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Industry Observations – March 31, 2019

Food and Beverage Industry

Select Food and Beverage Public Company Industry Data As of March 31, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 03/31/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Processed Ingredients											
Archer-Daniels-Midland Company	ADM	\$43.13	82.8%	\$24,156.71	\$30,398.47	30.6%	\$40,833.00	\$64,341.00	\$2,865.00	\$66,917.64	\$3,445.98
Bunge Limited	BG	\$53.07	69.0%	\$7,489.14	\$13,415.02	44.3%	\$19,425.00	\$45,743.00	\$1,561.00	\$46,669.94	\$1,537.96
Darling Ingredients Inc.	DAR	\$21.65	95.7%	\$3,565.68	\$5,208.80	41.8%	\$4,889.35	\$3,387.73	\$429.54	\$3,535.20	\$466.46
Ingredion Incorporated	INGR	\$94.69	71.7%	\$6,312.74	\$8,018.91	46.6%	\$5,728.00	\$5,841.00	\$984.00	\$5,850.20	\$999.71
McCormick & Company, Incorporated	MKC	\$150.63	96.6%	\$19,884.31	\$25,026.19	58.6%	\$10,227.90	\$5,425.00	\$1,091.30	\$5,426.77	\$1,152.62
Alcoholic Beverages											
The Boston Beer Company, Inc.	SAM	\$294.73	89.3%	\$3,388.88	\$2,942.23	0.0%	\$639.85	\$995.65	\$168.50	\$1,110.32	\$195.15
Brown-Forman Corporation	BF.B	\$52.78	88.6%	\$25,178.60	\$27,356.90	62.7%	\$5,163.00	\$3,313.00	\$1,095.00	\$3,485.09	\$1,213.60
Constellation Brands, Inc.	STZ	\$175.33	74.1%	\$33,288.98	\$51,353.92	51.5%	\$29,231.50	\$8,116.00	\$3,063.30	\$7,841.90	\$2,998.67
Molson Coors Brewing Company	TAP	\$59.65	79.0%	\$12,894.41	\$22,956.75	43.3%	\$30,109.80	\$10,769.60	\$2,290.80	\$10,683.32	\$2,433.85
Soft Drinks											
Keurig Dr Pepper Inc.	KDP	\$27.97	97.1%	\$39,328.10	\$53,366.67	41.5%	\$48,918.00	\$7,442.00	\$2,165.00	\$11,242.43	\$3,330.23
Monster Beverage Corporation	MNST	\$54.58	82.2%	\$29,645.03	\$29,023.62	0.0%	\$4,526.89	\$3,807.18	\$1,367.20	\$4,170.12	\$1,503.84
PepsiCo, Inc.	PEP	\$122.55	99.5%	\$172,094.75	\$204,639.52	69.0%	\$75,466.00	\$64,983.00	\$13,035.00	\$66,543.06	\$13,157.93
The Coca-Cola Company	KO	\$46.86	92.2%	\$200,334.06	\$232,692.66	69.6%	\$83,216.00	\$31,856.00	\$10,594.00	\$34,779.51	\$11,436.76

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

The material contained in this publication is meant to provide general information regarding valuation topics. This publication does not constitute investment advice with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Professional advice should be obtained before taking any action based on the information contained herein.

