



2015 Full Year results

Investors and Analysts presentation

10 March 2016

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2015 financial summary

Solid performance in a challenging restructuring context

<i>in CHF m</i>	Q4 2015	Q4 2014	Change	2015	2014	Change
Revenue	762.7	756.6	0.8%	2'996.4	3'009.2	(0.4%)
FX effect	32.9			111.3		
Revenue @CC¹	795.6	756.6	5.2%	3'107.7	3'009.2	3.3%
Organic growth	26.2		3.4%	144.4		4.8%
EBITDA²	44.0	40.0	10.0%	142.4	168.6	(15.5%)
2015 adjustments				27.0		
Adjusted EBITDA	44.0	40.0	10.0%	169.4	168.6	0.5%
<i>Adjusted EBITDA margin</i>	5.8%	5.3%	0.5 pp	5.7%	5.6%	0.1 pp
Adjusted EBITDA @CC	46.9	40.0	17.3%	180.8	168.6	7.2%
<i>Adjusted EBITDA margin @CC</i>	5.9%	5.3%	0.6 pp	5.8%	5.6%	0.2 pp

1. At constant currency

2. EBITDA refers to Segment EBITDA throughout the presentation

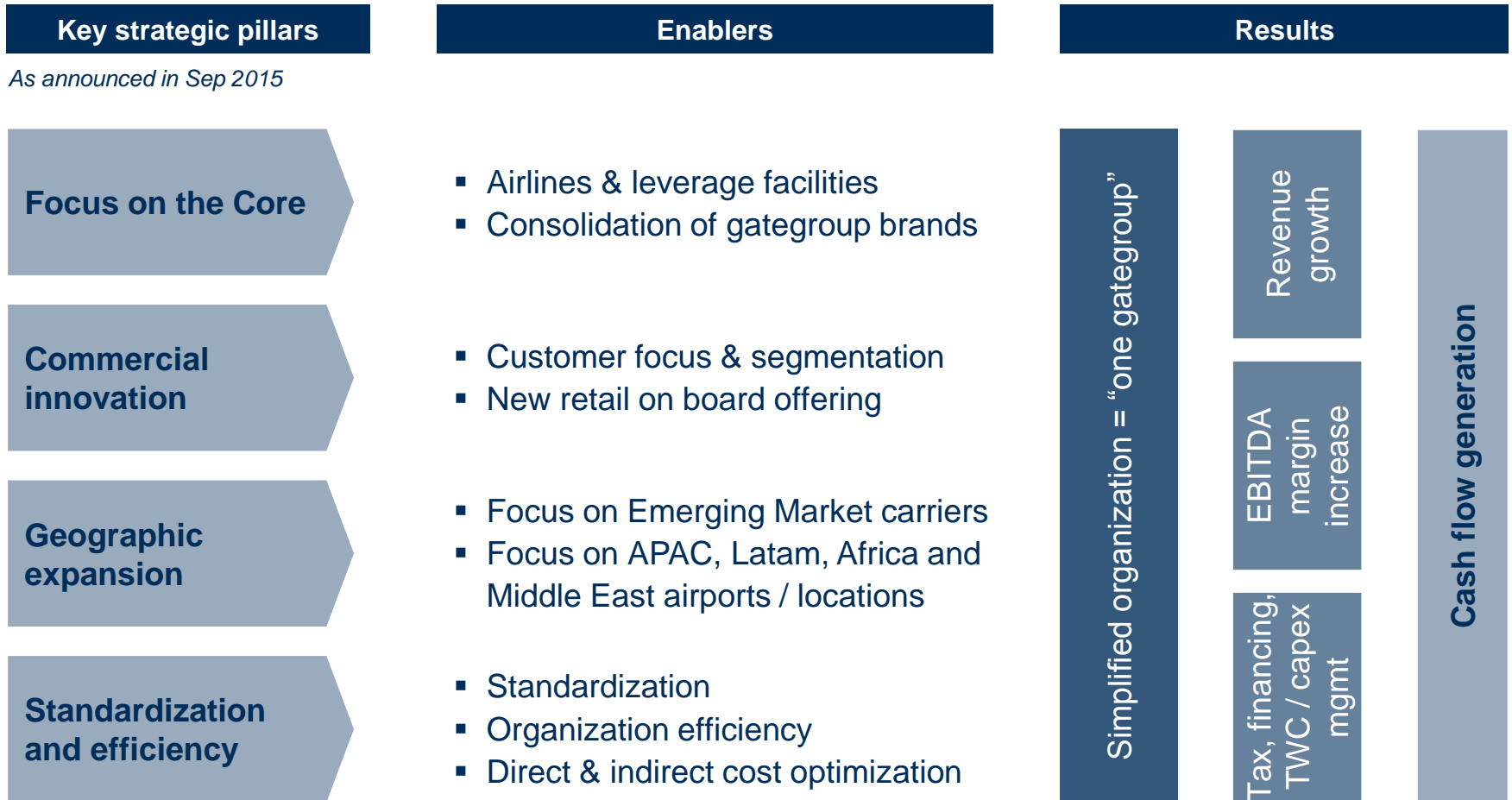
Note:

