

Letter to the Shareholders

Dear Shareholder,

Board Composition & Governance Matters

At our 2015 AGM shareholders will, as at our 2014 AGM, have the opportunity to vote, on an individual basis, on the Board's proposals regarding its composition.

Renewal & the Chairman

Since 2008 the Board has, in keeping with best practice in corporate governance, undertaken a planned program of renewal. Five of the non-executive directors proposed for re-election or election at the 2015 AGM joined the Board since 2008. While renewal is a constant imperative, there is also value in stability and continuity. Accordingly, the Board is proposing that I would continue to serve as Chairman for one further year. The Board's current expectation is that a new candidate for the Chair would be proposed by the Board at the 2016 AGM and that I would retire as Chairman at that time.

New Governance & Nomination Committee

The Board has decided to establish a new Board Committee charged with specific responsibility to advise the Board on Governance & Nomination matters including, notably, Board independence and structure. This new Governance & Nomination Committee will be formally constituted immediately following the 2015 AGM.

Board Independence & Executives as Board Members

Mr. Patrick McEniff, CFO / COO and Mr. John Yamin, CEO Americas, will not present themselves for re-election to the Board as the Board transitions to more demonstrably independent governance. The Board is very grateful to Mr. McEniff and Mr. Yamin for their service as Board members and looks forward to their continuing commitment, skill and energy as vital members of ARYZTA Executive Management.

Mr. J Brian Davy

Mr. J Brian Davy, will retire at the 2015 AGM. We are grateful to Mr. Davy for his contribution over the years, both as a member of the Board of ARYZTA AG since 2008 and as Chairman of the Nomination & Remuneration Committee.

Other Board Candidates

We will propose to you the re-election of all other Board members for annual terms. Additionally, we will present one new candidate for election to the Board in Mr. Dan Flinter (see page 6 for more details on Mr. Flinter).

Board & Executive Remuneration

In 2012, in line with then best practice in corporate governance, ARYZTA adopted the practice of submitting its Compensation Report to our shareholders for an advisory vote. This year, for the first time, shareholders will be asked to approve the maximum aggregate remuneration of the Board and Executive Management, **in binding votes and on a prospective basis**, under Agenda items 5.1 and 5.2. In applying the prospective approach to compensation approval, as provided by our Articles of Association, we benefit from transparency while preserving the certainty and stability needed to run ARYZTA effectively.

Letter to the Shareholders

We are also continuing our practice of submitting the out-going financial year's Compensation Report to shareholders for an advisory vote. To assist shareholders in deciding whether or not to support the Boards' remuneration proposals please consider, in addition to the 2015 Compensation Report, the enclosed brochure on the matter.

Executive Management Compensation – 1 : 3 ratio between fixed base salary and variable contingent earnings

- As detailed in the enclosed brochure, the Board's proposes that the ratio between fixed base salary and the maximum variable contingent earnings for Executive Management would be 1 : 3, with variable contingent earnings being split 50 : 50 between (a) short term performance related bonus and (b) long term incentives.
- While Agenda item 5.2 is specifically directed towards the maximum aggregate remuneration for Executive Management, how rewards may be earned is also clearly relevant.
- In FY15, as set out in the 2015 Compensation Report, the short term performance related bonus was measured exclusively by reference to incremental gains in ROIC. The Board appreciates that this important but single metric may be perceived to result in too narrow a focus. Accordingly, for FY16 and FY17, the Board intends that up to 50% of the short term performance related bonus would be attributed to the ROIC metric, with the remaining 50% being measured by reference to the achievement of free-cash conversion targets, as set out in further detail in the enclosed brochure.
- With regard to the LTIP, use of the Matching Plan has been discontinued. No awards remain outstanding under the Matching Plan. While the Option Equivalent Plan continues to be a useful tool in aligning shareholder and management interests, the Board has decided that the condition whereby ROIC must exceed WACC should be enhanced. Accordingly, for new LTIP awards, ROIC must exceed 120% of the WACC.

Conclusion

Financial year 2015 has been a disappointing year for ARYZTA – disappointing for our shareholders, management, employees and the Board. The Board is determined to play its part in driving the recovery in shareholder value and urges all shareholders to vote at the 2015 AGM in support of the Board's proposals.