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Select Food and Beverage Public Company Industry Data As of March 31, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data					LTM Operating Data			Forward Estimates	
		Price at 03/31/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Meat Processing											
Cal-Maine Foods, Inc.	CALM	\$44.63	85.3%	\$2,170.26	\$1,665.10	0.3%	\$1,194.46	\$1,523.71	\$224.27	\$1,366.66	\$86.76
Hormel Foods Corporation	HRL	\$44.76	96.8%	\$23,976.85	\$21,752.20	9.9%	\$8,155.40	\$9,574.76	\$1,336.35	\$9,769.42	\$1,435.11
Pilgrim's Pride Corporation	PPC	\$22.29	88.8%	\$5,549.43	\$8,437.12	53.5%	\$5,931.20	\$10,937.78	\$773.90	\$11,153.86	\$928.84
Sanderson Farms, Inc.	SAFM	\$131.84	99.5%	\$2,921.11	\$3,122.20	4.2%	\$1,685.10	\$3,207.44	\$102.19	\$3,505.76	\$246.77
Tyson Foods, Inc.	TSN	\$69.43	95.9%	\$25,360.51	\$38,566.50	47.5%	\$32,335.00	\$40,016.00	\$4,032.00	\$42,937.04	\$4,245.81
Processed Branded Foods											
B&G Foods, Inc.	BGS	\$24.42	72.9%	\$1,594.57	\$3,232.51	64.5%	\$3,054.80	\$1,700.76	\$308.22	\$1,641.51	\$304.35
Campbell Soup Company	CPB	\$38.13	86.2%	\$11,481.63	\$21,124.04	88.1%	\$14,024.00	\$9,751.00	\$1,999.00	\$9,882.84	\$1,922.50
Conagra Brands, Inc.	CAG	\$27.74	70.4%	\$13,471.71	\$25,754.02	59.9%	\$22,726.60	\$8,891.40	\$1,815.10	\$10,786.31	\$2,085.75
Fresh Del Monte Produce Inc.	FDP	\$27.03	51.6%	\$1,305.02	\$2,022.90	27.5%	\$3,255.20	\$4,493.90	\$182.30	\$4,764.00	\$232.50
General Mills, Inc.	GIS	\$51.75	99.6%	\$30,987.42	\$46,311.35	65.8%	\$30,285.80	\$16,593.70	\$3,624.80	\$17,065.86	\$3,555.79
Kellogg Company	K	\$57.38	76.5%	\$19,722.59	\$29,220.37	73.8%	\$17,780.00	\$13,547.00	\$2,405.00	\$13,791.89	\$2,416.55
Mondelez International, Inc.	MDLZ	\$49.92	99.7%	\$72,092.94	\$90,103.50	42.1%	\$62,729.00	\$25,938.00	\$4,567.00	\$26,000.33	\$5,145.52
Nestlé S.A.	NESN	\$95.32	99.0%	\$283,525.63	\$312,156.67	41.1%	\$139,248.55	\$93,245.66	\$18,664.38	\$95,081.53	\$20,481.52

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

Select Food and Beverage Public Company Valuation Metrics As of March 31, 2019

(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2019 Revenue	TEV/ LTM EBITDA	TEV/ CY 2019 EBITDA
Processed Ingredients											
Archer-Daniels-Midland Company	ADM	3.0%	9.7%	4.5%	5.8%	17.0%	4.5%	0.5x	0.5x	10.6x	8.8x
Bunge Limited	BG	3.1%	3.9%	4.8%	-0.1%	45.8%	3.4%	0.3x	0.3x	8.6x	8.7x
Darling Ingredients Inc.	DAR	1.4%	4.5%	1.7%	-7.5%	-2.1%	12.7%	1.5x	1.5x	12.1x	11.2x
Ingredion Incorporated	INGR	8.2%	17.1%	10.4%	0.2%	-9.6%	16.8%	1.4x	1.4x	8.1x	8.0x
McCormick & Company, Incorporated	MKC	5.8%	20.5%	7.3%	8.4%	13.7%	20.1%	4.6x	4.6x	22.9x	21.7x
	Mean	4.3%	11.1%	5.7%	1.3%	12.9%	11.5%	1.7x	1.6x	12.5x	11.7x
	Median	3.1%	9.7%	4.8%	0.2%	13.7%	12.7%	1.4x	1.4x	10.6x	8.8x
Alcoholic Beverages											
The Boston Beer Company, Inc.	SAM	12.0%	21.0%	16.5%	15.4%	-0.5%	16.9%	3.0x	2.6x	17.5x	15.1x
Brown-Forman Corporation	BFB	12.6%	58.4%	17.6%	3.2%	-7.2%	33.1%	8.3x	7.8x	25.0x	22.5x
Constellation Brands, Inc.	STZ	6.6%	33.1%	7.3%	7.0%	10.2%	37.7%	6.3x	6.5x	16.8x	17.1x
Molson Coors Brewing Company	TAP	3.0%	8.4%	3.8%	-2.1%	-13.1%	21.3%	2.1x	2.1x	10.0x	9.4x
	Mean	8.6%	30.2%	11.3%	5.9%	-2.6%	27.2%	4.9x	4.8x	17.3x	16.0x
	Median	9.3%	27.0%	11.9%	5.1%	-3.9%	27.2%	4.6x	4.6x	17.1x	16.1x
Soft Drinks											
Keurig Dr Pepper Inc.	KDP	3.3%	3.9%	4.1%	59.0%	79.8%	29.1%	7.2x	4.7x	24.6x	16.0x
Monster Beverage Corporation	MNST	17.6%	26.5%	21.8%	13.0%	6.6%	35.9%	7.6x	7.0x	21.2x	19.3x
PepsiCo, Inc.	PEP	8.6%	99.9%	13.5%	1.5%	3.8%	20.1%	3.1x	3.1x	15.7x	15.6x
The Coca-Cola Company	KO	6.9%	35.4%	9.2%	-10.0%	2.5%	33.3%	7.3x	6.7x	22.0x	20.3x
	Mean	9.1%	41.4%	12.2%	15.9%	23.2%	29.6%	6.3x	5.4x	20.9x	17.8x
	Median	7.8%	30.9%	11.3%	7.2%	5.2%	31.2%	7.2x	5.7x	21.6x	17.7x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

