FIRST HALF REPORT 2014

gategroup™

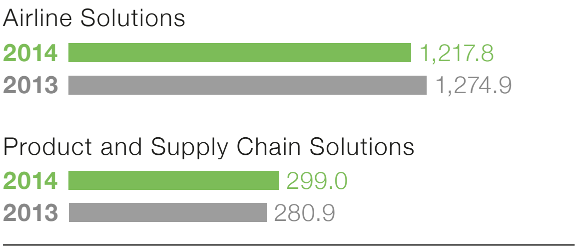
Serving people on the move

Key Figures

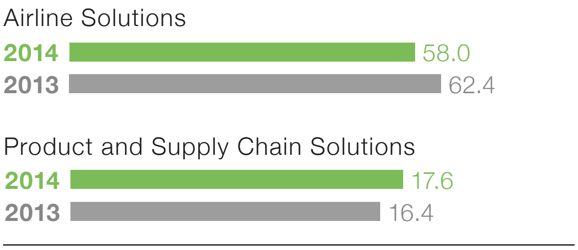
in CHF m	January - June 2014	January - June 2013 Restated	Change
Total revenue	**1,423.7**	**1,465.4**	**(2.8)%**
EBITDA[I]	**60.6**	**62.6**	**(3.2)%**
EBITDA margin	4.3%	4.3%	–
Operating profit	**20.9**	**22.6**	**(7.5)%**
Operating profit margin	1.5%	1.5%	–
Loss for the period	**(6.5)**	**(12.7)**	**48.8%**
Cash generated from operations	20.9	36.7	(43.1)%
Net financial debt	305.9	270.8	13.0%
Cash (incl. available credit lines)	246.7	289.9	(14.9)%

(I) EBITDA throughout the document refers to Segment EBITDA.

Revenue by segment in CHF m



EBITDA by segment in CHF m



About gategroup

gategroup is the leading independent global provider of products, services and solutions related to an airline passenger's onboard experience. These products and services encompass catering and hospitality; provisioning and logistics; and onboard solutions to companies that serve people on the move. We are predominantly a business-to-business enterprise, primarily serving the commercial aviation industry, including executive jets and commercial airlines. We have a global presence, operating at over 130 locations in 35 countries on six continents, and we currently employ approximately 27,000 employees. We benefit from a broad customer base. gategroup serves over 270 customers, including some of the world's top airlines, such as British Airways, Delta Air Lines, Swiss International Airlines and United Continental. gategroup is the umbrella brand representing the products and services we provide through our family of brands. We tailor our solutions to both traditional full-service and low-fare air carriers; in premium and economy cabins; for short-haul and long-haul flights; and for adjacent markets, such as rail and executive aviation.

gategroup confirms outlook on improved Q2 results

- **Total revenue at constant currency up by 2.6% to CHF 799.7 million for Q2 and 2.7% up to CHF 1,505.6 million for HY1**
- **Negative currency impact on revenue of –5.3% for Q2 and –5.4% for HY1**
- **EBITDA margin of 5.6% for Q2 (5.7% at constant currency) compared to 5.3% in the previous year and 4.3% for HY1 (4.4% at constant currency), unchanged compared to the previous year**
- **Solid operational performance in all markets driven by volume acceleration through Q2 2014**
- **Net loss reported for the period of CHF 6.5 million, substantially lower than the previous year (CHF 12.7 million net loss)**
- **Full year 2014 outlook confirmed with an EBITDA margin of 5.6% to 6.2%**

gategroup reported total revenue of CHF 757.4 million for Q2 and CHF 1,423.7 million for HY1, a decrease of 2.8%, respectively, compared to the prior year periods. At constant currency total revenues grew by 2.6% to CHF 799.7 million for Q2 and 2.7% for HY1 to CHF 1,505.6 million during the first six months in 2014. This growth is primarily attributable to the anticipated volume acceleration at the back-end of Q2 2014.

