DO & CO Restaurants & Catering AG

Half-year Financial Report
2008/2009

Management Report DO & CO Group
Consolidated Financial Statements
Management Statement pursuant to Section 87.1.3 Stock Exchange Act
Report on the Auditor's Review of the Condensed Consolidated Interim Financial Statements
Glossary of Key Figures

DO & CO
RESTAURANTS
HOTEL
LOUNGES
CATERING

Consolidated Management Report for the First Half of Business Year 2008/2009[1]

(1 April 2008 through 30 September 2008)

Key Figures of DO & CO

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

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

		Second Quarter 2008 / 2009	Second Quarter 2007 / 2008	1st Half Year 2008 / 2009	1st Half Year 2007 / 2008
Sales	in m €	102.67	102.43	232.64	188.65
EBITDA	in m €	11.69	12.01	20.70	18.35
EBITDA margin	in %	11.4 %	11.7 %	8.9 %	9.7 %
EBIT	in m €	7.37	8.16	12.19	10.91
EBIT margin	in %	7.2 %	8.0 %	5.2 %	5.8 %
Result from ordinary business	in m €	7.60	8.18	12.47	10.77
Consolidated result	in m €	3.63	3.95	6.14	5.11
Employees		4,160	4,267	4,077	3,977
Equity [1]	in m €	83.57	75.60	83.57	75.60
Equity ratio	in %	44.2 %	38.7 %	44.2 %	38.7 %
Net debts	in m €	-11.41	3.41	-11.41	3.41
Net gearing	in %	-13.6 %	4.5 %	-13.6 %	4.5 %
Working Capital	in m €	15.76	22.27	15.76	22.27
Operational cash-flow	in m €	5.64	6.85	22.20	18.61
Depreciation/amortization	in m €	-4.32	-3.85	-8.51	-7.44
Free cash-flow	in m €	-0.52	2.94	10.00	13.19
ROS	in %	7.4 %	8.0 %	5.4 %	5.7 %
Capital Employed	in m €	88.42	102.60	88.42	102.60
ROCE	in %	5.6 %	9.2 %	8.8 %	7.5 %
ROE	in %	4.7 %	6.5 %	7.7 %	7.1 %

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

Key Figures per share

		Second Quarter 2008 / 2009	Second Quarter 2007 / 2008	1st Half Year 2008 / 2009	1st Half Year 2007 / 2008
EBITDA per share	in EUR	1.50	1.54	2.66	2.35
EBIT per share [1]	in EUR	0.95	1.05	1.56	1.40
Earnings per share [1]	in EUR	0.47	0.51	0.79	0.65
Equity (book entry) [2]	in EUR	10.72	9.70	10.72	9.70
High [3]	in EUR	18.00	25.00	18.95	26.00
Low [3]	in EUR	15.20	22.75	15.20	22.75
Year-end [3]	in EUR	15.20	23.80	15.20	23.80
Number of shares year-end	in TPie	7,795	7,795	7,795	7,795
Market capitalization year-end	in m EUR	118.49	185.53	118.49	185.53

1 ... Adjusted to take goodwill amortization into account

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

3 ... Closing price

[1] Financial Statement to the first half year were subject to an auditor´s review

Sales

First-half year sales for the DO & CO Group were EUR 43.99 million higher in business year 2008/2009 than in the previous year, rising from EUR 188.65 million to EUR 232.64 million.

SALES BY DIVISION in m €	Second Quarter 2008/2009	Second Quarter 2007/2008	Second Quarter Change	1st Half Year 2008/2009	1st Half Year 2007/2008	1st Half Year Change
Airline Catering	73.60	73.43	0.18	136.61	136.05	0.56
International Event Catering	13.55	14.50	-0.95	64.21	26.04	38.16
Restaurants, Lounges & Hotel	15.52	14.50	1.02	31.83	26.56	5.27
Group sales	102.67	102.43	0.25	232.64	188.65	43.99

Airline Catering increased its sales by a slight EUR 0.56 million, raising them from EUR 136.05 million to EUR 136.61 million. Despite major problems in the airline industry, the trend of business in this division continued to be stable thanks to a broad base of international customers, particularly at the foreign business locations of DO & CO.

International Event Catering saw its sales rise by EUR 38.16 million, from EUR 26.04 million to EUR 64.21 million. This large increase is attributable mainly to the staging of the hospitality program at the EURO 2008. Major highlights in the second quarter included the Formula 1 Grand Prix; the CHIO in Aachen, the world's famous riding and jumping tournament; and the Beach Volleyball Grand Slam in Klagenfurt on Wörthersee.

Restaurants, Lounges & Hotel recorded sales of EUR 31.83 million for the period under review, a figure EUR 5.27 million higher than the previous year's EUR 26.56 million. The major factors in this growth were the new business location at the BMW World in Munich and the encouraging performance of existing locations.