Select Food and Beverage Public Company Valuation Metrics As of March 31, 2019

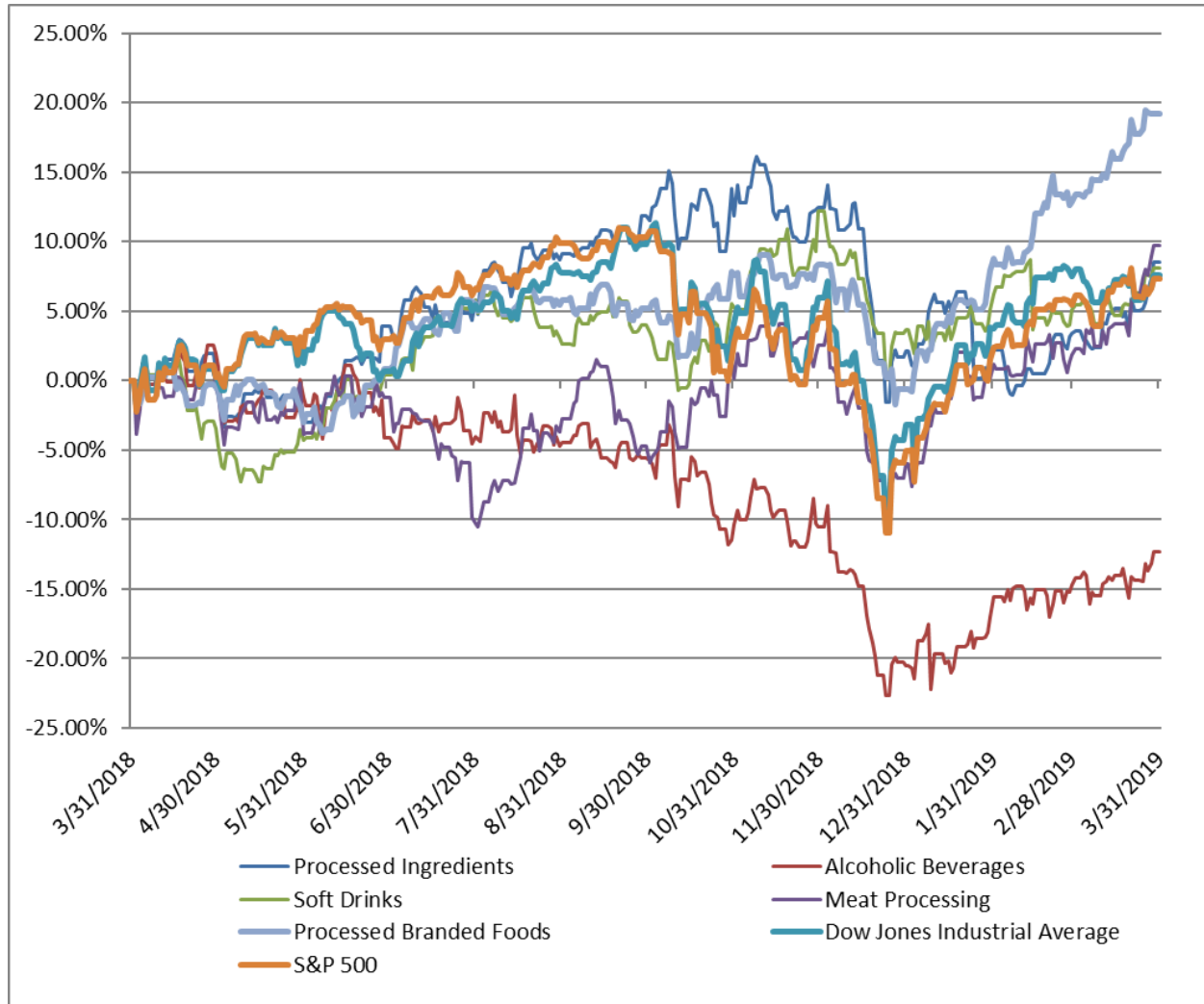
(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2019 Revenue	TEV/ LTM EBITDA	TEV/ CY 2019 EBITDA
Meat Processing											
Cal-Maine Foods, Inc.	CALM	9.1%	15.4%	11.1%	14.2%	104.8%	14.7%	1.1x	1.2x	7.4x	19.2x
Hormel Foods Corporation	HRL	9.2%	17.5%	11.9%	3.9%	1.5%	14.0%	2.3x	2.2x	16.3x	15.2x
Pilgrim's Pride Corporation	PPC	5.1%	12.7%	7.0%	1.6%	-42.8%	7.1%	0.8x	0.8x	10.9x	9.1x
Sanderson Farms, Inc.	SAFM	-0.4%	-0.5%	-0.5%	-6.4%	-80.0%	3.2%	1.0x	0.9x	30.6x	12.7x
Tyson Foods, Inc.	TSN	6.4%	15.4%	8.2%	1.8%	1.7%	10.1%	1.0x	0.9x	9.6x	9.1x
	Mean	5.9%	12.1%	7.5%	3.0%	-3.0%	9.8%	1.2x	1.2x	14.9x	13.0x
	Median	6.4%	15.4%	8.2%	1.8%	1.5%	10.1%	1.0x	0.9x	10.9x	12.7x
Processed Branded Foods											
