RBR CAPITAL ADVISORS

COLOGNY
ADVISORS LLP

OPEN LETTER TO THE SHAREHOLDERS OF GATEGROUP

April 4, 2016

Dear shareholders of gategroup,

In its latest press release gategroup continues to mislead investors with false information. The calculations and assumptions in our letter to shareholders from March 30 regarding the executive compensation of gategroup management are correct. In particular, we reiterate that the calculation of CHF 7.5 million in annualized compensation for the CEO for 2015 is a fair representation and stands in stark contrast to the CHF 4.4 million reported by gategroup in its annual report. We simply adjust for the fact that the company has used a much lower share price than the market price at year-end and for the fact that the CEO only worked for nine months. For further information regarding the compensation excesses at gategroup please consult the letter to shareholders from March 30 which can be found on www.savegategroup.com.

We are not surprised that gategroup continues to make false and misleading statements under the leadership of Chairman Andreas Schmid and continues with its calamitous record of poor corporate governance. This is just another piece of an ever larger puzzle of damaging and selfserving behavior. We encourage you to visit the website www.savegategroup.com and review the corporate governance presentation from March 2016 which lists the most recent corporate governance mishaps.

We are convinced that gategroup cannot progress under a leadership that lacks ethical and moral standards and that the chairman should under no circumstance continue to lead this company. It is essential that you, as shareholders, properly assess all public information and cast an informed vote at the upcoming AGM. A victory for good corporate governance for gategroup's shareholders will set the precedent that public shareholders should not tolerate the kind of shenanigans gategroup shareholders have endured over the last seven years.

Some might argue that it is acceptable for the chairman to stay on the company's board for another year since he has announced he will step down next year. We strongly oppose this view for two reasons:

First, re-electing the chairman for another year would indicate a sanctioning of past mismanagement, which would have far-reaching consequences beyond the case of gategroup. It signals that shareholders are passive and can easily be appeased. It is time to change the company for the better to prevent the further destruction of value for shareholders.

Second, as long as the current chairman is in office he will be able to exert influence on who his successor will be. Given his track record, we believe that is a very dangerous proposition. We have spoken to potential candidates, all of whom have an excellent track record as CEOs and chairmen of listed Swiss companies. They all represent the best in great operational performance and good corporate governance. We cannot miss the opportunity to instigate change for the better. By re-electing the current chairman, you risk that a successor of the same breed will be chosen.

To show how gategroup compares with best-in-class Swiss companies regarding compensation we have put together *Figure 1*, which you can find in the appendix. All these companies have a strong track record for long-term value creation and reward their management teams accordingly. It is false to claim that the compensation of top management at gategroup is market based or performance oriented. As a matter of fact, gategroup's operating performance significantly deteriorated in 2015. Sales increased 3.3% in local currency while the number of employees increased by 4%. Other operating expenses, excluding restructuring charges, increased by 7% in Swiss francs and significantly more in local currency. Consulting and legal fees increased by a shocking 35% in Swiss francs. To claim, as the company does, that the operating performance is improving is simply wrong. Furthermore, compensation for gategroup management was significantly lower in 2010, a year when profits for shareholders were significantly higher than in 2015 (even adjusted for all exceptional items). We fail to understand the logic behind this.

The culmination of disinformation in the latest press release from gategroup was reached when the company claimed that there is no connection between EBITDA and EPS. For the benefit of all shareholders, we have added *Figures 2a* and *2b* which show how EPS targets translate into EBITDA margins. Our earlier statement that the shares from the ELTIP 2015 program will vest even if the margin falls below the guided target range remains unchanged.

In summary, it is not enough to vote **'No'** on the 2015 compensation report and maximum executive management compensation for 2017. The chairman should bear the consequences for the disastrous past eight years and this entirely inappropriate compensation proposal. Re-electing him would sanction his damaging behavior. The time has come to install best-in-class corporate governance and a focus on great operational performance.

