

Food and Beverage

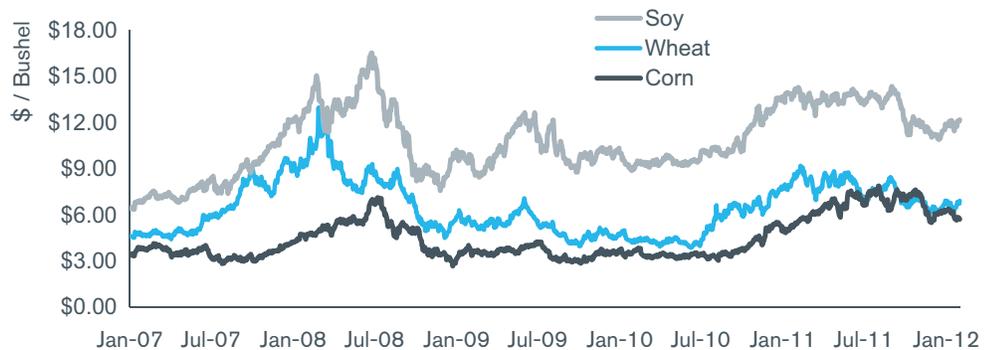
Commodity Review

Similar to 2010, natural disasters and severe weather continued to create a shortfall in the supply of certain key crops in large geographic regions. Commodity markets responded with sharp price increases that resulted in increased ingredients costs for most food producers. These costs were transferred to consumers, resulting in higher food prices. Price volatility for key commodities continued to be high in 2011, causing greater uncertainty amongst food producers. Price volatility has been attributable to two key factors: an increase in biofuel production through government-issued mandates which are independent of external oil prices and an increase in financial activity in the commodity futures markets.

Corn hit a high of \$7.88/bushel during the second half of 2011 after experiencing a low of \$5.50/bushel earlier in the same period.

Soybean prices ranged from \$10.90 to \$14.35/bushel during the second half of 2011.

Wheat reached a high of \$8.44/bushel during the second half of 2011 after falling as low as \$6.11/bushel earlier in the same period. Wheat prices averaged \$7.61/bushel in 2011, and through January 2012, prices have declined to an average of \$6.63/bushel.



Source: Bloomberg

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Commodity Review

Sugar

U.S. sugar prices are artificially inflated due to import restrictions aimed at protecting domestic farmers. The U.S. is largely protected from fluctuations in global sugar prices based on the high tariffs imposed on imported sugar. U.S. sugar prices have been consistently rising over the past five years and reached a high of \$0.40 per pound in the early portions of 2011. Since then, prices have declined yet forecasts call for U.S. sugar prices to maintain 2011 price levels.

Brazil, with its low cost of production, acts as the world's largest producer and exporter of sugar.

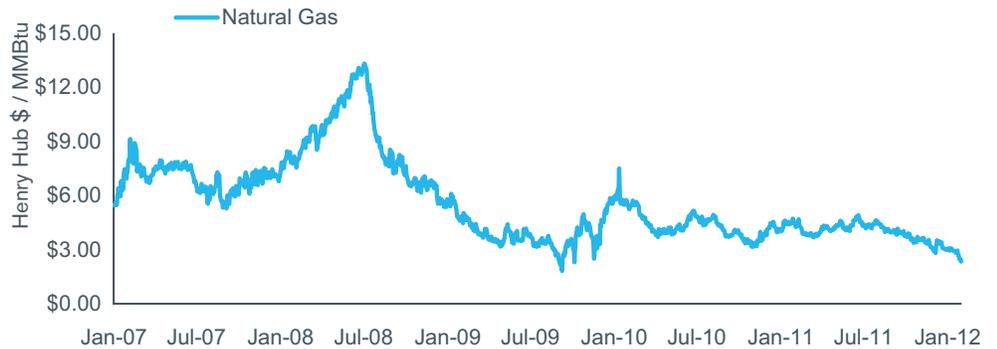


Source: Bloomberg

Natural Gas

Natural gas prices ranged from \$2.84 to \$4.64/MMBtu during the second half of 2011. Prices exhibited some volatility throughout 2011, but have declined from an average of \$5.82/MMBtu in January 2010 to \$3.17/MMBtu in December 2011. In January 2012, prices continued to decline, averaging \$2.67/MMBtu throughout the month.

Natural gas supplies remain abundant following heavy levels of production. Demand for natural gas from power generators and industrial consumption will continue to increase in 2012, but not enough to offset higher supplies.



Source: Bloomberg

Merger and Acquisition Activity

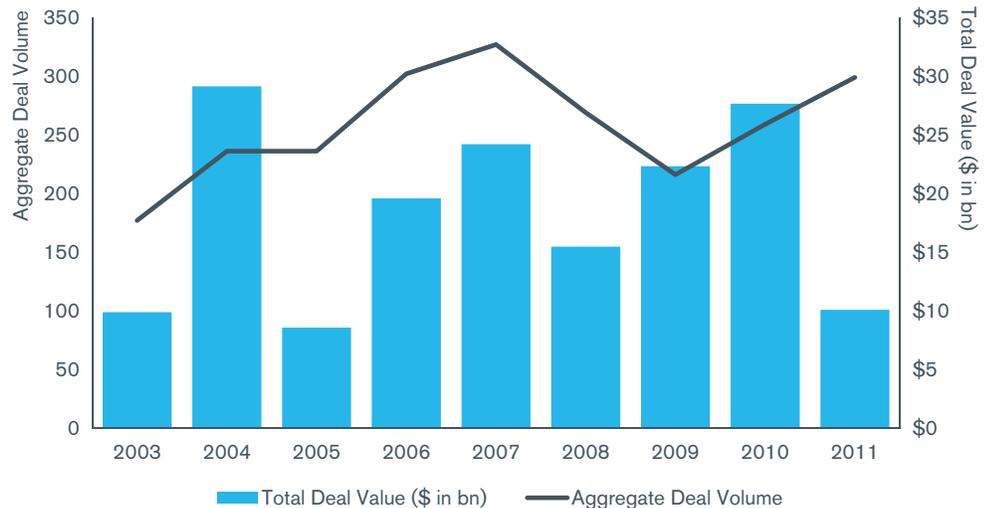
U.S. Food and Beverage M&A Trends

While there was a noticeable increase in the volume of M&A transactions completed in the food and beverage industry during 2011 compared to 2010, total deal value was significantly lower than 2010 levels. In 2011, only one M&A transaction was completed with a deal value greater than \$1 billion (Leucadia National Corp.'s acquisition of National Beef Packing for \$1.3 billion). Buyers in the industry have become more selective in their acquisitions, and the focus has turned towards quality companies fulfilling niche spaces in the industry. According to Standard & Poors, well-positioned companies targeted acquisitions to drive various initiatives, including "the desire to move into complementary or related sales categories, to add higher-margin business, and to achieve geographic expansion." This was especially true for companies who utilized acquisitions as a method to capitalize on certain consumer trends. Deal activity was also impacted by commodity prices, as rising commodity prices suppressed processor margins, and resulted in companies focusing on internal cost cutting measures to better position themselves for the future. In 2012, M&A activity in the food and beverage industry is expected to be driven by higher growth sectors, specifically private label food and emerging markets. Additionally, the industry can expect a number of businesses restructuring their operations to better equip them to compete in a highly competitive industry. These restructuring initiatives will result in spin-off or divestitures of non-core product segments, further increasing deal activity in 2012.