Figures may not add up due to rounding

Source: gategroup portfolio statistics

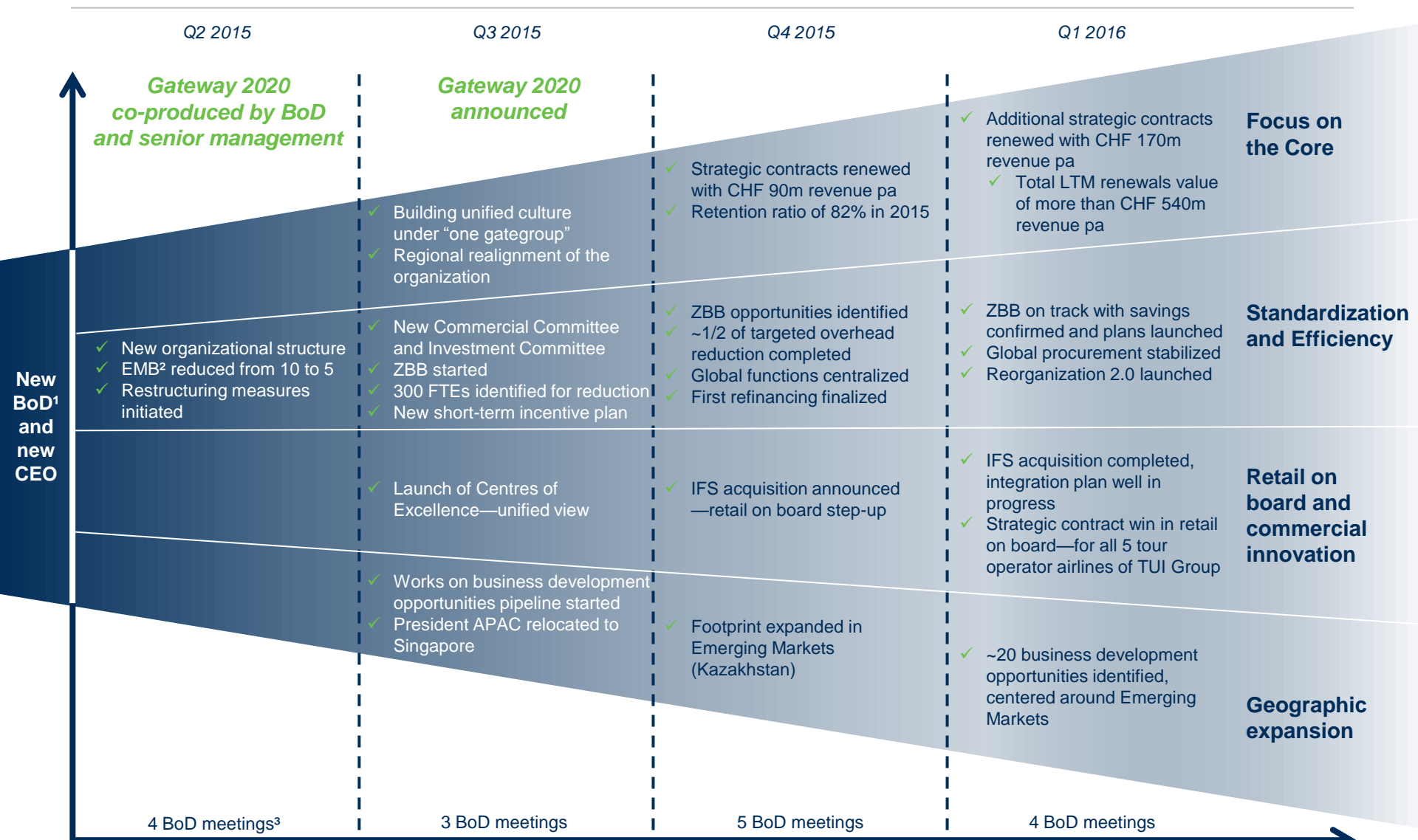
Gateway 2020 strategy elements

Four pillars to drive cash flow generation



Progress on strategy implementation


Year of change—alignment, delivery and acceleration



1. Board of Directors
 2. Executive Management Board
 3. Includes meetings and calls

Gateway 2020–2015 achievements

Delivery vs guidance

	Initiatives	Target	2015 delivery	
Revenue growth	Organic growth	+3-5% pa	<ul style="list-style-type: none"> 4.8% organic revenue growth More than CHF 540m revenue pa from strategic contract renewals 	<ul style="list-style-type: none"> Compensation for price pressure from contract renewals / increase in labor cost (e.g. USA) and other Development of new commercial offering for sustainably improved pricing Start-up of new operations <hr style="border-top: 1px dashed green;"/> <ul style="list-style-type: none"> Cost savings Improved operational efficiencies Enhanced procurement <hr style="border-top: 1px dashed green;"/> <p style="text-align: center;"></p> <p style="text-align: center;">EBITDA margin expansion of +25-50bps pa delivered in H2 2015 and confirmed for 2016</p>
	M&A	Deals with financial discipline	<ul style="list-style-type: none"> IFS acquisition announced in Dec 2015 and completed in Feb 2016 Integration plan with IFS established CHF 6m annualized synergies confirmed 	
Margin improvement	Organization efficiency	Overhead reduction	<ul style="list-style-type: none"> 300 FTEs identified, ~1/2 of targeted reduction completed in 2015 Run-rate savings to be in the range of CHF 20m pa 6-12 months implementation (full impact expected in 2017) 	
	Cost efficiency	10-25% reduction in SG&A ¹	<ul style="list-style-type: none"> Savings to be at the 10-25% midpoint of the addressable operational spend of about CHF 400m Wide range of cost categories with some larger positions to generate savings only later in the process (e.g. facility cost savings) 18 months implementation (full impact expected in year-end 2017) 	
	Operational efficiencies and procurement	Operational flexibility	<ul style="list-style-type: none"> Restructuring of underperforming activities Global procurement reinforced with a stronger and more focused team 	
Cash flow generation	Decrease in financing cost	Full debt refinancing	<ul style="list-style-type: none"> New five-year EUR 240m RCF, replacing EUR 100m RCF; excess cash used to redeem EUR 100m of EUR 350m HY Bond (phase I) Full redemption of EUR 250m HY Bond (phase II) with a new five-year EUR 250m unsecured term loan 	

1. Selling, General and Administrative Expenses

2015 Full Year results

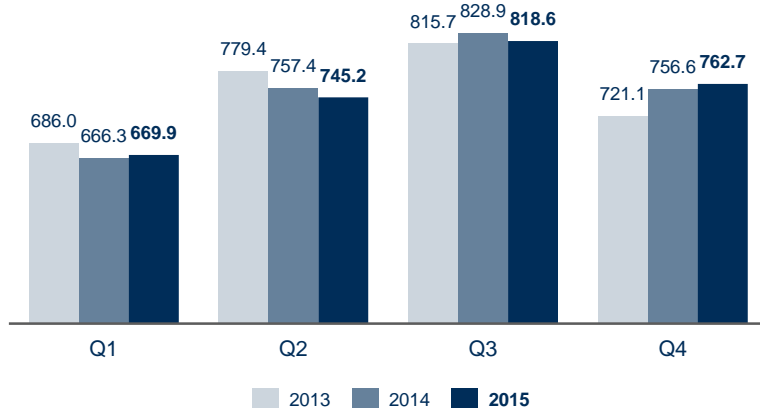
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- 4 Conclusion

Revenue performance

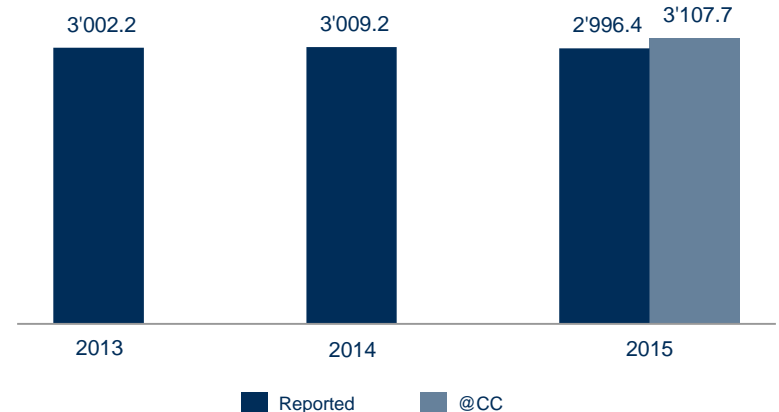
Robust organic growth continues in Q4 2015

- 2015 reported revenue of CHF 2'996.4 million, compared to CHF 3'009.2 million in 2014
- 3.3% increase in revenue @CC (up to CHF 3'107.7 million)
 - Organic growth of 4.8%
 - Wins / losses of (1.2)%
 - M&A of (0.3)%
 - FX of (3.7)%

Revenue by quarter



Revenue development 2013-2015



CHF 3'107.7 million revenue (@CC), up by 3.3%

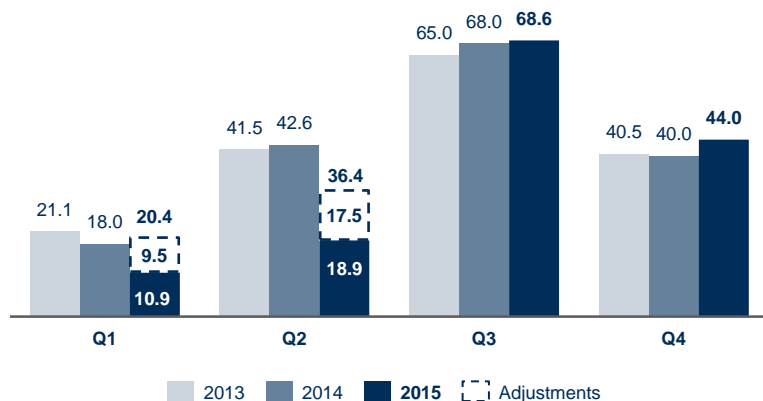
Notes:
All figures in CHF million
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Source: gategroup portfolio statistics

EBITDA performance

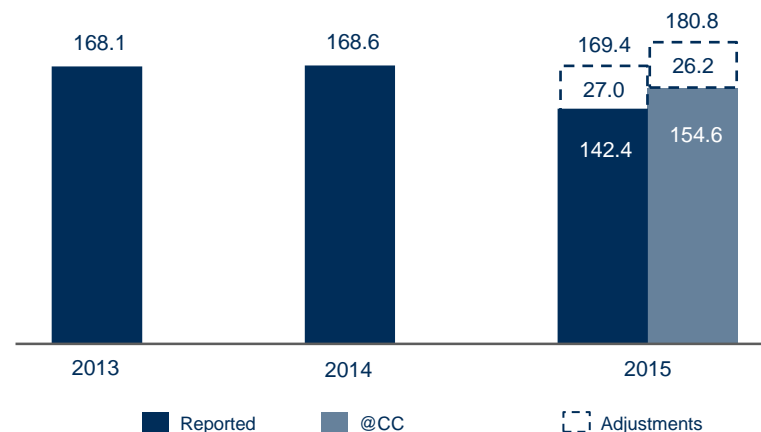
Positive momentum from Q3 2015 continues

- 2015 EBITDA of CHF 142.4 million, compared to CHF 168.6 million in 2014
- Adjusted EBITDA of CHF 169.4 million with adjustments (booked in H1 2015) including:
 - CHF 10.3m due to US labor settlement
 - CHF 16.7m due to provisions and other
- Adjusted EBITDA @CC of CHF 180.8 million