Profit and Assets

The DO & CO Group posted consolidated earnings before interest and tax (EBIT) for the first half of business year 2008/2009 of EUR 12.19 million. This figure represents an increase of EUR 1.28 million over the same period the previous year. The EBIT margin declined slightly from 5.8 % to 5.2 %. Consolidated EBITDA grew by EUR 2.35 million, rising from EUR 18.35 million to EUR 20.70 million. This figure corresponds to an EBITDA margin of 8.9 % versus 9.7 % for the previous year.

GROUP in m €	Second Quarter 2008/2009	Second Quarter 2007/2008	Second Quarter Change	1st Half Year 2008/2009	1st Half Year 2007/2008	1st Half Year Change
Sales	102.67	102.43	0.25	232.64	188.65	43.99
EBITDA	11.69	12.01	-0.32	20.70	18.35	2.35
Depreciation/amortization	-4.32	-3.85	-0.47	-8.51	-7.44	-1.07
EBIT	7.37	8.16	-0.79	12.19	10.91	1.28
EBITDA margin	11.4 %	11.7 %		8.9 %	9.7 %	
EBIT margin	7.2 %	8.0 %		5.2 %	5.8 %	
Employees	4,160	4,267	-107	4,077	3,977	100

The mid-year sales and profit growth over the previous year can be traced mainly to the EURO 2008. Adjusted by the transitory sales (margin-free agency services, e.g. infrastructure services purchased from outside companies), the EBIT margin was maintained at 5.8% while the EBITDA margin increased slightly from 9.7 % to 9.8%.

Total net assets as of 30 September 2008 amounted to EUR 193.21 million, a figure EUR 12.64 million higher than on 31 March 2008. This rise can be traced to investments in fixed assets and exchange rate trends. Despite this increase in total net assets, the equity ratio changed from 41.1% on 31 March 2008 to 44.2% on 30 September 2008.

The midterm cash flow from operating activities was substantially higher than the previous year (EUR 22.20 million versus EUR 18.61 million the previous year). This increase is due to two factors: the positive cash flow from the EURO contract itself and the fact that supplier billing for the catering contract for the EURO 2008 had not yet been completed as of 30 September 2008.

Investments

Payments for investments in tangible and intangible fixed assets amounted to EUR 11.94 million. Investments in the joint venture Turkish DO & CO and the renovation and expansion of production capacities in Vienna were two of the major individual items. Other key items were the expansion of Airline Catering locations in London, New York and Frankfurt and investments in DO & CO Event Austria GmbH, a new firm founded in the previous year in connection with the EURO 2008.

Employees

The mid-term figure for the average number of employees increased to 4,077 in the current year from 3,977 last year. This growth stems from the expansion of activities at existing Airline Catering locations as well as from the BMW World in Munich and the increased staff required for the EURO 2008.

Airline Catering

The DO & CO Group has a total of 22 gourmet kitchens in New York, London, Frankfurt, Berlin, Munich, Milan, Bratislava, Salzburg, Vienna, Linz, Graz and Malta and nine further business locations in Turkey. These sites produce menus for first class, business class and economy class for more than 50 airlines.

The Airline Catering clientele at the various business locations includes the Austrian Airlines Group, Turkish Airlines, British Airways, Cathay Pacific, Emirates, Etihad, Qatar Airways, Royal Air Maroc, South African Airways, KLM, Iberia, Air France, SkyEurope and NIKI.

AIRLINE CATERING	Second Quarter			1st Half Year		
in m €	2008/2009	2007/2008	Change	2008/2009	2007/2008	Change
Sales	73.60	73.43	0.18	136.61	136.05	0.56
EBITDA	8.51	8.63	-0.13	13.48	12.99	0.49
Depreciation/amortization	-3.43	-2.93	-0.50	-6.55	-5.68	-0.87
EBIT	5.08	5.70	-0.63	6.93	7.31	-0.38
EBITDA margin	11.6 %	11.8 %		9.9 %	9.6 %	
EBIT margin	6.9 %	7.8 %		5.1 %	5.4 %	
Share in consolidated sales	71.7 %	71.7 %		58.7 %	72.1 %	

Airline Catering posted sales of EUR 136.61 million in the first half of business year 2008/2009, a slight increase of EUR 0.56 million over the previous year despite the difficult market climate.

The market climate for Airline Catering has been more volatile than in previous reporting periods. Despite this volatility and a generally tense economic situation in the airline industry, DO & CO has managed to keep its sales and profits stable. The broad and quality-oriented customer portfolio is one main reason for this success. Regional diversification and continuous expansion of the business with new and existing customers are two others.

