

## Q3 2015 Food and Beverage Public Comparables

### Lincoln Update

#### Lincoln's 2016 Consumer Conference

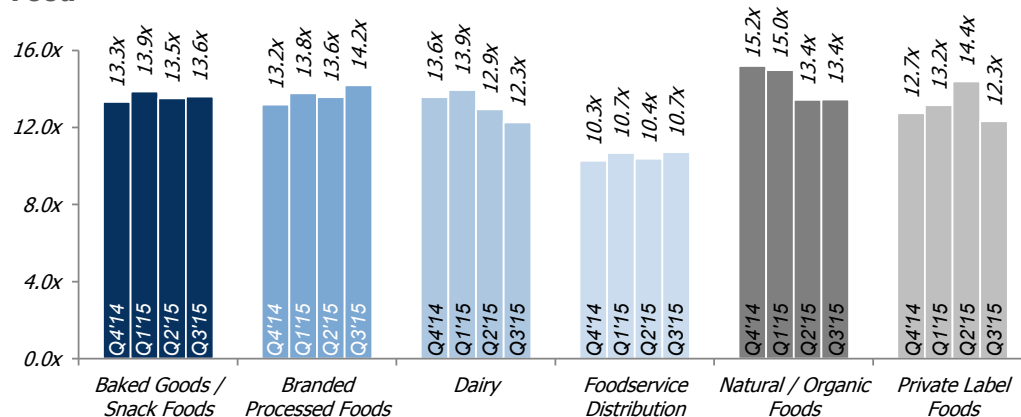
Lincoln International will hold its annual Consumer Conference on **Thursday, May 12, 2016** at the Hotel Nikko in San Francisco. Details on presenting companies will be made available in the coming months.

A [video overview](#) and [recap brochure](#) of Lincoln's 2015 Consumer Conference are available in the embedded links.

Please click the link below to register for Lincoln's 2016 Consumer Conference <http://www.cvent.com/d/prqtjz>.

### Historical Enterprise Value / EBITDA

#### Food

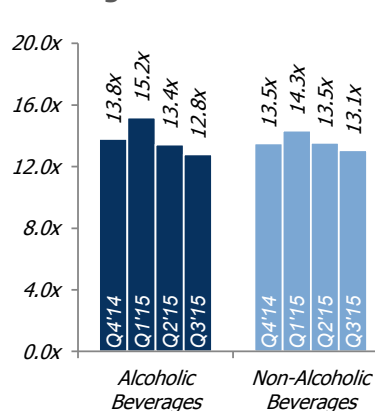


### Market Intelligence

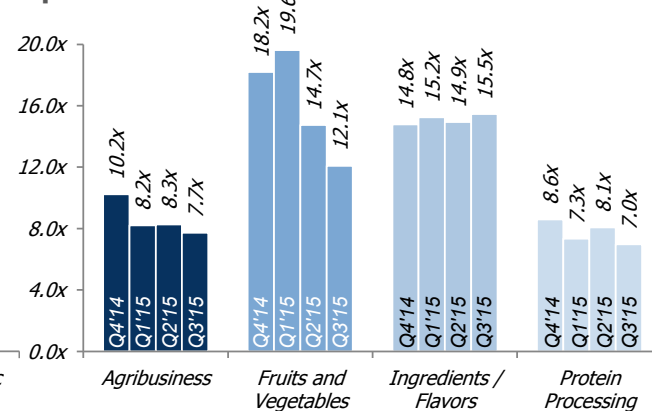
- M&A activity in the food and beverage sector continued to show strong momentum in the third quarter, including **B&G Foods'** acquisition of **Green Giant International** and **Flowers Foods'** acquisition of **Alpine Valley Bread**.
- Heinken NV's** acquisition of a 50% stake in **Lagunitas Brewing Company** signaled increasing consolidation in the fast growing craft beer category.

