructuring measures have additionally been initiated that will eliminate the causes triggering the losses. In the previous years, the results of the US location were characterised by steadily increasing revenues as well as losses resulting from the start-up phase of the new location at the Los Angeles airport. As positive forecast shows, the Los Angeles location is currently not only leaving the start-up phase and generating a lasting positive development of revenues as well as positive results, but overall it can also be seen that the losses resulting from the start-up phase can be utilized. The losses incurred in Austria only relate to the one-off effects described above and, as shown in the forecast, will be utilized within the within the planning period. The positive forecast regarding Spain shows that the start-up losses incurred due to the commencement of Airline Catering business activities as a hub caterer for Iberia already exist in the first years of the planning phase. Assumptions made in the forecast regarding the future development of revenue were subject to estimation uncertainties especially due to the COVID-19 crisis.

Deferred tax liabilities are not recognised for temporary differences resulting from shares in subsidiaries, joint ventures or associated companies (outside-basis differences) in cases where their reversal can be controlled by DO & CO and is not probable in the foreseeable future.

4.15. Other financial liabilities (current)

in m€	31 March 2020	31 March 2019
Bond	149.69	0.00
Loans	12.99	2.82
Provision for interest on bonds	0.35	0.35
Miscellaneous other financial liabilities (current)	28.66	21.33
Lease Liability IFRS16 current	20.53	0.00
Other financial liabilities (current)	212.22	24.50

The increase in other financial liabilities is mainly due to the reclassification of the bond in the amount of € 149.69m as well as the first-time application of IFRS 16 in the amount of € 20.53m. The increase in miscellaneous other financial liabilities in the amount of € 7.33m results from liabilities regarding restructuring expenses. Regarding future cash outflows please refer to Section 7.3.

4.16. Trade payables

The table below shows the development of trade payables:

in m€	31 March 2020	31 March 2019
Trade payables	92.46	80.76
Deliveries and services not yet invoiced	8.12	8.49
Trade payables	100.58	89.25

The increase in trade payables results from growing business activities on the one hand and the consistent utilization of payment terms on the other hand.

4.17. Current provisions

The current provisions have developed as follows in the business year:

in m€	As of 1 April 2019	Currency changes	Changes in scope of consolidation	Consumption	Release	Allocation	As of 31 March 2020
Other personnel provisions	2.44	-0.06	0.00	-3.66	-0.13	2.62	1.21
Other provisions	11.18	-0.24	0.02	-7.41	-1.08	18.39	20.87
Total	**13.62**	**-0.30**	**0.02**	**-11.06**	**-1.21**	**21.01**	**22.08**

Other personnel provisions pertain to provisions for performance-based remuneration components in the amount of € 1.21m (PY: € 2.44m). Other provisions mainly include provisions resulting from audit and consulting expenses, legal fees restructuring costs as well as other current obligations and deferrals/accruals. Assumptions made are subject to estimation uncertainties regarding the outcome of open negotiations and proceedings, especially due to the COVID-19 pandemic. Cash outflow is expected within the next months.

4.18. Other liabilities (current)

Other liabilities (current) break down as follows:

in m€	31 March 2020	31 March 2019
Advanced payments received on orders	9.07	0.97
Other liabilities	12.53	11.79
Deferred income	0.87	0.23
Contract costs	12.43	3.10
Other current liabilities IFRS 16	1.45	0.00
Total	36.35	16.09

It is expected that these obligations will be settled within 12 months after the end of the reporting period. Other liabilities mainly pertain to VAT liabilities and liabilities to social insurance funds as well as to liabilities to employees for recurring remuneration payments.

5. Comments on the Consolidated Income Statement

5.1. Revenue

DO & CO mainly generates revenues from contracts with customers in the context of catering, handling and infrastructure services.

Revenue from contracts with customers by segments and geographical regions breaks down as follows:

Countries	Airline Catering	International Event Catering	Restaurant, Lounges & Hotel	Total
Turkey	273.91	0.06	23.97	297.94
Austria	80.32	17.51	58.38	156.21
Great Britain	96.30	28.67	8.50	133.46
Germany	47.89	51.47	33.52	132.88
USA	123.57	0.00	0.00	123.57
other countries	48.34	36.42	6.54	91.29
Total	670.33	134.13	130.90	935.37

The following table provides information on receivables (see Section 4.6.), contract assets and contract liabilities:

in m€	31 March 2020	31 March 2019
Trade receivable	104.14	113.61
Activated contract costs	25.91	6.34
Other contractual assets	5.07	0.00
Other contractual obligations	-12.43	-3.10

Valuation allowances in the amount of € 6.93m (PY: € 2.72m) were recognised for trade receivables.

The contract costs capitalised in the amount of € 25.91m in the business year 2019/2020 relate to costs incurred for the performance of a contract which are amortised on a straight line basis over the contract term as of the date of contract inception in 2020. In the business year 2019/2020, capitalised contract costs in the amount of € 0.41m were amortised.

Contract assets mainly relate to claims for consideration for finished services not yet invoiced at the reporting date.

Contract liabilities mainly relate to subsequently granted rebates for which an outflow within one year is expected. Assumptions were made regarding the outcome of further negotiations that are subject to estimation uncertainties. The amount of € 3.10m reported under contract liabilities at the beginning of the period was recognised as revenue in the business year 2019/2020.

5.2. Other operating income

In the business year 2019/2020 and in the previous year, other operating income pertains to:

in m€	Business Year 2019/2020	Business Year 2018/2019
Income from the release of provisions	1.54	3.08
Foreign exchange gains	2.89	5.67
Income from first consolidation	1.70	0.00
Miscellaneous other operating income	11.63	12.65
Total	17.77	21.39

5.3. Cost of materials

In the business year 2019/2020 and the previous year, cost of materials and purchased services amounted to:

in m€	Business Year 2019/2020	Business Year 2018/2019
Cost of materials	-304.32	-278.93
Cost of purchased services	-90.58	-83.38
Total	-394.89	-362.31

Purchased services mainly include the renting of equipment and acquired staff.

5.4. Personnel expenses

The DO & CO Group employed an average of 10,726 staff (PY: 9,919 staff) in the business year 2019/2020.

In the business year and in the previous year, personnel expenses comprised the following:

in m€	Business Year 2019/2020	Business Year 2018/2019
Wages and salaries	-264.35	-223.21
Expenses for termination benefits, pensions and contribution based payments	-6.70	-7.22
Compulsary social security contribution and payroll-related taxes	-48.01	-41.46
Other employee-related expenses	-13.84	-10.39
Total	-332.82	-282.29

An amount of € 0.60m (PY: € 0.63m) was paid to staff provision funds in Austria.

5.5. Other operating expenses

Other operating expenses pertain to:

in m€	Business Year 2019/2020	Business Year 2018/2019
Rentals, leases and operating expenses (including airport fees)	-60.76	-71.34
Travel and communication expenses	-13.19	-12.03
Transport, vehicle and maintenance expenses	-26.97	-21.95
Insurance premiums	-2.15	-1.98
Legal, auditing and consulting expenses	-13.76	-8.40
Bad debts, impairments of receivables and other claims	-6.90	-1.59
Foreign exchange losses	-2.87	-2.75
Losses on disposal of non-current assets	-0.34	-0.74
Other taxes	-6.41	-4.93
Expenses from deconsolidations	0.00	-3.60
Miscellaneous other operating expenses	-21.50	-15.28
Total	-154.85	-144.59

Expenses for the auditor amounted to € 0.46m (PY: € 0.58m) for the audit of the consolidated financial statements and the separate financial statements in the reporting period as well as to € 0.07m (PY: € 0.05m) for tax advice, € 0.00m (PY: € 0.00m) for other assurance services and € 0.01m (PY: € 0.13m) for other consulting services.