EBITDA for Airline Catering amounted to EUR 13.48 million (previous year: EUR 12.99 million) in the first half of the year. That corresponds to an EBITDA margin of 9.9 % (previous year: 9.6 %). EBIT fell from EUR 7.31 million last year to EUR 6.93 million. The EBIT margin was thus 5.1 % (previous year: 5.4%)

International Event Catering

The successful conclusion of the EURO 2008 was followed by two further international highlights to which DO & CO has played culinary host for many years: the traditional CHIO riding and jumping tournament in Aachen and the Beach Volleyball Grand Slam in Klagenfurt.

Concurrently, DO & CO successfully continued its hospitality services for the Grand Prix European races in Silverstone, Hockenheim and Budapest and, for the first time, in Valencia, Spa and Monza.

INTERNAT. EVENT CATERING in m €	Second Quarter			1st Half Year		
	2008/2009	2007/2008	Change	2008/2009	2007/2008	Change
Sales	13.55	14.50	-0.95	64.21	26.04	38.16
EBITDA	2.03	2.13	-0.10	4.85	3.25	1.60
Depreciation/amortization	-0.30	-0.37	0.07	-0.80	-0.72	-0.07
EBIT	1.73	1.76	-0.03	4.05	2.53	1.52
EBITDA margin	15.0 %	14.7 %		7.5 %	12.5 %	
EBIT margin	12.8 %	12.1 %		6.3 %	9.7 %	
Share in consolidated sales	13.2 %	14.2 %		27.6 %	13.8 %	

EBIT for International Event Catering increased by EUR 1.52 million, rising from EUR 2.53 million to EUR 4.05 million. The EBITDA margin fell from 12.5 % to 7.5 % while the first-half EBIT margin totaled 6.3 % as compared with the previous year's 9.7 %. The high portion of transitory sales on guest infrastructure for the EURO 2008 in the first quarter is what caused this reduction in the margins. Following adjustments for transitory sales, the EBITDA margin was 11.2 % and the EBIT margin was 9.3 %.

Restaurants, Lounges & Hotel

Restaurants, Lounges & Hotel also posted encouraging sales growth for the first half of 2008/2009. The division increased its first-half sales by a healthy EUR 5.27 million, from EUR 26.56 million last year to EUR 31.83 million in the current year.

RESTAURANTS, LOUNGES & HOTEL in m €	Second Quarter			1st Half Year		
	2008/2009	2007/2008	Change	2008/2009	2007/2008	Change
Sales	15.52	14.50	1.02	31.83	26.56	5.27
EBITDA	1.15	1.24	-0.09	2.37	2.10	0.27
Depreciation/amortization	-0.58	-0.55	-0.03	-1.17	-1.04	-0.13
EBIT	0.57	0.69	-0.13	1.20	1.06	0.14
EBITDA margin	7.4 %	8.6 %		7.4 %	7.9 %	
EBIT margin	3.6 %	4.8 %		3.8 %	4.0 %	
Share in consolidated sales	15.1 %	14.2 %		13.7 %	14.1 %	

Trends at existing business locations were positive, particularly at the DO & CO Design Hotel and the restaurants on St. Stephen's Square in Vienna. The catering businesses opened last year at the BMW World in Munich (two restaurants, a bistro and a coffee shop) also helped to boost sales and profits.

First-half EBITDA for Restaurants, Lounges & Hotel was EUR 2.37 million and thus higher this year than last (previous year: EUR 2.10 million). The EBITDA margin was 7.4 % (previous year: 7.9%) EBIT amounted to EUR 1.20 million (previous year: EUR 1.06 million). That corresponds to an EBIT margin of 3.8 % (previous year: 4.0%).

DO & CO Stock / Investor Relations

Owing to the crisis on financial markets, the ATX hit 2,768 points on the reference date of 30 September 2008, a decline of 26.5% from its level on 31 March 2008 of 3,766 points.

The price of DO & CO shares declined in the same period by 8.4%, closing on 30 September 2008 at EUR 15.20.

This price corresponds to market capitalization of EUR 118,49 million.

The current favorable price of DO & CO stock was utilized for a stock buyback program based on the Management Board resolution of 14 October 2008. A maximum of 4% of the share capital in free float is to be repurchased between 17 October 2008 and 10 January 2011.

Dividend

The dividend of EUR 0.15 per share for business year 2007/2008 decided at the General Meeting on 10 July 2008 (previous year: EUR 0.125) was paid out on 31 July 2008.

Financial Calendar

Business results for the first three quarters of 2008/2009	19 February 2009
Business results for business year 2008/2009	16 June 2009
General Meeting	9 July 2009
Ex-dividend date	13 July 2009
Payable date	27 July 2009

Risk Report

The economic environment has changed since 31 March 2008. These changes are also addressed by risk management so that the required action can be taken promptly and effectively. The following risks should be emphasized for the second half of the year:

Economic Developments
DO & CO's business in all three divisions is strongly shaped by global economic trends. A general cyclical downturn therefore also means a risk of a general decline in demand for DO & CO. To counter this risk, DO & CO has diversified regionally and conducts activities in three different market segments. Results are monitored in a transparent and prompt manner, allowing the management to take timely action to secure profits even in a difficult market environment. Judging from the current level of orders, the risk of a substantial loss of orders due to the financial crisis is not evident at this time.