EBITDA by quarter



EBITDA development 2013-2015

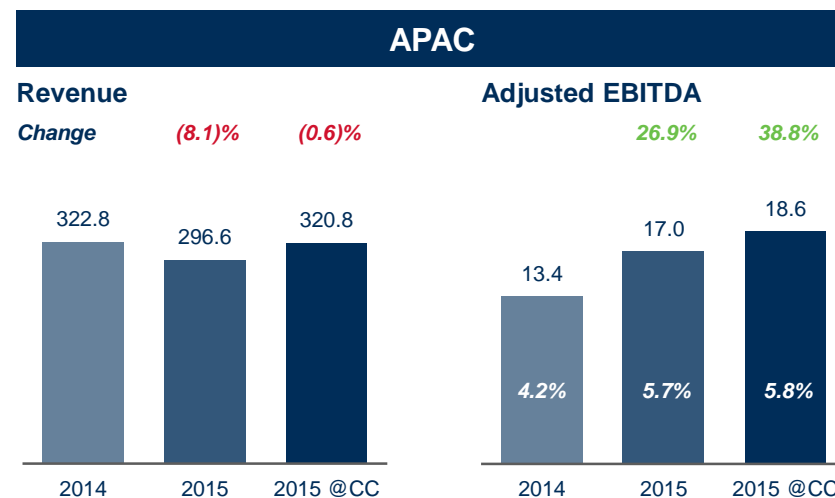
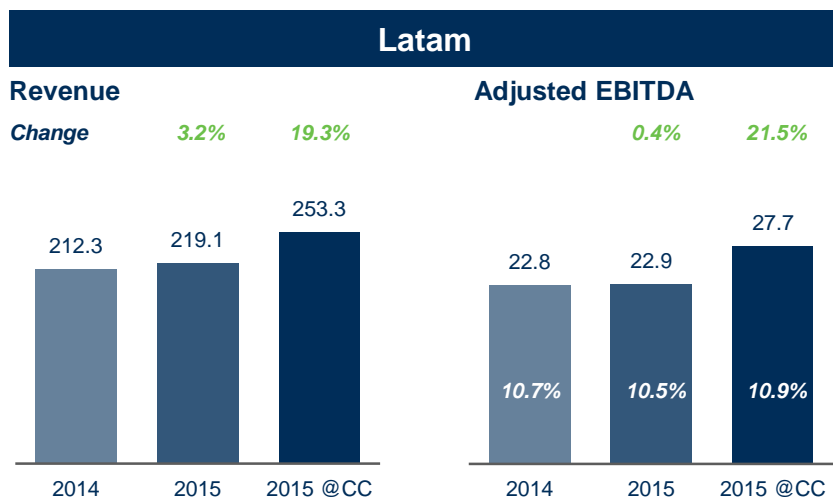
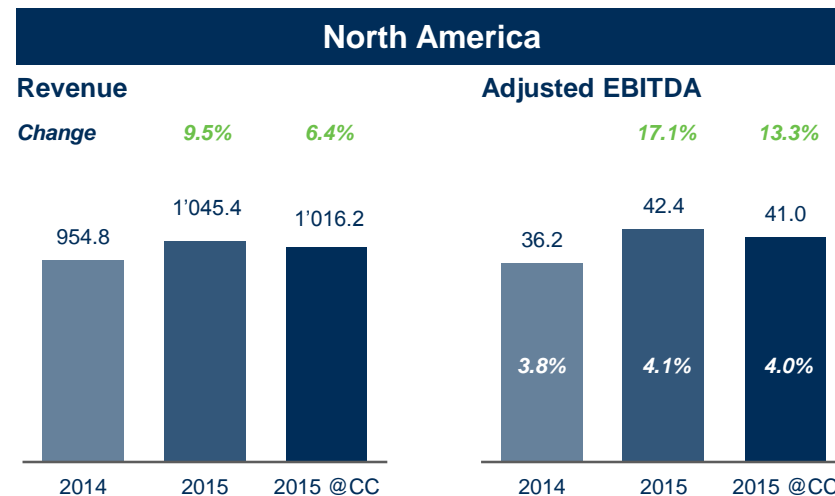
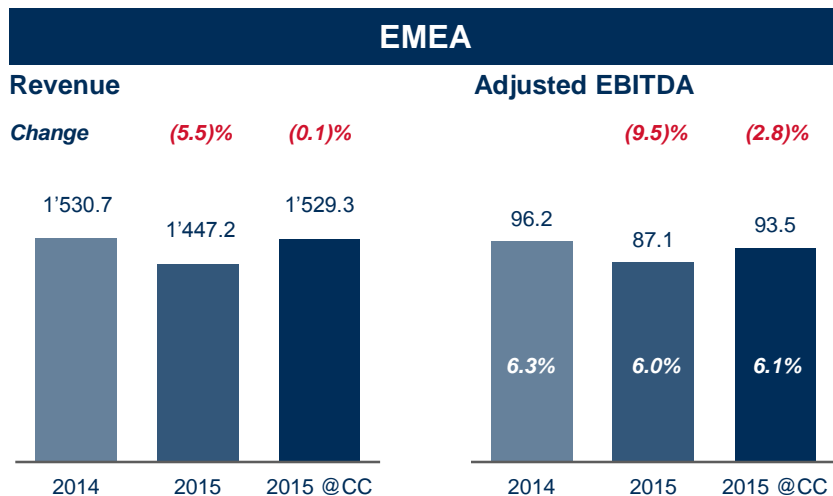


CHF 180.8 million adjusted EBITDA (@CC), up by 7.2%

Notes:
 All figures in CHF million
 Figures may not add up due to rounding
 Source: gategroup portfolio statistics

Performance by region

Summary



Notes:
 All figures in CHF million
 Figures exclude eliminations of CHF 11.9m in 2015 and CHF 11.4m in 2014
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 Source: gategroup portfolio statistics

Strategic contract renewals

Track record of high-quality and consistent service is a key factor of our partnerships

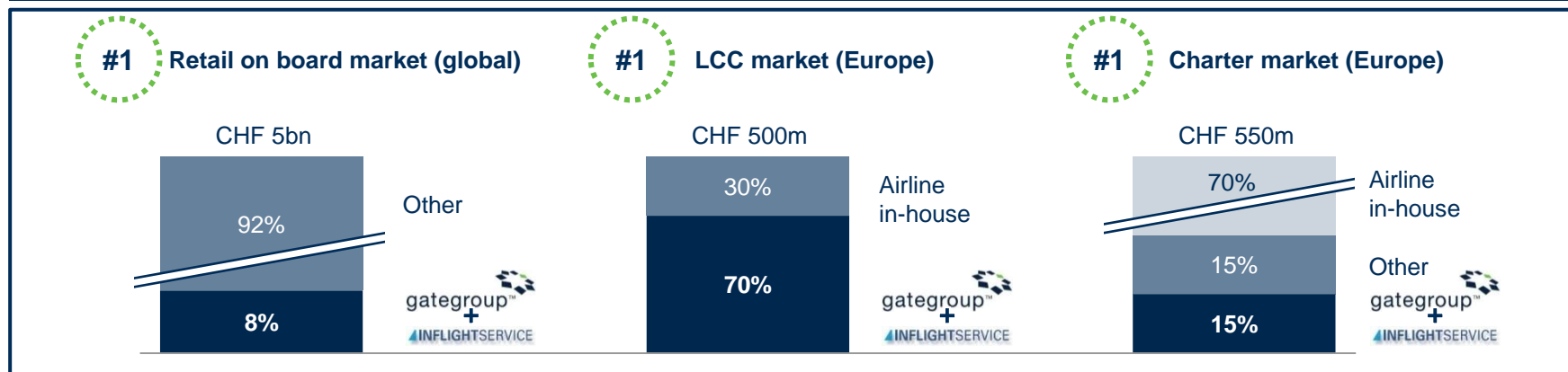
Customer		DELTA	AIR CANADA	SAS	United Airlines	TUI GROUP	American Airlines
Agreement	Length	<ul style="list-style-type: none"> A multi-year contract renewal 	<ul style="list-style-type: none"> A three-year contract renewal 	<ul style="list-style-type: none"> A seven-year contract renewal 	<ul style="list-style-type: none"> A multi-year contract renewal 	<ul style="list-style-type: none"> A five-year contract 	<ul style="list-style-type: none"> A multi-year contract renewal
	Services	<ul style="list-style-type: none"> Catering, provisioning and global distribution services 	<ul style="list-style-type: none"> Catering, provisioning and end-to-end solutions for distribution and product innovation 	<ul style="list-style-type: none"> Catering, provisioning and coverage of SAS's entire inflight supply chain 	<ul style="list-style-type: none"> Catering and provisioning services 	<ul style="list-style-type: none"> Retail on board services incl. management of F&B retail, duty free items and pre-order sales (the latter in the UK and Nordics only) 	<ul style="list-style-type: none"> Catering and provisioning services
	Key locations	<ul style="list-style-type: none"> Atlanta and Amsterdam 	<ul style="list-style-type: none"> Domestic locations across Canada 	<ul style="list-style-type: none"> 7 Scandinavian airports incl. 3 main hubs at Copenhagen, Stockholm / Arlanda and Oslo 	<ul style="list-style-type: none"> Washington Dulles, San Francisco, Amsterdam, San Diego, Sydney and other locations 	<ul style="list-style-type: none"> All locations of the 5 tour operator airlines of TUI Group 	<ul style="list-style-type: none"> Los Angeles, multiple other US and Canadian locations and American Eagle in Dallas Fort Worth
Date		Jan 2015	Feb 2015	Oct 2015	Jan 2016	Jan 2016	Feb 2016

Strategic contract renewals of more than CHF 540 million revenue pa

Acquisition of Inflight Service Group

Excellent strategic fit with gategroup's retail on board

The largest operator in retail on board market globally, LCC and charter markets in Europe



Extensive blue-chip customer portfolio as well as immediate access to Business Intelligence and powerful end-customer data of 175m pax annually