5.6. Amortisation/depreciation and effects from impairment tests

Amortisation / depreciation and effects from impairments tests recorded in the income statement include:

in m€	Business Year 2019/2020	Business Year 2018/2019
Amortisation and depreciation	-53.74	-27.47
Effects from impairment tests	-18.30	-1.45
Total	-72.04	-28.92

The increase in amortisation/depreciation is mainly due to the first-time application of IFRS 16.

The increase in effects from impairment tests relates to impairment of property, plant and equipment and investments accounted for using the equity method in the amount of € 10.39m and impairment of goodwill in the amount of € 7.80m. For detailed information, please refer to Section 4.1 and 4.3.

For the breakdown of the reported impairment losses with regard to the business segments, please refer to Segment reporting.

5.7. Financial result

The table below shows the breakdown of the financial result:

in m€	Business Year 2019/2020	Business Year 2018/2019
Income from non-current securities	-0.01	0.47
Interest and similar income	2.52	2.77
Expenses from securities of current assets	0.01	0.00
Interest and similar expenses	-16.30	-6.47
Other financial expenses	0.00	0.00
Other financial result	-0.68	0.43
Total	-14.47	-2.81

Interests and similar income are interest income resulting from cash equivalents in Turkey and Ukraine.
Interest and similar expenses include interest expenses incurred for the corporate bond in the amount of € 5.00m (PY: € 5.00m), for loans, from the discounting of termination benefit obligations and other non-current obligations in the amount of € 1.26m (PY: € 1.28m) as well as the discounting of lease liabilities in the amount of € 9.77m (PY: € 0.00m).
The other financial result includes foreign exchange differences resulting from group financing in foreign currencies.

5.8. Income tax

The item income tax comprises current and deferred income taxes as presented in the table below:

in m€	Business Year 2019/2020	Business Year 2018/2019
Current income taxes	-7.24	-10.19
Deferred taxes	8.01	-1.52
Total	0.77	-11.71

€ -7.23m (PY: € -12.43m) of current income tax expenses pertains to the current year. Income tax expenses in the amount of € -0.01m (PY: € 2.24m) relate to adjustments of income tax expenses incurred in previous years.

The income tax reported in the business year 2019/2020 is derived as follows from the expected income tax expense that would have resulted from applying DO & CO's income tax rate to the Group's profit before income tax:

in m€	Business Year 2019/2020	Business Year 2018/2019
Profit before income tax	-16.39	48.64
Expected tax expense 25% (PY: 25%)	**4.10**	**-12.16**
+/- Tax differences non-domestic countries	2.02	2.64
Calculated income tax expense	**6.12**	**-9.52**
Reconciliation item	-5.35	-2.19
Accounted income tax expense	**0.77**	**-11.71**
Effective tax rate	**4.7%**	**24.1%**

The effective tax burden of the DO & CO Group, i.e. the reported tax expense in relation to the profit before income tax, is 4.7% (PY: 24.1%). The tax ratio of the business year 2019/2020 mainly rose due to the evaluation of deferred taxes relating to the current and the previous years as well as due to one-off effects from current taxes.

5.9. Earnings per share

Basic earnings per share are calculated by dividing profit or loss attributable to the shareholders of DO & CO by the average number of ordinary shares issued during the business year.

	Business Year 2019/2020	Business Year 2018/2019
Net result in m€	**-24.87**	**26.40**
Number of shares at the end of the period (in Pie)	9,744,000	9,744,000
Basic/diluted earnings per share (in €)	**-2.55**	**2.71**

The basic earnings per share equals the diluted earnings per share.

5.10. Proposed appropriation of profit

Under the provisions of the Austrian Stock Corporation Act, the financial statements of DO & CO as of 31 March 2020, prepared in accordance with the Austrian financial reporting requirements, provide the basis for the distribution of a dividend. These financial statements show no net profit for the year. The Management Board proposes to the General Meeting of Shareholders not to distribute a dividend.

6. Comments on the Consolidated Statement of Cash Flows (Cash Flow Statement)

The statement of cash flows from operating activities was prepared using the indirect method. Liquid funds correspond to *Cash and cash equivalents* in the consolidated statement of financial position and include cash in hand, cheques and cash at banks.

Income tax payments are reported separately under the cash flows from operating activities.

The gross cash flow amounts to € 74.10m, meaning a decrease of € -6.49m compared to the same period of the previous year. Taking into account the changes in the working capital and the income tax payments, the cash flow from operating activities amounts to € 102.71m (PY: € 54.92m).

The cash flow from investing activities amounts to € -115.03m (PY: € -45.18m). Cash-effective investments in property, plant and equipment and in intangible assets are € -95.60m (PY: € -41.83m).

The cash flow from financing activities is € 245.64m (PY: € -13.16m).

in m€	Retained Earnings	Non-controlling interests	Loans	Bond	Leases	Total
1 April 2018	**160.35**	**47.74**	**2.82**	**149.37**	**0.00**	**360.29**
Dividend payment to shareholders of DO & CO Aktiengesellschaft	-8.28	0.00	0.00	0.00	0.00	-8.28
Dividend payment to non-controlling interests	0.00	-4.38	0.00	0.00	0.00	-4.38
Cash outflows for the acquisition of non-controlling interests	-2.26	-1.79	0.00	0.00	0.00	-4.05
Increase in financial liabilities	0.00	0.00	300.00	0.00	0.00	300.00
Repayment of financial liabilities	0.00	0.00	0.00	0.00	-22.92	-22.92
Interest paid	0.00	0.00	0.05	-5.01	-9.77	-14.72
Total change of cash flow from financing activities	**-10.54**	**-6.17**	**300.05**	**-5.01**	**-32.69**	**245.64**
Currency translation differences	0.00	-6.00	0.05	0.00	0.00	-5.96
Interest Expense	0.00	0.00	-0.05	5.33	9.77	15.05
New leases	0.00	0.00	0.00	0.00	223.28	223.28
Other changes related to equity	26.40	8.52	0.00	0.00	0.00	34.93
31 March 2019	**176.21**	**44.09**	**302.87**	**149.69**	**200.36**	**873.22**

7. Additional Disclosures

7.1. Contingencies and financial liabilities

The contingent liabilities of the DO & CO Group amount to € 31.01m at 31 March 2020 (31 March 2019: € 30.81m) and comprise:

in m€	**31 March 2020**	**31 March 2019**
Guarantees	30.90	30.70
Other contractual obligations	0.11	0.11
Total	31.01	30.81

All matters reported under contingent liabilities relate to potential future obligations which are uncertain as of 31 March 2020 and that would create an obligation for DO & CO only upon the occurrence of uncertain future events. It is unlikely that there will be an outflow. This item mainly relates to guarantees for rental agreements, customs duties and for the purposes of securing bank guarantees by collateral.

For reasons of practicability, the disclosures pursuant to IAS 37.86 and IAS 37.89 are omitted in accordance with IAS 37.91.

At 31 March 2020, executory contracts exist on the purchase of property, plant and equipment in the amount of € 18.04m (31 March 2019: € 27.90m).

7.2. Leases

In particular, DO & CO rents real estate, which – among others – includes office spaces and production facilities. They mostly constitute long-term leases, with some contracts including extension and termination options. Many contracts include lease payments that depend on an index. Some contracts include variable lease payments based on revenue. Some lease agreements include restrictions which prohibit the conclusion of subleases or predetermine the use of the asset.

In addition, DO & CO rents plant and machinery as well as other equipment and office equipment, with the proportion of these kinds of leases, however, being low compared to real estate leases.

