FIRST QUARTER REPORT 2015

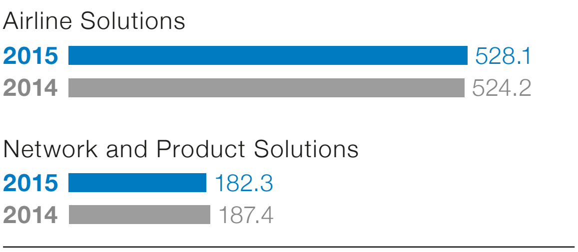
gategroup™
Serving people on the move

Key Figures

in CHF m	January – March 2015	January – March 2014	Change
Total revenue	**669.9**	**666.3**	**3.6**
EBITDA[I]	**10.9**	**18.0**	**(7.1)**
EBITDA margin	1.6%	2.7%	(1.1)pp
Operating loss	**(6.4)**	**(0.4)**	**(6.0)**
Operating profit margin	(1.0)%	(0.1)%	(0.9)pp
Loss for the period	**(37.6)**	**(16.7)**	**(20.9)**
Cash used in operations	(27.3)	(10.1)	(17.2)
Net debt	255.1	300.4	(45.3)
Cash (incl. available credit lines)	364.8	254.0	110.8

(I) EBITDA throughout the document refers to Segment EBITDA

Revenue by segment in CHF m



EBITDA by segment in CHF m

(I) Included in the 2015 result of Airline Solutions is a CHF 8.0m provision related to the labor agreement with the US workforce

About gategroup

gategroup is the leading independent global provider of products, services and solutions related to an airline passenger's onboard experience. We specialize in catering and hospitality, provisioning and logistics, and onboard products and services to companies that serve people on the move. We are predominantly a business-to-business enterprise, primarily serving the commercial and executive aviation industry as well as railways, airport lounges and convenience stores. We have a global presence, operating at more than 120 locations in 32 countries on six continents, and we currently employ approximately 27,800 employees. We benefit from a broad customer base. gategroup serves over 270 customers, including many of the world's leading airlines. Our customers range from full-service carriers, such as Delta Air Lines, British Airways, LATAM Airlines Group, Singapore Airlines and Swiss International Air Lines, to hybrid and low-cost carriers, such as airberlin and easyJet. gategroup is the umbrella brand representing the products and services we provide through our family of brands. Our portfolio is designed to meet the fast-changing needs of our customers around the world, with our brands operating together in an integrated way to deliver bespoke solutions tailored to our customers' unique service offerings and locality.

Consolidated Income Statement

in CHF m	January - March 2015	January - March 2014
Total revenue	**669.9**	**666.3**
Materials and service expenses	(270.1)	(273.0)
Personnel expenses	(283.1)	(274.4)
Other operating income and expenses, net	(108.5)	(105.1)
Depreciation and amortization	(14.5)	(14.2)
Other (losses) and gains, net	(0.1)	–
Total operating expenses, net	**(676.3)**	**(666.7)**
Operating loss	**(6.4)**	**(0.4)**
Finance costs, net	(28.9)	(11.0)
Share of result of associates and joint ventures	0.6	0.7
Loss before tax	**(34.7)**	**(10.7)**
Income tax expense	(2.9)	(6.0)
Loss for the period	**(37.6)**	**(16.7)**
thereof attributable to shareholders of the Company	(38.0)	(17.1)
thereof attributable to non-controlling interests	0.4	0.4
Earnings per share attributable to shareholders of the Company		
Basic loss per share in CHF	(1.46)	(0.66)
Diluted loss per share in CHF	(1.46)	(0.66)

Consolidated Statement of Comprehensive Income

in CHF m	January - March 2015	January - March 2014
Loss for the period	**(37.6)**	**(16.7)**
Items that will not be reclassified to profit or loss		
Actuarial losses net, on defined benefit schemes, net of taxes	(17.1)	(12.5)
Items that may be reclassified subsequently to profit or loss		
Currency translation differences arising during the period	32.7	(0.5)
Other comprehensive income	**15.6**	**(13.0)**
Total comprehensive income	**(22.0)**	**(29.7)**
thereof attributable to shareholders of the Company	(22.3)	(29.9)
thereof attributable to non-controlling interests	0.3	0.2

The accompanying notes form an integral part of these Interim Consolidated Financial Statements.