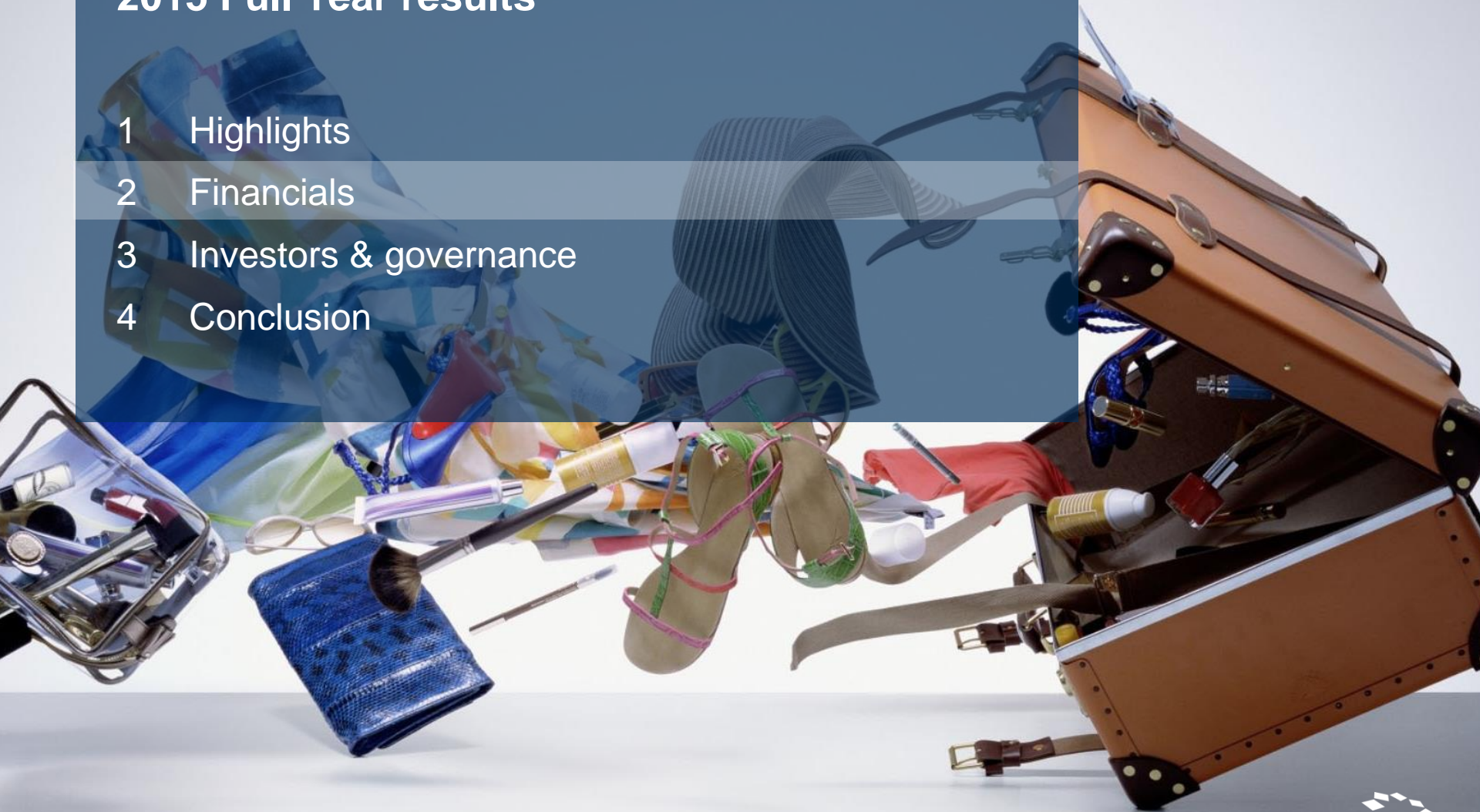
Substantial increase in revenue and EBITDA in a debt-free, EPS accretive transaction

- More than CHF 240m revenue and CHF 13.4m EBITDA
- CHF 6m annualized synergies starting in 2016 and increasing through 2017-18
- Strong accretion to cash EPS in Year 1 of 6.5% pre-synergies and 12.0% post-synergies¹
- Post-merger integration on track

1. Based on analysts' consensus as of 30 Nov 2015 (pre-acquisition)
Source: gategroup analysis

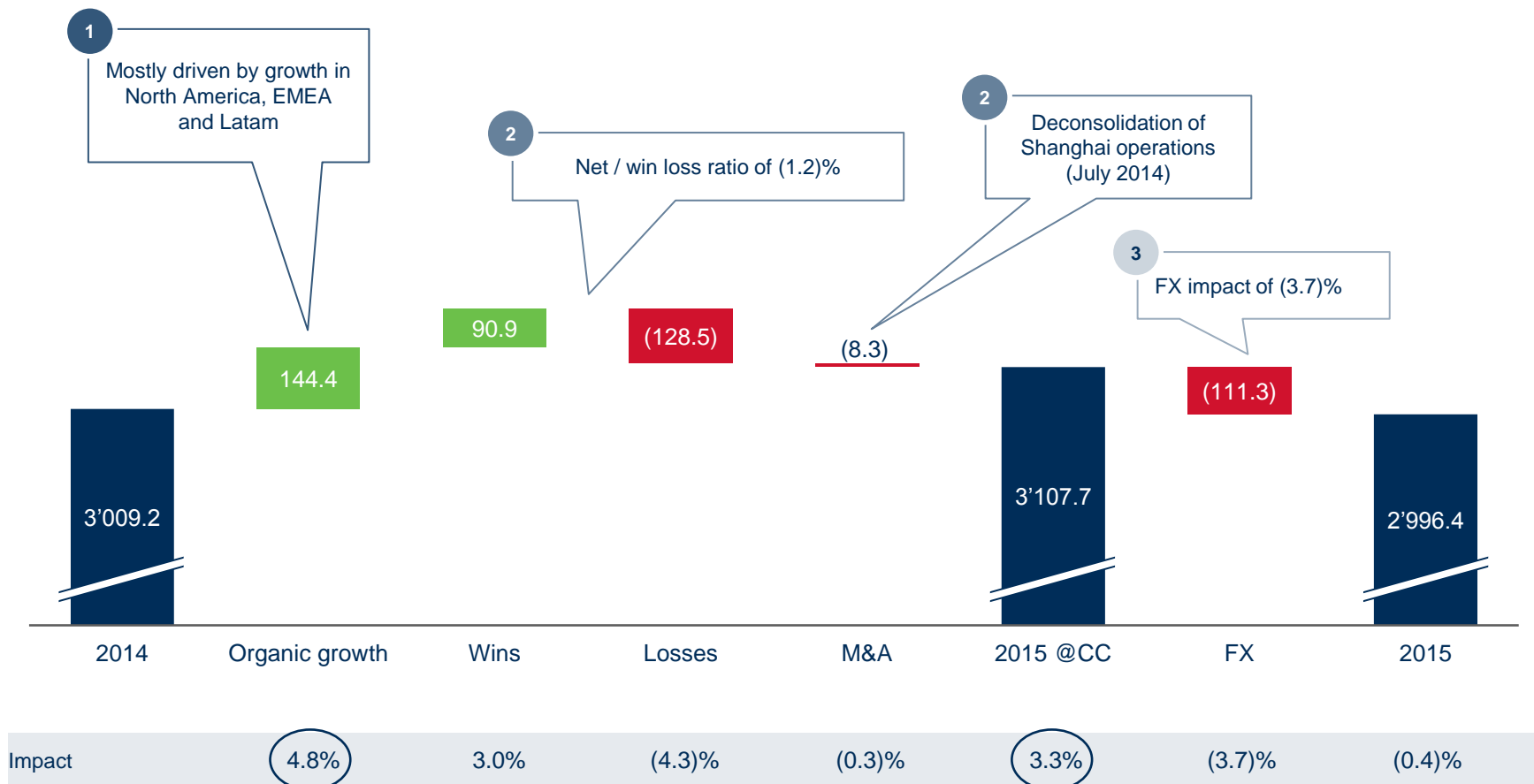
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Revenue bridge