Segment EBITDA (EBITDA) was CHF 42.6 million (5.6% EBITDA margin) in Q2 and CHF 45.4 million at constant currency (5.7% EBITDA margin) compared to an EBITDA of CHF 41.5 million in Q2 2013. Overall, gategroup reported EBITDA of CHF 60.6 million (4.3% EBITDA margin) in the first half of 2014 compared to CHF 62.6 million (4.3% EBITDA margin) in the first half of the previous year. At constant currency, EBITDA was CHF 66.3 million, representing growth of 5.9% and exceeding that of revenue, thus resulting in the higher EBITDA margin of 4.4% compared to 4.3% in the previous year. The overall EBITDA development was primarily driven by the ongoing stronger contribution from the Product and Supply Chain Solutions business and solid performance in the Airline Solutions business. The Airline Solutions business result was particularly strengthened by profitability improvements in Europe following the implementation of the restructuring program.

The loss for the reporting period was CHF 6.5 million, substantially lower than the loss of CHF 12.7 million in the same period in the previous year. This was mainly due to a positive foreign exchange result, partially offset by a higher tax expense.

CASH FLOW STATEMENT AND BALANCE SHEET

During the first six months of 2014 gategroup generated CHF 20.9 million of cash from operations, compared to CHF 36.7 million during the same period last year. This decrease was largely driven by the absorption of approximately CHF 10 million reported in Q1, driven by weaker performance of the North American region, and timing on receivables and payables. In the second quarter there was a one-time impact of approximately CHF 5 million due to the termination of the retail services contract with Norwegian Airlines (as previously disclosed) where Gate Retail Onboard was the merchant of record.

gategroup's balance sheet as per June 30, 2014, shows total shareholders' equity and non-controlling interests of CHF 257.8 million, compared to CHF 272.6 million as per June 30, 2013 and CHF 294.4 million as per December 31, 2013. Net financial debt as per June 30, 2014, was CHF 305.9 million compared to CHF 270.8 million for June 30, 2013 and CHF 261.0 million at December 31, 2013.

SEGMENT REPORTING

Revenues for Airline Solutions decreased by 4.3% from CHF 673.6 million to CHF 644.8 million in Q2 2014 and decreased by 4.5% from CHF 1,274.9 million to CHF 1,217.8 million for the first half of 2014. EBITDA reached CHF 39.7 million (6.2% of revenues) in Q2 2014 compared to CHF 40.9 million (6.1% of revenues) during the same period in 2013, and CHF 58.0 million (4.8% of revenues) in the first half of 2014 compared to CHF 62.4 million (4.9% of revenues) during the same period in the previous year. On a constant currency basis, revenues increased by 1.6% in Q2 2014 and 1.5% in the first half of 2014 with EBITDA margins of 6.2% in Q2 2014 and 4.9% in the first half of 2014. Lower revenues in Europe are in line with expectations and primarily follow from the disposal of the Brussels facility and the discontinuation of the Norwegian short-haul contract. Revenues in North America and Emerging Markets continue to be hit by adverse foreign exchange impacts. EBITDA benefited from a strong profitability uplift in Europe and ongoing contribution from Emerging Markets, offset by weaker profitability in North America following adverse conditions during Q1 2014.

The Product and Supply Chain Solutions (P&SCS) business reported an 8.4% increase in revenues in Q2 to CHF 168.1 million from CHF 155.1 million in the same period in the prior year and a 6.4% increase in revenues to CHF 299.0 million for the first half of 2014 from CHF 280.9 million for the same period in 2013. P&SCS also reported an EBITDA of CHF 11.2 million (6.7% of revenues) in Q2 2014 compared to an EBITDA of CHF 9.3 million (6.0% of revenues) in Q2 2013 and CHF 17.6 million (5.9% of revenues) in the first half 2014 compared to CHF 16.4 million (5.8% of revenues) in the previous reporting period. On a constant currency basis, revenues increased by 10.7% in Q2 2014 and the EBITDA margin was 6.9% compared to 8.5% revenue increase or the first half of 2014 with an EBITDA margin of 6.1%. The increase in EBITDA was mainly driven by higher revenues.