B&G Foods, Inc.	BGS	4.8%	19.4%	5.6%	3.3%	-5.2%	18.1%	1.9x	2.0x	10.5x	10.6x
Campbell Soup Company	CPB	8.5%	-10.2%	11.5%	24.1%	1.8%	20.5%	2.2x	2.1x	10.6x	11.0x
Conagra Brands, Inc.	CAG	5.7%	11.1%	7.3%	13.5%	24.6%	20.4%	2.9x	2.4x	14.2x	12.3x
Fresh Del Monte Produce Inc.	FDP	1.7%	-0.9%	2.2%	10.0%	-23.3%	4.1%	0.5x	0.4x	11.1x	8.7x
General Mills, Inc.	GIS	7.1%	22.4%	9.7%	6.0%	12.9%	21.8%	2.8x	2.7x	12.8x	13.0x
Kellogg Company	K	6.9%	50.2%	10.3%	5.4%	5.6%	17.8%	2.2x	2.1x	12.1x	12.1x
Mondelez International, Inc.	MDLZ	3.7%	13.1%	5.3%	0.2%	0.0%	17.6%	3.5x	3.5x	19.7x	17.5x
Nestlé S.A.	NESN	7.1%	17.4%	10.0%	2.0%	3.4%	20.0%	3.3x	3.3x	16.7x	15.2x
	Mean	5.7%	15.3%	7.8%	8.1%	2.5%	17.5%	2.4x	2.3x	13.5x	12.6x
	Median	6.3%	15.2%	8.5%	5.7%	2.6%	19.1%	2.5x	2.3x	12.5x	12.2x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