The following table shows the carrying amounts recognised for right-of-use assets included in property, plant and equipment as well as the change during the reporting period:

in m€	**Land and buildings including buildings on third party land**	**Plant and machinery**	**Other equipment and office equipment**	**Total**
As of 1 April 2019	**134.42**	**0.13**	**1.28**	**135.82**
Changes in the scope of consolidation and reclassifications	10.31	0.00	0.00	**10.31**
Currency translation	-3.54	0.00	-0.01	**-3.55**
Additions	81.95	0.00	1.17	**83.11**
Disposals	-0.23	0.00	0.02	**-0.21**
Accumulated depreciation	-23.27	-0.03	-0.66	**-23.97**
Impairment losses	-0.44	0.00	-0.06	**-0.49**
As of 31 March 2020	**199.20**	**0.09**	**1.74**	**201.03**

The following amounts relating to leases are recorded in the consolidated income statement:

in m€	Business Year 2019/2020
Depreciation expense of right-of-use assets	-23.96
Impairment losses	-0.49
Interest expense on lease liabilities	-9.77
Expense relating to short-term leases	-0.61
Expense relating to leases of low-value assets	-0.03
Variable lease payments	-19.74
Total amount recognised in profit or loss	**-54.60**

The following amounts relating to leases are recorded in the consolidated statement of cash flows:

in m€	Business Year 2019/2020
Total cash outflow for leases	-30.58

Some contracts include variable lease payments based on revenue. If revenue increases by 10%, total lease payments will rise by approx. 4%. In addition, DO & CO has concluded leases containing extension and termination options. Some options may only be exercised by DO & CO, others only by the lessor. At the commencement date, DO & CO assesses whether DO & CO is reasonably certain to exercise or not to exercise these options. Upon the occurrence of a significant event or significant changes in circumstances, a reassessment may be made. In the case of a reassessment of extension and termination options which were considered or not considered in the course of the initial measurement of the lease term, DO & CO estimates possible future lease payments to amount to approx. € 9m. With regard to leases already entered into by DO & CO but which have not yet commenced, DO & CO estimates the potential future lease payments to amount to approx. € 0.5m.

7.3. Additional disclosures on financial instruments

The fair values stated are determined based on the below parameters depending on the level to which the fair value is allocated:

- Level 1: Quoted prices in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities either directly (that is, as a price) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). An allocation to level 3 is already made if an unobservable input exists in the course of the measurement that exerts a significant influence on the measurement.

The carrying amounts of the financial instruments, classified in measurement categories pursuant to IFRS 9, and the fair values allocated to classes are presented in the table below:

in m€	Carrying amount 31 March 2020	Measurement category according to IFRS 9	Fair Value	Level
Other financial assets (non-current)	3.66			
Investments and securities	0.36	FVTPL		
Shares in affiliated companies	0.15	FVTPL		3
Securities	0.21	FVTPL		1
Other non-current assets	3.30	AC		
Trade receivables	97.22	AC		
Other financial assets (current)	10.92	AC		
Cash and cash equivalents	300.88	AC		
Total assets	**412.68**			
Bond	0.00			
Other financial liabilities (non-current)	470.93			
Loans	289.88	FLAC	225.04	3
Lease liability IFRS 16	179.83	FLAC		
Derivative financial instrument	1.22	FVOCI		2
Other financial liabilities (current)	212.22			
Bond	149.69	FLAC	135.00	1
Loans	12.99	FLAC	2.67	3
Lease liability IFRS 16	20.53	FLAC		
Miscellaneous other current financial liabilities	29.00	FLAC		
Trade payables	100.58	FLAC		
Total liabilities	**783.73**			

in m€	Carrying amount 31 March 2019	Measurement category according to IFRS 9	Fair Value	Level
Other financial assets (non-current)	5.20			
Investments and securities	0.39	FVTPL		
Shares in affiliated companies	0.18	FVTPL		3
Securities	0.21	FVTPL		1
Other non-current assets	4.81	AC		
Trade receivables	110.89	AC		
Other financial assets (current)	12.52	AC		
Cash and cash equivalents	70.45	AC		
Total assets	**199.06**			
Bond	149.37	FLAC	155.15	1
Other financial liabilities (non-current)	0.00			
Other financial liabilities (current)	24.50			
Loans	2.82	FLAC	2.62	3
Miscellaneous other current financial liabilities	21.68	FLAC		
Trade payables	89.25	FLAC		
Total liabilities	**263.13**			

AC: financial assets measured at amortised cost
FLAC: financial liabilities measured at amortised cost
FVTPL: financial assets mandatorily at fair value through profit or loss
FVOCI: financial assets/liabilities at fair value through other comprehensive income

With regard to cash and cash equivalents, trade receivables as well as other current financial assets, the carrying amounts represent an adequate estimate of the fair values as the remaining maturities are short. The same applies to trade payables, other liabilities and current financial liabilities. The fair value is not disclosed in accordance with the exemption provision set forth under IFRS 7.29(a).

The fair value of the non-current loan liabilities is determined by discounting the future cash flows, taking into account the interest hedge through the swap. The discount rate used is the WACC of DO & CO Aktiengesellschaft, excluding IFRS 16 adjustments, and amounts to 7.1 % as of 31 March 2020.

The fair value of the loan stated under *Current financial liabilities* is calculated by discounting the future cash flows. The appropriate discount rate is 8.3%. Individual characteristics of the financial instruments are taken into account applying a creditworthiness and/or liquidity spread in line with the market. The financial liability arising from the obligation to acquire shares of other shareholders in the future (see Section 4.10. Shareholders' equity) is measured at fair value. The fair value is calculated as the present value of the difference between the purchase price paid by DO & CO for the acquisition of 51% of the shares less the contractually agreed purchase price for all shares in the subsidiary. Changes in value are directly offset against the Group's equity, which is why this liability cannot be classified to any of the measurement categories pursuant to IFRS 9. As of 31 March 2020, the carrying amount of the liability arising from the acquisition of the non-controlling interests was € 0.00m (31 March 2019: € 0.00m).

Currency risk

DO & CO's elevated currency risk arises from possible changes in foreign exchange rates due to the international nature of its business. This risk particularly relates to the following currencies: Turkish lira (TRY), British pound (GBP), US dollar (USD), Polish zloty (PLN) and Ukrainian hryvnia (UAH).

The Company seeks to hedge currency losses primarily by natural hedges that aim at balancing income and expenses denominated in a foreign currency with regard to the currency amount and the timing when payments are received or to be made, if possible. The Company also aims at transferring currency risks as far as possible to customers and suppliers with the help of corresponding agreements.

If required, DO & CO uses derivative financial instruments to manage currency risks. At the reporting date, the Company does not hold any derivatives to hedge foreign currency risks.

Sensitivity analyses are required under IFRS 7 to highlight the dependency of currency risks from monetary financial instruments denominated in a currency other than the functional currency. Currency translation effects on gains and losses determined on the basis of these analyses mainly result from receivables and/or payables in foreign currencies that exist at the reporting date. Non-current receivables and liabilities that form part of net investments in foreign operations affect equity. Currency translation differences arising from the translation of financial statements into the Group reporting currency are not taken into account in the sensitivity analysis.