Consolidated Balance Sheet

in CHF m	March 31, 2015	December 31, 2014
Cash and cash equivalents	114.3	183.8
Trade receivables	283.1	291.7
Other current receivables and prepayments	98.3	105.3
Inventories	90.0	97.5
Current income tax assets	10.1	11.5
Assets held for sale	0.5	–
Total current assets	**596.3**	**689.8**
Property, plant and equipment	288.1	309.8
Intangible assets	409.6	431.1
Investments in associates and joint ventures	14.1	14.1
Other non-current receivables	40.8	43.0
Deferred income tax assets	46.2	47.0
Retirement benefit assets	2.8	3.6
Total non-current assets	**801.6**	**848.6**
Total assets	**1,397.9**	**1,538.4**
Short-term debt	105.2	3.1
Trade and other payables	202.2	252.1
Current income tax liabilities	18.8	21.7
Provisions	25.9	23.5
Other current liabilities	260.6	277.5
Total current liabilities	**612.7**	**577.9**
Long-term debt	264.2	423.8
Deferred income tax liabilities	12.7	13.5
Retirement benefit obligations	207.4	196.8
Provisions	26.5	29.7
Other non-current liabilities	5.1	6.0
Total non-current liabilities	**515.9**	**669.8**
Total liabilities	**1,128.6**	**1,247.7**
Equity attributable to shareholders of the Company	266.0	287.7
Non-controlling interests	3.3	3.0
Total equity	**269.3**	**290.7**
Total liabilities and equity	**1,397.9**	**1,538.4**

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, 2014	**134.0**	**(20.4)**	**197.0**	**(25.4)**	**285.2**	**9.2**	**294.4**
Loss for the period	–	–	(17.1)	–	(17.1)	0.4	(16.7)
Other comprehensive income	–	–	(12.5)	(0.3)	(12.8)	(0.2)	(13.0)
Total comprehensive income	**–**	**–**	**(29.6)**	**(0.3)**	**(29.9)**	**0.2**	**(29.7)**
Equity-settled share-based payments	–	–	0.3	–	0.3	–	0.3
Dividends paid to non-controlling interests	–	–	–	–	–	(0.2)	(0.2)
At March 31, 2014	**134.0**	**(20.4)**	**167.7**	**(25.7)**	**255.6**	**9.2**	**264.8**
At January 1, 2015	**134.0**	**(20.4)**	**167.6**	**6.5**	**287.7**	**3.0**	**290.7**
Loss for the period	–	–	(38.0)	–	(38.0)	0.4	(37.6)
Other comprehensive income	–	–	(17.1)	32.8	15.7	(0.1)	15.6
Total comprehensive income	**–**	**–**	**(55.1)**	**32.8**	**(22.3)**	**0.3**	**(22.0)**
Equity-settled share-based payments	–	–	0.6	–	0.6	–	0.6
At March 31, 2015	**134.0**	**(20.4)**	**113.1**	**39.3**	**266.0**	**3.3**	**269.3**

The accompanying notes form an integral part of these Interim Consolidated Financial Statements.

Consolidated Cash Flow Statement

in CHF m	January - March 2015	January - March 2014
Loss before tax	**(34.7)**	**(10.7)**
Adjustments for:		
Finance costs, net	28.9	11.0
Share-based payments	0.6	0.3
Share of result of associates and joint ventures	(0.6)	(0.7)
Depreciation and amortization	14.5	14.2
Other losses and (gains), net	0.1	–
Net cash flow before working capital and provision changes	8.8	14.1
Changes in working capital	(37.2)	(16.6)
Changes in provisions and retirement benefit obligations	1.1	(7.6)
Cash used in operations	(27.3)	(10.1)
Interest paid	(12.9)	(14.8)
Interest received	0.1	0.2
Income taxes paid, net	(3.9)	(4.0)
Net cash flow used in operating activities	**(44.0)**	**(28.7)**
Acquisition of subsidiaries, net of cash acquired	–	(0.4)
Purchase of property, plant and equipment	(7.5)	(9.8)
Purchase of intangible assets	(2.4)	(1.5)
Dividends from associates and joint ventures	0.3	0.4
Net cash flow used in investing activities	**(9.6)**	**(11.3)**
Proceeds from debt	1.5	0.9
Repayments of debt and other financing costs	(4.4)	(0.9)
Dividends paid to non-controlling interests	–	(0.2)
Net cash flow used in financing activities	**(2.9)**	**(0.2)**
Decrease in cash and cash equivalents	**(56.5)**	**(40.2)**
Movement in cash and cash equivalents		
At start of the year	183.8	174.2
Decrease in cash and cash equivalents	(56.5)	(40.2)
Effects of exchange rate changes	(13.0)	(1.7)
At end of the period	**114.3**	**132.3**

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 May 20, 2015.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These interim consolidated financial statements for the three month period ended March 31, 2015, 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, 2014, 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 2014 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 following new standards and amendments to standards are mandatory for the first time for the financial year beginning January 1, 2015, but did not have a material impact on the interim consolidated financial statements:

Standard	Effective date	Relevance for the Group
Annual Improvements to IFRSs 2010–2012 and 2011–2013 Cycles	July 1, 2014	Several standards have been modified on various points.