Sources: Capital IQ, Mergermarket and Bloomberg

#### Beverages



#### Inputs



### Median Statistics

Sector (# of Companies)	Quarterly Stock Performance	% of 52 Week High	EV / LTM		P / E Multiple	Net Debt / LTM EBITDA	LTM Growth		LTM Margin	
			Revenue	EBITDA			Revenue	EBITDA	Gross	EBITDA
<b>Food</b>										
Baked Goods / Snack Foods (14)	2.6%	94.1%	1.7x	13.6x	33.0x	3.2x	1.3%	2.5%	28.7%	11.6%
Branded Processed Foods (19)	1.8%	93.6%	2.4x	14.2x	25.3x	2.1x	(2.2%)	1.2%	34.7%	16.1%
Dairy (6)	(4.0%)	84.3%	1.3x	12.3x	30.6x	1.9x	(11.1%)	(3.8%)	28.9%	9.9%
Foodservice Distribution (15)	1.1%	81.4%	1.0x	10.7x	24.8x	1.1x	(3.9%)	(2.9%)	31.5%	9.3%
Natural / Organic Foods (6)	(20.7%)	58.7%	1.1x	13.4x	31.9x	2.8x	13.8%	12.0%	28.9%	8.9%
Private Label Foods (8)	(4.6%)	86.4%	1.4x	12.3x	33.7x	3.2x	4.6%	3.8%	20.8%	11.2%
<b>Median</b>			<b>1.4x</b>	<b>12.9x</b>	<b>31.2x</b>	<b>2.5x</b>	<b>(0.4%)</b>	<b>1.8%</b>	<b>28.9%</b>	<b>10.5%</b>
<b>Beverage</b>										
Alcoholic Beverages (10)	(4.2%)	85.3%	4.1x	12.8x	23.3x	2.6x	(3.2%)	(5.2%)	51.2%	28.3%
Non-Alcoholic Beverages (10)	1.6%	93.0%	2.5x	13.1x	22.6x	1.7x	2.6%	1.7%	42.1%	20.7%
<b>Median</b>			<b>3.3x</b>	<b>12.9x</b>	<b>22.9x</b>	<b>2.2x</b>	<b>(0.3%)</b>	<b>(1.7%)</b>	<b>46.7%</b>	<b>24.5%</b>
<b>Inputs</b>										
Agribusiness (9)	(16.5%)	67.7%	1.2x	7.7x	15.9x	1.9x	(6.9%)	(2.0%)	22.2%	11.9%
Fruits and Vegetables (3)	(5.1%)	83.3%	0.6x	12.1x	21.7x	0.7x	4.0%	26.6%	9.0%	6.4%
Ingredients/Flavors (13)	1.2%	88.3%	1.5x	15.5x	29.9x	1.6x	(10.1%)	(11.8%)	30.2%	11.5%
Protein Processing (6)	(3.8%)	92.8%	0.6x	7.0x	13.9x	2.4x	3.5%	25.9%	16.8%	10.5%
<b>Median</b>			<b>0.9x</b>	<b>9.9x</b>	<b>18.8x</b>	<b>1.8x</b>	<b>(1.7%)</b>	<b>12.0%</b>	<b>19.5%</b>	<b>11.0%</b>
<b>Overall Median</b>			<b>1.4x</b>	<b>12.6x</b>	<b>25.0x</b>	<b>2.0x</b>	<b>(0.4%)</b>	<b>1.5%</b>	<b>28.9%</b>	<b>11.3%</b>

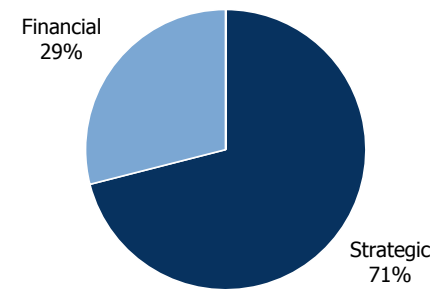
Source: Capital IQ as of 9/30/2015

## Q3 2015 Food and Beverage M&A Activity — North America

### Summary Observations

- During Q3 2015, there were 69 announced M&A transactions involving the acquisition of North American food and beverage targets, up 5% from Q3 2014
- 71% went to strategic acquirers, 29% went to financial and other acquirers
- Notable deals announced in Q3 2015 include:
  - The WhiteWave Foods Company acquired Wallaby Yogurt Company for \$122 million or ~2.7x revenue
  - Heineken acquired a 50% stake in the Lagunitas Brewing Company for an undisclosed sum
  - Flowers Bakeries acquired Dave's Killer Bread for \$275 million or approximately 1.7x 2016F revenue