Significant deals completed in 2011 worth noting include:

- ConAgra Foods, Inc.'s acquisition of National Pretzel Company, Inc. for \$296 million
- Leucadia National Corp.'s acquisition of National Beef Packing, LLC for \$1.3 billion
- Ralcorp's acquisition of Sara Lee Refrigerated Dough, LLC for \$545 million
- The J.M. Smucker Company's acquisition of Rowland Coffee Roasters for \$362.8 million
- Flowers Bakeries, LLC's acquisition of Tasty Baking Co. for \$149.7 million
- ConAgra Foods, Inc.'s acquisition of Del Monte Canada Inc. (Transaction value undisclosed)

Domestic Food and Beverage M&A Value and Volume



Excludes deals of \$10 billion in value.
Source: Capital IQ

¹ Lower middle-market and middle-market transactions are classified by the target company's revenues. Lower middle-market revenues range between \$5 to \$150 million while middle-market revenues extend the upward range to \$500 million.

Merger and Acquisition Activity

Additionally, cross-border M&A activity continued into 2011, as companies continued to execute strategic multi national deals to better position themselves in international markets. Notable examples of this trend include Nestle's acquisition of a majority stake in Hsu Fu Chi, a Chinese confectioner, and Lactalis's acquisition of Parmalat. International markets are expected to continue to provide opportunities for high growth, and as a result, cross-border M&A activity will continue to remain attractive.

Although total deal value in the industry was down in 2011 relative to 2010, deal volume continued to increase, reaching approximately 300 M&A transactions. Total deal value was not exaggerated by large deals in excess of \$1 billion as it was in 2010, with only one transaction disclosed over \$1 billion in 2011. Further, a total of 206 transactions in 2011 did not disclose total deal values. Lower-middle market and middle-market deals dominated the M&A landscape, with 31 deals with disclosed transaction values falling into these two categories.¹

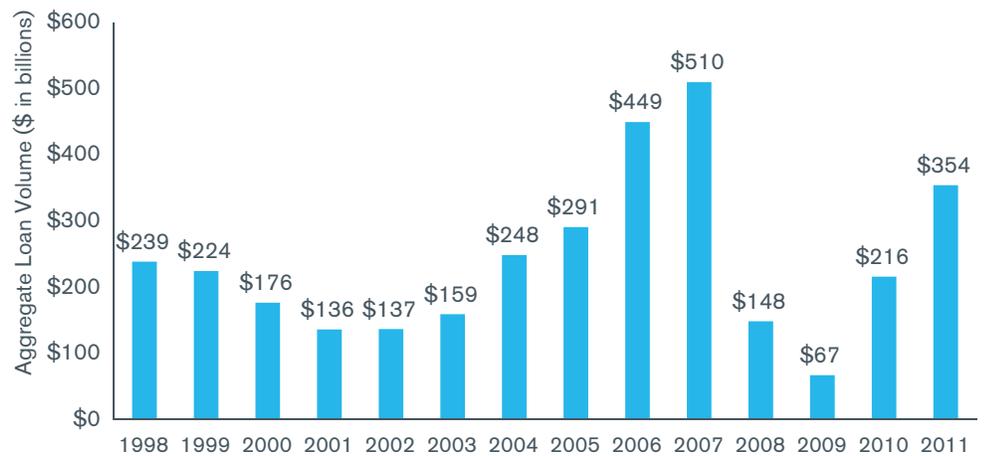
Aided by a softening credit market, private equity firms were also very active in food transactions during 2011. High profile transactions completed in 2011 include Novacap Investments, Inc.'s acquisition of Idaho Pacific Holdings, Sun Capital Partners, Inc.'s acquisition of Contessa Premium Foods, Inc. and HM Capital Partners LLC's acquisition of Milk Specialties Company.

Total U.S. loan volume increased by 63.9% in 2011 as credit markets began to loosen following the credit crunch. The \$354 billion in U.S. loans completed in 2011 marked the 3rd highest amount over the past 15 years, behind only the historical levels of 2006 and 2007.

This past year saw multiples paid for leveraged buyouts of food and beverage companies return to levels that were experienced prior to 2007. Lending standards loosened in 2011, increasing the availability of debt financing which helped facilitate the significant increase in transactions and the ability to pay higher

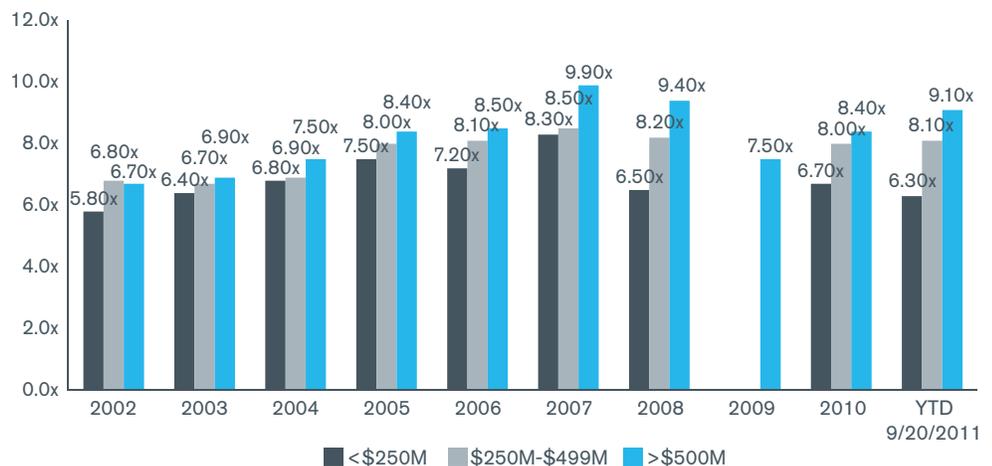
prices. Strong buyer interest for quality companies also drove the multiples higher, as buyers were more selective in their acquisitions. During the recent economic downturn, many companies implemented cost-cutting measures and accumulated cash surpluses. As a result, strategic companies looked to the M&A market to deploy their cash reserves.

Total U.S. Loan Volume



Source: S&P LCD

Average LBO EBITDA Multiples by Transaction Size



Source: S&P LCD – M&A Stats, as of 9/30/11

Note: 2009 multiples represents an aggregate of all LBO deals completed during the respective time periods; multiples exclude fees and expenses

Note: S&P excluded transactions under \$500 million as there were not enough observable deals during this time

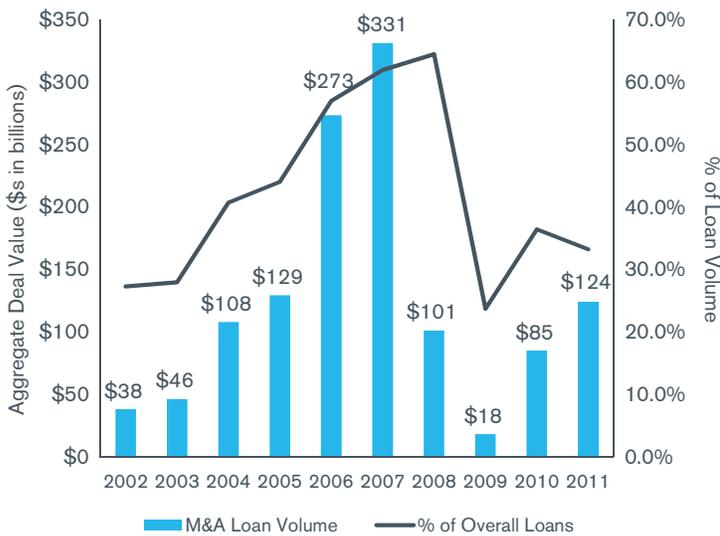
Merger and Acquisition Activity

Total M&A loan volume substantially increased in 2011 to \$124 billion, a 45.9% increase from 2010, representing the highest M&A loan volume since 2007. The increase in M&A loan volume is a promising sign for M&A activity, as it reflects greater deal activity and higher levels of buyer interest.