Trend in the Airline Catering Division
The airline industry is heavily dependent on the cyclical trends in its various regions of operation. The market adjustments among the state-owned European carriers are not yet complete. Cost pressures have mounted considerably with the sharp increases in fuel prices. Against the backdrop of flagging economic activities, the market is sure to undergo further consolidation and adjustment. A similar trend is expected among the so-called "low cost" carriers. There will be an increasing move towards alliances and takeovers. These consolidation trends also hold a risk of a decline in demand for the Airline Catering Division.

Airline Catering stays in close contact with its most important customers through professional key account management, so it can respond early on to any negative trends on the customer side. To lessen dependence on a handful of big accounts, the division will continue to participate in numerous tenders as part of its ongoing efforts to add new customers.

Currency Fluctuations
The Airline Catering Division of DO & CO in particular is active in markets influenced by currencies that deviate from the euro, especially the US Dollar, the new Turkish Lira and the British Pound. Changes in these currencies in relation to the euro or to each other can have major effects on the financial trend for the group. DO & CO tries to mitigate this risk by setting up closed positions.

Default Risks
DO & CO keeps the risk of default to a minimum by closely monitoring outstanding debts as part of receivables management. It is proactive in controlling the risk of default associated with major customers by entering into contractual agreements with them and by having customers furnish collateral. Weekly reporting of all legal entities' outstanding items is an additional practice the group has implemented. DO & CO does not avail itself of credit insurance. Investments are made only at banks with first-class ratings. To further minimize the liquidity risk arising from a bank failure, cash at banks was reduced to a minimum starting in October 2008 and shifted to government bonds in different currencies. No material default risks are expected from the other original financial instruments.

Outlook

DO & CO management expects the market to remain volatile in the quarters ahead. It is prepared for these market conditions and can adapt quickly to market changes. The management also sees opportunities in this crisis. Innovative products, a flexible cost base and high-quality products and services can and will open up opportunities in competition.

The culinary program of International Event Catering in the third quarter features the wrap-up of the Grand Prix season with the Grand Prix in Fuji and Shanghai and the ATP Masters Series in Madrid in pro tennis. DO & CO provided excellent catering services in Madrid this year to more than 22,000 VIP guests and more than 28,000 guests in the public areas. Starting next season, the Masters will be staged at a new venue that allows the overall tournament to be enlarged. The public and VIP attendance is expected to increase substantially as a result. DO & CO is also playing culinary host to the prestigious PGA Volvo Masters Golf Tournament in Valderrama, Spain.

In Restaurants, Lounges & Hotel, the first Demel in New York is opening its doors for regular business. If this venture succeeds, it will mark the start of an expansion program involving further Demel sites in the United States.
In other encouraging news, Lufthansa (to Frankfurt) has now decided to have DO & CO also handle the operation of its lounges at JFK in New York. Starting on 1 January 2009, DO & CO will begin its culinary services in three lounges (Business, Senator and First Class) for passengers departing from New York on Lufthansa flights.

The current favorable price of DO & CO stock was utilized for a stock buyback program based on the Management Board resolution of 14 October 2008. A maximum of 4% of the share capital in free float can be repurchased between 17 October 2008 and 10 January 2011.

The management of DO & CO expects a satisfying development of business, barring the occurrence of unforeseeable circumstances over which DO & CO has no control.

Consolidated Financial Statements for the First Half of Business Year 2008/2009[1]

Balance Sheet as per 30 September 2008

Assets in TEUR	30.Sep.08	31. Mar 08
Intangible assets	39,278	38,859
Tangible assets	54,017	43,631
Investments	1,895	1,576
Fixed assets	**95,190**	**84,066**
Other long-term assets	540	333
Long-term assets	**95,730**	**84,399**
Inventories	9,608	8,113
Trade accounts receivable	41,513	41,631
Other Short-term accounts receivable and assets	17,297	15,910
Cash and cash equivalents	25,292	26,069
Current assets	**93,711**	**91,723**
Deferred taxes	3,773	4,452
Total assets	**193,213**	**180,574**

Liabilities and shareholders' equity in TEUR	30.Sep.08	31. Mar 08
Capital stock	15,590	15,590
Capital reserves	34,464	34,464
Revenue reserves	23,123	17,879
Foreign currency translation reserve	-4,246	-6,360
Treasury stock	0	0
Consolidated result	6,136	6,413
Minority interests	13,730	9,850
Shareholders' equity	**88,796**	**77,836**
Long-term provisions	16,955	16,072
Long-term financial liabilities	9,487	14,337
Other long-term liabilities	1,196	6,730
Long-term liabilities	**27,637**	**37,139**
Short-term provisions	36,490	21,612
Short-term financial liabilities	4,400	6,100
Trade accounts payable	26,576	23,482
Other short-term liabilities	9,313	14,404
Current liabilities	**76,779**	**65,598**
Total liabilities and shareholders' equity	**193,213**	**180,574**