Sincerely,

RBR Capital Advisors AG — Rudolf Bohli

Cologny Advisors LLP — Jonathan Herbert

APPENDIX

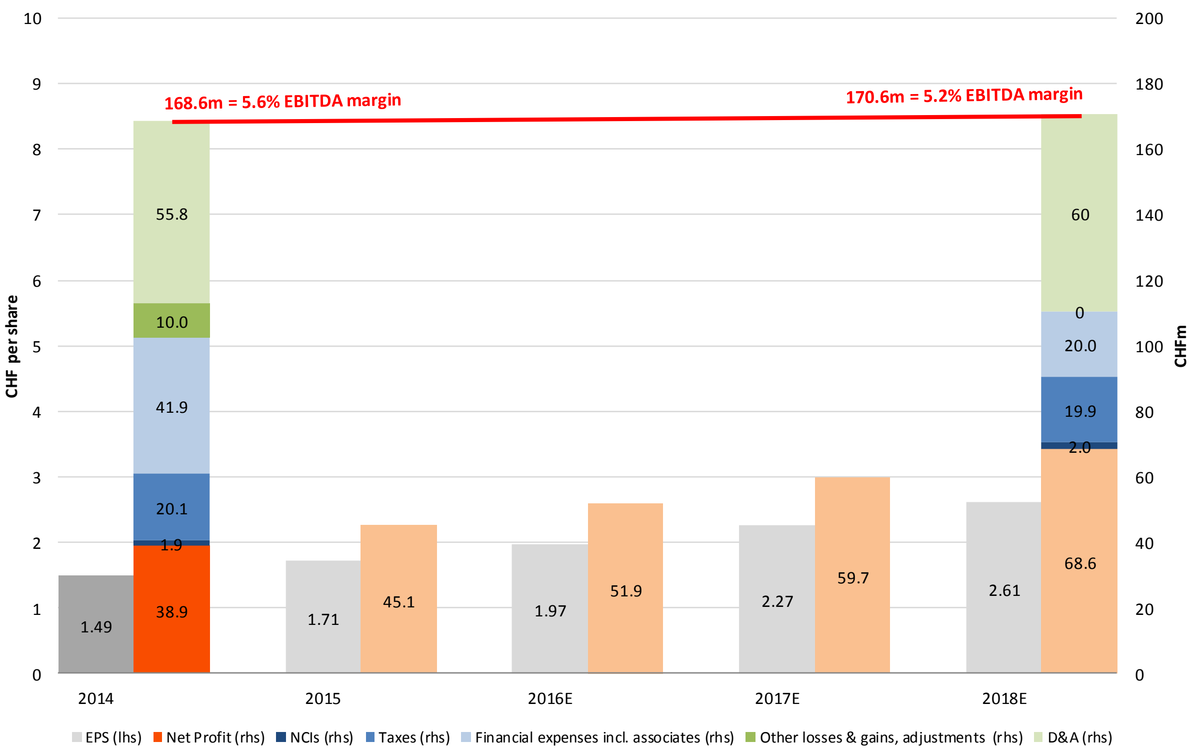
Figure 1

	Kühne+Nagel	Givaudan	Swatch	Geberit	Schindler	Sonova	DO&CO	Gategroup	Gategroup	Gategroup
	reported	*reported*	*reported*	*reported*	*reported*	*reported*	*reported*	*reported*	*reported**	*RBR***
Fiscal year (latest reported)	2014	2015	2015	2015	2015	2014/2015	2014/2015	2010	2015	2015
Reporting currency	CHF	CHF	CHF	CHF	CHF	CHF	EUR	CHF	CHF	CHF
Net profit (m)	**633.0**	**635.0**	**1'089.0**	**422.4**	**689.0**	**360.0**	**34.9**	**49.5**	***41.0***	***41.0***
CEO total compensation (m)	**3.0**	**4.7**	**6.9**	**1.8**	**4.1**	**2.4**	**1.1**	**2.0**	**4.4**	**7.5**
in % of net profit	*0.5%*	*0.7%*	*0.6%*	*0.4%*	*0.6%*	*0.7%*	*3.0%*	*4.1%*	*10.6%*	*18.4%*
Other EMB total compensation (m)	**10.1**	**12.9**	**31.3**	**5.0**	**14.6**	**12.8**	**3.0**	**4.4**	**5.9**	**6.8**
Number of other EMB members	6	8	19	5	9	13	4	6	4	4
in % of net profit	*1.6%*	*2.0%*	*2.9%*	*1.2%*	*2.1%*	*3.6%*	*8.5%*	*9.0%*	*14.4%*	*16.7%*
EMB total compensation (m)	**13.0**	**17.7**	**38.2**	**6.8**	**18.7**	**15.2**	**4.0**	**6.5**	**10.3**	**14.4**
Number of EMB members	7	9	20	6	10	14	5	7	5	5
in % of net profit	*2.1%*	*2.8%*	*3.5%*	*1.6%*	*2.7%*	*4.2%*	*11.6%*	*13.0%*	*25.0%*	*35.1%*

* 2015 net profit of CHF 41.0m as per gategroup press release from April 1, 2016, adjusting for all exceptionals. Reported net loss for 2015 was CHF 63.4m.