BUSINESS DEVELOPMENT AND MAJOR BUSINESS WINS

In June, gategroup extended its ongoing contract with Virgin Australia for all domestic and short-haul international flights. The existing agreement, which was set to expire in 2017, has been extended by two years to 2019. Under the agreement, gategroup subsidiary Gate Gourmet will provide food assembly, flight assembly and handling services for all domestic and short-haul international flights departing from the locations in Australia where Gate Gourmet has a presence. The total value of the contract for the four years to 2019 is approximately CHF 300 million. On an annual basis, Gate Gourmet provides services for the airline for more than 125,000 flights.

In July, gategroup and China Aviation Investment Co., Ltd. (CAIC), an affiliate of the Air China Group, have optimized the shareholding structure of the joint venture operation Shanghai Pudong International Airport Gate Gourmet Air Catering Co., Ltd., thereby executing a key element of the Letter of Intent signed by the two parties in 2012. Through this transaction, gategroup has reduced its participating interest to 29%. The airline catering facility will be co-branded. It is also anticipated that the new joint venture will integrate the activities of the Shanghai Airport International Catering Co., Ltd., establishing a presence in both major airports serving Shanghai (Pudong and Hongqiao).

GROUP INITIATIVES

Core Group-wide initiatives of procurement, operations performance and technology program implementation continue to gain momentum. Based on the work to date, the Group has a solid foundation to accelerate these programs and associated benefits over the next 18 months to support delivery of the mid-term plan targets for 2016 and 2017. Additionally, gategroup continues to streamline and adjust its organization. Several changes are being implemented to ensure capture of the growth opportunities targeted in the mid-term plan, enhance the network solutions service lines, and increase the focus on respective markets in the global portfolio. All actions are expected to accelerate and support the delivery of the financial objectives of the Group.

OUTLOOK

gategroup confirms its 2014 full year outlook. Thus, the Group maintains an expectation of flat revenue development with an EBITDA margin of 5.6% to 6.2% for the full year. gategroup's continuous focus on the streamlining of operations and prior acquisitions, together with the additional activities referred to above, will bolster the financial performance in the second half of 2014 through 2015 to ensure delivery of the Group's mid-term plan objectives of an EBITDA margin of 7.0% to 8.0% by 2016 and an EBITDA range of 7.5% to 8.5% by 2017, with a commensurate improvement in cash flow.

Consolidated Income Statement

in CHF m	January - June 2014	January - June 2013 Restated	April - June 2014	April - June 2013 Restated
Total revenue	**1,423.7**	**1,465.4**	**757.4**	**779.4**
Materials and service expenses	(591.0)	(601.9)	(318.0)	(325.0)
Personnel expenses	(565.1)	(598.7)	(290.7)	(310.0)
Other operating income and expenses, net	(218.0)	(215.9)	(112.9)	(114.7)
Depreciation and amortization	(28.7)	(31.8)	(14.5)	(15.9)
Other gains and (losses), net	–	5.5	–	5.6
Total operating expenses, net	**(1,402.8)**	**(1,442.8)**	**(736.1)**	**(760.0)**
Operating profit	**20.9**	**22.6**	**21.3**	**19.4**
Finance costs, net	(20.6)	(28.7)	(9.6)	(22.3)
Share of result of associates and joint ventures	1.3	–	0.6	(0.3)
Profit/(loss) before tax	**1.6**	**(6.1)**	**12.3**	**(3.2)**
Income tax expense	(8.1)	(6.6)	(2.1)	(4.5)
(Loss)/profit for the period	**(6.5)**	**(12.7)**	**10.2**	**(7.7)**
thereof attributable to shareholders of the Company	(7.3)	(14.0)	9.8	(8.4)
thereof attributable to non-controlling interests	0.8	1.3	0.4	0.7
Earnings per share attributable to shareholders of the Company				
Basic earnings per share in CHF	(0.28)	(0.54)	0.38	(0.32)
Diluted earnings per share in CHF	(0.28)	(0.54)	0.38	(0.32)