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

[1] Financial Statement to the first half year were subject to an auditor´s review

Income Statement to the first half year 2007/2008

in TEUR	Second Quarter 2008 / 2009	Second Quarter 2007 / 2008	1st Half Year 2008 / 2009	1st Half Year 2007 / 2008
Sales	**102,675**	**102,426**	**232,644**	**188,652**
Other operating income	4,262	3,405	6,963	5,210
Costs of materials and services	-39,963	-37,934	-105,363	-70,560
Payroll costs	-34,577	-33,828	-71,672	-64,784
Depreciation of tangible fixed assets and amortization of intangible fixed assets	-4,321	-3,849	-8,515	-7,440
Other operating expenses	-20,706	-22,055	-41,872	-40,167
EBIT - Operating result	**7,371**	**8,165**	**12,185**	**10,910**
Financial result	225	14	287	-141
Result from ordinary business activities	**7,596**	**8,179**	**12,472**	**10,769**
Income tax	-2,085	-2,288	-3,888	-3,068
Result after income tax	**5,510**	**5,891**	**8,584**	**7,700**
Minority interests	-1,881	-1,942	-2,448	-2,594
Consolidated result	**3,630**	**3,948**	**6,136**	**5,106**

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

Number of individual shares	7,795,200	7,795,200	7,795,200	7,795,200
Weighted shares (number of individual shares)	7,795,200	7,795,200	7,795,200	7,795,200
Earnings per share	0.47	0.51	0.79	0.65

Cash-Flow Statement to the first half year 2007/2008

	in TEUR	1st Half Year 2008 / 2009	1st Half Year 2007 / 2008	Business Year 2007 / 2008	Business Year 2006 / 2007
	Result from ordinary business activities	**12,472**	**10,769**	**14,274**	**6,858**
+	Depreciation and amortization	8,515	7,440	15,478	7,347
-/+	Gains / losses from disposals of fixed assets	57	8	83	47
+/-	Earnings from associated companies	-319	-211	-34	4
-	Other non cash income	-1,195	-1,761	497	-1
-/+	Increase / decrease in inventories and short-term accounts receivable	-3,883	-3,563	1,027	-12,904
+/-	Increase / decrease in provisions	11,529	13,052	-145	7,614
+/-	Increase / decrease in trade accounts payable and other liabilities	-2,240	-4,743	-3,060	4,036
+/-	Currency-related changes in non fund assets	-5,053	-1,156	6,856	1,200
+/-	Change in adjustment items from debt consolidation	1,868	-238	-2,471	-857
-	Income tax payments and changes in deferred taxes	454	-991	-5,620	-1,628
	Cash-flow from operating activities	**22,203**	**18,607**	**26,884**	**11,716**
+/-	Income from disposals of tangible and intangible fixed assets	-57	-8	277	260
+/-	Changes in cash and cash equivalents arising from changes to the scope of consolidation	0	0	475	-12,299
-	Outgoing payments from additions to tangible and intangible fixed assets	-11,942	-5,136	-8,736	-53,506
-/+	Increase / decrease in long-term liabilities	-207	-271	-9	-27
	Cash-flow from investing activities	**-12,206**	**-5,416**	**-7,994**	**-65,572**
-	Dividend payment to shareholders	-1,169	-974	-974	-812
+	Capital increase	0	-934	-934	26,105
+/-	Increase / decrease in financial liabilities	-10,891	-7,384	-14,807	34,296
	Cash-flow from financing activities	**-12,060**	**-9,292**	**-16,716**	**59,589**
	Total cash-flow	**-2,063**	**3,899**	**2,175**	**5,732**
	Cash and cash equivalents at the beginning of the year	26,069	25,753	25,753	20,188
	Effects of exchange rate changes on cash and cash equivalents	1,287	-289	-1,859	-168
	Cash and cash equivalents at the end of the year	25,292	29,362	26,069	25,753
	Change in funds	**-2,063**	**3,899**	**2,175**	**5,732**