Robust organic growth of 4.8%

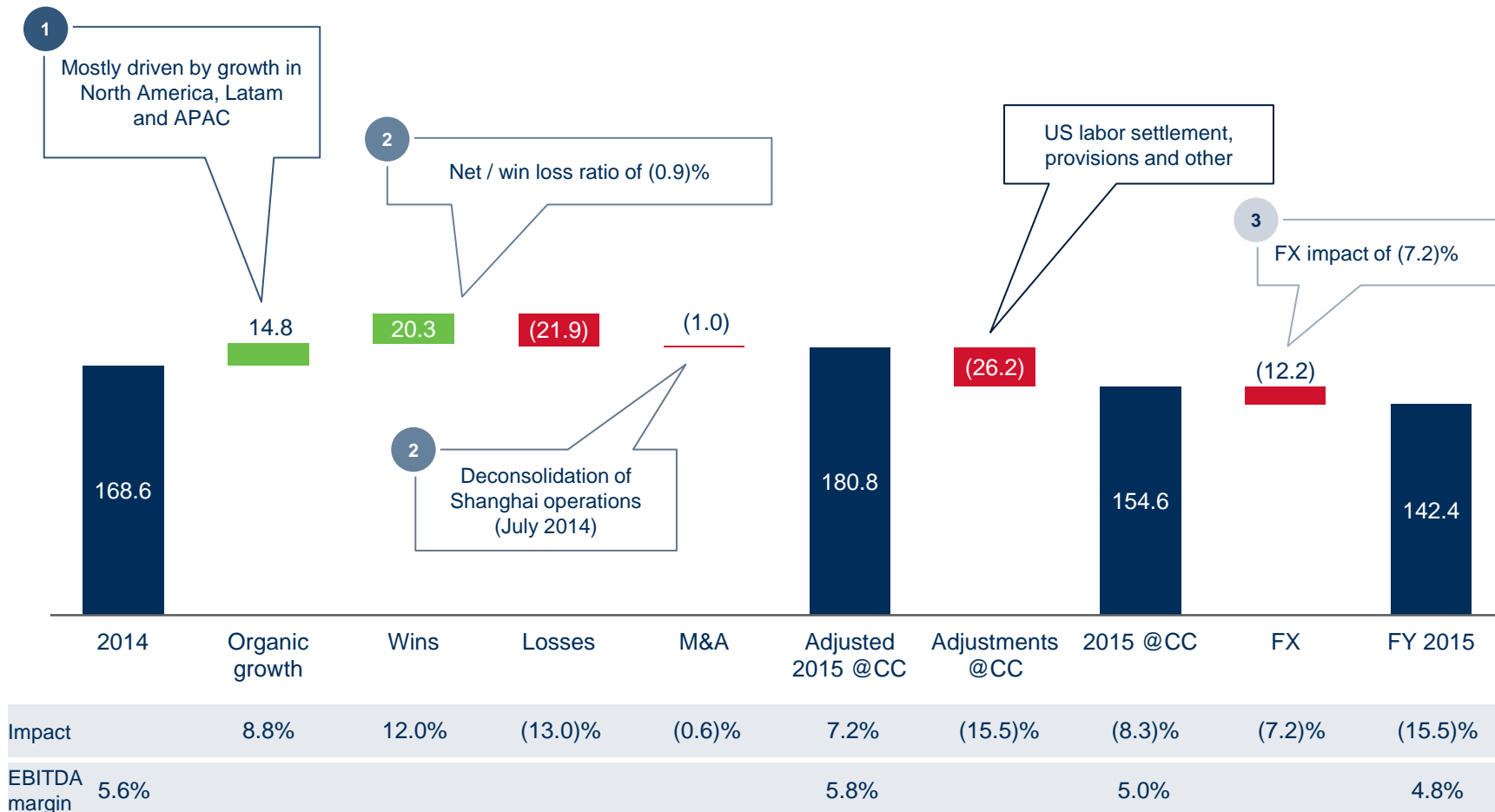


CHF 3'107.7 million revenue (@CC), up by 3.3%

Notes:
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 Source: gategroup portfolio statistics

EBITDA bridge

Robust organic growth of 8.8%



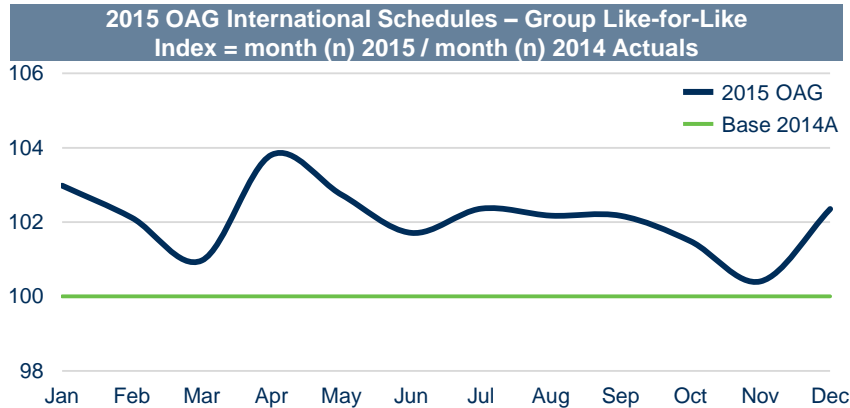
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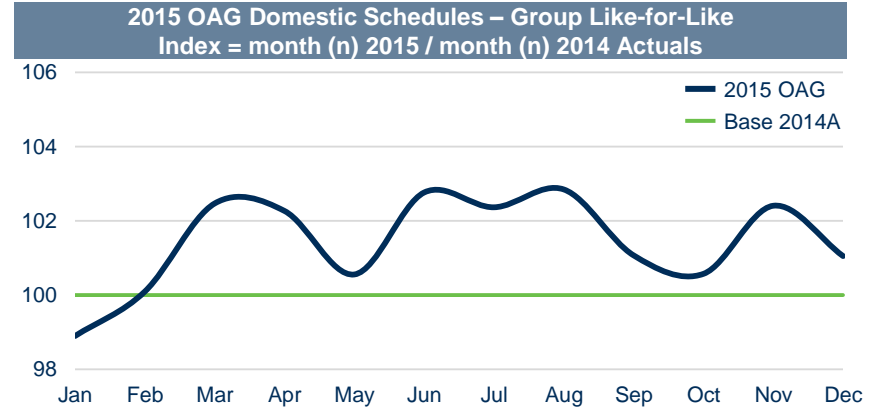
1 Organic growth drivers

Flight volume and load factors development indicates a rising demand of air catering services