The following new standards and amendments to standards have been issued but are not effective for the financial year beginning January 1, 2015, and have not been early adopted:

Standard	**Effective date**
Annual Improvements to IFRSs 2012–2014 Cycle**	January 1, 2016
IAS 1 (amendment) - Disclosure Initiative**	January 1, 2016
IAS 28 (amendment) - Sale or contribution of Assets between an Investor and its Associate or Joint Venture**	January 1, 2016
IFRS 10 (amendment) - Sale or contribution of Assets between an Investor and its Associate or Joint Venture**	January 1, 2016
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

The Group realigned its business with effect from January 1, 2015, reporting the two operating segments Airline Solutions and Network and Product Solutions, together with Corporate. The prior year segment reporting presented below has been restated in accordance with the new structure.

3.1 REPORTABLE SEGMENT INFORMATION

January - March, 2015 in CHF m	Airline Solutions	Network and Product Solutions	Corporate	Eliminations	Total reportable segments
Catering and retail onboard	295.6	66.6	–	–	362.2
Handling	178.1	–	–	–	178.1
Equipment	0.1	63.9	–	–	64.0
Other	42.7	22.1	0.8	–	65.6
Intersegment	11.6	29.7	–	(41.3)	–
Total revenue	**528.1**	**182.3**	**0.8**	**(41.3)**	**669.9**
Segment EBITDA	**14.1**	**8.5**	**(11.7)**	**–**	**10.9**
Total segment assets	916.5	327.3	154.1	–	1,397.9
Additions to non-current assets[1]	7.6	2.2	0.1	–	9.9
January - March, 2014 in CHF m					
Catering and retail onboard	286.7	83.8	–	–	370.5
Handling	174.8	–	–	–	174.8
Equipment	0.1	56.3	–	–	56.4
Other	44.9	18.8	0.9	–	64.6
Intersegment	17.7	28.5	–	(46.2)	–
Total revenue	**524.2**	**187.4**	**0.9**	**(46.2)**	**666.3**
Segment EBITDA	**20.7**	**4.1**	**(6.8)**	**–**	**18.0**
Total segment assets	913.6	334.8	164.0	–	1,412.4
Additions to non-current assets[1]	7.1	2.9	1.3	–	11.3

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

Included in the 2015 result of Airline Solutions is a CHF 8.0m provision related to the labor agreement with the US workforce.

3.2 RECONCILIATION

Reconciliation of Segment EBITDA to operating loss

in CHF m	January - March 2015	January - March 2014
Segment EBITDA – reportable segments	10.9	18.0
Share-based payments	(0.6)	(0.3)
Restructuring costs	(1.1)	(2.9)
Operating taxes (non-income taxes)	(1.3)	(1.1)
Depreciation	(12.1)	(10.9)
Amortization	(2.4)	(3.3)
Other (losses) and gains, net	(0.1)	–
Management fees, net	0.3	0.1
Operating loss	**(6.4)**	**(0.4)**

4 FINANCE COSTS, NET

in CHF m	January - March 2015	January - March 2014
Financial income	0.1	0.3
Financial expenses	(9.6)	(10.1)
Net interest on defined benefit schemes	(1.4)	(1.3)
Foreign exchange (losses)/gains, net	(18.0)	0.1
Finance costs, net	**(28.9)**	**(11.0)**

The net foreign exchange loss of CHF 18.0m as of March 31, 2015, is primarily due to the Swiss National Bank's removal of the currency ceiling against the Euro, which resulted in a significant strengthening of the Swiss Franc against most major currencies in which the Group operates.

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 traditionally been the weakest.

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 - March 2015	January - March 2014
Loss for the period attributable to shareholders of the Company (in CHF m)	(38.0)	(17.1)
Weighted average number of shares outstanding	26,066,799	26,066,799
Basic loss per share (in CHF)	(1.46)	(0.66)

Diluted earnings per share
As the Group incurred a loss in the three month period ended March 31, 2015, the diluted loss per share equals the basic loss per share. The effect of the share-based payment arrangements are anti-dilutive. For the period ended March 31, 2014, the diluted loss per share equalled basic loss per share.

7 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.

8 SHORT-TERM AND LONG-TERM DEBT

From March 26, 2015, the Group has a new five-year EUR 240.0m unsecured multicurrency revolving credit facility ("RCF"), which replaces the existing EUR 100.0m RCF which had been due to mature in June 2016. On April 30, 2015, the Group redeemed EUR 100.0m of its 6.75% coupon bearing EUR 350.0m High Yield Bond. In conjunction with this repayment of EUR 100.0m, an early repayment fee of 5.063% was paid and previously capitalized transaction costs of EUR 2.2m were expensed.

Therefore, as of March 31, 2015, the amount of EUR 100.0m as well as the capitalized transaction costs of EUR 2.2m were reclassified to short-term debt.

9 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

Editor
gategroup Holding AG, 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 forward-looking 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 differ 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, weather-related 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.