Yours sincerely,



Denis Lucey
Chairman of the Board

30 October 2015

Invitation to the Annual General Meeting
of the Shareholders of
ARYZTA AG

**Tuesday, 8 December 2015
at 10:00 a.m. CET**

(door opens at 09:00 a.m. CET)

Kongresshaus Zurich
Entrance "K"
Claridenstrasse
8002 Zurich
Switzerland

Agenda

1. Annual Report 2015
 - 1.1 Approval of the Annual Report 2015
 - 1.2 Advisory Vote on the Compensation Report 2015
2. Appropriation of Available Earnings 2015 and Distribution of Reserves
 - 2.1 Appropriation of Available Earnings 2015
 - 2.2 Release of Legal Reserves from Capital Contribution and Distribution as a Dividend
3. Discharge of the members of the Board of Directors and Executive Management
4. Re-elections & Elections
 - 4.1 Board of Directors
 - 4.1.1 Re-election of Denis Lucey as member and as Chairman of the Board of Directors
 - 4.1.2 Re-election of Charles Adair as member of the Board of Directors
 - 4.1.3 Re-election of Annette Flynn as member of the Board of Directors
 - 4.1.4 Re-election of Shaun B. Higgins as member of the Board of Directors
 - 4.1.5 Re-election of Owen Killian as member of the Board of Directors
 - 4.1.6 Re-election of Andrew Morgan as member of the Board of Directors
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 - 4.1.8 Election of Dan Flinter as member of the Board of Directors
 - 4.2 Remuneration Committee
 - 4.2.1 Election of Charles Adair as member of the Remuneration Committee
 - 4.2.2 Election of Shaun B. Higgins as member of the Remuneration Committee
 - 4.2.3 Election of Denis Lucey as member of the Remuneration Committee
 - 4.3 Re-election of the statutory auditors
 - 4.4 Re-election of the independent proxy
5. Remuneration of the Board of Directors and Executive Management
 - 5.1 Remuneration of the Board of Directors until the next Annual General Meeting
 - 5.2 Remuneration of Executive Management for the next financial year
6. Amendment of Article 5 of the Articles of Association (relating to authorised share capital)

Agenda

1. Annual Report 2015

1.1 Approval of the Annual Report 2015

Motion

The Board of Directors proposes that the Business Report, ARYZTA AG's Company Financial Statements and the ARYZTA Group's Consolidated Financial Statements for the financial year 2015 ending on 31 July 2015 be approved, acknowledging the auditors' reports.

1.2 Advisory Vote on the Compensation Report 2015

Motion

The Board of Directors proposes that the Compensation Report for the financial year 2015 be ratified in a non-binding advisory vote.

Remark: As in prior years, and in keeping with recommendations in the Swiss Code of Best Practice for Corporate Governance, the Board of Directors has decided to submit the Compensation Report 2015 to a separate non-binding advisory vote of the shareholders. For the Compensation Report 2015 see pages 48-54 of the Annual Report 2015. See Agenda Item 5 below regarding prospective approvals of Remuneration of the Board of Directors and Executive Management.

2. Appropriation of Available Earnings 2015 and Distribution of Reserves

Remark: Since 1 January 2011, Swiss tax legislation allows the payment of a dividend without the deduction of 35% Swiss withholding tax, if it originates from the legal reserves from capital contribution. The Board of Directors proposes the appropriation of earnings, as set out on page 21 and 159 of the Annual Report 2015, and to distribute the legal reserves from capital contribution as set out therein (agenda item 2.2). Accordingly, the available earnings 2015 will be carried forward (agenda item 2.1).

2.1 Appropriation of Available Earnings 2015

Motion

The Board of Directors proposes to appropriate the available earnings as follows:

TCHF	2015
Balance of retained earnings carried forward	37,871
Net profit for the year	202,460
Balance of retained earnings to be carried forward	240,331

2.2 Release of Legal Reserves from Capital Contribution and Distribution as a Dividend

Motion

The Board of Directors proposes that TCHF 58,181* be released from "Legal reserves from capital contribution" and a dividend of CHF 0.6555 per registered share be distributed.