Private equity fund raising held steady as 141 funds reached final close in 2011. Middle-market funds led fundraising initiatives, as these funds were able to raise \$87.0 billion in 2011, approximately 90.0% of total funds raised by private equity firms.² Fundraising time improved in 2011 from 2010, as average fundraising time decreased from

19 to 16 months. Further, approximately 30.0% of these fundraising initiatives were undertaken by private equity firms launching their first funds, a promising sign for deal activity in 2012. At the end of 2011, there was an estimated \$436 billion in capital overhang, and private equity firms have been aggressively looking to deploy this capital.

Total M&A Loan Volume



Source: S&P LCD

Private Equity Capital Raised



Source: Pitchbook Private Equity Database 4Q 2011

²Middle-market funds are defined as private equity funds with capital commitments between \$250 million and \$5 billion.

Merger and Acquisition Activity

Recent Food and Beverage Financings

Date	Borrower	Subsector	Debit Amount (\$ in millions)	Type	Rating	Spread
12/30/2011	Lipari Foods Inc.	Groceries	\$50	Revolver/Line	NR / NR	250.0
12/30/2011	Sysco Corp.	Groceries	100	Revolver/Line	A + / A1	62.5
12/30/2011	Sysco Corp.	Groceries	900	Revolver/Line	A + / A1	62.5
12/27/2011	Milk Specialties	Dairy	35	Revolver/Line	NR / B2	NA
12/27/2011	Milk Specialties	Dairy	125	Term Loan B	NR / B2	700.0
12/27/2011	Milk Specialties	Dairy	60	Term Loan B	NR / B2	1300.0
12/23/2011	Eddy Foods Inc.	Proteins	15	Revolver/Line	NR / NR	525.0
12/23/2011	Eddy Foods Inc.	Proteins	40	Term Loan A	NR / NR	525.0
12/22/2011	Kellogg Canada Inc.	Cereals	2,000	Revolver/Line	BBB+ / A3	125.0
12/21/2011	Fairway Market	Grocery Stores	25	Term Loan B	NR / NR	600.0
12/21/2011	Farmers Cooperative Co.	Agriculture	36	Term Loan A	NR / NR	200.0
12/21/2011	Farmers Cooperative Co.	Agriculture	150	364-Day Facility	NR / NR	200.0
12/21/2011	Farmers Cooperative Co.	Agriculture	550	Revolver/Line	NR / NR	200.0
12/21/2011	Farmers Cooperative Co.	Agriculture	20	Term Loan A	NR / NR	200.0
12/19/2011	Nash-Finch Co.	Groceries	525	Revolver/Line	BB- / WR	225.0
12/16/2011	Bellisio Foods Inc.	Frozen Goods	170	Term Loan A	B+ / B2	550.0
12/16/2011	Bellisio Foods Inc.	Frozen Goods	30	Revolver/Line	B+ / B2	550.0

Source: Reuters

Merger and Acquisition Activity

Select Domestic Mergers and Acquisitions

July 1, 2011 through February 29, 2012

Announced Date	Seller (Target)	Subsector	Parent (Acquirer)	Total Transaction Value (\$USDmm, Historical rate)
02/29/2012	Snopac Products, Inc.	Proteins	Icicle Seafoods, Inc.	NA
02/29/2012	FoodShouldTasteGood, Inc.	Baked Goods / Snack Foods	General Mills, Inc. (NYSE:GIS)	NA
02/27/2012	Miller Milling Company	Other Agriculture	Nisshin Flour Milling, Inc.	122.93
02/23/2012	Schreiber Foods, Inc. , Facility at 4350 Hurricane Creek Blvd.	Dairy	Dairy Farmers of America, Inc.	2.25
02/21/2012	Grote & Weigel, Inc.	Proteins	Rachael's Food Corporation	NA
02/17/2012	Talbott Teas, LLC	Other Beverages	Jamba Juice Company	NA
02/15/2012	Viterra, Inc, North American Feed Assets	Other Agriculture	Birch Hill Equity Partners Management Inc.	NA
02/15/2012	The Wimble Company	Baked Goods / Snack Foods	Kellogg Company (NYSE:K)	2,695.00
02/15/2012	St. Hilaire Seed Company, Inc.	Seed	Legumex Walker Inc. (TSX:LWP)	15.02
02/15/2012	Anderson Seed Company, Inc., Sunflower Seed Processing Assets	Other Agriculture	Legumex Walker Inc. (TSX:LWP)	4.76
02/13/2012	KMG Chemicals, Inc., Animal Health Business	Other Agriculture	Bayer HealthCare, LLC	10.80
02/13/2012	The Guida-Seibert Dairy Company, Inc.	Dairy	Dairy Farmers of America, Inc.	NA
02/13/2012	Eastside Chemicals, Inc.	Other Agriculture	J. R. Simplot Company	NA
02/10/2012	Mona Lisa Food Products, Inc.	Baked Goods / Snack Foods	Barry Callebaut AG (SWX:BARN)	NA
02/06/2012	Sara Lee Corp., Specialized Gourmet Food Service Coffee Business in New Jersey	Other Beverages	Massimo Zanetti Beverage USA, Inc.	NA
02/06/2012	Crispin Cider Co. Corp.	Other Beverages	MillerCoors LLC	NA
02/03/2012	The Standard Companies, Inc.	Other Beverages	DS Waters of America, Inc.	NA
02/01/2012	Zizzaz, LLC	Other Beverages	Tracksoft Systems, Inc. (OTCBB:TKSS)	1.00
02/01/2012	5 Star Frozen Foods, Inc.	Processed Foods	Bernatellos Pizza, Inc.	NA
02/01/2012	Illinois Corn Processing, LLC	Other Agriculture	SEACOR Energy Inc.	9.10
01/31/2012	Silver Springs Citrus, Inc.	Other Beverages	Sapporo International Inc.	24.00
01/31/2012	New Eezy Gro Inc.	Other Agriculture	The Andersons, Inc. (NasdaqGS:ANDE)	15.50
01/26/2012	Smart Lunches	Processed Foods	Management Team Buyout	NA
01/20/2012	Seatrade International Company, Inc.	Proteins	American Holdco, Inc.	NA

Source: Capital IQ

Merger and Acquisition Activity

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July 1, 2011 through February 29, 2012

