

Letter to the Shareholders

Dear Shareholder,

I am writing to shareholders in advance of our forthcoming AGM and your Board's proposal that Mr Gary McGann be appointed Chairman of ARYZTA AG.

Before the Board decided to recommend Mr McGann, a recommendation which has been very positively received, ARYZTA engaged extensively with market participants regarding the profile of the candidate for this appointment – an appointment which has major significance for ARYZTA over the medium to long term.

Informed by this engagement, ARYZTA utilised the services of the internationally respected search firm, Korn Ferry, to identify and vet possible candidates. In addition, ARYZTA undertook a strategic board competencies review to assess the composition of the Board in light of the strategic and operational agenda ARYZTA faces over the medium term. This review was, as noted in our 2016 Annual Report, particularly significant in the context of our intention to appoint a new Chairman.

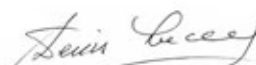
Through these processes Mr McGann was identified as the best candidate to take on the Chairmanship. In making the decision to recommend Mr McGann, the Board was satisfied not only that he was the right person for the role, but also that he fully understands and accepts the responsibilities and time commitment associated with the role.

Moreover, the Board made the decision to recommend Mr McGann, and Mr McGann agreed to allow his candidature go before the AGM, in full appreciation of ARYZTA's own binding governance rules which limit to 3 the number of additional external public company mandates Mr McGann may maintain on an on-going basis. ARYZTA governance rules are prescriptive on this point. Article 25 c) of our Articles of Association ([Click here for Articles of Association](#)) requires that any over-run of the 3 additional mandates rule must be short-term and temporary in nature only. Of course, both Mr McGann and ARYZTA are absolutely committed to complying in full with the spirit as well as the letter of this requirement. Accordingly, the issue will fall to be addressed within, at the outside limit, no later than six months of the appointment.

In short, Mr McGann was selected as the ideal candidate for the role following a robust, thorough and professionally managed process. He fully understands and is committed to meeting the demands of the role, including compliance with the 3 additional mandates rule.

The appointment of a new Chairman has major significance for ARYZTA over the medium to long term. Good corporate governance, and common sense, demands that decision makers should never allow themselves to be distracted by issues of a short term and temporary nature. Accordingly, ARYZTA strongly recommends all shareholders support Mr McGann's appointment.

Yours sincerely,



Denis Lucey
Chairman of the Board

17, November 2016