Remark: If approved, the distribution of reserves (i.e. the "dividend") will be payable as from 1 February 2016. The shares will be traded ex dividend as of 28 January 2016. The last trading day with entitlement to receive the dividend is 27 January 2016. Holders of CREST Depository Interests will receive the equivalent amount in Euro, converted at the EUR/CHF exchange rate of 27 January 2016. Treasury shares held by ARYZTA AG are not entitled to dividends.

*As of 31 July 2015, the total dividend would have amounted to approximately TCHF 58,181. The final total amount of dividends will result from multiplying the dividend per share amount with the number of shares entitled to dividend payment at the dividend record date. Until the dividend record date, this number of shares entitled to dividend may change.

Agenda

3. Discharge of the members of the Board of Directors and Executive Management

Motion

The Board of Directors proposes that discharge be granted to the members of the Board of Directors and the Executive Management for the 2015 financial year.

4. Elections

4.1 Election of the Chairman and further members to the Board of Directors

Remark: Members of the Board of Directors are elected for a term of office of one year ending at the next Annual General Meeting in accordance with the Articles of Association adopted in 2014. Mr. J Brian Davy is not standing for further re-election and the Board wishes to extend its gratitude to Mr. Davy for his service with ARYZTA since 2008.

In accordance with the requirements of VegüV and the Articles of Association, the Board proposes the individual re-election of each of the other current Directors and the election of Mr. Dan Flinter as follows.

For further information on each member standing for re-election, please refer to ARYZTA's website <http://www.aryzta.com/about-aryzta/corporate-governance/board-of-directors.aspx>.

4.1.1 Re-election of Denis Lucey as member and as Chairman of the Board of Directors

Motion

The Board of Directors proposes the re-election of Mr. Denis Lucey as member and as Chairman of the Board of Directors for the term of one year.

4.1.2 Re-election of Charles Adair as member of the Board of Directors

Motion

The Board of Directors proposes the re-election of Mr. Charles Adair as member of the Board of Directors for the term of one year.

4.1.3 Re-election of Annette Flynn as member of the Board of Directors

Motion

The Board of Directors proposes the re-election of Ms. Annette Flynn as member of the Board of Directors for the term of one year.

4.1.4 Re-election of Shaun B. Higgins as member of the Board of Directors

Motion

The Board of Directors proposes the re-election of Mr. Shaun B. Higgins as member of the Board of Directors for the term of one year.

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4.1.5 Re-election of Owen Killian as member of the Board of Directors

Motion

The Board of Directors proposes the re-election of Mr. Owen Killian as member of the Board of Directors for the term of one year.

4.1.6 Re-election of Andrew Morgan as member of the Board of Directors

Motion

The Board of Directors proposes the re-election of Mr. Andrew Morgan as member of the Board of Directors for the term of one year.

4.1.7 Re-election of Wolfgang Werlé as member of the Board of Directors

Motion

The Board of Directors proposes the re-election of Mr. Wolfgang Werlé as member of the Board of Directors for the term of one year.

4.1.8 Election of Dan Flinter as member of the Board of Directors

Motion

The Board of Directors proposes the election of Mr. Dan Flinter as member of the Board of Directors for the term of one year.

Dan Flinter (1950), Irish

MA in Economics from University College Dublin, Ireland.

Dan Flinter is a former CEO of Enterprise Ireland and a former Executive Director of IDA Ireland. He is Chairman of the Boards of PM Group Holdings Ltd and The Irish Times Ltd. He is a board member of Dairygold Co-Operative and Chairman of its Audit Committee. He is also a former Chairman of the Governing Authority of Maynooth University.

Agenda

4.2 Election of the members of the Remuneration Committee

Remark: At the 2014 Annual General Meeting the shareholders voted for the first time on the composition of the Nomination & Remuneration Committee and elected J. Brian Davy, Charles Adair and Denis Lucey as its members. As set out in the Letter from the Chairman, (a) Mr. J Brian Davy is not standing for further re-election to the Board and (b) the Board has decided to establish a new Board Committee charged with specific responsibility to advise the Board on Governance & Nomination matters. This new Governance & Nomination Committee will be formally constituted immediately following the 2015 AGM. Accordingly, and in accordance with the requirements of VegüV and the Articles of Association, the Board proposes the individual election of each of the following Directors as members of the Remuneration Committee as follows.