Consolidated Statement of Comprehensive Income

in CHF m	January - June 2014	January - June 2013 Restated	April - June 2014	April - June 2013 Restated
(Loss)/profit for the period	**(6.5)**	**(12.7)**	**10.2**	**(7.7)**
Items that will not be reclassified to profit or loss				
Actuarial (losses)/gains net, on defined benefit schemes, net of taxes	(25.3)	45.5	(12.8)	26.7
Items that may be reclassified subsequently to profit or loss				
Currency translation differences arising during the period	3.6	(8.9)	4.1	(12.8)
Other comprehensive income	**(21.7)**	**36.6**	**(8.7)**	**13.9**
Total comprehensive income	**(28.2)**	**23.9**	**1.5**	**6.2**
thereof attributable to shareholders of the Company	(29.0)	22.8	0.9	5.6
thereof attributable to non-controlling interests	0.8	1.1	0.6	0.6

The accompanying notes form an integral part of these interim consolidated financial statements.

Consolidated Balance Sheet

in CHF m	June 30, 2014	December 31, 2013	June 30, 2013 Restated
Cash and cash equivalents	125.2	174.2	166.5
Trade receivables	302.3	279.9	312.9
Other current receivables and prepayments	107.4	100.1	122.4
Inventories	85.9	86.7	83.9
Current income tax assets	11.7	11.7	10.5
Total current assets before disposal group	**632.5**	**652.6**	**696.2**
Assets of disposal group classified as held for sale	15.1	–	–
Total current assets	**647.6**	**652.6**	**696.2**
Property, plant and equipment	296.2	296.0	306.6
Intangible assets	420.2	420.0	433.5
Investments in associates and joint ventures	9.2	7.7	6.9
Other non-current receivables	40.4	37.4	29.6
Deferred income tax assets	53.1	51.9	56.4
Retirement benefit assets	–	–	6.6
Total non-current assets	**819.1**	**813.0**	**839.6**
Total assets	**1,466.7**	**1,465.6**	**1,535.8**
Short-term debt	4.0	4.1	3.7
Trade and other payables	239.6	233.1	243.7
Current income tax liabilities	21.6	24.8	20.0
Provisions	27.9	28.5	36.3
Other current liabilities	279.3	267.2	301.3
Total current liabilities before disposal group	**572.4**	**557.7**	**605.0**
Liabilities of disposal group classified as held for sale	5.9	–	–
Total current liabilities	**578.3**	**557.7**	**605.0**
Long-term debt	427.1	431.1	433.6
Deferred income tax liabilities	21.3	21.9	31.8
Retirement benefit obligations	146.3	121.9	138.0
Provisions	29.9	31.5	47.0
Other non-current liabilities	6.0	7.1	7.8
Total non-current liabilities	**630.6**	**613.5**	**658.2**
Total liabilities	**1,208.9**	**1,171.2**	**1,263.2**
Equity attributable to shareholders of the Company	248.9	285.2	264.4
Non-controlling interests	8.9	9.2	8.2
Total equity	**257.8**	**294.4**	**272.6**
Total liabilities and equity	**1,466.7**	**1,465.6**	**1,535.8**

The accompanying notes form an integral part of these interim consolidated financial statements.