OAG flight volume

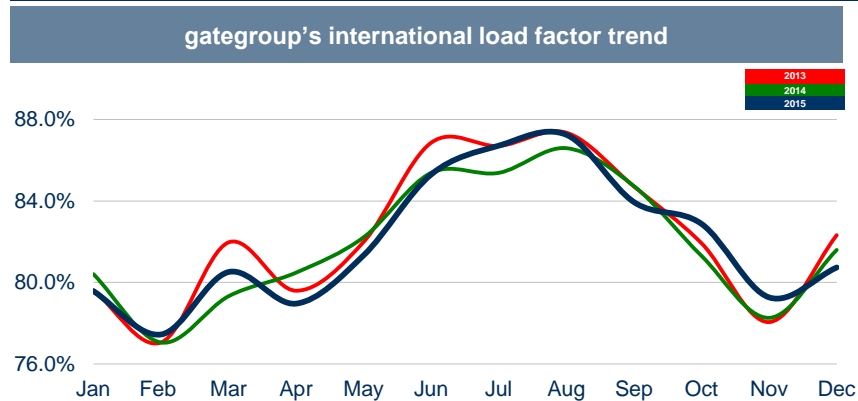


International flights stable with volume increase towards the end of the year

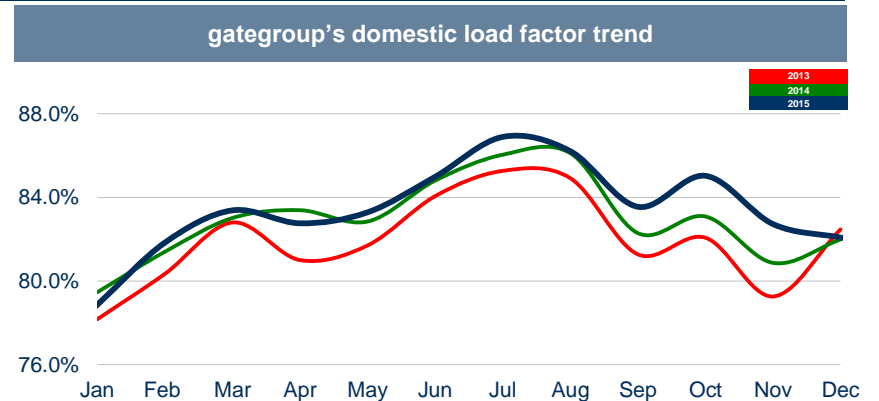


Strong global domestic flight departures throughout the year

Load factors trends



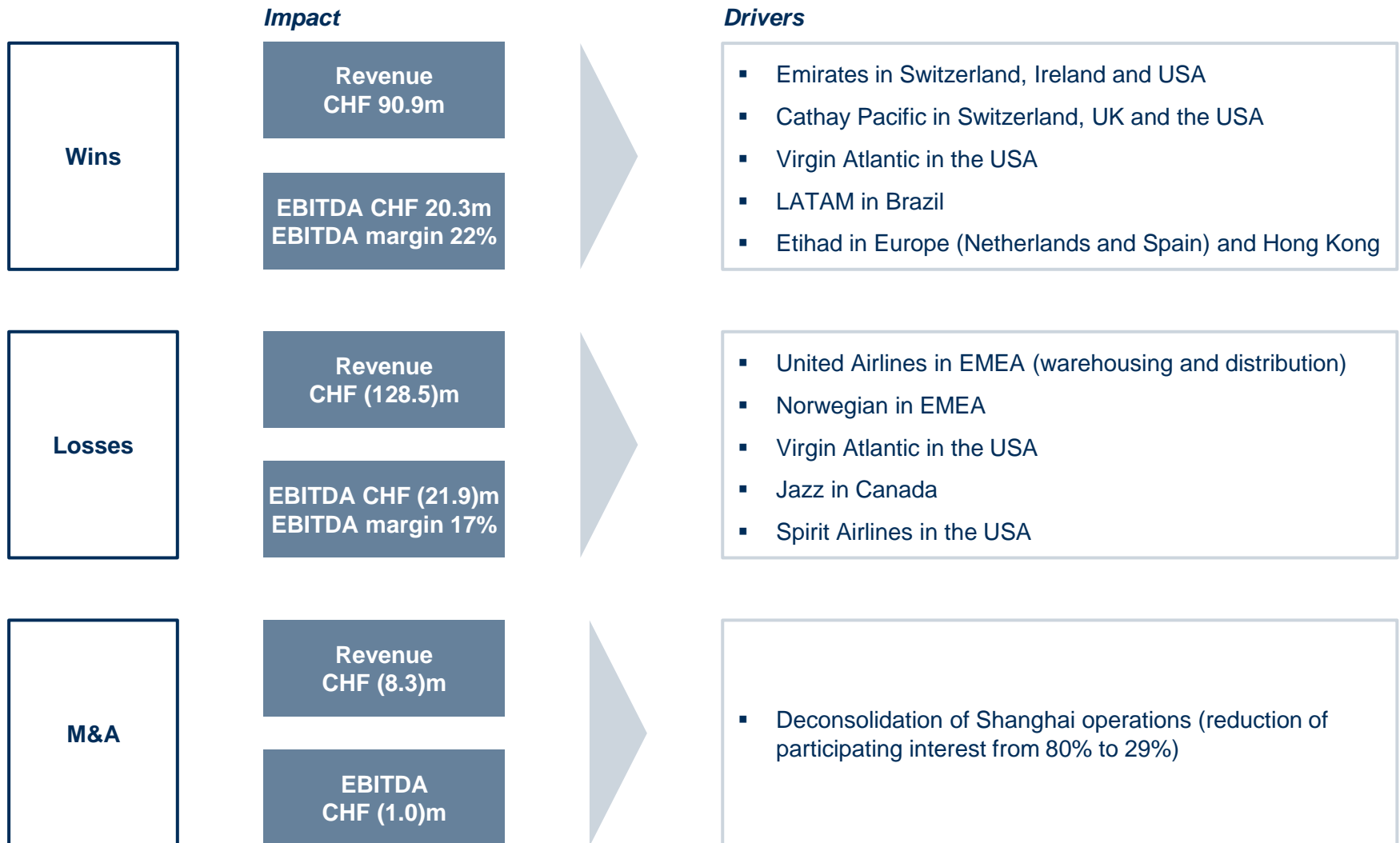
International load factors in line with the prior year



Despite capacity increases load factors higher than previous year

2 Wins/losses and M&A drivers

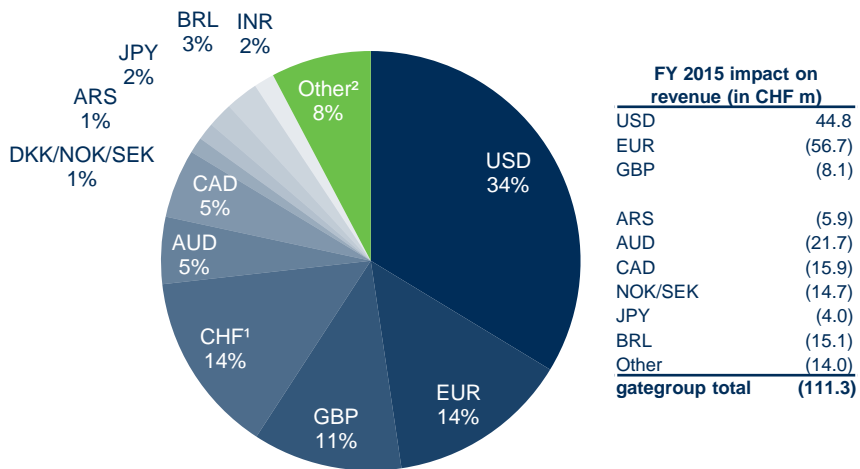
Significantly higher EBITDA margin of won vs lost business



3 Foreign exchange development

Revenues / costs generated in matching foreign currencies create natural hedge

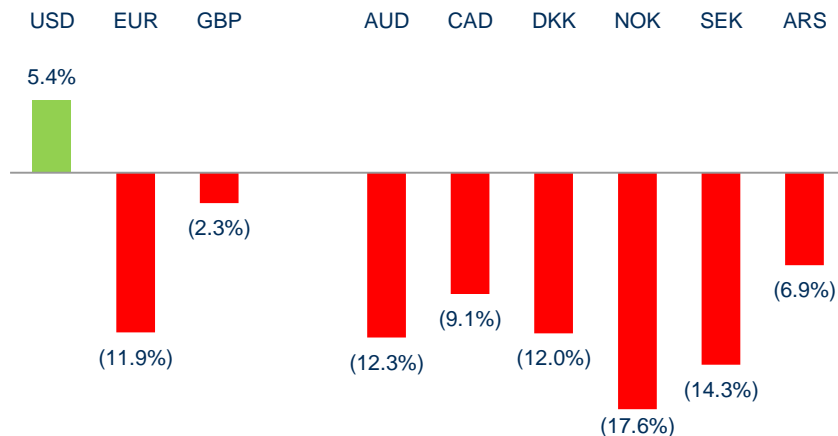
2015 revenue by currency



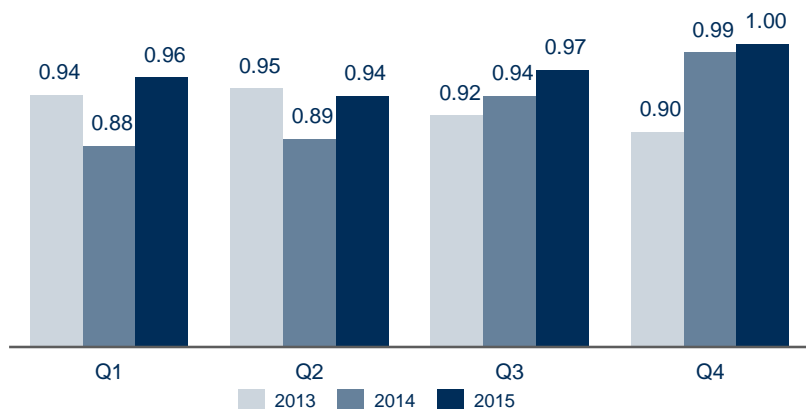
FY 2015 impact on revenue (in CHF m)

USD	44.8
EUR	(56.7)
GBP	(8.1)
ARS	(5.9)
AUD	(21.7)
CAD	(15.9)
NOK/SEK	(14.7)
JPY	(4.0)
BRL	(15.1)
Other	(14.0)
gategroup total	(111.3)

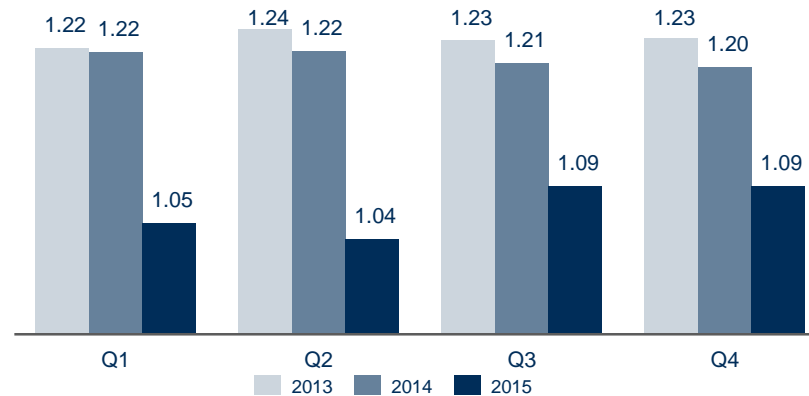
2015 average currency movement vs CHF



USD / CHF development



EUR / CHF development



1. Currency of domicile of the company
 2. Other include CLP, CNY, COP, HKD, KZT, MXN, NZD, PEN, PHP, PKR, SAR, SGD, THB, TRY and ZAR

Note:
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 Source: gategroup portfolio statistics

Income statement

Adjustments booked in H1 2015 impacted FY reported EBITDA and EBIT

<i>in CHF m</i>	2015	%	Adjustments	2015 adjusted	%	2015 adjusted @CC	%	2014	%
Revenue	2'996.4	100.0%		2'996.4	100.0%	3'107.7	100.0%	3'009.2	100.0%
Cost of sales	(1'231.3)	(41.1%)		(1'231.3)	(41.1%)	(1'270.0)	(40.9%)	(1'255.8)	(41.7%)
Personnel costs	(1'151.9)	(38.4%)	10.3	(1'141.6)	(38.1%)	(1'188.9)	(38.3%)	(1'143.7)	(38.0%)
Opex	(470.8)	(15.7%)	16.7	(454.1)	(15.2%)	(468.0)	(15.1%)	(441.1)	(14.7%)
EBITDA	142.4	4.8%	27.0	169.4	5.7%	180.8	5.8%	168.6	5.6%
Management fees	1.1			1.1		1.1		0.7	
D&A	(58.9)			(58.9)		(60.6)		(56.7)	
Other operating costs	(44.6)		34.6	(10.0)		(13.8)		(9.8)	
EBIT	40.0	1.3%	61.6	101.6	3.4%	107.5	3.5%	102.8	3.4%
Finance cost	(62.7)			(62.7)				(44.4)	
Share of associate profit	2.0			2.0				2.8	
FX	(23.8)			(23.8)				(0.3)	
(Loss)/profit before tax	(44.5)		61.6	17.1				60.9	
Income tax	(17.6)			(17.6)				(20.1)	
Minority interest	(1.3)			(1.3)				(1.9)	
Net (loss)/profit for the period¹	(63.4)		61.6	(1.8)				38.9	