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01/17/2012	Del Monte Canada Inc.	Processed Foods	ConAgra Foods, Inc. (NYSE:CAG)	NA
01/17/2012	Peterbrook Chocolate Co.	Baked Goods / Snack Foods	Hickory Foods, Inc.	NA
01/16/2012	Good Harbor Fillet Company, LLC	Proteins	American Seafoods International, Llc	NA
01/11/2012	Sonoma Creamery LLC	Dairy	Estate Cheese Group LLC	NA
01/10/2012	Grands Amis, Inc.	Alcoholic Beverages	Estate Crush LLC	NA
01/04/2012	Southern California Brewing Company, Inc.	Alcoholic Beverages	A&S Brewing Collaborative LLC	NA
01/04/2012	The Saint Louis Brewery, Inc.	Alcoholic Beverages	Sage Capital, LLC	NA
01/03/2012	Tea Forté, Inc.	Other Beverages	Sara Lee Corp. (NYSE:SLE)	NA
01/03/2012	C.J. Vitner Company, Inc.	Baked Goods / Snack Foods	Snak King Corp.	NA
01/02/2012	Stafford's Famous Chocolates	Baked Goods / Snack Foods	Management Team Buyout	NA
12/31/2011	Eddy Packing Company, Inc.	Proteins	Mason Wells; Hancock Capital Management, LLC; Akoya Capital, LLC	NA
12/29/2011	Gaslamp Popcorn Co.	Baked Goods / Snack Foods	Rudolph Foods Company, Inc.	NA
12/29/2011	Blue Pacific Flavors, Inc.	Other Agriculture	Wilmar Europe Trading B.V.	6.00
12/27/2011	The Donum Estate Inc. and Robert Stemmler Winery	Alcoholic Beverages	Winside, Inc.	NA
12/21/2011	Regal Confections Inc.	Processed Foods	Desjardins Venture Capital; Desjardins Capital régional et coopératif (CRCD)	NA
12/20/2011	River Road Vineyards, LLC	Alcoholic Beverages	Management Team Buyout	NA
12/20/2011	Park Poultry, Inc.	Proteins	Unknown Investor	NA
12/19/2011	San Rallo Pasta Company	Processed Foods	Rosina Food Products, Inc.	NA
12/16/2011	Louisiana Sugar Refining LLC	Other Agriculture	Cargill, Incorporated; Sugar Growers and Refiners, Inc.	18.00
12/15/2011	Westway Feed Products LLC and Certain Non-Core Bulk Liquid Storage Terminals	Other Agriculture	E D & F Man Holdings Limited	NA
12/15/2011	Sadler's Smokehouse, Ltd.	Proteins	Management Team Buyout	NA
12/11/2011	Advanced Nutritional Solutions LLC	Processed Foods	Bella Petrella's Holdings, Inc. (OTCBB:BTHR.E)	0.10
12/08/2011	Brookside Foods, Ltd.	Processed Foods	Hershey Co. (NYSE:HSY)	NA
12/05/2011	Go Pure Foods Inc., Ancient Grain Bar Concept and Manufacturing Equipment	Baked Goods / Snack Foods	Biscuits Leclerc Ltd.	NA

Source: Capital IQ

Merger and Acquisition Activity

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July 1, 2011 through February 29, 2012

Announced Date	Seller (Target)	Subsector	Parent (Acquirer)	Total Transaction Value (\$USDmm, Historical rate)
12/05/2011	National Beef Packing Co. LLC	Proteins	Leucadia National Corp. (NYSE:LUK)	1,314.82
12/02/2011	Deep Rock Water Company	Other Agriculture	DS Waters of America, Inc.	NA
12/01/2011	Cape Cod Chowder Company Inc.	Processed Foods	Blount Fine Foods, Inc.	NA
11/30/2011	Seeds 2000, Inc.	Seed	Nuseed Americas Inc.	55.20
11/30/2011	Gourmet Kitchens, Inc.	Processed Foods	Taylor Fresh Foods, Inc.	13.20
11/30/2011	PWC Winery LLC	Alcoholic Beverages	Wesion, Inc.	3.14
11/30/2011	Yarnell Ice Cream Company Inc.	Dairy	Schulze and Burch Biscuit Company	1.30
11/29/2011	The Quaker Oats Company, Kretschmer Wheat Germ Brand and Manufacturing Facility	Processed Foods	Brynwood Partners	NA
11/29/2011	Kettleman Bagels & Bakery, Inc.	Baked Goods / Snack Foods	Einstein Noah Restaurant Group, Inc. (NasdaqGM:BAGL)	5.00
11/29/2011	Universal Brands Corporation, Monsoon and CareOne Energy Brands	Other Beverages	Premier Beverage Group Corp. (OTCPK:PBGC)	0.51
11/23/2011	Bellisio Foods, Inc.	Processed Foods	Centre Partners Management LLC	NA
11/22/2011	Roskam Baking Company, Granola Business Unit	Baked Goods / Snack Foods	Hearthside Food Solutions LLC	NA
11/21/2011	Holy Brew Brewing Company	Alcoholic Beverages	Lost Rhino Brewing Company	NA
11/21/2011	Magnotta Winery Corp. (TSX:MGN)	Alcoholic Beverages	Management Team Buyout	15.38
11/17/2011	Icelandic Group Plc, US and Asian Operations	Proteins	High Liner Foods Inc. (TSX:HLF)	230.60
11/11/2011	National Pretzel Company, Inc.	Baked Goods / Snack Foods	ConAgra Foods, Inc. (NYSE:CAG)	296.00
11/10/2011	Evolution Fresh, Inc.	Other Agriculture	Starbucks Corporation (NasdaqGS:SBUX)	30.00
11/09/2011	Michel-Schlumberger Partners, L.P	Alcoholic Beverages	KSSM, LLC	NA
11/08/2011	Hornsby's Pubdrafts Ltd.	Alcoholic Beverages	C&C Group plc (ISE:GCC)	27.50
11/07/2011	SUN PAC Foods Limited	Other Beverages	Liquibrands Inc.	NA
11/03/2011	Western Grain Trade Ltd. and Western Grain Cleaning & Processing Ltd	Seed	Alfred C. Toepfer International G.m.b.H.	NA
11/02/2011	Lockwood Vineyard	Alcoholic Beverages	Boisset Family Estates	NA
11/02/2011	Thiel Cheese & Ingredients, LLC	Dairy	Irish Dairy Board	50.00
11/02/2011	Creston Bean Processing, L.L.C.	Other Agriculture	CHS, Inc.	32.30

Source: Capital IQ

Merger and Acquisition Activity

Select Domestic Mergers and Acquisitions

July 1, 2011 through February 29, 2012

Announced Date	Seller (Target)	Subsector	Parent (Acquirer)	Total Transaction Value (\$USDmm, Historical rate)
11/01/2011	Milk Specialties Company	Dairy	HM Capital Partners LLC	NA
10/28/2011	Bel Vino LLC	Alcoholic Beverages	Management Team Buyout	NA
10/28/2011	Diamond Ranch Foods Ltd.	Proteins	Plandai Biotechnology, Inc. (OTCBB:PLPL)	NA
10/28/2011	Alberto-Culver Company, Culver Specialty Brands	Baked Goods / Snack Foods	B&G Foods Inc. (NYSE:BGS)	325.00
10/28/2011	O.K. Industries Inc.	Proteins	Industrias Bachoco S.A.B. de C.V. (NYSE:IBA)	95.00
10/27/2011	Great Plains Coca-Cola Bottling Company	Other Beverages	Coca-Cola Refreshments USA, Inc.	360.00
10/24/2011	Sara Lee Corp., Majority North American Foodservice Coffee and Beverage Business	Other Beverages	The J. M. Smucker Company (NYSE:SJM)	400.00
10/20/2011	Catherine's for Lamb	Proteins	Billie's Soap and Spa Products	NA
10/20/2011	Capone Family Secret Incorporated	Other Beverages	Elite Management Services, Inc.	NA
10/20/2011	Lawrenceburg Distillers Indiana, LLC, Beverage Distillery Business	Alcoholic Beverages	MGPI of Indiana, LLC	15.00
10/17/2011	VuQo Holdings Corporation (OTCPK:VUQO)	Alcoholic Beverages	Unknown Buyer	NA
10/12/2011	Gifford's Ice Cream & Candy Co., Inc.	Dairy	Gifford's Famous Ice Cream, Inc.	NA
10/11/2011	HCE Corporation	Other Agriculture	Dole Fresh Vegetables, Inc.	106.50
10/07/2011	Sethness Greenleaf Inc.	Processed Foods	Synergy Flavors, Inc.	NA
10/05/2011	Europe's Best, Inc.	Other Agriculture	Hain-Celestial Canada, ULC	NA
10/05/2011	J.H. Dodman Co. Inc.	Proteins	Management Team Buyout	NA
10/04/2011	Eating with the Seasons, LLC	Other Agriculture	Full Circle Farm, Inc.	NA
10/04/2011	Chef Solutions, Inc.	Processed Foods	Reser's Fine Foods, Inc.	61.70
10/03/2011	Keyways Vineyard and Winery, LLC	Alcoholic Beverages	The Silverton Partners Inc.	NA
10/03/2011	Innovative Foods Corporation	Other Agriculture	Richardson International Limited	NA
10/03/2011	Lehi Roller Mills Co., Inc.	Other Agriculture	Fusion Pharm, Inc. (OTCPK:FSPM)	NA
10/02/2011	Coast Seafoods Company	Proteins	Pacific Sea Food Company, Inc.	NA
10/01/2011	The Wild Rice Exchange Inc.	Other Agriculture	Indian Harvest Specialtfoods, Inc.	NA
09/30/2011	Wachusett Potato Chip Co. Inc.	Baked Goods / Snack Foods	UTZ Quality Foods, Inc.	NA