As of 31 March 2020, the exchange rates applied by DO & CO with regard to the translation of significant currencies into euros are as follows:

Impact on profit before income tax (m€)	USD	GBP	TRY	PLN	UAH	CHF
Revaluation of foreign currency in relation to the euro by 10%	0.71	0.20	-0.67	-0.22	0.17	-0.06
Devaluation of foreign currency in relation to the euro by 10%	-0.58	-0.14	0.66	0.22	-0.17	0.06

Based on the result of the sensitivity analysis, an appreciation (depreciation) by 10% of the main foreign currencies for DO & CO against the respective functional currency of the group companies led to the following theoretical impacts on the profit before income tax in the business year 2019/2020 and/or on equity as of 31 March 2020:

Impact on equity (m€)	USD	GBP	TRY	PLN	UAH	CHF
Revaluation of foreign currency in relation to the euro by 10%	9.21	9.15	-	-	1.03	-
Devaluation of foreign currency in relation to the euro by 10%	-7.53	-7.49	-	-	-0.84	-

Liquidity risk

Precise financial planning is the key to control liquidity and avoid liquidity risks. If expansion and other investment projects are undertaken, a meticulous analysis of their impact on Group liquidity must be conducted.

All Austrian and German DO & CO companies are integrated in a cash-pooling system so that liquidity can be managed centrally. Deviations from financial planning are detected immediately thanks to regular and prompt financial reporting. This approach ensures that countermeasures can be initiated quickly.

Liquidity needs can be covered from currently existing funds and credit facilities offered by the banks.

DO & CO keeps the default risk to a minimum with the help of timely monitoring as part of its debtor management.

The default risk of major customers is mitigated by entering into corresponding contractual agreements and by customers providing collateral.

The table below presents the undiscounted contractually agreed interest payments and redemptions of the financial liabilities that fall within the scope of IFRS 7:

	31 March 2020			
in m€	Carrying amount	Cash outflow in the next reporting period	Cash outflow for the next but one reporting period	Subsequent cash outflow
Cash outflow other non-current financial liabilities	470.93	9.01	94.16	461.91
thereof loans and derivate with maturity of 1-5 years	151.22	1.12	1.12	153.22
thereof loans with maturity of more than 5 years	138.66	0.55	16.99	127.19
thereof lease liabilty	179.83	7.34	76.05	181.50
Cash outflow trade payables	100.58	100.58		
Cash outflow other current financial liabilities	212.22	217.78		
thereof issued bond	149.69	154.69		
thereof lease liabilty	20.53	20.53		
thereof miscellaneous other financial liabilities	19.84	19.84		
thereof liabilties related to personnel	12.04	12.04		
thereof loans	10.12	10.69		
Cash outflow liabilities within application area of IFRS 7	783.73	327.37	94.16	461.91

	31 March 2019			
in m€	Carrying amount	Cash outflow in the next reporting period	Cash outflow for the next but one reporting period	Subsequent cash outflow
Cash outflow other non-current financial liabilities	0.00	0.00	0.00	0.00
Cash outflow issued bond	149.37	4.69	154.69	0.00
Cash outflow trade accounts payable	89.25	89.25		
Cash outflow other current financial liabilities	24.50	24.50		
thereof issued bond	0.00	0.00		
thereof lease liabilty	0.00	0.00		
thereof miscellaneous other financial liabilities	9.41	9.41		
thereof liabilties related to personnel	15.09	15.09		
thereof loans	0.00	0.00		
Cash outflow liabilities within application area of IFRS 7	263.13	118.44	154.69	0.00

Interest risk

Financing activities have maturities that correspond at least to terms of the commitment with regard to the projects to be financed. Financing is done at usual market conditions. The effects of a change in interest rates are monitored in sensitivity analyses conducted every six months. These analyses represent the effects that changes in market interest rates have on interest payments, interest income and interest expenses. Thus, interest rate risks do not exist for financial instruments measured at amortised cost. Changes in market interest rates, however, affect the financial result of variable-interest financial assets and liabilities. At DO & CO, this pertains in particular to cash. In March 2020, DO & CO concluded an interest-rate swap to hedge the interest rate risk arising from the variable interest loan. For detailed information on the cash flow hedge, please refer to the Section on hedge accounting as well as to the disclosures on financial liabilities in Section 3.3. Accounting methods.

An increase (a decrease) of 100 basis points in the average interest rate at 31 March 2020 would therefore have increased (decreased) the profit before income tax by € 0.82m (€ 0.26m). DO & CO thus is at present not exposed to a significant interest rate risk. The calculation is based on the assumption that DO & CO’s deposits do not have a negative interest rate.

Default risk
Adequate provisions for trade receivables are calculated based on the impairment model pursuant to IFRS 9 which views to determine expected credit losses. The Group applies the simplified model (lifetime expected loss model) to recognise expected credit losses by using a provision matrix of the probability-weighted lifetime expected losses.
In determining expected losses, historical defaults are calculated separately for the regions Turkey, Europe and the US. CDS spreads are used in the calculation in order to take into account the future default risk.
DO & CO considers financial assets to be defaulted in the case it is improbable that the debtor will be able to fully settle its financial obligation and the decision is made that the receivable can no longer be recognised.

The following indicators are used for the assessment:

- More than 80 days past due
- Segment-specific analysis
- Customer-specific analysis
- Cost-benefit analysis

In general, it can be said that DO & CO did not observe any material defaults arising from its ordinary business activities. It is currently not possible to estimate the impact of the COVID-19 pandemic. DO & CO observes available data of its customers and will record it in the case that indications of impairment arise. The carrying amounts of financial assets (31 March 2020: € 111.79m) correspond to the maximum default risk.
At the reporting date 31 March 2020, DO & CO had not taken out any credit insurance. Investments are made only at banks with first-class ratings.

Capital management
DO & CO's capital management strategy generally strives to increase the Company's value and to maintain a strong capital structure with high capital resources. Due to an increase in investments in the previous business year, additional funds had to be borrowed from credit institutions.

Within the meaning of a value-oriented corporate governance, the key control parameters used are EBITDA, EBIT as well as EBITDA and EBIT margins. The focus is on the successful use of the Company's assets and achieving a value that exceeds the capital costs. DO & CO monitors capital on the basis of the performance indicators net gearing (gearing ratio), equity ratio and net debt to EBITDA.

		Business Year 2019/2020	Business Year 2018/2019
EBITDA	m€	70.11	80.37
EBITDA margin	%	7.5%	9.5%
EBIT	m€	-1.92	51.45
EBIT margin	%	-0.2%	6.1%
Equity ratio [1]	%	18.9%	42.4%
Net debt (net financial liabilities)	m€	366.40	81.75
Net debt to EBITDA		5.23	1.02
Net gearing	%	177.6%	32.8%

1 … Adjusted by proposed dividend payments

(for the contents and definition of the key figures, see the Glossary of Key Figures).

A dividend policy in line with the net result serves to maintain the capital structure. The Management Board will thus propose to the General Meeting of Shareholders not to distribute a dividend for the business year 2019/2020.

Hedge accounting

DO & CO applied hedge accounting in accordance with IFRS 9 for the first time as of 31 March 2020. The risk management objective is to hedge the interest rate risk of a variable interest bullet loan taken out in March 2020 by concluding an interest rate swap on 13 March 2020. The term of the loan as well as of the interest rate swap is 5 years. The compensation payments resulting from the swap as well as the interest payments are made quarterly. For detailed information on the measurement principles of these financial instruments, please refer to the disclosures on financial liabilities in Section 3.3. Accounting methods.