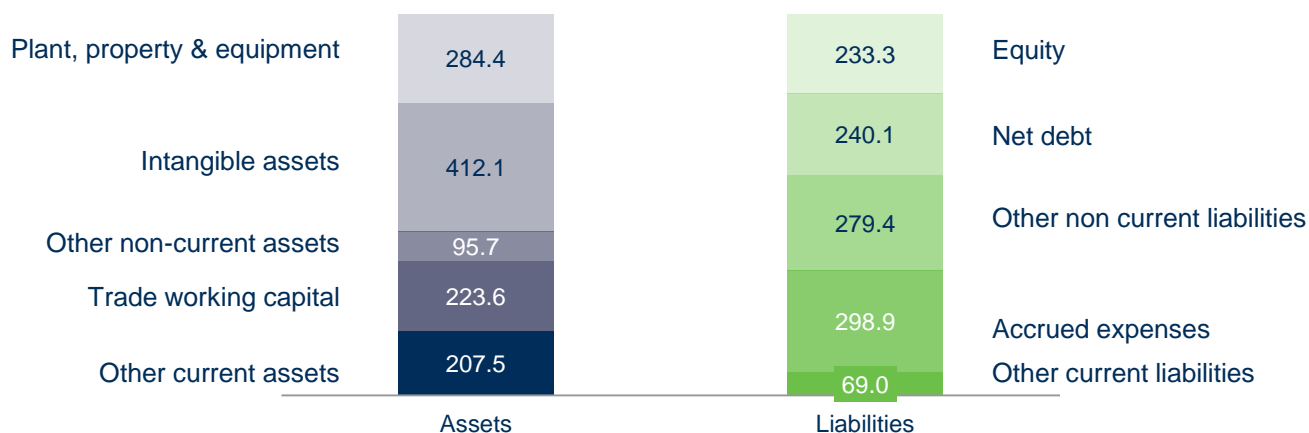
1. Attributable to shareholders
 Note:
 Figures may not add up due to rounding
 Source: gategroup portfolio statistics

Balance sheet

Reduction of borrowings thanks to flexible financing and effective cash management

Assets			Liabilities		
<i>in CHF m</i>	2015	2014	<i>in CHF m</i>	2015	2014
Plant, property & equipment	284.4	309.8	Total borrowings	342.7	426.9
Goodwill	283.6	299.3	Provisions	69.6	53.2
Other intangibles	128.5	131.8	Retirement benefit obligations	192.4	196.8
Other non-current assets	95.7	107.7	Other non-current liabilities	17.4	19.5
Inventory	101.9	97.5	Trade payables	163.0	186.5
Trade receivables	284.7	291.7	Other current payables incl. income tax payables	69.0	87.3
Other current receivables and other current assets	104.9	116.8	Accrued expenses	298.9	277.5
Cash & cash equivalents	102.6	183.8	Shareholder's equity & non-controlling interest	233.3	290.7
Total assets	1'386.3	1'538.4	Total equity & liabilities	1'386.3	1'538.4

Balance sheet summary



Notes:
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 Source: gategroup portfolio statistics

Cash flow statement

Cash flow improvement driven by reduced capex and positive working capital

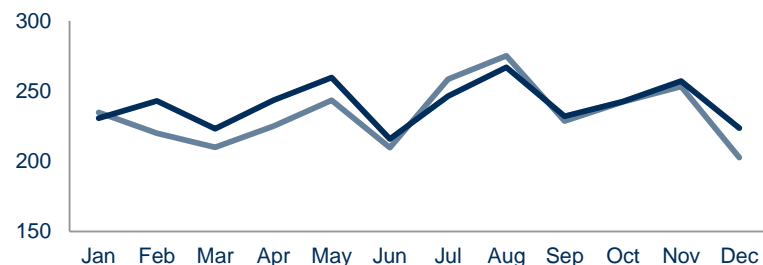
Cash flow summary

<i>in CHF m</i>	2015	2014
EBITDA	142.4	168.6
Change in trade receivables	(14.3)	(6.1)
Change in inventory	(9.9)	(7.5)
Change in trade payables	(12.6)	13.4
Change in other current assets / liabilities	39.6	(12.7)
Changes in working capital	2.8	(12.9)
Changes in provisions, tax and other	(29.1)	(36.5)
Cash generated from operations	116.1	119.2
Capex¹	(49.0)	(53.4)
Free cash flow	67.1	65.8
Interest	(48.3)	(29.4)
Income taxes	(18.5)	(14.9)
Other investing and financing activities	(55.0)	(2.2)
Dividends paid	(13.1)	(11.0)
Change in cash	(67.8)	8.3

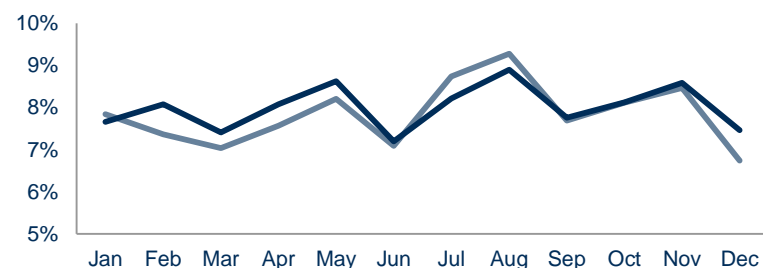
1. Net of proceeds from sale of assets

Note:
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Source: gategroup portfolio statistics

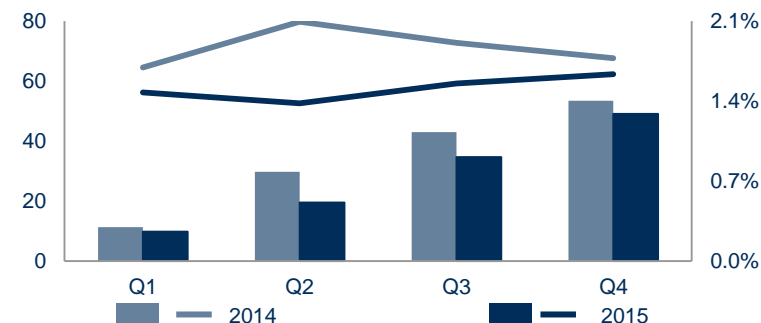
Net working capital evolution (CHF m)



Net working capital as % of revenue evolution (%)



Capex and capex as % of revenue (CHF m / %)



Debt information

Refinancing resulting in annual interest cost savings of about CHF 16 million

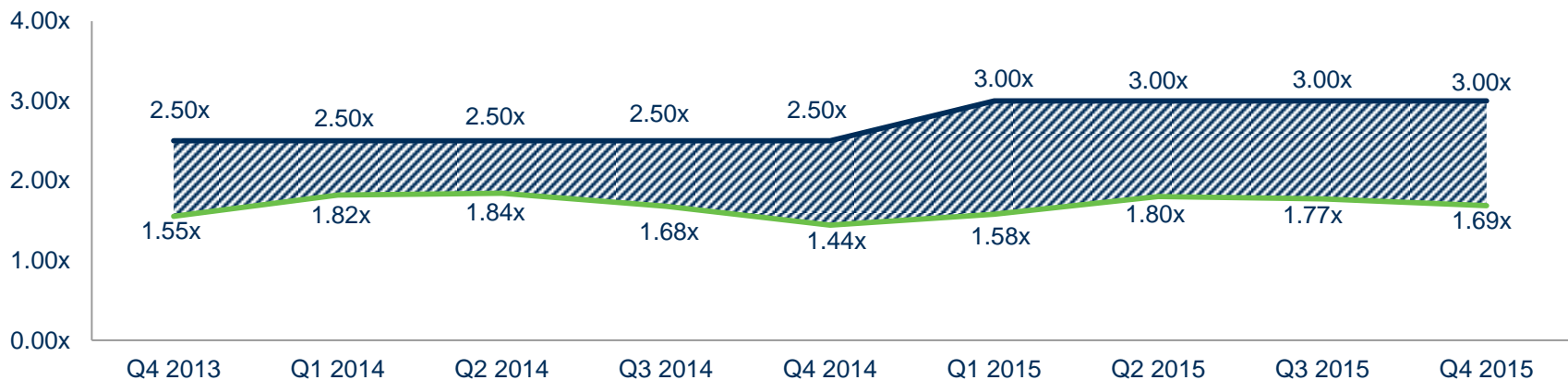
Fully refinanced debt structure

- Mar 2015—signed a new five-year EUR 240m revolving credit facility, replacing EUR 100m revolving credit facility due to mature in Jun 2016
 - Excess cash used to redeem EUR 100m of 6.75% coupon bearing EUR 350m High Yield Bond (phase I)
- Nov 2015—full redemption of 6.75% coupon bearing EUR 250m High Yield Bond (phase II) with a new five-year EUR 250m unsecured term loan