Consolidated Statement of Changes in Equity

in CHF m	Attributable to shareholders of the Company						
	Share capital	Treasury shares	Retained earnings and other reserves	Currency translation	Total	Non-controlling interests	Total equity
At January 1, 2013[1]	**134.0**	**(20.4)**	**128.8**	**(1.4)**	**241.0**	**8.2**	**249.2**
(Loss)/profit for the period[1]	–	–	(14.0)	–	(14.0)	1.3	(12.7)
Other comprehensive income[1]	–	–	45.5	(8.7)	36.8	(0.2)	36.6
Total comprehensive income[1]	**–**	**–**	**31.5**	**(8.7)**	**22.8**	**1.1**	**23.9**
Equity-settled share-based payments	–	–	0.6	–	0.6	–	0.6
Dividends paid to non-controlling interests	–	–	–	–	–	(1.1)	(1.1)
At June 30, 2013[1]	**134.0**	**(20.4)**	**160.9**	**(10.1)**	**264.4**	**8.2**	**272.6**
At January 1, 2014	**134.0**	**(20.4)**	**197.0**	**(25.4)**	**285.2**	**9.2**	**294.4**
(Loss)/profit for the period	–	–	(7.3)	–	(7.3)	0.8	(6.5)
Other comprehensive income	–	–	(25.3)	3.6	(21.7)	–	(21.7)
Total comprehensive income	**–**	**–**	**(32.6)**	**3.6**	**(29.0)**	**0.8**	**(28.2)**
Equity-settled share-based payments	–	–	0.5	–	0.5	–	0.5
Dividends paid	–	–	(7.8)	–	(7.8)	–	(7.8)
Dividends paid to non-controlling interests	–	–	–	–	–	(1.1)	(1.1)
At June 30, 2014	**134.0**	**(20.4)**	**157.1**	**(21.8)**	**248.9**	**8.9**	**257.8**

[1] Restated

The accompanying notes form an integral part of these interim consolidated financial statements.

Consolidated Cash Flow Statement

in CHF m	January - June 2014	January - June 2013 Restated
Profit/(loss) before tax	**1.6**	**(6.1)**
Adjustments for:		
Finance costs, net	20.6	28.7
Share-based payments	0.5	0.6
Share of result of associates and joint ventures	(1.3)	–
Depreciation and amortization	28.7	31.8
Other (gains) and losses, net	–	(5.5)
Net cash flow before working capital and provision changes	50.1	49.5
Changes in working capital	(18.8)	(7.9)
Changes in provisions and retirement benefit obligations	(10.4)	(4.9)
Cash generated from operations	**20.9**	**36.7**
Interest paid	(15.3)	(16.0)
Interest received	0.4	1.1
Income taxes paid, net	(7.6)	(4.3)
Net cash flow (used in)/generated from operating activities	**(1.6)**	**17.5**
Acquisition of subsidiaries, net of cash acquired	(1.8)	(1.7)
Purchase of property, plant and equipment	(23.7)	(29.4)
Purchase of intangible assets	(6.2)	(0.5)
Proceeds from sale of assets	0.1	13.6
Dividends from associates	1.4	0.8
Net cash flow used in investing activities	**(30.2)**	**(17.2)**
Proceeds from debt	2.9	0.3
Repayments of debt	(3.0)	(1.4)
Dividends paid	(7.8)	–
Dividends paid to non-controlling interests	(1.1)	(1.1)
Net cash flow used in financing activities	**(9.0)**	**(2.2)**
Decrease in cash and cash equivalents	**(40.8)**	**(1.9)**
Movement in cash and cash equivalents		
At start of the year	174.2	168.6
Decrease in cash and cash equivalents	(40.8)	(1.9)
Effects of exchange rate changes	(1.1)	(0.9)
At end of the period	**132.3**	**165.8**

The accompanying notes form an integral part of these interim consolidated financial statements.

Notes to the Interim Consolidated Financial Statements

1 GENERAL INFORMATION

gategroup Holding AG (the "Company") and its subsidiaries (together the "Group") are primarily engaged in the operation of airline catering and provisioning services worldwide. The majority of the Group's operations are located in Europe and the United States. The Company has its registered office at Balz-Zimmermannstrasse 7, CH-8302 Kloten, Switzerland and its shares are listed on the SIX Swiss Exchange.