The following tables include disclosures on the hedging instrument and the underlying transaction as well as on the impact of the hedging relationship on the statement of financial position, the income statement and other comprehensive income:

	Hedging instrument 31 March 2020			
Cash flow hedge	Notional amount of the hedging instrument	Carrying amount of the hedging instrument	Line item in the statement of financial position in which the hedging instrument is located	Changes in fair value of the hedging instrument used for measuring ineffectiveness
Interest rate risk				
- Interest rate swap	100.00	-1.22	Liabilities derivative financial instruments (long-term)	-1.22

	Hedged item 31 March 2020		
Cash flow hedge	Change in fair value of the hedged item used for measuring ineffectiveness	Hedge reserve in OCI for ongoing hedge accounting	Hedge reserve in OCI for which hedge accounting has previously been used
Interest rate risk			
- Floating rate loan payable	1.22	-0.92	0.00

	Hedge effectiveness			
	31 March 2020			
	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from the hedge reserve to profit or loss	
			thereof amount for which hedge accounting has previously been used	thereof amount which was reclassified because the hedged item affected profit or loss
Cash flow hedge	-1.22	0.00	0.00	0.00

Until the underlying transaction will be recognised in profit or loss, the effective portion of the hedging transaction from the cash flow hedging relationship is recognised in other comprehensive income after taking into account deferred taxes, and stated in the cash flow hedge reserve included in shareholders' equity. The development of the cash flow hedge reserve is shown in the statement of changes in equity.

As of 31 March 2020, no ineffective portions exist which are to be recognised in the income statement.

7.4. Significant events after the reporting period (subsequent report)

From mid-February to March 2020, the general conditions for the DO & CO Group changed dramatically when the global economy was hit by the unprecedented impact of the COVID-19 pandemic, leading to a sudden and significant decline in demand for international flights as almost all countries closed their borders and imposed strict travel restrictions.

DO & CO assumes that passenger demand will not recover to the 2019 level before 2023 and that the upcoming business year 2020/2021 will generally be affected considerably by the COVID-19 situation. The DO & CO Group is exposed to particular risks with regard to the further development of travel restrictions and the opportunities to host major events. To counter these risks in the best possible way, a group-wide restructuring will be indispensable in order to manage the crisis, focusing strongly on an appropriate level of liquidity. Moreover, the development of already existing and new B2C distribution channels will be accelerated. The Management Board is confident, that DO & CO will emerge stronger from this crisis.

Beyond that no significant events occurred after the balance sheet date.

7.5. Related party disclosures

In its normal course of business, DO & CO Aktiengesellschaft has direct and/or indirect relationships with unconsolidated subsidiaries, joint ventures and associates.

Related parties mainly comprise members of the Management Board and of the Supervisory Board or companies in which members of the Management Board or Supervisory Board hold key positions.

	Business Year 2019/2020				**Business Year 2018/2019**			
in m€	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries
Performed deliveries and services	0.00	0.44	0.62	0.57	0.00	0.68	1.52	0.40
Supplies received and services rendered	6.08	9.85	0.04	1.90	6.57	8.99	0.06	1.92

	31 March 2020				**31 March 2019**			
in m€	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries	Other related party	Associated companies	Joint ventures	Non-consolidated subsidiaries
Receivables	0.95	0.42	1.47	0.11	2.43	0.29	1.72	0.04
Payables	0.52	3.12	0.00	0.30	0.37	2.33	0.16	0.12
Granted loans	0.00	0.00	2.19	0.00	0.00	0.00	5.17	0.00

The Group reports receivables from loans granted to joint ventures with an interest rate of 3.25% p.a.

DO & CO provided guarantees and rental agreements for joint ventures and associates in the amount of € 7.40m (PY: € 15.69m). No cash outflow is expected.

Transactions with related parties are carried out at arm’s length. No guarantees for loans or group company loans were extended to members of the Management Board and of the Supervisory Board.

See Section 7.7. for the remuneration of board members.

7.6. Investments

As of 31 March 2020, DO & CO reports the following investments:

Company	Place of registration	Country	Consolidation 1)	Share of stock in %	Currency	Nominal Capital inTDC 2)
AIOLI Airline Catering Austria GmbH	Vienna-Airport	A	F	100.0	EUR	36 3)
B & B Betriebsrestaurants GmbH	Vienna	A	F	100.0	EUR	36 3)
Demel Salzburg Cafe-Restaurant Betriebs GmbH	Salzburg	A	F	100.0	EUR	35 3)
DO & CO - Salzburg Restaurants & Betriebs GmbH	Salzburg	A	F	100.0	EUR	36 3)
DO & CO Airline Catering Austria GmbH	Vienna	A	F	100.0	EUR	150 3)
DO & CO Airline Logistics GmbH	Vienna	A	F	100.0	EUR	35 3)
DO & CO Airport Hospitality GmbH	Vienna	A	F	100.0	EUR	35 4)
DO & CO Albertina GmbH	Vienna	A	F	100.0	EUR	35 3)
DO & CO Catering & Logistics Austria GmbH	Vienna	A	F	100.0	EUR	100 3)
DO & CO Catering-Consult & Beteiligungs GmbH	Vienna	A	F	100.0	EUR	36
DO & CO Event Austria GmbH	Vienna	A	F	100.0	EUR	100 3)
DO & CO Facility Management GmbH	Vienna	A	F	100.0	EUR	35 3)
DO & CO Gourmet Kitchen Cold GmbH	Vienna	A	F	100.0	EUR	35 3)
DO & CO Gourmet Kitchen Hot GmbH	Vienna	A	F	100.0	EUR	35 3)
DO & CO im Haas Haus Restaurantbetriebs GmbH	Vienna	A	F	100.0	EUR	36 3)
DO & CO im PLATINUM Restaurantbetriebs GmbH	Vienna	A	F	90.0	EUR	35
DO & CO Immobilien GmbH	Vienna	A	F	100.0	EUR	36 3)
DO & CO Party-Service & Catering GmbH	Vienna	A	F	100.0	EUR	36 3)
DO & CO Pastry GmbH	Vienna	A	F	100.0	EUR	35 3)
DO & CO Procurement GmbH	Vienna	A	F	100.0	EUR	35 3)
DO & CO Special Hospitality Services GmbH	Vienna	A	F	100.0	EUR	35 3)
Henry - the art of living GmbH	Vienna	A	F	100.0	EUR	36 3)
Henry am Zug GmbH	Vienna	A	F	100.0	EUR	35 4)
Ibrahim Halil Dogudan Gesellschaft m.b.H.	Vienna	A	F	100.0	EUR	36 3)
ISS Ground Services GmbH	Vienna	A	E	49.0	EUR	218 12)
K.u.K. Hofzuckerbäcker Ch. Demel's Söhne GmbH	Vienna	A	F	100.0	EUR	799 4)
Nespresso - DO & CO Cafe GmbH	Vienna	A	F	100.0	EUR	100
Sky Gourmet-airline catering and logistics GmbH	Vienna-Airport	A	F	100.0	EUR	800 4)
Total Inflight Solution GmbH	Vienna	A	F	100.0	EUR	35 4)
WASH & GO Logistics GmbH	Vienna	A	N	0.0	EUR	36 12)
DO & CO International Event AG	Zug	CH	F	100.0	CHF	100
Nespresso - DO & CO SA	Lausanne	CH	F	100.0	CHF	1,000
Oleander Group AG	Zug	CH	F	100.0	GBP	67 10)
DO & CO Gastronomie GmbH	Munich	D	F	100.0	EUR	25 5)
DO & CO München GmbH	Munich	D	F	100.0	EUR	100 5)
Arena One Mitarbeiterrestaurants GmbH	Munich	D	F	100.0	EUR	25 5)
DO & CO Service GmbH	Munich	D	F	100.0	EUR	25 5)
DO & CO (Deutschland) Holding GmbH	Kelsterbach	D	F	100.0	EUR	25
DO & CO Berlin GmbH	Berlin	D	F	100.0	EUR	25 5)
DO & CO Deutschland Catering GmbH	Munich	D	F	100.0	EUR	25
DO & CO Düsseldorf GmbH	Düsseldorf	D	F	100.0	EUR	25 5)
DO & CO Frankfurt GmbH	Kelsterbach	D	F	100.0	EUR	25 5)
FR freiraum Gastronomie GmbH	Kelsterbach	D	V	100.0	EUR	25 5)
DO & CO Lounge Deutschland GmbH	Munich	D	F	100.0	EUR	25 5)
DO & CO Lounge GmbH	Frankfurt	D	F	100.0	EUR	25 5)
DO & CO Catering München GmbH	Munich-Airport	D	F	100.0	EUR	25 5)
DO & CO Restauración & Catering España, S.L.	Barcelona	E	F	100.0	EUR	3
DO & CO Restauración España, S.L.U.	Madrid	E	N	100.0	EUR	4
Financière Hédiard SA	Colombes	F	F	100.0	EUR	5,094
Hédiard Events SAS	Paris	F	F	100.0	EUR	100
Hédiard SA	Paris	F	F	100.0	EUR	310
Hédiard restauration en vol SAS	Argenteuil	F	F	100.0	EUR	100
Hédiard Fonciere SAS	Argenteuil	F	F	100.0	EUR	100
DO & CO AIRPORT GASTRONOMY LIMITED	Feltham	GB	F	100.0	EUR	0 6)
DO & CO Airport Hospitality UK Ltd.	Feltham	GB	F	100.0	GBP	0
DO & CO CAFE UK LTD	Feltham	GB	F	100.0	GBP	1,032
DO & CO Event & Airline Catering Ltd.	Feltham	GB	F	100.0	GBP	0
DO & CO International Catering Ltd.	Feltham	GB	F	100.0	EUR	30 6)
DO & CO International Investments Ltd.	London	GB	F	100.0	EUR	5,000 6)
Henry - The Art of Living Ltd.	Feltham	GB	F	100.0	GBP	0
DO & CO Airline Catering Ltd.	Feltham	GB	F	100.0	GBP	0
Fortnum & Mason Events Ltd.	London	GB	E	50.0	GBP	0
Lasting Impressions Food Co. Ltd	Feltham	GB	F	90.0	GBP	0
Versilia Solutions Ltd.	Northampton	GB	E	50.0	GBP	0
Henry am Zug Hungary Kft.	Budapest	HU	N	100.0	EUR	9 9)
DO & CO Italy S.r.l.	Vizzola Ticino	I	F	100.0	EUR	2,900
Sky Gourmet Malta Inflight Services Ltd.	Fgura	MT	E	40.0	EUR	1 8)
Sky Gourmet Malta Ltd.	Fgura	MT	E	40.0	EUR	1 8)
DO & CO México, S. de R.L. de C.V.	Mexiko-Stadt	MX	F	100.0	MXN	50 11)
DO & CO Netherlands Holding B.V.	Den Haag	NL	F	51.0	EUR	20
DO & CO – Restauração e Catering, Sociedade Unipessoal, Lda	Lissabon	P	F	100.0	EUR	5
DO & CO Poland Sp. z o.o.	Warsaw	PL	F	100.0	PLN	7,447
DO & CO Real Estate Poland Sp. Z o.o.	Warsaw	PL	F	100.0	PLN	55
Sharp DO & CO Korea LLC	Seoul	ROK	E	50.0	KRW	7,000,000
Sky Gourmet Slovensko s.r.o.	Bratislava	SK	F	100.0	EUR	63 7)
DOCO Istanbul Catering ve Restaurant Hiz. Tic. ve San. A.S.	Istanbul	TK	F	100.0	TRY	750
MAZLUM AMBALAJ SANAYİ VE DIŞ TİCARET A.Ş	Tekirdag	TK	N	51.0	TRY	n.a.
THY DO & CO Ikram Hizmetleri A.S.	Istanbul	TK	F	50.0	TRY	30,000
DO & CO AIRPORT GASTRONOMY LLC	Kiew-Boryspil	UA	F	100.0	UAH	5,055
DO AND CO KYIV LLC	Kiew-Boryspil	UA	F	51.0	UAH	2,400
DEMEL New York Inc.	New York	USA	F	100.0	USD	1
DO & CO CHICAGO CATERING, INC.	Wilmington	USA	F	100.0	USD	1
DO & CO Holdings USA, Inc.	Wilmington	USA	F	100.0	USD	100
DO & CO Los Angeles, Inc.	Wilmington	USA	F	100.0	USD	1
DO & CO Miami Catering, Inc.	Miami	USA	F	100.0	USD	1
DO & CO NEW JERSEY CATERING, INC.	Wilmington	USA	N	100.0	USD	0
DO & CO New York Catering, Inc.	New York	USA	F	100.0	USD	1
DO & CO Restaurant & Cafe USA Inc.	New York	USA	F	100.0	USD	100

1) F=Fully consolidated, E=at equity, N=no consolidation
2) TDC = in thousands of domestic currency units
3) There is a profit transfer agreement between these companies and the DO & CO Aktiengesellschaft
4) There is a profit transfer agreement between these companies and the DO & CO Catering-Consult & Beteiligungs GmbH
5) There is a profit transfer agreement between these companies and the DO & CO (Deutschland) Holding GmbH
6) The nominal capital was initially paid in GBP
7) The nominal capital was initially paid in SKK
8) The nominal capital was initially paid in MTL
9) The nominal capital was initially paid in HUF
10) The nominal capital was initially paid in CHF
11) 1 % of each is held DO & CO Holdings USA Inc.
12) Balance Sheet Date WASH & GO Logistics GmbH 30.11.2018, Balance Sheet Date ISS Ground Services GmbH 31.12.2019

7.7. Corporate boards

In the business year 2019/2020, the corporate boards of DO & CO Aktiengesellschaft consisted of the following members:

Management Board:

Attila DOGUDAN
Chairman, born in 1959
First appointed to the Board on 3 June 1997
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Gottfried NEUMEISTER
Member of the Board, born in 1977
First appointed to the Board on 16 July 2012
End of the current term of office: 31 July 2020
No seats on supervisory boards or comparable positions

Remuneration of the Management Board in the business year 2019/2020 was as follows:

Remuneration Management Board 2019/2020			
in k€	Fixed Remuneration	Variable Remuneration	Total
Attila DOGUDAN *	954	0	954
Mag. Gottfried NEUMEISTER **	820	0	820
Total	**1,773**	**0**	**1,773**

*Including remuneration in kind and including € 21k for activities as deputy chairman of the Board of Directors and CEO of THY DO & CO Ikram Hizmetleri A.Ş.
**Including € 20k for activities as member of the Board of Directors of THY DO & CO Ikram Hizmetleri A.Ş.

Currently, no arrangements have been made regarding any in-house retirement provision for the Management Board. The chairman of the Management Board is entitled to severance pay analogously to the Salaried Employees Act. The employment contracts of the members of the Management Board provide for a gratuity of three monthly salaries in the event that their membership in the Board is terminated early without compelling cause. No such claim is due if a management contract is terminated for a cause that is within such member’s control. No further claims are due to a member of the Management Board upon retirement.
Furthermore, no arrangements have been made so far in the event of a change of control.