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

Shareholders' Equity as of the first half year 2007/2008

	The imputable share to shareholders of DO & CO AG							
in TEUR	Capital stock	Capital reserves	Revenue reserves	Foreign currency translation reserves	Consolidated result		Minority interests	Total
As of March 2007	**14,162**	**35,892**	**15,020**	**-3,676**	**3,834**	**65,232**	**8,454**	**73,687**
Cons. result for the fist half year 2007/2008					6,413	**6,413**	2,663	9,077
Profit carried forward 2006/2007			2,860		-2,860	**0**		0
Currency translation				-214		**-214**	-1,268	-1,482
Effects of net investment approach				-2,471		**-2,471**		-2,471
Total	**0**	**0**	**2,860**	**-2,685**	**3,554**	**3,729**	**1,395**	**5,124**
Dividend payment 2006/2007					-974	**-974**		-974
Other changes	1,428	-1,428				**0**		0
As of March 2008	**15,590**	**34,464**	**17,879**	**-6,360**	**6,413**	**67,987**	**9,850**	**77,836**
Cons. result for the fist half year 2008/2009					6,136	**6,136**	2,448	8,584
Profit carried forward 2007/2008			5,244		-5,244	**0**		0
Currency translation				247		**247**	1,432	1,678
Effects of net investment approach				1,868		**1,868**		1,868
Total	**0**	**0**	**5,244**	**2,114**	**892**	**8,250**	**3,880**	**12,130**
Dividend payment 2007/2008					-1,169	**-1,169**		-1,169
Other changes						**0**		0
As of September 2008	**15,590**	**34,464**	**23,123**	**-4,246**	**6,136**	**75,067**	**13,730**	**88,796**

Notes

General Information

1. Basic Principles

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

Its reporting date is March 31.

The annual and interim financial statements of all subsidiaries included here were properly prepared in accordance with the International Financial Reporting Standards (IFRS) valid for the business year 2008/2009 as applied in the European Union and in application of the parent's standard group-wide accounting and valuation principles.

The interim financial statements as of 30 September 2008 were prepared in accordance with IAS 34 (Interim Financial Reporting). The consolidated interim financial statements do not contain all information and disclosures that the annual financial statements do and should be viewed in connection with the consolidated financial statements as of 31 March 2008.

Unless otherwise indicated, the interim financial statements are stated in thousands of euros (TEUR), as are the figures in the Notes. In adding up rounded figures and percentages, rounding differences may occur due to the use of automated computing aids.

The consolidated interim financial statements of DO & CO Restaurants & Catering AG underwent an auditor's review by PKF CENTURION Wirtschaftsprüfungsgesellschaft, Vienna, the auditor for the consolidated financial statements.

2. Accounting and Valuation Principles

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

3. Scope of Consolidation

The scope of consolidation has not changed since 31 March 2008.

4. Currency Translation

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

The annual financial statements of eight foreign subsidiaries with registered offices outside the Community Territory of the Member States of the European Union and two subsidiaries with registered offices in Great Britain and one subsidiary with registered office in Slovakia were translated in accordance with the principles of the modified current rate method. The balance sheet items were valued at the mean rate on the reporting date of 30 September 2008. Income and expenses on the income statement were translated at the annual average rate.

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

Non-realized translation adjustments in conjunction with monetary items economically allocable to a share in an associated company, particularly borrowings under company loans issued to subsidiaries, were recognized with no effect on profit or loss in an adjustment item from currency translation and offset in shareholders' equity.

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

Exchange Rates

	Reporting Date Rate		Kum. Average Rate	
	30.Sep.08	30.Sep.07	30.Sep.08	30.Sep.07
1 US Dollar	0.699154	0.705268	0.656845	0.730550
1 British Pound	1.265342	1.435132	1.262527	1.468796
1 New Turkish Lira	0.551390	0.582785	0.537687	0.563533
1 Swiss Franc	0.633955	-	0.620103	-
1 Slovak Koruny	0.033003	-	0.032676	-

5. Seasonal Nature of Business

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

The hospitality contract for the EURO 2008 had a substantial effect on these midterm financial statements. Sales rose considerably, as did expenses for third-party services and personnel costs.

Notes to the Balance Sheet

(1) Fixed Assets

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Intangible assets	39,278	47,245	38,859	47,633
Tangible assets	54,017	45,118	43,631	43,419
Invenstments	1,895	543	1,576	282
Total	**95,190**	**92,907**	**84,066**	**91,334**

The growth in tangible fixed assets as compared to 31 March 2008 is largely attributable to investments for the gourmet kitchens of our subsidiaries in Vienna and London for Airline Catering.

Purchase order commitments for assets ordered but not yet delivered as at 30 September 2008 amounted to TEUR 2.141 (31 March 2008: TEUR 3,976).

(2) Inventories

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Raw materials and supplies	4,464	3,432	3,836	3,316
Goods	5,144	3,948	4,277	3,809
Total	**9,608**	**7,380**	**8,113**	**7,125**

(3) Trade Accounts Receivable
Other Short-Term Accounts Receivable and Assets

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Trade accounts receivable	**41,513**	**48,842**	**41,631**	**35,723**
Accounts receivable from associated companies	0	0	0	126
Accounts receivable from companies with distributed ownership	510	562	537	230
Other accounts receivable and assets	15,650	13,585	14,463	12,387
Prepaid expenses and deferred charges	1,137	720	910	1,297
Other current assets	0	0	0	41
Total of other current accounts receivable and other current assets	**17,297**	**14,868**	**15,910**	**14,080**
Total	**58,810**	**63,710**	**57,541**	**49,803**

Other accounts receivable consist mainly of credit balances with tax authorities.