Source: Capital IQ

Merger and Acquisition Activity

Select Domestic Mergers and Acquisitions

July 1, 2011 through February 29, 2012

Announced Date	Seller (Target)	Subsector	Parent (Acquirer)	Total Transaction Value (\$USDmm, Historical rate)
09/29/2011	Majority Stake in United Initiators GmbH & Co. KG and Minority Stake in Sweet Ovations LLC	Processed Foods	Vision Capital LLP	NA
09/27/2011	Reshoot Production Company (OTCBB:RSPO)	Other Agriculture	Management Team Buyout	NA
09/27/2011	Gladder's Gourmet Cookies, Inc.	Baked Goods / Snack Foods	DGG Group, LLC	NA
09/27/2011	Corby Distilleries Ltd, 17 brands and Manufacturing and Bottling Facility in Montréal	Alcoholic Beverages	Sazerac Company, Inc.	32.27
09/26/2011	Timco Worldwide, Inc.	Other Agriculture	C.H. Robinson Company, Inc.	NA
09/23/2011	Thomas Kemper Soda Company, Inc.	Other Beverages	Big Red, Inc.	NA
09/23/2011	Hershey Co., Derry Township Factory	Baked Goods / Snack Foods	Net Lease Capital Advisors, Real Estate Investment Arm	50.00
09/21/2011	Paramount Distillers, Inc.	Alcoholic Beverages	Luxco Corporation	NA
09/21/2011	Sensus LLC	Other Beverages	Synergy Flavors, Inc.	NA
09/20/2011	Sun Garden-Gangi Canning Company, LLC	Processed Foods	Palladium Equity Partners, LLC	NA
09/16/2011	Elliston Vineyards, Incorporated	Alcoholic Beverages	Consortium of Individuals	1.75
09/15/2011	Mossy Bayou, Inc.	Processed Foods	Louisiana Food Company (OTCBB:LUSI)	NA
09/15/2011	McLaughlin Gormley King Company, Turbocide Pest Control System	Other Agriculture	Chem-Tech, Ltd.	NA
09/13/2011	Flavor Systems International, Inc.	Processed Foods	Frutarom Industries Ltd. (TASE:FRUT)	45.30
09/12/2011	A.M. Todd Group, Inc., Certain Assets	Processed Foods	WILD Flavors, Inc.	NA
09/02/2011	First Colony Coffee & Tea Company	Other Beverages	Tidewater Coffee Inc	NA
08/29/2011	Maple Leaf Foods Inc., Surrey Packaged Meats Plant	Proteins	Premium Brands Holdings Corporation (TSX:PBH)	10.74
08/25/2011	Casa de Oro Foods, LLC	Baked Goods / Snack Foods	Gruma Corporation	20.00
08/24/2011	Lucini Italia Company LLC	Processed Foods	Molinos USA, Corp.	87.50
08/23/2011	Purfresh, Inc., Global Assets of Crop Protection Sun Screen Business and Purshade Product Line	Other Agriculture	Tessenderlo Kerley, Inc.	NA
08/22/2011	Pearson's Candy Company	Baked Goods / Snack Foods	Brynwood Partners	NA
08/22/2011	Nestelle's Inc., Cake Craft	Baked Goods / Snack Foods	Chefmaster	NA
08/17/2011	Mary of Puddin Hill, Inc.	Baked Goods / Snack Foods	Republic of Texas Brands Incorporated (OTCPK:RTXB)	NA
08/16/2011	Tomich Bros Fish Co Inc. and Standard Seafood	Proteins	CounterPoint Capital Partners, LLC; Ocean Avenue Capital Partners, L.P.	NA

Source: Capital IQ

Merger and Acquisition Activity

Select Domestic Mergers and Acquisitions

July 1, 2011 through February 29, 2012

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08/15/2011	Elder Distributing, Inc.	Alcoholic Beverages	Falstaff Sales Company Of Victoria, Inc.	NA
08/15/2011	Golden Guernsey Dairy, LLC	Dairy	OpenGate Capital	NA
08/12/2011	The C.F. Sauer Company Inc., Margarine Assets	Dairy	Bunge North America, Inc.	NA
08/08/2011	Impromptu Gourmet	Processed Foods	Chesapeake Fine Food Group, LLC	NA
08/08/2011	Sara Lee Refrigerated Dough, LLC	Processed Foods	Ralcorp Frozen Bakery Products, Inc.	545.00
08/08/2011	ZAPPI Brands, Inc.	Baked Goods / Snack Foods	Xylitol Canada Inc. (TSXV:XYL)	0.44
08/05/2011	Maize Pluss, Inc.	Other Agriculture	SportsQuest, Inc. (OTCPK:SPOS)	NA
08/05/2011	MD Drinks, Inc.	Other Beverages	Sunsweet Growers, Inc.	NA
08/05/2011	Juice Heads, Inc.	Other Beverages	SunOpta Global Organic Ingredients Inc.	3.01
08/04/2011	Neco Fine Foods LLC	Processed Foods	BLOUNT FINE FOODS, Inc.	NA
08/04/2011	Piller Sausages & Delicatessens Ltd.	Proteins	Premium Brands Holdings Corporation (TSX:PBH)	115.85
08/03/2011	Landmark Vineyards	Alcoholic Beverages	FIJI Water Company LLC	NA
08/03/2011	English River Pellets, Inc.	Seed	Archer Daniels Midland Company (NYSE:ADM)	NA
08/03/2011	Glutino Food Group	Baked Goods / Snack Foods	Smart Balance, Inc (NasdaqGS:SMBL)	65.90
08/03/2011	Renwood Winery, Inc.	Alcoholic Beverages	Ren Acquisition Inc.	6.95
07/31/2011	Kitchen Basics Inc.	Proteins	McCormick & Co. Inc. (NYSE:MKC)	38.00
07/29/2011	HydraLogic Systems Inc.	Other Agriculture	Unknown Investor Group	NA
07/29/2011	Caneyville Milling Company, Inc.	Other Agriculture	B&D Feed & Seed, LLC	NA
07/28/2011	MaMa Rosa's LLC	Processed Foods	Huntsman Gay Global Capital, LLC	NA
07/28/2011	Harim USA Ltd.	Proteins	Harim Holdings Co.,Ltd. (KOSE:A024660)	7.53
07/27/2011	Natures Prime Organic Foods Inc.	Proteins	Kensington Energy Corp. (OTCPK:KNGC)	NA
07/27/2011	Malpec Peat Moss Ltd.	Other Agriculture	Premier Tech Ltd.	NA
07/26/2011	Agrotain International, LLC	Other Agriculture	Koch Agronomic Services, LLC	NA
07/26/2011	Greenfield Wine Company	Alcoholic Beverages	Vintage Wine Estates Inc.	NA