New financing structure

- EUR 240m revolving credit facility
- EUR 250m unsecured term loan
- Total annual interest cost reduced to ~CHF 10m at year-end 2015 utilization level vs previous costs of ~CHF 26m

Leverage ratio



Net debt / EBITDA max ceiling
 Net debt / EBITDA head room
 Net debt / EBITDA usage

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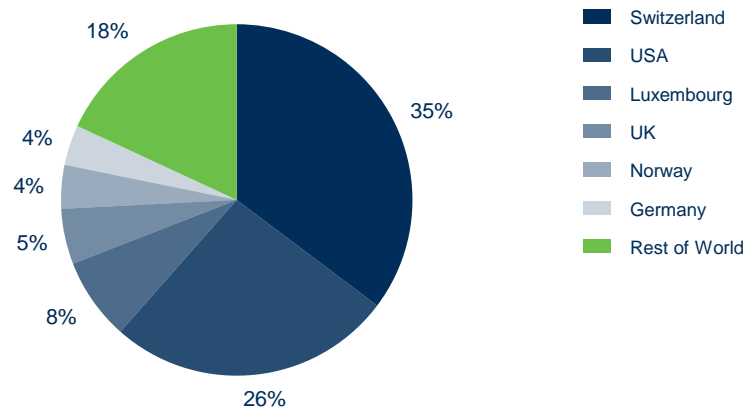
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Strong and diversified international investor base supports share price performance

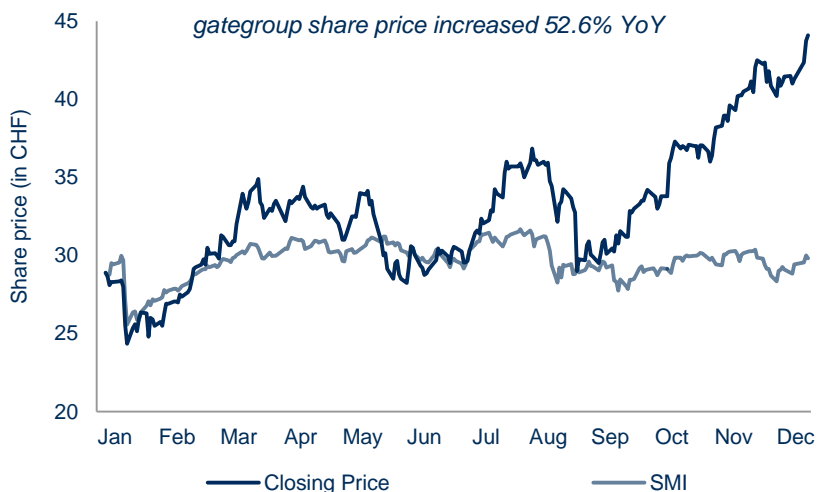
Shareholder structure

Shareholder	Current position
RBR and Camox Funds ¹	11.27%
BlackRock Inc.	5.02%
Credit Suisse Funds AG	4.99%
Wellington Management Group LLP	4.31%
Norges Bank	3.33%
Deutsche Bank AG	3.09%
UBS Fund Management SA	3.08%

Shareholder structure by country²



2015 gatgroup share price performance vs. SMI³



Average trading volume



1. Includes RBR Funds SICAV, RBR European Long Short Master Fund, RBR Strategic Value Ltd and Camox Master Fund

2. Sourced from Bloomberg as of Feb 2016

3. SMI rebased to gatgroup share price as of Jan 2015

Source: SIX Swiss Stock Exchange and Bloomberg

Executive Management Board members

Superb sector, M&A and restructuring experience combined with deep understanding of gategroup

Chief Executive Officer Xavier Rossinyol

- ✓ 20+ years in airline service and catering sectors
- ✓ 20+ years in world-leading companies
- ✓ 12+ years in C-level roles (as CFO, COO and CEO)
- ✓ Outstanding experience in material turn-arounds and business restructuring
- ✓ Valuable experience in global M&A and post-merger integrations across several continents



Chief Financial Officer Christoph Schmitz

- ✓ 25+ years in international companies across Europe, North America, Asia and Australia in consumer and industrials sectors
- ✓ 20+ years in C-level roles (as CFO and CEO)
- ✓ Essential experience in optimizing organizational structures as well as restructuring and refinancing execution
- ✓ Significant experience in conducting cross-border M&A activities



President Americas & EMEA Herman Anbeek

- ✓ 20+ years in airline and airline service industries
- ✓ 25+ years in world-leading companies across Europe and North America
- ✓ 13+ years in C-level roles (as CCO and regional CEO)
- ✓ 5 years in consumer sector



President APAC Jann Fisch

- ✓ 20+ years in airline service and catering industries
- ✓ 20+ years in world-leading companies across Europe and Australia
- ✓ 14+ years in C-level roles (as CCDO and regional CEO)
- ✓ 5 years in consumer sector



Board of Directors members

Board with long-standing international and broad sector expertise

- Chaired by Andreas Schmid, gategroup's Board of Directors is currently composed of seven non-executive members
- The Board members were elected at the Annual General Meeting on 16 Apr 2015

Chairman of the Board

Andreas Schmid



*Chairman of the Board
15+ years experience as Chairman
and 30+ years in airline, travel,
consumer and logistics sectors*

Remo Brunschwiler



*Vice Chairman of the Board
25+ years experience in logistics
sector, 10+ years as a CEO and
4 years as Member of the Board*

Audit Committee

David Barger



*Member of the Board
30+ years experience in airline
sector and 8 years as a CEO*

Gerard van Kesteren



*Member of the Board
25 years experience in logistics
sector and 15 years as a CFO*

Nomination and Compensation Committee

Anthonie Stal



*Member of the Board
25+ years experience in food /
consumer sector and 10+ years as
Member of the Board*

Frederick Reid



*Member of the Board
30+ years experience in airline
sector and 15+ years
in C-level roles*

Julie Southern



*Member of the Board
15+ years experience in airline
sector and 10 years as a CFO*

Board members since AGM 2015

Expertise of Board of Directors

Summary

Name	Position	Age	Citizenship	On BoD since	Experience
Andreas Schmid	Chairman	58	Swiss	2007	<ul style="list-style-type: none"> Chairman of Oettinger Davidoff, since 2007 Chairman of Zurich Airport, since 2000 Various positions at Barry Callebaut, since 1995, Chairman, Vice Chairman and CEO
Remo Brunswiler	Director	57	Swiss	2012	<ul style="list-style-type: none"> CEO of Selecta, since 2013 CEO of Swisslog Holding AG, 2003-2012
Anthonie Stal	Director	62	Dutch	2009	<ul style="list-style-type: none"> Various senior positions at Unilever, 1991-2008, including Group VP of Unilever NV, President Marketing Foods and Chairman of Unilever Bestfoods
David Barger	Director	58	US	2015	<ul style="list-style-type: none"> CEO of JetBlue Airways, 2007-2015 President of JetBlue Airways, 1998-2013
Julie Southern	Director	56	British	2015	<ul style="list-style-type: none"> CCO at Virgin Atlantic Airways, 2010-2013 CFO of Virgin Atlantic Airways, 2000-2010 Group Finance Director at Porsche, 1996-2000
Frederick Reid	Director	65	US	2015	<ul style="list-style-type: none"> CEO of Virgin America, 2004-2008 Various senior positions at Delta Air Lines, 1998-2004, President and COO, as well as Chief Marketing Officer
Gerard van Kesteren	Director	67	Dutch	2015	<ul style="list-style-type: none"> CFO of Kuehne Nagel, 1999-2014

2015 Full Year results

- 1 Highlights
- 2 Financials
- 3 Investors & governance
- 4 Conclusion

2015 was a real turnaround year

- 1** Improved FY 2015 performance with **revenue growth of 3.3% @CC up to CHF 3'107.7 million**
 - Organic growth of 4.8%
 - Net win / loss ratio of (1.2)%
 - M&A of (0.3)%
 - FX of (3.7)%

- 2** FY 2015 **adjusted EBITDA @CC up by 7.2% to CHF 180.8m** (5.8% adjusted EBITDA @CC margin vs. 5.6% in 2014); adjustments (booked in H1 2015) include:
 - CHF 10.3m due to US labor settlement
 - CHF 16.7m due to provisions and other

- 3** Significant acceleration in H2 2015 vs H2 2014 @CC
 - **4.2% revenue growth** up to CHF 1'652.6 million
 - **11.5% EBITDA growth** up to CHF 120.4 million
 - **7.3% EBITDA margin** vs. 6.8% in H2 2014 (**+47bps EBITDA margin improvement**)

- 4** **Full debt refinancing** resulting in substantial **annual interest cost savings of CHF 16 million**

- 5** **Gateway 2020 strategy embedded and advancing in all fronts**
 - Focus on the Core—major contract renewals completed with revenue value of more than CHF 540m pa
 - Commercial innovation—considerable retail on board step up thanks to IFS acquisition; integration plan established and well in progress
 - Geographic expansion—push into Emerging Markets advanced with presence established in Kazakhstan
 - Standardization and efficiency—significant progress on ZBB and FTE reduction

Thank you



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