Food and Beverage Public Company LTM Equity Performance As of March 31, 2019



Note: The indices are derived from the equity performance of the previously listed companies.

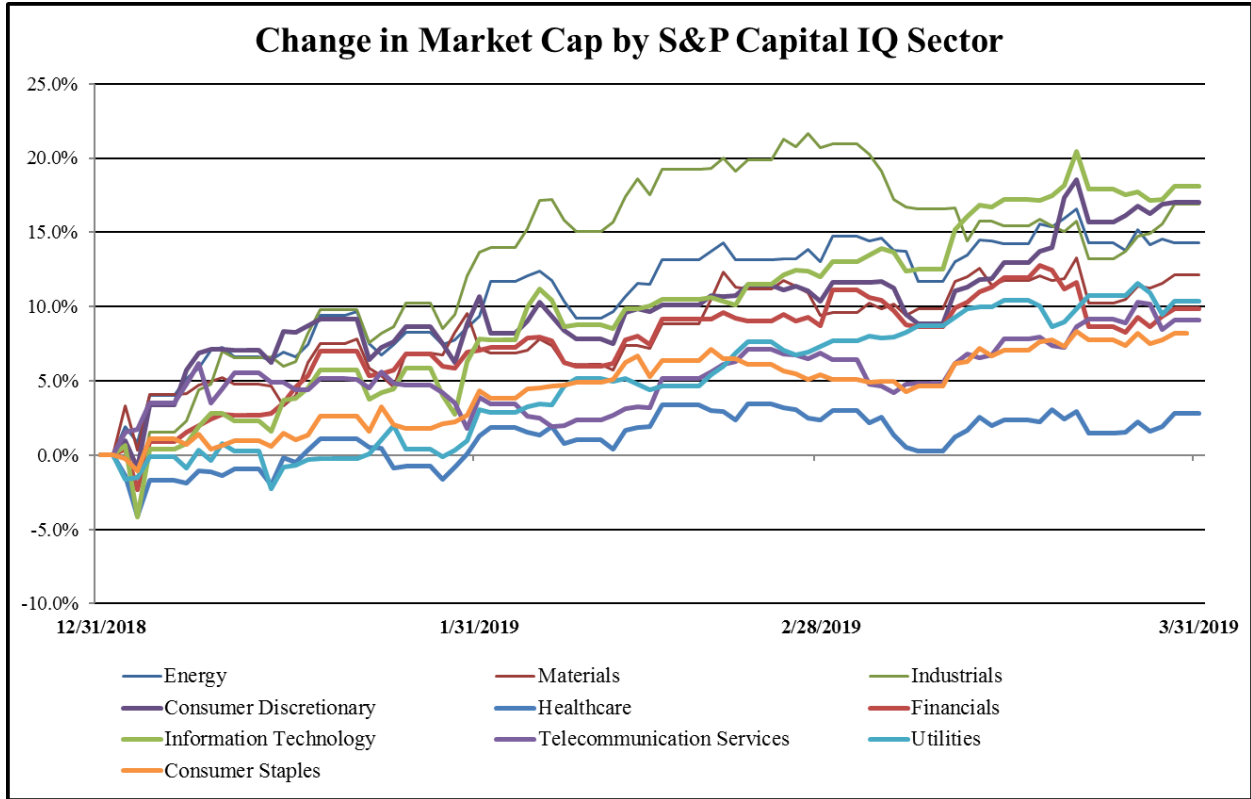
Recent M&A Activity in the Food and Beverage Industry March 31, 2018 to March 31, 2019

(USD in millions)