Source: Capital IQ

Merger and Acquisition Activity

Select Domestic Mergers and Acquisitions

July 1, 2011 through February 29, 2012

Announced Date	Seller (Target)	Subsector	Parent (Acquirer)	Total Transaction Value (\$USDmm, Historical rate)
07/26/2011	Allen Family Foods, Inc.	Proteins	Harim USA Ltd.	48.00
07/25/2011	GRAN NEVADA Beverages, Inc.	Other Beverages	NuVim Inc. (OTCPK:NUVM)	0.04
07/21/2011	Fresherized Foods, Inc.	Other Agriculture	MegaMex Foods, LLC.	NA
07/21/2011	Buff Water, Inc.	Other Beverages	The Kiley Group, Inc. (OTCPK:KGRI)	NA
07/19/2011	Prestige Pet Products, Inc.	Processed Foods	For The Earth Corp. (OTCPK:FTEG)	NA
07/15/2011	Kansas City Sausage Company, LLC And Pine Ridge Farms, LLC	Proteins	AgFeed Industries, Inc. (NasdaqGS:FEED)	NA
07/11/2011	MacPhail Family Wines LLC	Alcoholic Beverages	The Hess Collection Winery, Inc.	NA
07/07/2011	Genetics International, Inc.	Seed	Undisclosed Buyer	NA
07/06/2011	Rupari Food Services, Inc.	Proteins	Wind Point Partners	NA
07/06/2011	Vaughan Foods Inc.	Processed Foods	Reser's Fine Foods, Inc.	27.13
07/01/2011	White Stone Meat Packing Company	Proteins	J&R Natural Meat and Sausage	NA
07/01/2011	Golden Brands, LLC	Other Agriculture	AarhusKarlshamn AB (OM:AAK)	NA

Source: Capital IQ

Stock Price Performance and Public Market Valuations

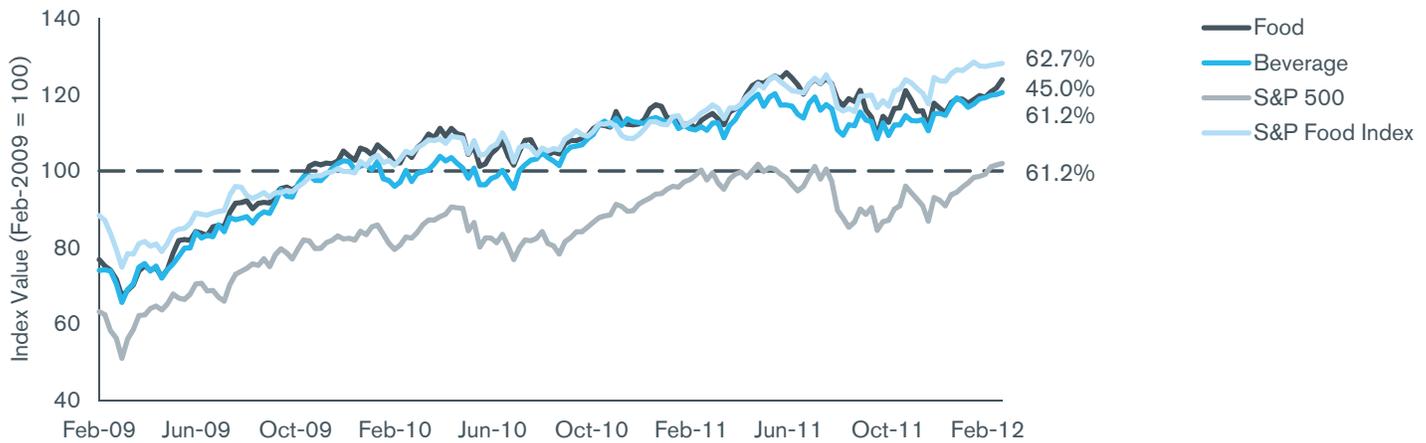
The chart below illustrates the index price performance of Duff & Phelps' selected food and beverage indices benchmarked against the S&P 500 Index and the S&P Food Index.

The food and beverage composites have traded in-line with the broader market but continue to maintain above average returns due to the recession resistant nature of the

industries. The S&P Food Index slightly outperformed the selected Duff & Phelps indices, yet both indices indicate a strong performance relative to the market benchmark.

Selected Duff & Phelps' Food and Beverage Indices vs. S&P 500 Index vs. S&P Food Index

February 2009 – February 2012



Note: Growth figures from February 2009 to February 2012

Source: Capital IQ

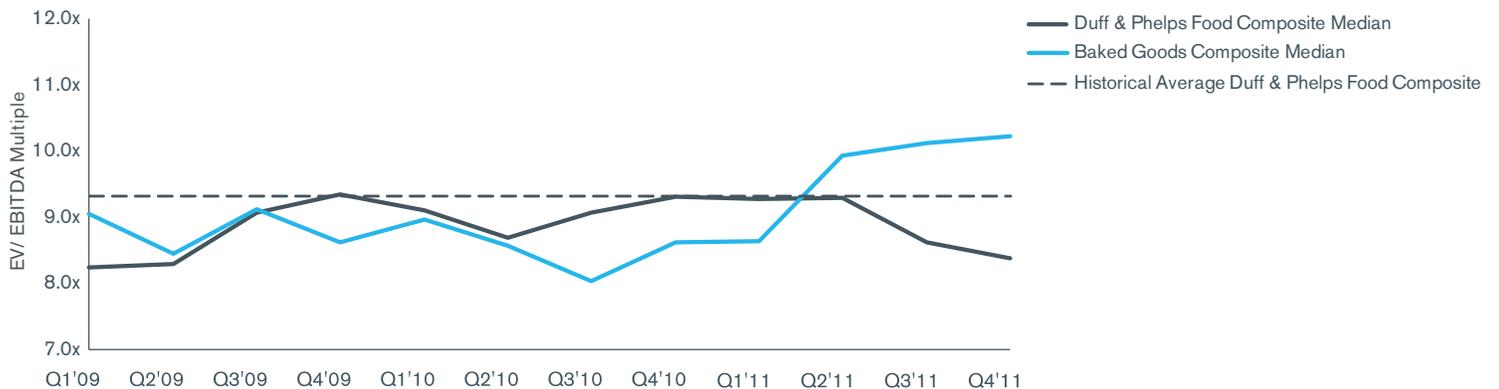
Enterprise value to EBITDA multiples for the Baked Goods Composite traded above the broader Duff & Phelps food composite ("Duff & Phelps Food Composite") in 2011.

The Baked Goods Composite EBITDA multiples peaked in the fourth quarter of 2011 as economic conditions improved and commodity price volatility lessened. The

Duff & Phelps Food Composite has slightly increased since 2009, ending 2011 at 8.4x, just above the 8.3x level it began at in 2009.