(4) Shareholders' Equity

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Capital stock	15,590	14,162	15,590	14,162
Capital reserves	34,464	35,892	34,464	35,892
Revenue reserves	23,123	17,889	17,879	15,020
Foreign currency translation reserve	-4,246	-3,730	-6,360	-3,676
Consolidated result	6,136	5,106	6,413	3,834
Total	**75,067**	**69,319**	**67,987**	**65,232**
Minority interests	13,730	11,763	9,850	8,454
Total	**88,796**	**81,082**	**77,836**	**73,687**

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

(5) Long-Term Provisions

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Provisions for severance payments PBO	10,380	11,326	10,196	10,481
Provisions for long-service anniversary payments PBO	2,684	2,603	2,575	2,533
Provisions for deferred tax	3,287	1,053	2,706	1,148
Provisions for pension payments	492	552	492	552
Other Provisions	111	155	102	155
Total	**16,955**	**15,689**	**16,072**	**14,870**

(6) Long-term Financial Liabilities

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Liabilities to banks	9,487	16,131	14,337	16,236
Total	**9,487**	**16,131**	**14,337**	**16,236**

The reduction in the long-term financial liabilities results from repayment on money borrowed to finance the joint venture in Turkey.

(7) Other Long-Term Liabilities

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Trade accounts payable	0	166	23	299
Other liabilities	1,196	8,152	6,707	8,133
Deferred income	0	121	0	121
Total	**1,196**	**8,439**	**6,730**	**8,553**

The decrease in other liabilities results from the repayment of a loan granted by the holder of a minority interest at a foreign subsidiary.

(8) Short-Term Provisions

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Provisions for taxation	6,793	6,243	3,142	4,323
Other personnel provisions	12,222	10,933	11,117	9,909
Deliveries and services not yet invoiced	5,884	7,659	1,978	1,458
Other provisions	11,592	11,658	5,375	7,478
Total	**36,490**	**36,493**	**21,612**	**23,169**

The changes in other provisions for personnel expenses pertain primarily to provisions for pro rata special payments amounting to TEUR 2,197 (previous year: TEUR 1,831) and to provisions for vacation not yet taken amounting to TEUR 6,468 (previous year: TEUR 5,465).

(9) Trade Accounts Payable

in TEUR	30.Sep.08	30.Sep.07	31. Mar 08	31. Mar 07
Trade accounts payable	**26,576**	**23,984**	**23,482**	**20,125**
Advance payments received on orders	2,039	1,143	5,565	876
Other liabilities	7,065	8,173	8,632	13,494
Deferred income	209	92	208	217
Total other short-term liabilities	**9,313**	**9,409**	**14,404**	**14,587**
Total	**35,890**	**33,393**	**37,886**	**34,712**

Contingent Liabilities

The amounts recorded under this item pertain to bank guarantees to secure claims in connection with leases and to secure refunds of advance tax payments from the Italian fiscal authorities and totaled TEUR 1,226 at the reporting date of 30 September 2008 (31 March 2008: TEUR 1,413).

Notes to the Income Statement

A detailed analysis of the half-year results for business year 2008/2009 as compared to business year 2007/2008 can be found in the Management Report.

Events after the Balance Sheet Date

The new DEMEL in Manhattan Plaza in New York City opened for regular business on 22 October 2008 as yet another business entity in the group.

A final decision on the complete privatization of our key account Austrian Airlines was postponed until the end of the year. In the short and medium term, no fundamental changes in business relations between DO & CO and the Austrian Airlines Group are expected.

The current favorable price of DO & CO stock was utilized for a stock buyback program based on the Management Board resolution of 14 October 2008. A maximum of 4% of the share capital in free float is to be repurchased between 17 October 2008 and 10 January 2011. At the time of publication, 5,440 shares with a total value of EUR 58,309 had been bought back.

Related Party Disclosures

Raiffeisenlandesbank Niederösterreich-Wien AG is indirectly a related party as it holds a stake in DO & CO Restaurants & Catering AG through Raiffeisen-Holding Niederösterreich-Wien reg. Gen. m.b.H. and the latter’s wholly owned subsidiary DZR Immobilien und Beteiligungs GmbH. Business relations with Raiffeisenlandesbank Niederösterreich-Wien AG were continued in the first half of the year under review and were handled at terms and conditions customary for external customers. Existing business relations with enterprises in which members of the Supervisory Board of DO & CO Restaurants & Catering AG are active are conducted at terms and conditions customary for external customers.