4.2.1 Election of Charles Adair as member of the Remuneration Committee

Motion

The Board of Directors proposes the election of Mr. Charles Adair as member of the Remuneration Committee for the term of one year.

4.2.2 Election of Shaun B. Higgins as member of the Remuneration Committee

Motion

The Board of Directors proposes the election of Mr. Shaun B. Higgins as member of the Remuneration Committee for the term of one year.

4.2.3 Election of Denis Lucey as member of the Remuneration Committee

Motion

The Board of Directors proposes the election of Mr. Denis Lucey as member of the Remuneration Committee for the term of one year.

4.3 Re-election of the statutory auditors

Motion

The Board of Directors proposes that PricewaterhouseCoopers AG, Zurich, be re-elected as auditors for the 2016 financial year.

4.4 Re-election of the independent proxy

Motion

The Board of Directors proposes the re-election of Mrs. Ines Poeschel, Kellerhals Carrard Attorneys at Law, Zurich, as independent proxy until the end of the next Annual General Meeting.

Agenda

5. Remuneration of the Board of Directors and Executive Management

Remark: At the 2014 Annual General Meeting the shareholders approved revisions to our Articles of Association to introduce annual and separate approvals by the General Meeting of the remuneration of the Board of Directors and Executive Management.

5.1 Remuneration of the Board until the next Annual General Meeting

Motion

The Board of Directors proposes that shareholders approve a maximum aggregate amount of remuneration of the Board of Directors for the period from the 2015 Annual General Meeting to the next Annual General Meeting of CHF 1,000,000.

Explanation: Please refer to the enclosed brochure "Shareholder Information on the proposals of the Board of Directors for the Remuneration of the Board of Directors and Executive Management".

5.2 Remuneration of Executive Management for the next financial year

Motion

The Board of Directors proposes that shareholders approve a maximum aggregate amount of remuneration for the 2017 financial year of CHF 17,750,000 to the members of the Executive Management.

Explanation: Please refer to the enclosed brochure "Shareholder Information on the proposals of the Board of Directors for the Remuneration of the Board of Directors and Executive Management".

Agenda

6. Amendment of Article 5 of the Articles of Association (relating to authorised share capital)

Motion

The Board of Directors proposes to renew the existing authority conferred on it under Article 5 of the Articles of Association to increase the authorised share capital for a further period up to 7 December 2017 and otherwise subject to the same terms and limitations as prescribed currently by Article 5 of the Articles of Association. Article 5 of the Articles of Association shall be amended as set out below:

RE-NEWED ARTICLE 5 (free translation of the relevant German text)

Authorised capital for general purposes

- a) The Board of Directors shall be authorised to increase the share capital at any time until 7 December 2017 by a maximum amount of CHF 183,621.06 by issuing a maximum of 9,181,053 registered shares to be paid up in full with a par value of CHF 0.02 per share.
- b) Increases by means of firm underwriting or in instalments are permitted. The Board of Directors shall determine the issue price, the dividend entitlement and the manner in which payment will be made (including an in-kind capital contribution or asset transfer). The Board of Directors may in its discretion use subscription rights that have been granted but not exercised in the interest of the Company.
- c) The Board of Directors is authorised to exclude subscription rights of the shareholders and allocate them to third parties if the new shares to be issued are used for the following purposes:
 - (1) For the acquisition of companies, parts of companies or equity holdings or for new investment projects or for the financing of such transactions (maximum of 9,181,053 registered shares with a par value of CHF 0.02 each),
 - (2) broadening the shareholder constituency (maximum of 4,590,526 registered shares with a par value of CHF 0.02 each), or
 - (3) for the purpose of employee participation (maximum of 3,060,351 registered shares with a par value of CHF 0.02 each).
- d) The acquisition of registered shares from authorised capital for general purposes and their further transfer shall be subject to the transfer restrictions pursuant to Article 7 of the Articles of Association.

Remark: The existing authority of the Board of Directors to increase the share capital expires on 10 December 2015. To retain ARYZTA AG's flexibility for future capital raisings, the Board of Directors proposes to renew the authority on the same terms as apply to the expiring authority. Accordingly, the upper limit on future share issuances under the re-newed version of Article 5 of the Articles of Association would be limited to a maximum of 10% of current issued share capital. Limits on future share issuances where subscription rights may be withdrawn would remain as follows:

- (1) for future share issuances connected with acquisitions, 10%;
- (2) for future share issuances to broaden the shareholder constituency, 5%; and
- (3) for future share issuances for employee participation, 3%.