Duff & Phelps Food Composite and Protein Composite Multiples

Quarterly EV/EBITDA Multiples from Q1 2009 – Q4 2011



Source: Capital IQ

Stock Price Performance and Public Market Valuations

Food & Beverage

(\$ in millions, except per share data)

Company Name	Recent Stock Price (1)	% of 52W High	Market Cap (2)	Enterprise Value (3)	Multiples		Operating Statistics			
					Enterprise Value/Revenue	EBITDA (4)	Total Debt/EBITDA	TTM Revenue Growth (5)	TTM Margins	
								Gross	EBITDA	
FOOD										
Protein										
High Liner Foods Inc.	\$19.12	99.8%	\$270.9	\$368.9	0.56x	6.9x	1.8x	14.3%	17.5%	8.1%
Industrias Bachoco S.A.B. de C.V.	\$20.24	70.1%	\$1,048.1	\$968.9	0.49x	18.8x	2.6x	12.2%	10.5%	2.6%
JBS S.A.	\$4.26	90.4%	\$13,146.7	\$21,264.4	0.66x	13.0x	6.3x	23.0%	11.2%	5.1%
Maple Leaf Foods Inc.	\$11.46	91.0%	\$1,669.2	\$2,727.0	0.57x	7.1x	2.5x	-1.5%	15.7%	7.9%
Marfrig Alimentos SA	\$6.16	64.7%	\$2,268.6	\$7,134.8	0.62x	6.8x	6.3x	63.1%	14.5%	9.1%
Sanderson Farms, Inc.	\$49.20	89.4%	\$1,206.8	\$1,502.5	0.73x	NM	NM	7.0%	-3.7%	-4.4%
Seaboard Corp.	\$1,913.12	70.7%	\$2,356.6	\$2,113.2	0.37x	4.8x	0.4x	31.0%	10.1%	7.7%
Smithfield Foods Inc.	\$23.43	93.3%	\$3,661.1	\$5,478.4	0.42x	4.9x	1.8x	8.4%	12.8%	8.6%
Tyson Foods Inc.	\$18.91	89.8%	\$7,265.0	\$8,651.0	0.26x	5.5x	1.4x	12.1%	5.9%	4.7%
Median		89.8%	\$2,268.6	\$2,727.0	0.56x	6.9x	2.2x	12.2%	11.2%	7.7%
Mean		84.3%	\$3,654.8	\$5,578.8	0.52x	8.5x	2.9x	18.9%	10.5%	5.5%
Baked Goods/Snack Foods										
ARYZTA AG	\$49.75	93.6%	\$4,229.1	\$5,604.0	1.00x	8.0x	3.2x	28.8%	28.4%	12.5%
Diamond Foods, Inc.	\$23.92	24.9%	\$555.0	\$1,083.6	1.12x	7.8x	3.8x	42.0%	26.0%	14.4%
Flowers Foods, Inc.	\$19.14	82.7%	\$2,731.0	\$3,052.8	1.10x	10.6x	1.1x	7.8%	46.9%	10.4%
George Weston Limited	\$64.66	86.6%	\$7,981.0	\$15,714.3	0.49x	7.1x	3.6x	1.7%	24.6%	7.0%
Grupo Bimbo, S.A.B. de C.V.	\$2.26	93.4%	\$10,986.0	\$14,562.1	1.52x	13.7x	3.2x	14.1%	51.2%	11.0%
J&J Snack Foods Corp.	\$50.17	90.3%	\$956.0	\$854.0	1.12x	8.2x	0.0x	8.2%	30.2%	13.7%
Snyder's-Lance, Inc.	\$22.45	92.0%	\$1,655.5	\$1,896.7	1.16x	12.6x	1.7x	66.9%	34.9%	9.2%
Median		90.3%	\$2,731.0	\$3,052.8	1.12x	8.2x	3.2x	14.1%	30.2%	11.0%
Mean		80.5%	\$4,156.2	\$6,109.6	1.07x	9.7x	2.4x	24.2%	34.6%	11.2%
Dairy										
Dairy Crest Group plc	\$5.14	79.1%	\$739.6	\$1,335.5	0.53x	5.9x	3.0x	1.3%	29.0%	8.9%
Danone	\$67.81	97.0%	\$41,420.9	\$51,562.8	2.05x	11.5x	2.8x	13.6%	48.4%	17.8%
Dean Foods Company	\$12.26	88.2%	\$2,258.7	\$6,016.8	0.46x	8.4x	5.4x	7.7%	23.1%	5.5%
Glanbia plc	\$7.48	95.3%	\$2,191.9	\$2,831.2	0.82x	10.2x	3.3x	23.3%	16.4%	8.0%
Saputo, Inc.	\$41.57	84.0%	\$8,674.7	\$9,117.2	1.38x	11.2x	0.7x	14.0%	12.3%	12.3%
Median		88.2%	\$2,258.7	\$6,016.8	0.82x	10.2x	3.0x	13.6%	23.1%	8.9%
Mean		88.7%	\$11,057.2	\$14,172.7	1.05x	9.5x	3.0x	12.0%	25.8%	10.5%

(1) As of 2-29-12

(2) Market Capitalization is the aggregate value of a firm's outstanding common stock

(3) Enterprise value is the total value of a firm (including all debt and equity)

(4) Earnings before interest, taxes, depreciation and amortization

(5) Trailing Twelve Months

Source: Capital IQ

Stock Price Performance and Public Market Valuations

Food & Beverage

(\$ in millions, except per share data)

Company Name	Recent Stock Price (1)	% of 52W High	Market Cap (2)	Enterprise Value (3)	Multiples		Operating Statistics			
					Enterprise Value/ Revenue	EBITDA (4)	Total Debt/ EBITDA	TTM Revenue Growth (5)	TTM Margins	
								Gross	EBITDA	
FOOD (continued)										
Diversified Foods										
Associated British Foods plc	\$19.09	98.4%	\$14,771.2	\$17,459.4	1.00x	9.1x	1.3x	8.8%	24.6%	11.0%
Campbell Soup Co.	\$33.32	93.4%	\$10,456.2	\$13,098.2	1.70x	8.9x	2.0x	1.0%	39.5%	19.2%
ConAgra Foods, Inc.	\$26.25	96.0%	\$10,966.5	\$13,330.0	1.04x	8.0x	1.8x	7.1%	22.5%	13.0%
Dole Food Company Inc.	\$9.58	65.7%	\$883.3	\$2,331.5	0.32x	6.6x	4.7x	4.8%	10.9%	4.9%
Fresh Del Monte Produce Inc.	\$22.46	79.9%	\$1,316.0	\$1,510.3	0.42x	7.5x	1.1x	1.0%	8.9%	5.6%
General Mills, Inc.	\$38.31	93.3%	\$24,941.5	\$33,669.6	2.14x	11.1x	2.6x	7.0%	37.1%	19.3%
The Hain Celestial Group, Inc.	\$40.84	95.0%	\$1,898.1	\$2,325.0	1.85x	15.7x	3.0x	26.5%	27.8%	11.8%
The Hershey Company	\$60.70	97.3%	\$13,598.9	\$14,817.0	2.44x	11.5x	1.5x	7.2%	42.4%	21.2%
H. J. Heinz Company	\$52.71	95.8%	\$17,040.6	\$21,351.1	1.86x	10.7x	2.5x	9.0%	35.9%	17.3%
Hormel Foods Corp.	\$28.47	93.3%	\$7,566.8	\$7,196.0	0.90x	9.0x	0.3x	8.1%	16.2%	9.9%
The J. M. Smucker Company	\$75.32	92.5%	\$8,710.6	\$10,411.4	1.94x	9.6x	1.9x	13.8%	34.9%	20.3%
Kellogg Company	\$52.35	90.7%	\$18,901.0	\$24,475.0	1.85x	10.3x	2.5x	6.5%	41.4%	17.9%
Kraft Foods Inc.	\$38.07	97.5%	\$67,723.4	\$93,273.4	1.72x	10.8x	3.2x	10.5%	35.0%	15.9%
McCormick & Co. Inc.	\$50.45	96.6%	\$6,874.0	\$8,070.1	2.18x	12.4x	1.9x	10.8%	41.2%	17.6%
Nestlé S.A.	\$61.28	99.4%	\$194,805.7	\$211,443.8	2.36x	12.6x	1.4x	-4.8%	47.3%	18.7%
Post Holdings, Inc.	\$31.14	97.3%	\$1,031.3	\$1,802.9	1.87x	7.5x	3.2x	0.0%	45.8%	25.1%
Ralcorp Holdings Inc.	\$74.60	81.7%	\$4,131.6	\$6,869.1	1.39x	8.8x	3.6x	17.0%	25.5%	15.7%
Sara Lee Corp.	\$20.25	91.9%	\$12,577.2	\$12,273.2	1.36x	10.6x	2.1x	18.4%	32.0%	12.8%
Tootsie Roll Industries Inc.	\$22.57	77.7%	\$1,290.9	\$1,208.8	2.27x	15.7x	0.1x	2.1%	31.2%	14.5%
Treehouse Foods, Inc.	\$57.60	85.7%	\$2,113.0	\$3,014.6	1.47x	10.9x	3.3x	12.8%	23.1%	13.5%
Unilever plc	\$32.37	93.5%	\$92,956.9	\$106,506.7	1.76x	10.9x	1.8x	5.0%	39.9%	16.2%
Median		93.4%	\$10,456.2	\$12,273.2	1.76x	10.6x	2.0x	7.2%	34.9%	15.9%
Mean		91.1%	\$24,502.6	\$28,878.0	1.61x	10.4x	2.2x	8.2%	31.6%	15.3%