These interim consolidated financial statements were authorized for issue by the Board of Directors of the Company (the "Board") on August 20, 2014.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These interim consolidated financial statements for the six months period ended June 30, 2014, have been prepared in accordance with IAS 34, "Interim Financial Reporting". The interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies applied in the interim consolidated financial statements are consistent with those used in the 2013 annual consolidated financial statements, except where noted in the following paragraph:

Income tax expense is recognized based upon the best estimate of the average annual income tax rate expected for the full year.

The interim consolidated financial statements contain assumptions and estimates that affect the figures stated in this interim report. The definitive results may differ from these estimates.

The Group chose to early adopt as of January 1, 2013, the amendments to IAS 19 Employee Benefits - Employee Contributions as well as IAS 36 Impairment of assets, dealing with the recoverable amount disclosures for non-financial assets. The 2013 comparative information has been modified from that previously published, reflecting the restatement due to the adoption of the amendment to IAS 19, together with the retrospective adjustment arising from the finalization of the acquisition accounting for Q Catering.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning January 1, 2014, but did not have a material impact on the interim consolidated financial statements:

Standard/Interpretation	Effective date	Relevance for the Group
IAS 32 (amendment) - Presentation - Offsetting of Financial Assets and Financial Liabilities	January 1, 2014	The amendment clarifies that an entity has a legally enforceable right to set-off if that right is not contingent on a future event and enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendment has to be applied retrospectively.
IFRIC 21 - Levies	January 1, 2014	IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by government. It identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation.
Amendments to IAS 39 - Novation of Derivatives and Continuation of Hedge Accounting	January 1, 2014	This amendment provides an exception to the requirement to discontinue hedge accounting in situations where over-the-counter derivatives designated in hedging relationships are directly or indirectly, novated to a central counterparty as a consequence of laws or regulations.

The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning January 1, 2014, and have not been early adopted:

Standard/Interpretation	Effective date
Annual Improvements to IFRSs 2010–2012 and 2011–2013 Cycle**	July 1, 2014
IFRS 15 - Revenue from Contracts with customers*	January 1, 2017
IFRS 7 (amendment) - Disclosures - Initial application of IFRS 9*	January 1, 2018
IFRS 9 - Financial Instruments*	January 1, 2018

* Impact still to be assessed

** Will not have a significant impact on the Group's consolidated financial statements

3 SEGMENT INFORMATION

3.1 REPORTABLE SEGMENT INFORMATION

January - June, 2014 in CHF m	Airline Solutions	Product and Supply Chain Solutions	Corporate	Eliminations	Total reportable segments
Catering and retail onboard	743.7	49.2	–	–	792.9
Handling	369.1	–	–	–	369.1
Equipment	0.3	126.6	–	–	126.9
Other	104.5	30.3	–	–	134.8
Intersegment	0.2	92.9	–	(93.1)	–
Total revenue	**1,217.8**	**299.0**	**–**	**(93.1)**	**1,423.7**
Segment EBITDA	**58.0**	**17.6**	**(15.0)**	**–**	**60.6**
Total segment assets	1,013.8	292.5	160.4	–	1,466.7
Additions to non-current assets[i]	19.5	5.0	5.4	–	29.9

January - June, 2013 in CHF m	Airline Solutions	Product and Supply Chain Solutions	Corporate	Eliminations	Total reportable segments
Catering and retail onboard	766.1	43.9	–	–	810.0
Handling	380.8	–	–	–	380.8
Equipment	4.5	120.3	–	–	124.8
Other	123.3	26.5	–	–	149.8
Intersegment	0.2	90.2	–	(90.4)	–
Total revenue	**1,274.9**	**280.9**	**–**	**(90.4)**	**1,465.4**
Segment EBITDA	**62.4**	**16.4**	**(16.2)**	**–**	**62.6**
Total segment assets	1,055.5	294.3	186.0	–	1,535.8
Additions to non-current assets[i]	26.9	2.9	0.1	–	29.9

[i] Relate to property, plant and equipment and intangible assets

Included in Airline Solutions' 2013 result is a gain of CHF 5.0m resulting from the resolution of a property related dispute.