** ELTIP component was marked to an year-end share price of CHF 44.10. CEO total compensation was additionally annualized from nine to twelve months.

Figure 2a – base case

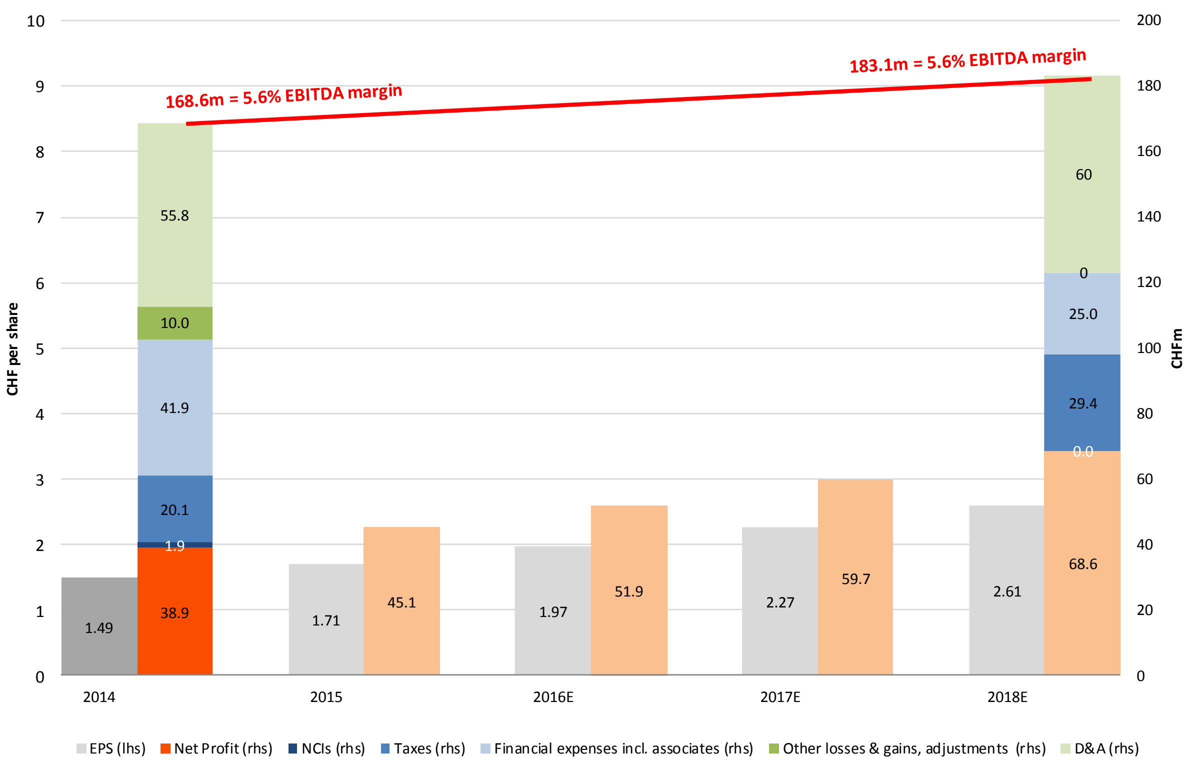


2018E assumptions:

- 15% EPS CAGR from 2014 baseline (target for 100% vesting)
- CHF 3,274m revenues (lower end of 3-5% organic growth guidance, excluding IFS acquisition)

- CHF 60m depreciation
- CHF 0m other gains and losses or other adjustments
- **CHF 20m net financial expenses incl. associates**
- **22% effective tax rate**
- CHF 2m minority interests
- Dilution effect on number of outstanding shares of 222,500 shares (2015 ELTIP size)

Figure 2b – bear case



2018E assumptions:

- 15% EPS CAGR from 2014 baseline (target for 100% vesting)
- CHF 3,274m revenues (lower end of 3-5% organic growth guidance, excluding IFS acquisition)
- CHF 60m depreciation
- CHF 0m other gains and losses or other adjustments
- **CHF 25m net financial expenses incl. associates**
- **30% effective tax rate**
- CHF 2m minority interests
- Dilution effect on number of outstanding shares of 222,500 shares (2015 ELTIP size)