The Group has a 50 % stake in THY DO & CO Ikram Hizmetleri A.S. Turkish Airlines (Türk Hava Yollari A.O.) holds the remaining 50 % stake in this company. THY DO & CO Ikram Hizmetleri A.S. provides airline catering services to Turkish Airlines. Sales revenues were obtained for these services in the first half of 2008/2009 and are contained in the trade accounts receivable from Turkish Airlines. Long and short-term liabilities are also shown in the consolidated balance sheet in connection with THY DO & CO Ikram Hizmetleri A.S.

Segment Reporting

GROUP 1st Half Year		Airline Catering	International Event Catering	Restaurants, Lounges & Hotel	Total
Sales	in m €	136.61	64.21	31.83	232.64
EBITDA	in m €	13.48	4.85	2.37	20.70
Depreciation/amortization	in m €	-6.55	-0.80	-1.17	-8.51
EBIT	in m €	6.93	4.05	1.20	12.19
EBITDA margin	in %	9.9 %	7.5 %	7.4 %	8.9 %
EBIT margin	in %	5.1 %	6.3 %	3.8 %	5.2 %
Share in Consolidated sales	in %	58.7 %	27.6 %	13.7 %	

The management report contains a detailed report by division for the first half of 2008/2009.

Vienna, 13 November 2008

The Management Board:

Attila Dogudan mp
Chairman

Michael Dobersberger mp

Management Statement pursuant to Section 87.1.3 Stock Exchange Act

We hereby confirm that, to the best of our knowledge, the condensed consolidated interim financial statements as of 30 September 2008 prepared in conformity with the International Financial Reporting Standards (IFRS) for interim financial reporting as they are to be applied in the European Union (IAS 34 – Interim Financial Reporting) present fairly, in all material respects, the actual assets and financial position of the group and the results and cash flows of its operations as regards important events during the first six months of the business year and their effects on the condensed consolidated interim financial statements; as regards the material risks and uncertainties in the remaining six months of the business year; and as regards the material related party disclosures.

Vienna, 13 November 2008

The Management Board:

Attila Dogudan mp
Chairman

Michael Dobersberger mp

Report on the Auditor's Review of the Condensed Consolidated Interim Financial Statements

Introduction

We have conducted an auditor's review of the attached condensed consolidated interim financial statements of DO & CO Restaurants & Catering AG, Vienna, for the period from 1 April 2008 through 30 September 2008. The condensed consolidated interim financial statements consist of the consolidated balance sheet as of 30 September 2008, the consolidated income statement, the consolidated cash flow statement and the schedule of changes in consolidated shareholders' equity for the period from 1 April 2008 through 30 September 2008 as well as the notes containing a summary of the principle accounting and valuation methods applied and other information.
The company's management is responsible for preparing these condensed consolidated interim financial statements in compliance with the International Financial Reporting Standards (IFRS) for interim financial reporting as applied in the European Union. It is our responsibility to issue a summary assessment of these condensed consolidated interim financial statements based on our auditor's review.

Scope of the auditor's review

We have conducted the auditor's review in keeping with the pertinent valid legal regulations and generally accepted professional standards in Austria and the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a substantially smaller scope than an audit and entails less evidence than an audit. Consequently a review does not enable us to obtain the kind of assurance an audit does that we would become aware of all material matters and that these financial statements are free from material misstatement. For this reason, we cannot issue an auditor's opinion.

Findings of the auditor's review

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared in accordance with the International Financial Reporting Standards (IFRS) for interim reporting as applied in the European Union.

Opinion on the half-year consolidated management report

We have read the consolidated management report for the first half of the business year and assessed it to determine whether it obviously contradicts the condensed consolidated interim financial statements. In our judgment, the half-year consolidated management report does not obviously contradict the condensed consolidated interim financial statements.

Opinion on the Management Statement pursuant to Section 87.1.3 Stock Exchange Act

The half-year financial report contains the Management Statement pursuant to Section 87.1.3 Stock Exchange Act.

Vienna, 13 November 2008

PKF CENTURION
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH
MEMBER FIRM OF PKF INTERNATIONAL

Dr. Stephan Maurer mp Mag. Wolfgang Adler mp
Certified Public Accountant and Tax Consultant

Glossary of Key Figures

EBITDA margin
Ratio of EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) to sales

EBIT margin
Ratio of EBIT (Earnings Before Interest and Taxes) to sales

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

Net debts
Interest-incurring debt less cash and cash equivalents

Gearing ratio
Financial management expressed as the ratio of net debts to equity (adjusted by dividend payments and book values for goodwill)

Working capital
The surplus of current assets above and beyond short-term borrowed capital

Free cash flow
Cash from operating activities plus cash from investing activities

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

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

ROCE – Return on capital employed
Shows return on capital invested by juxtaposing EBIT before amortization of goodwill less the adjusted taxes with the average capital employed

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