3.2 RECONCILIATION

Reconciliation of Segment EBITDA to operating profit

in CHF m	January - June 2014	January - June 2013
Segment EBITDA – reportable segments	60.6	62.6
Share-based payments	(0.5)	(0.6)
Restructuring costs	(7.9)	(10.7)
Operating taxes (non-income taxes)	(2.9)	(2.7)
Depreciation	(22.0)	(23.0)
Amortization	(6.7)	(8.8)
Other gains and (losses), net	–	5.5
Management fees, net	0.3	0.3
Operating profit	**20.9**	**22.6**

4 FINANCE COSTS, NET

in CHF m	January - June		April - June	
	2014	2013	2014	2013
Financial income	0.7	1.3	0.4	0.9
Financial expenses	(20.4)	(20.1)	(10.3)	(10.7)
Net interest on defined benefit schemes	(2.6)	(3.0)	(1.3)	(1.5)
Foreign exchange gains/(losses), net	1.7	(6.9)	1.6	(11.0)
Finance costs, net	**(20.6)**	**(28.7)**	**(9.6)**	**(22.3)**

5 SEASONALITY

Historically, the Group's revenue has exhibited some seasonality with the strongest revenue performance in the second and third quarters. Cash flow generation in the first quarter has normally been the weakest and the third quarter has generally been the strongest.

6 EARNINGS PER SHARE

Basic earnings per share
Basic earnings per share is calculated by dividing profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. Treasury shares are not considered as outstanding shares.

	January - June		April - June	
	2014	2013	2014	2013
(Loss)/profit for the period attributable to shareholders of the Company (in CHF m)	(7.3)	(14.0)	9.8	(8.4)
Weighted average number of shares outstanding	26,066,799	26,066,799	26,066,799	26,066,799
Basic earnings per share (in CHF)	(0.28)	(0.54)	0.38	(0.32)

Diluted earnings per share
Diluted earnings per share are the same as basic earnings per share in both periods.

7 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

in CHF m	Jun 30, 2014	Dec 31, 2013	Jun 30, 2013
Cash and cash equivalents	125.2	174.2	166.5
Bank overdrafts	–	–	(0.7)
Disposal group (Note 14)	7.1	–	–
Total	**132.3**	**174.2**	**165.8**

8 RETIREMENT BENEFIT OBLIGATION

An actuarial loss, net of taxes, of CHF 25.3m (2013 gain: CHF 45.5m) was recognized through comprehensive income in the six months period ended June 30, 2014. This 2014 loss arose principally due to decreases in discount rates, whereas the drivers of the 2013 gain were mainly increases in discount rates and positive overall returns on assets.

9 EQUITY

Authorized share capital
As at June 30, 2014, the Company has an authorized share capital of CHF 13,277,065 authorizing the Board to issue up to 2,655,413 fully paid-up registered shares with a nominal value of CHF 5.00 per share by no later than April 16, 2016.

Dividend
On April 24, 2014, the company paid a dividend of CHF 0.30 per share to its shareholders. The total amount of the dividend paid was CHF 7,820,040. No dividends were distributed on the 719,537 treasury shares held by the Company and its subsidiaries.

10 CHANGES IN WORKING CAPITAL

in CHF m	January - June 2014	January - June 2013
Change in inventories	0.8	0.2
Change in trade receivables	(26.2)	(17.1)
Change in trade payables	10.6	14.6
Change in other receivables and payables, net	(4.0)	(5.6)
Total	**(18.8)**	**(7.9)**

11 CHANGES IN PROVISIONS AND RETIREMENT BENEFIT OBLIGATIONS

in CHF m	January - June 2014	January - June 2013
Cash movements in retirement benefit obligations	(12.0)	(9.3)
Cash movements in restructuring provisions	(7.1)	(8.6)
Cash movements in other provisions	(0.9)	(2.3)
Non-cash movements in retirement benefit obligations	5.1	6.0
Non-cash movements in restructuring provisions	7.9	10.7
Non-cash movements in other provisions	(3.4)	(1.4)
Total	**(10.4)**	**(4.9)**

12 CONTINGENT LIABILITIES

The Group has contingent liabilities arising in the ordinary course of business, principally in respect of legal claims, tax risks, guarantees, customer relationships, pledges, letters of credit and treasury relationships and transactions. It is not anticipated that any material liabilities will arise from such contingent liabilities.

