

Quarterly Industry Update

As of December 31, 2013

Industry: Food Distributors



Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Food Distributors industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since December 31, 2012, the median 52-week share price return of the Food Distributors industry has increased by 41.6%. In the last quarter, the median price-to-earnings multiple increased from 22.2x to 27.5x.

Comparable Public Company Key Statistics

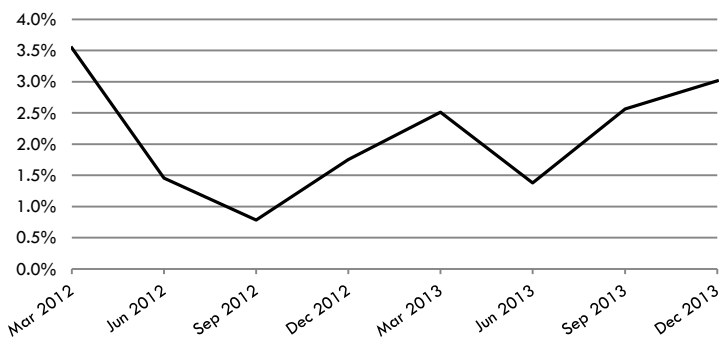
Median 52-Week Return	41.6%	Median EV/Revenue Multiple	1.0x	Median Price/Earnings Multiple	27.5x
Median 3-Year CAGR Return	21.2%	Median EV/EBITDA Multiple	12.9x	Median EV/Gross CF Multiple	18.3x

Comparable Public Company Market Price Returns (As of December 31, 2013)

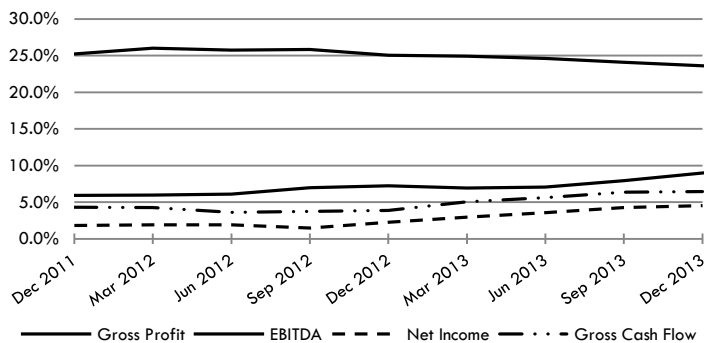
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2012	2011	2010	2009	2008
Dean Foods Company	-47.9%	-10.9%	-47.9%	-12.4%	-0.9%	-13.7%	47.4%	26.7%	-51.0%	0.4%	-30.5%
Koninklijke Wessanen N.V.	35.1%	8.4%	35.1%	3.2%	-0.5%	-9.7%	-21.2%	-7.4%	-33.9%	-7.6%	-59.1%
Inventure Foods, Inc.	104.3%	26.3%	104.3%	88.3%	45.3%	52.1%	73.5%	-13.4%	83.1%	44.8%	-26.9%
The Hain Celestial Group, Inc.	67.4%	17.7%	67.4%	57.4%	49.7%	36.6%	47.9%	35.5%	59.1%	-10.9%	-40.3%
Golden Enterprises Inc.	19.5%	3.8%	19.5%	6.4%	6.4%	13.7%	-5.2%	6.5%	-7.1%	69.8%	-30.0%
SunOpta Inc.	77.9%	2.8%	77.9%	41.9%	8.3%	44.8%	13.1%	-36.8%	131.3%	116.1%	-88.3%
Boulder Brands, Inc.	22.9%	-1.1%	22.9%	72.0%	54.1%	18.5%	140.7%	23.8%	-27.8%	-11.8%	-37.8%
Flowers Foods, Inc.	38.4%	0.1%	38.4%	30.3%	21.5%	14.7%	22.6%	5.8%	13.3%	-2.5%	4.1%
Hormel Foods Corporation	44.7%	7.2%	44.7%	24.2%	20.8%	23.8%	6.6%	14.3%	33.3%	23.7%	-23.2%
Pilgrim's Pride Corporation	124.4%	-3.2%	124.4%	68.0%	31.8%	N/A	25.7%	-18.8%	-20.3%	N/A	N/A
Median of Industry Public Companies	41.6%	3.3%	41.6%	36.1%	21.2%	18.5%	24.1%	6.1%	3.1%	0.4%	-30.5%

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Food Distributors Companies



Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



Median Public Company Multiples of the Food Distributors Industry

Date:	12/31/2011	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013
EV/Revenues Multiple	0.6x	0.6x	0.7x	0.7x	0.7x	0.7x	0.8x	1.0x	1.0x
EV/EBITDA Multiple	9.6x	11.0x	12.1x	9.0x	9.2x	11.4x	12.3x	12.6x	12.9x
Price/Earnings Multiple	24.2x	28.5x	30.2x	21.5x	17.6x	21.1x	21.8x	22.2x	27.5x
EV/Gross Cash Flows Multiple	13.9x	14.8x	16.7x	13.4x	13.6x	16.9x	16.7x	17.9x	18.3x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact Richard Reynolds or Steven Kam at 415-392-0888 for additional information or questions in connection with this research report.