Supervisory Board:

Andreas BIERWIRTH
Chairman, independent, born in 1971
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021), First appointed on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:

- Member of the Board of Directors of EasyJet PLC, Great Britain

Peter HOFFMANN-OSTENHOF
First Deputy Chairman, independent, born in 1955
Current term runs until the 24th Ordinary General Meeting of Shareholders (2022), First appointed on 27 July 2017
Seats on supervisory boards or comparable positions at non-Group listed companies:

- Deputy Chairman of the Supervisory Board at Österreichische Staatsdruckerei Holding AG, Austria

Cem KOZLU
Second Deputy Chairman, independent, born in 1946
Representative of shareholders holding shares in free float
Current term runs until the 23rd Ordinary General Meeting of Shareholders (2021), First appointed on 21 July 2016
Seats on supervisory boards or comparable positions at non-Group listed companies:

- Member of the Board of Directors of Pegasus Hava Tasimaciligi A.Ş., Turkey
- Member of the Board of Directors of Anadolu Efes Biracilik ve Malt Sanayi A.Ş., Turkey
- Member of the Board of Directors of Arcelik A.Ş., Turkey
- Member of the Board of Directors of Coca-Cola Icecek A.Ş., Turkey
- Member of the Board of Directors of Sisecam A.Ş., Turkey
- Member of the Board of Directors of Koç Holding A.Ş., Turkey

Georg THURN-VRINTS
Member until 18 July 2019, independent, born in 1956
First appointed to the Board on 20 March 1997
No further seats on supervisory boards of listed companies

Daniela NEUBERGER
Member, independent, born in 1961
Current term runs until the 26th Ordinary General Meeting of Shareholders (2024), First appointed on 18 July 2019
No further seats on supervisory boards of listed companies

By resolution of the General Meeting of Shareholders dated 18 July 2019, the members of the Supervisory Board received remuneration in the amount of € 0.14m for the business year 2018/2019 (PY: € 0.14m).

Vienna, 15 June 2020

The Management Board:

Attila DOGUDAN m.p.	Gottfried NEUMEISTER m.p.
Chairman of the Management Board	Member of the Management Board

We draw attention to the fact that the English translation of this auditor's report according to Section 274 of the Austrian Commercial Code (UGB) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Auditor's Report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

DO & CO Aktiengesellschaft, Vienna,

and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2020, the separate consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended, and the notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as at 31 March 2020, and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU and the additional requirements under Section 245a Austrian Commercial Code.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter EU Regulation) and Austrian generally accepted auditing standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impact of COVID-19 on the Company's ability to continue as a going concern

Description and risks

The COVID-19 crisis occurred at the end of the business year 19/20 has caused significant difficulties for all business divisions and activities in the Group of DO & CO Aktiengesellschaft. This had already resulted in a material impact on the Company's assets, financial situation and performance as at the reporting date 31 March 2020.

In preparing the consolidated financial statements of DO & CO Aktiengesellschaft, DO & CO's management assumes that the Group will be able to continue as a going concern. Management assessed the Group's ability to continue as a going concern by means of consolidated business planning. For assessment purposes, estimates and assumptions were made that are subject to discretionary judgments and uncertainties relating to the duration and impact of the COVID-19 crisis. In its business planning, the Management Board takes into account restructuring measures already initiated and planned.

There is a risk that management's assessment with regard to the duration and impact of the COVID-19 crisis is not correct, and the restructuring measures already implemented or planned are not sufficient to secure the DO & CO Aktiengesellschaft Group's ability to continue as a going concern.

With regard to the estimation uncertainties and discretionary decisions relating to the ability to continue as a going concern, we refer to the disclosures under Section 3.4. in the notes to the consolidated financial statements.

Our Audit Approach

We examined and critically assessed management's assessment with regard to assuming the Group's ability to continue as a going concern. In doing so, we performed the following audit procedures:

we evaluated and assessed management's plans for future measures in connection with their assessment regarding the ability to continue as a going concern as well as the impact on financial ratios defined in loan agreements, and examined the feasibility of the restructuring measures initiated and planned, using, among others, external confirmations and commitments from third parties;

- We evaluated and assessed management's plans for future measures in connection with their assessment regarding the ability to continue as a going concern as well as the impact on financial ratios defined in loan agreements, and examined the feasibility of the restructuring measures initiated and planned, using, among others, external confirmations and commitments from third parties;
- We critically assessed and evaluated whether there are any uncertainties with regard to the Group's ability to continue as a going concern;
- We tested the reliability of data serving as basis for the forecasts of material cash-generating units as well as their reconciliation to the consolidated business planning;
- We analysed the material assumptions with regard to the consolidated business planning by interviewing the Management Board and by means of external information that is publicly available;
- We examined and critically assessed the completeness and appropriateness of the disclosures on identified events and conditions as well as future measures in the consolidated financial statements.

Impairment of goodwill, other intangible assets as well as property, plant and equipment

Description and risks

In its consolidated financial statements as at 31 March 2020, DO & CO Aktiengesellschaft reports goodwill, other intangible assets as well as property, plant and equipment at a carrying amount of EUR 486.2m. In the fiscal year 2019/20, impairment losses resulting from impairment tests in the amount of EUR 18.3m were recognised. They include impairment losses on goodwill of the cash-generating unit Hediard in France in the amount of EUR 7.8m as well as impairment losses on other cash-generating units for intangible assets and property, plant and equipment in the amount of EUR 6.5m.

The Management Board of DO & CO Aktiengesellschaft has determined indications for impairment due to the global COVID-19 crisis and the relating impact on business activities (triggering event) and performed impairment tests for all material cash-generating units at the end of the business year 19/20.

Testing goodwill, intangible assets as well as property, plant and equipment for impairment is based on forward-looking assumptions. These assumptions require significant estimates by the Management Board on the future development of revenue and profit margins, transaction prices (fair value less cost to sell) and the resulting net cash inflows as well as assumptions with regard to the definition of the discount rates used. These discretionary decisions are subject to material uncertainties that have been further increased even more by the COVID-19 crisis.

For the consolidated financial statements, this leads to the risk of goodwill, intangible assets and property, plant and equipment being overstated.

We refer to the notes to the consolidated financial statements in Sections 4.1, 4.2. and 5.6.

Our Audit Approach

We evaluated and assessed the design of the Company's process for impairment testing.

Additionally, we critically questioned the assumptions and estimates made by management, and performed, among others, the following audit procedures:

- interviewing the Management Board with regard to the assumptions on the duration and impact of the COVID-19 crisis as well as analysing the assumptions using publicly available industry information, and assessing the impact on material planning parameters;
- evaluating the appropriateness of the current forecast of net cash inflows by using historical internal values as well as the impact of the COVID-19 crisis on the planned cash flows;
- reconciling budgeted revenues, results and investments with the existing business plans;
- gaining an understanding of the calculation model used for deriving the discount rates and performing plausibility checks of the parameters used with the help of database enquiries;
- testing the mathematical accuracy of the impairment tests;
- testing the respective presentation and disclosures in the notes to the consolidated financial statements and in the Group management report.

First-time application of "International Financial Reporting Standard 16 - Leases"

Description and risks

As at 31 March 2020, the consolidated financial statements of DO & CO Aktiengesellschaft include right-of-use assets in the amount of EUR 201.0m as well as lease liabilities in the amount of EUR 200.3m. The share of lease liabilities in total shareholders' equity and liabilities amounts to 18.4% and therefore has a material impact on the Company's assets and financial position.

First-time application of the new accounting standard "IFRS 16 – Leases" resulted in a material impact on the opening carrying amounts for the fiscal year and their update as at the reporting date. DO & CO Aktiengesellschaft applies the new standard in a modified retrospective way. Determining the lease term and the incremental borrowing rate used as discount rate may be subject to discretionary judgements and based on estimates. Moreover, determining the effects from the first-time application of IFRS 16 as well as the updates of the lease liabilities and right-of-use assets in accordance with the standard require the collection of comprehensive data from the lease agreements. This data serves as the basis for the measurement and accounting of lease liabilities and right-of-use assets.