13 BUSINESS COMBINATIONS

Business combination 2014
The Group did not make any acquisitions during the first half of 2014.

Business combination 2013
On July 1, 2013, the Group purchased certain assets and liabilities of catering provider Pacific Flight Catering (“PFC”), New Zealand.

IFRS 3 allows up to a twelve month measurement period from acquisition for the completion of the initial purchase price allocation. Changes to the carrying amount of identifiable assets, liabilities or contingent liabilities shall be calculated as if the fair values at the acquisition date had been recognized from that date.

Following review, no changes to the provisional purchase price allocation of PFC disclosed in the annual report 2013 have been made in 2014. The accounting for this acquisition has been finalized at the end of the reporting period.

During the first half of 2014, part of the deferred considerations for PFC (CHF 0.4m) and Helios (CHF 1.4m) were paid.

14 DISPOSAL GROUP

The Group had signed a Letter of Intent in 2012 with China Aviation Investment Co., Ltd. (“CAIC”), an affiliate of the Air China Group, whereby CAIC would acquire a 51% shareholding in gategroup’s 80% owned subsidisiary, Shanghai Pudong International Airport Gate Gourmet Air Catering Co. Ltd (“Shanghai”). Under this agreement gategroup was to reduce its interest to 29% with Shanghai Airport Group Co., Ltd. retaining its current 20% shareholding.

At June 30, 2014 the Group classified Shanghai as a disposal group and disclosed the entity’s assets of CHF 15.1m, of which CHF 7.1m was cash (Note 7), and liabilities of CHF 5.9m as being held for sale.

This transaction closed on July 2, 2014 and the gain on disposal will be recognized in the results for the quarter to September 30, 2014.

15 EVENTS OCCURRING AFTER THE END OF THE INTERIM REPORTING PERIOD

There are no events occuring after the end of the reporting period that warrant disclosure.

Imprint

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http://www.gategroup.com

OVERVIEW of gategroup
gategroup is the leading independent global provider of products, services and solutions related to a passenger's onboard experience. gategroup comprises the following brands: deSter, eGate Solutions, Gate Aviation, Gate Gourmet, Gate Retail Onboard, Gate Safe, Harmony, Performa, Pourshins and Supplair.

FORWARD-LOOKING STATEMENTS
This publication contains forward-looking statements and other statements that are not historical facts. The words "believe", "anticipate", "plan", "expect", "project", "estimate", "predict", "intend", "target", "assume", "may", "will" "could" and similar expression are intended to identify such forwardlooking statements. Such statements are made on the basis of assumptions and expectations that we believe to be reasonable as of the date of this publication but may prove to be erroneous and are subject to a variety of significant uncertainties that could cause actual results to iffer materially from those expressed in forward-looking statements. Among these factors are changes in overall economic conditions, changes in demand for our products, changes in the demand for, or price of, oil, risk of terrorism, war, geopolitical or other exogenous shocks to the airline sector, risks of increased competition, manufacturing and product development risks, loss of key customers, changes in government regulations, foreign and domestic political and legislative risks, risks associated with foreign operations and foreign currency exchange rates and controls, strikes, embargoes, weatherrelated risks and other risks and uncertainties. We therefore caution investors and prospective investors against relying on any of these forward-looking statements. We assume no obligation to update forward-looking statements or to update the reasons for which actual results could differ materially from those anticipated in such forward-looking statements, except as required by law.