### Breakdown by Acquirer Type



### Selected North American M&A Transactions

Announced Date	Target	Acquirer	Enterprise Value (\$mm)	Enterprise Value	
				Sales	EBITDA
9/23/15	Golden Road Brewing	AB InBev	-	-	-
9/23/15	Willamette Egg Farms, L.L.C.	Post Holdings	\$90	1.1x	6.0x
9/16/15	YummyEarth, Inc.	The Riverside Company	-	-	-
9/15/15	Califia Farms LP	Stripes Group	-	-	-
9/9/15	Alpine Valley Bread Company	Flowers Bakeries, LLC	120	-	-
9/8/15	Natural Food Holdings, Inc.	Perdue Farms Inc.	-	-	-
9/8/15	Lagunitas Brewing Company	Heineken NV	-	-	-
9/4/15	Virtue Cider Company	Fulton Street Brewery, LLC	-	-	-
9/3/15	Green Giant International (Green Giant & La Sueur brands)	B&G Foods	765	-	-
8/26/15	Talbot Vineyards	E. & J. Gallo Winery, Inc.	-	-	-
8/25/15	McNeil Nutritionals (Splenda Brand)	TC Heartland LLC	-	-	-
8/20/15	Deep Eddy Vodka & Spirits	HeavenHill Distilleries, Inc.	-	-	-
8/20/15	The Mediterranean Snack Food Company, LLC	American Halal Company, Inc.	-	-	-
8/19/15	Hudson Baking Company, LLC	Arbor Investments	-	-	-
8/18/15	Suja Juice Inc.	Coca-Cola	-	-	-
8/12/15	Dave's Killer Bread	Flowers Bakeries, LLC	275	-	-
8/7/15	Wallaby Yogurt Company, Inc.	The WhiteWave Foods Company	122	2.7x	-
8/7/15	Kettle Cuisine, Inc.	Kainos Capital	-	-	-
8/7/15	Trilliant Food & Nutrition	Kainos Capital	-	-	-
8/5/15	Gold Pure Food Products Co., Inc.	LaSalle Capital	-	-	-
7/31/15	Sunrise Growers, Inc.	SunOpta Inc.	450	1.5x	11.5x
7/30/15	Paisley Farm, Inc.	The Fremont Company	-	-	-
7/23/15	Italian Home Bakery Ltd.	Grupo Bimbo, S.A.B. de C.V.	-	-	-
7/21/15	Merrick Pet Care, Inc.	Nestlé Purina PetCare Company	-	-	-
7/16/15	Firestone Walker Brewing Co.	Duvel Moortgat nv	-	-	-
7/13/15	Spartan Foods Of America, Inc.	B&G Foods	50	1.4x	6.7x
7/8/15	Kerr Concentrates, Inc.	Ingredion Incorporated	100	-	-
7/6/15	Teasy Teas, LLC	Royal Cup, Inc.	-	-	-
7/2/15	Sprout Foods, Inc.	North Castle Partners	-	-	-
7/1/15	Copper Cane Wines & Provisions, Meiomi Wine Brand	Constellation Brands	315	-	-
7/1/15	Cargill Pork, LLC	Swift Pork Company	1,450	0.6x	6.8x

Sources: Capital IQ as of 9/30/2015, Mergermarket

### About Lincoln

Lincoln International specializes in merger and acquisition advisory services, debt advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes.

With sixteen offices in the Americas, Asia and Europe, Lincoln International has strong local knowledge and contacts in key global economies. The firm provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest.

More information about Lincoln International can be obtained at [www.lincolninternational.com](http://www.lincolninternational.com).

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