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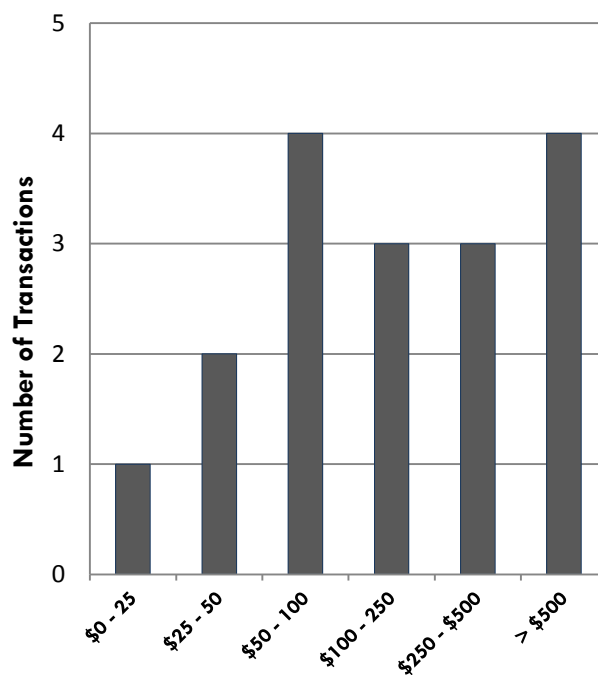
Industry Initial Public Offerings (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
3/27/2013	Pinnacle Foods Inc.	\$20.00	29.0	\$580.0	\$4,400.0	\$2,612.8	\$2,478.5	\$391.8	\$52.5	\$469.3
10/25/2012	The WhiteWave Foods Company	\$17.00	23.0	\$391.0	\$2,085.9	\$440.3	\$2,222.9	\$223.3	\$114.1	\$292.7
10/10/2012	Amira Nature Foods Ltd.	\$10.00	9.0	\$90.0	\$243.5	\$163.0	\$360.0	\$43.4	\$12.3	\$45.3
3/27/2012	Annie's, Inc.	\$19.00	5.0	\$95.0	\$68.2	\$13.3	\$134.9	\$19.1	\$12.8	N/A
10/22/2009	Dole Food Company Inc.	\$12.50	35.7	\$446.4	\$4,453.7	\$2,288.3	\$6,889.8	\$416.9	\$59.7	N/A
12/16/2005	Boulder Brands, Inc.	\$8.00	12.8	\$102.1	N/A	N/A	N/A	N/A	N/A	N/A
7/20/2005	Diamond Foods, Inc.	\$17.00	6.0	\$102.0	\$243.8	\$111.1	\$435.1	\$192.9	\$186.0	\$197.8
Median of All IPOs		nm	nm	\$102.1	\$1,164.9	\$301.6	\$1,329.0	\$208.1	\$56.1	\$245.3

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
11/19/2013	Nash Finch Co.	Spartan Stores Inc.	\$797.2	100%
8/9/2013	Overhill Farms, Inc.	Bellisio Foods, Inc.	\$87.6	100%
5/8/2013	Grupo Nutrisa SAB	Grupo Herdez	\$158.1	67%
1/29/2013	Ralcorp Holdings Inc.	ConAgra Foods, Inc.	\$7,152.6	100%
8/20/2012	Conopco, Inc.	ConAgra Foods, Inc.	\$266.9	100%
8/10/2012	Michael's Finer Meats	The Chefs' Warehouse	\$71.8	100%
7/21/2012	Lepage Bakeries, Inc.	Flowers Foods, Inc.	\$320.0	100%
7/2/2012	Udi's Healthy Foods, LLC	Smart Balance, Inc.	\$141.7	100%
5/31/2012	The Wimble Company	Kellogg Company	\$2,695.0	100%
5/22/2012	Petri Baking Products, Inc.	Ralcorp Holdings Inc.	\$84.0	100%
5/4/2012	Solo Cup Co.	Dart Container	\$977.5	100%
4/16/2012	Marketfare Foods, Inc.	Greencore Group plc	\$36.0	100%
11/30/2011	National Pretzel Company	ConAgra Foods, Inc.	\$301.9	100%
11/2/2011	Thiel Cheese & Ingredients	Irish Dairy Board	\$50.0	100%
5/19/2011	Tasty Baking Company	Flowers Bakeries, LLC	\$149.7	100%
12/14/2010	Edner of Nevada, Inc.	SunOpta Food Group LLC	\$7.4	100%
Median of All Transaction Targets			\$153.9	100%

Size of Merger and Acquisition Transactions (dollars in millions)



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