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(4) Earnings before interest, taxes, depreciation and amortization

(5) Trailing Twelve Months

Source: Capital IQ

Stock Price Performance and Public Market Valuations

Food & Beverage

(\$ in millions, except per share data)

Company Name	Recent Stock Price (1)	% of 52W High	Market Cap (2)	Enterprise Value (3)	Multiples		Operating Statistics			
					Enterprise Value/ Revenue	EBITDA (4)	Total Debt/ EBITDA	TTM Revenue Growth (5)	TTM Margins	
								Gross	EBITDA	
BEVERAGE										
Alcoholic										
Anheuser-Busch InBev	\$67.33	93.3%	\$113,874.8	\$152,424.2	3.90x	10.0x	2.6x	7.6%	57.4%	39.0%
Beam, Inc.	\$55.08	84.1%	\$9,025.5	\$10,742.4	4.65x	12.7x	2.3x	10.3%	58.9%	36.6%
Brown-Forman Corporation	\$81.65	96.9%	\$11,226.1	\$11,491.1	4.21x	13.5x	0.9x	7.6%	65.8%	31.2%
Constellation Brands Inc.	\$21.84	94.2%	\$4,529.7	\$7,621.3	2.78x	12.0x	5.0x	-17.6%	39.1%	23.1%
Diageo plc	\$23.96	97.8%	\$60,168.0	\$75,003.5	4.65x	15.7x	3.1x	4.9%	60.2%	29.5%
Molson Coors Brewing Company	\$43.94	88.6%	\$7,739.2	\$8,664.4	2.46x	12.9x	2.9x	8.0%	41.9%	19.1%
Median		93.7%	\$10,125.8	\$11,116.7	4.06x	12.8x	2.8x	7.6%	58.2%	30.3%
Mean		92.5%	\$34,427.2	\$44,324.5	3.77x	12.8x	2.8x	3.5%	53.9%	29.7%
Other Beverage										
The Coca-Cola Company	\$69.86	97.3%	\$159,267.5	\$174,086.5	3.74x	13.6x	2.2x	32.5%	60.9%	27.6%
Cott Corporation	\$6.56	75.4%	\$609.9	\$1,139.9	0.49x	5.6x	3.0x	29.5%	11.8%	8.7%
Green Mountain Coffee Roasters Inc.	\$64.97	56.0%	\$7,886.8	\$8,301.9	2.57x	13.3x	0.8x	104.0%	33.9%	19.3%
Monster Beverage Corporation	\$57.18	94.2%	\$10,408.0	\$9,637.4	5.66x	20.4x	0.0x	30.6%	52.5%	27.8%
National Beverage Corp.	\$16.01	90.1%	\$728.4	\$703.5	1.14x	9.2x	0.0x	3.0%	34.9%	12.5%
Pepsico, Inc.	\$62.94	87.6%	\$100,788.1	\$123,331.1	1.85x	9.4x	2.0x	15.0%	52.6%	19.7%
Median		88.8%	\$9,147.4	\$8,969.6	2.21x	11.3x	1.4x	30.0%	43.7%	19.5%
Mean		83.4%	\$46,614.8	\$52,866.7	2.58x	11.9x	1.3x	35.8%	41.1%	19.3%

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(5) Trailing Twelve Months

Source: Capital IQ

Duff & Phelps Experience

Country Fresh, Inc. is a leading processor and distributor of fresh-cut produce and organic products. The Company provides approximately 100 products to its blue-chip customer base within the retail and food-service segments from its six strategically-located facilities. The Company is based in Houston, Texas.

Duff & Phelps initiated the transaction, assisted in the negotiations, and served as exclusive financial advisor to Country Fresh, Inc. in its minority equity sale to Eos Partners, L.P. Eos Partners, L.P. is a private equity partner for management teams in buyouts, divestitures and recapitalizations of middle market companies.

Sell Side Advisor

Country Fresh has completed a minority equity investment with Eos Partners, L.P.



Served as the sell side advisor to Country Fresh, Inc.

Representative Duff & Phelps Food and Beverage Experience

Sell Side Advisor

Zeigler Beverage Company has been acquired by LiDestri Foods



Financial advisor to Zeigler Beverage Company

Sell Side Advisor

National Deli Holdings, LLC, a portfolio company of Arbor Investments, has been acquired by River Associates Investments, LLC



Financial advisor to National Deli Holdings, LLC

Financial Advisor

Friendly Ice Cream Corporation has completed its \$ 363 sale pursuant to its Chapter 11 filing under the U.S. Bankruptcy Code



Financial advisor to Friendly Ice Cream Corporation

Buy Side Advisor

Noodles & Company has been acquired by Catterton Partners



Financial advisor to Catterton Partners

Sell Side Advisor

Rock Bottom Restaurants has been acquired by Craftworks, a portfolio company of Centerbridge



Financial advisor to Rock Bottom Restaurants

Solvency Opinion

Fortune Brands, Inc (nka Beam, Inc.) has completed the tax-free spin-off of Fortune Brands Home & Security



Financial advisor to the board of directors of Fortune Brands, Inc.

For more information about
our industry expertise, visit:

www.duffandphelps.com

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About Duff & Phelps

As a leading global financial advisory and investment banking firm, Duff & Phelps balances analytical skills, deep market insight and independence to help clients make sound decisions. The firm provides expertise in the areas of valuation, transactions, financial restructuring, alternative assets, disputes and taxation, with more than 1,000 employees serving clients from offices in North America, Europe and Asia. Investment banking services in the United States are provided by Duff & Phelps Securities, LLC; Pagemill Partners; and GCP Securities, LLC. Member FINRA/SIPC.

M&A advisory services in the United Kingdom and Germany are provided by Duff & Phelps Securities Ltd. Duff & Phelps Securities Ltd. is authorized and regulated by the Financial Services Authority. Investment banking services in France are provided by Duff & Phelps SAS. For more information, visit www.duffandphelps.com. (NYSE: DUF)