Organisational Matters

General Remarks

Shareholders registered in the share register with voting rights on **19 November 2015** (voting record date) will be entitled to vote at the Annual General Meeting. They may elect to vote either by way of personal attendance or by a representative in accordance with the terms set out below. In line with Art. 9 of the Articles of Association, the Annual General Meeting will be held at the Kongresshaus in Zurich, Switzerland (a map can be downloaded from ARYZTA's website www.aryzta.com), and be conducted in English. A simultaneous translation into German will be available.

In order to facilitate voting for shareholders not able to attend the Annual General Meeting physically, the independent proxy may be instructed via an online proxy voting platform www.ecomm-portal.com (eComm) until 6 December 2015, 11:59 a.m. CET, all according to the respective information sent out together within the invitation.

Mailing of Invitation and Reply Card/Proxy Form

Registered shareholders entered in the share register up to and including 29 October 2015 as shareholders with voting rights will receive, together with the invitation to the Annual General Meeting, a reply card that they may use to order the admission card and the voting materials or to give a proxy, as well as information on www.ecomm-portal.com together with the individual one-time code to access www.ecomm-portal.com.

Shareholders who are entered in the share register in the period between 30 October 2015 and 19 November 2015 as shareholders with voting rights will receive the invitation to the Annual General Meeting and the reply card in the subsequent mailing as of 23 November 2015.

Shareholders who sell their shares between 30 October 2015 and 19 November 2015 are not entitled to vote at the Annual General Meeting. Previously issued admission cards as well as proxies become invalid automatically.

Shareholders who have adjusted their shareholding between 30 October 2015 and 19 November 2015, will receive a new admission card and voting materials upon registration at the information desk of the Annual General Meeting. Proxies will be amended automatically. No entries conferring voting rights will be made in the share register in the period from **19 November 2015** to the end of the Annual General Meeting (save and except as necessary to facilitate voting by CDI Attendants). Preparations for the Annual General Meeting will be facilitated by the prompt return of your reply card. Please return it by 25 November 2015 at the latest in the enclosed envelope.

Physical Attendance at the General Meeting

Shareholders with voting rights who wish to attend the Annual General Meeting personally are kindly asked to apply for personal attendance by returning the reply card filled out accordingly or via www.ecomm-portal.com. Shareholders with a non-Swiss mailing address or whose return card arrives late will receive the admission card and the voting material at the information desk on the day of the Annual General Meeting upon identification with their passport, ID or driver's licence.

Organisational Matters

Representation at the Annual General Meeting

Shareholders with voting rights may be represented at the Annual General Meeting by a third party with a written proxy granting authority to this person. In order to grant authority to such a representative, the shareholder must fully specify the relevant person on the reply card. The admission card and the voting material will be sent to the representative consequently. Representatives will only be admitted to the Annual General Meeting upon identification with their passport, ID or driver's licence and valid proxy. Alternatively, shareholders may, free of charge, appoint the following as their proxy:

- Mrs. Ines Poeschel, Kellerhals Carrard Attorneys at Law, Zurich, acting as independent proxy as specified in Article 8-10 VegüV.

The appointment may be effected by returning the enclosed proxy form (including voting instructions) to SIX SAG AG, ARYZTA AG, General Meeting 2015, P.O. Box, 4609 Olten, Switzerland or via the investor web service www.ecomm-portal.com.

Annual Report 2015

The Annual Report 2015 consists of the Business Report, the Corporate Governance and the Compensation Report, ARYZTA AG's Company Financial Statements and the Group's Consolidated Financial Statements as well as the reports of the auditors for the financial year 2015 ending on 31 July 2015. The Annual Report 2015 of ARYZTA AG will be available for inspection at ARYZTA AG's registered office from 5 November 2015 and may be downloaded from ARYZTA's website <http://www.aryzta.com/investor-centre/reports-presentations/annual-report-2015/annual-report.aspx>.

Zurich, 30 October 2015

For the Board of Directors



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