For the consolidated financial statements, this leads to the risk of lease liabilities and right-of-use assets not being fully recognised in the statement of financial position. Moreover, there is the risk that lease liabilities and right-of-use assets have been measured in an incorrect way.

Reference to the presentation is made in Sections 2.1. New and amended standards and interpretations, 3.3. Accounting methods and 7.2. Leases in the notes to the consolidated financial statements.

Our Audit Approach

We gained an understanding of DO & CO Aktiengesellschaft's process for the implementation and subsequent measurement of the new accounting standard IFRS 16 and assessed it. Furthermore, we evaluated whether the relevant controls of the process have been implemented and are effective. Subsequently, we analysed and critically assessed the internal accounting manual, which serves as basis for the implementation, with regard to completeness and conformity with IFRS 16.

For samples that had been selected in a risk-oriented way, we tested whether the relevant data had been derived correctly and completely from the lease agreements on which they are based. If discretionary decisions are made when determining the lease term, we evaluated them as to whether the assumptions serving as basis are appropriate as well as plausible and consistent with other assumptions made in the consolidated financial statements. We compared the parameters which serves as basis for the incremental borrowing rates with publicly available data. Moreover, we assessed the appropriateness of the internal calculation model used for the interest rate and gained an understanding in a risk-oriented way of how incremental borrowing rates had been determined. Additionally, we performed plausibility checks to determine whether all contracts had been fully recognised.

Furthermore, we evaluated the disclosures on the first-time application of IFRS 16 made in the notes for appropriateness and completeness.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs as adopted by the EU, and the additional requirements under Section 245a UGB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian generally accepted auditing standards, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian generally accepted auditing standards, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Group Management Report

Pursuant to the Austrian Commercial Code, the Group management report is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the Group management report was prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the Group management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the Group management report.

Opinion

In our opinion, the Group management report was prepared in accordance with the applicable legal requirements, includes accurate disclosures pursuant to Section 243a UGB and is consistent with the consolidated financial statements.
Statement

Based on the findings during the audit of the consolidated financial statements and due to the obtained understanding concerning the Group and its circumstances no material misstatements in the Group management report came to our attention.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the Group management report and the auditor's report. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Additional Information in Accordance with Article 10 of the EU Regulation

We were appointed as statutory auditor at the ordinary general meeting dated 18 July 2019. We were engaged by the supervisory board on 18 July 2019. We have audited the Company for an uninterrupted period since the fiscal year 1998/99.

We confirm that the audit opinion in the "Report on the Consolidated Financial Statements" section is consistent with the additional report to the audit committee referred to in Article 11 of the EU Regulation.

We declare that we did not provide any prohibited non-audit services (Article 5 (1) of the EU Regulation) and that we remained independent of the audited company in conducting the audit.

Responsible Engagement Partner
Responsible for the proper performance of the engagement is Karl Prossinger, Austrian Certified Public Accountant.

Vienna, 15 June 2020

PKF CENTURION
Wirtschaftsprüfungsgesellschaft mbH

Mag. Karl Prossinger
Wirtschaftsprüfer

Michael Lembäcker, M.A.
Wirtschaftsprüfer

This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's report is only allowed if the consolidated financial statements and the Group management report are identical with the German audited version. This auditor´s report is only applicable to the German and complete consolidated financial statements with the Group management report. For deviating versions, the provisions of Section 281 (2) UGB apply.

Statements by all Legal Representatives Pursuant to Section 124 Austrian Stock Exchange Act

We confirm to the best of our knowledge

1. that the consolidated financial statements of DO & CO Aktiengesellschaft prepared in conformity with the relevant accounting standards provide a fair representation of the Group's assets and liabilities, financial situation and results of operations;

2. that the Group management report shows the course of business, operating result and position of the Group so that a fair representation of the assets and liabilities, financial situation and results of operations is provided, and that the Group management report describes the main risks and uncertainties to which the Group is exposed.

We confirm to the best of our knowledge

1. that the financial statements of the parent company prepared in conformity with the relevant accounting standards provide a fair representation of the Company's assets and liabilities, financial situation and results of operations;

2. that the management report shows the course of business, operating result and position of the Company so that a fair representation of the assets and liabilities, financial situation and results of operations is provided, and that the management report describes the main risks and uncertainties to which the company is exposed.

Vienna, 15 June 2020

The Management Board:

Attila DOGUDAN m.p.	Gottfried NEUMEISTER m.p.
Chairman of the Management Board	Member of the Management Board

Glossary

	Formula	Unit	Value	Business Year 2019/2020	Business Year 2018/2019
EBITDA margin in %	EBITDA / External revenue	m€ / m€	70.11 / 935.37	**7.5%**	9.5%
EBIT margin in %	EBIT / External revenue	m€ / m€	-1.92 / 935.37	**-0.2%**	6.1%
Return on Sales in %	Profit before income tax / External revenue	m€ / m€	-16.39 / 935.37	**-1.8%**	5.7%
Adjusted equity in m€	+ Shareholders´ equity - (proposed) dividend payment	m€ m€	206.32 0.00	**206.32**	249.25
Equity ratio in %	Adjusted equity / Total capital	m€ / m€	206.32 / 1,089.82	**18.9%**	42.4%
Return on equity (ROE) in %	Profit after income taxes / Ø adjusted equity [1]	m€ / m€	-15.62 / 249.10	**-6.3%**	15.3%
Debt (financial liabilities) in m€	+ Bond + Other financial liabilities (non-current) + Current loans + Current lease liability	m€ m€ m€ m€	0.00 470.93 162.68 20.53	**667.28**	152.20
Net debt (net financial liabilities) in m€	+ Debt - Cash and cash equivalents	m€ m€	667.28 300.88	**366.40**	81.75
Net debt to EBITDA	Net debt / EBITDA	m€ / m€	366.40 / 70.11	**5.23**	1.02
Net gearing in %	Net debt / Adjusted equity	m€ / m€	366.40 / 206.32	**177.6%**	32.8%
Surplus cash in m€	+ Cash and cash equivalents - 2% of revenue - (proposed) dividend payment	m€ m€ m€	300.88 18.71 0.00	**282.17**	45.21
Working capital in m€	+ Current assets - Current provisions and liabilities - Surplus cash - Assets held for sale - (proposed) dividend payment	m€ m€ m€ m€ m€	535.89 392.79 282.17 56.19 0.00	**-195.26**	50.43
Free cash flow in m€	+ Cash flow from operating activities + Cash flow from investing activities	m€ m€	102.71 -115.03	**-12.31**	9.75
EPS (Earnings per Share) in €	Net result / Number of shares	m€ / Mpie	-24.87 / 9.74	**-2.55**	2.71
Price / Earnings ratio	Share price at the end of the period / EPS	€ / €	35.90 / -2.55	**-14.06**	27.05
Tax ratio in %	Income tax / Profit before income tax	m€ / m€	-0.77 / -16.39	**4.7%**	24.1%
Adjusted EBIT in m€	EBIT - Rent income from investment property + Cost from investment property	m€ m€ m€	-1.92 0.00 0.00	**-1.92**	51.45
Capital employed in m€	+ Adjusted equity + Non-current provisions and liabilities - Cash and cash equivalents - Investment property	m€ m€ m€ m€	206.32 490.72 300.88 3.37	**392.79**	350.73
Return on capital employed (ROCE) in %	Adjusted EBIT / Ø Capital employed [1]	m€ / m€	-1.92 / 448.65	**-0.4%**	15.0%

1 … Calculated as the average amount by the end of the past four quarters and the amount at the beginning of the period under review