Close Date	Target	Acquirer		Implied Enterprise Value
10/26/2018	Pinnacle Foods Inc.	Conagra Brands, Inc.	Packaged Foods and Meats	\$10,904.05
4/24/2018	Blue Buffalo Pet Products, Inc.	General Mills, Inc.	Packaged Foods and Meats	\$8,043.91
3/31/2018	U.S. Confectionary Business of Nestlé S.A.	Ferrero International S.A.	Packaged Foods and Meats	\$2,800.00
6/5/2018	National Beef Packing Company, LLC	Marfrig Global Foods S.A.	Packaged Foods and Meats	\$2,300.00
2/25/2019	The Schwan Food Company, Inc.	CJ Foods America Corp.	Packaged Foods and Meats	\$2,180.00
5/14/2018	Ainsworth Pet Nutrition Parent, LLC	NU Pet Company	Packaged Foods and Meats	\$1,900.00
11/25/2018	Greencore Us Holdings, LLC	Hearthside Food Solutions LLC	Packaged Foods and Meats	\$1,075.00
1/29/2019	Blommer Chocolate Company	Fuji Oil Holdings Inc.	Packaged Foods and Meats	\$750.00
6/7/2018	Tate's Bake Shop, Inc.	Mondelez International, Inc.	Packaged Foods and Meats	\$500.00
11/30/2018	Core Nutrition, LLC	Keurig Dr Pepper Inc.	Soft Drinks	\$477.67
10/17/2018	Pirate Brands, LLC	Amplify Snack Brands, Inc.	Packaged Foods and Meats	\$420.00
10/1/2018	Dakota Growers Pasta Company, Inc.	THL Equity Fund VIII Investors (PB), LLC	Packaged Foods and Meats	\$400.00
8/31/2018	U.S. Baking Business Of The J. M. Smucker Company	Brynwood Partners; Brynwood Partners VII L.P.;	Packaged Foods and Meats	\$375.00
1/30/2019	Good Food Holdings, LLC	PK Retail Holdings Inc.	Packaged Foods and Meats	\$275.00
12/14/2018	Canyon Bakehouse LLC	Flowers Foods, Inc.	Packaged Foods and Meats	\$205.00
1/4/2019	Primal Nutrition, LLC	The Kraft Heinz Company	Packaged Foods and Meats	\$200.00
12/18/2018	Lamb Weston BSW, LLC	Lamb Weston Holdings, Inc.	Packaged Foods and Meats	\$181.96
2/25/2019	Wesson Oil Brand of Conagra Brands, Inc.	Richardson International Limited	Packaged Foods and Meats	\$180.00
3/29/2019	Ariake U.S.A., Inc.	Kerry Inc.	Packaged Foods and Meats	\$176.00
5/31/2018	Old Orchard Brands, LLC	Lassonde Industries Inc.	Packaged Foods and Meats	\$158.90
12/31/2018	Hans Kissle Company, LLC	Mitsui & Co., Ltd.; KENKO Mayonnaise Co.,Ltd.	Packaged Foods and Meats	\$108.00
12/21/2018	Morinda Holdings, Inc.	New Age Beverages Corporation	Packaged Foods and Meats	\$100.00
9/30/2018	Substantially All The Assets Of The Foodservice Business	Graphic Packaging International, LLC	Packaged Foods and Meats	\$95.00
11/30/2018	Activities Of F&A Dairy Products, Inc.	Saputo Inc.	Packaged Foods and Meats	\$85.00
12/1/2018	Yucatan Foods, LP	Apio, Inc. (nka: Curation Foods, Inc.)	Packaged Foods and Meats	\$80.00
8/20/2018	Zipfizz Corporation	KUC Holding	Soft Drinks	\$80.00
10/15/2018	Mountain Valley Spring Company, LLC	DSS Group, Inc.	Soft Drinks	\$78.50
10/5/2018	Substantially All Of The Assets Of Triple - T Foods	Darling Ingredients Inc.	Packaged Foods and Meats	\$60.40
9/2/2018	Pizza Crust Business of Tyson Foods, Inc.	Peak Rock Capital	Packaged Foods and Meats	\$57.00
9/2/2018	TNT Crust, Inc.	Peak Rock Capital	Packaged Foods and Meats	\$57.00
2/8/2019	Cott Beverages LLC	Refresco Group N.V.	Soft Drinks	\$50.00
12/20/2018	Shelby JV LLC	Scales Corporation Limited	Packaged Foods and Meats	\$38.67
10/19/2018	All the Assets of Bantam Bagels, LLC	T. Marzetti Company	Packaged Foods and Meats	\$34.00
7/16/2018	McCann's Brand of Premium Irish Oatmeal	B&G Foods, Inc.	Packaged Foods and Meats	\$32.00
10/2/2018	Specialty Foods Group, Inc.	Indiana Packers Corporation	Packaged Foods and Meats	\$30.50
12/3/2018	Processing Facility in Fremont, Nebraska of Hormel Foods	WholeStone Farms I, LLC	Packaged Foods and Meats	\$30.00
11/16/2018	All Assets of Omni Baking Company LLC	T. Marzetti Company	Packaged Foods and Meats	\$25.00
10/10/2018	Certain Assets Of Cisco Brewers, Inc.	Craft Brew Alliance, Inc.	Brewers	\$23.00
10/17/2018	HBH Enterprises LLC	Petiq, LLC	Packaged Foods and Meats	\$14.75
1/7/2019	La Vida Verde, Inc.	International Cannabrand Inc.	Packaged Foods and Meats	\$12.07
2/14/2019	Beverage Brand and Intellectual Property Portfolio of	Isodiol International Inc.	Packaged Foods and Meats	\$8.46
11/28/2018	Substantially All Assets of Golden Ridge Rice Mills, LLC	RiceBran Technologies	Packaged Foods and Meats	\$7.88
1/15/2019	Verve Beverage Company	Weekend Unlimited Inc.	Soft Drinks	\$6.55
7/31/2018	California Gold Bars, Inc.	High Hampton Holdings Corp.	Packaged Foods and Meats	\$6.10
3/27/2019	Brand Name and Commercial Assets of Kazbegi JSC	Georgia Capital PLC	Brewers	\$3.65
10/15/2018	Algae World Inc.	KYN Capital Group, Inc.	Packaged Foods and Meats	\$3.00
4/24/2018	Substantially all of the Assets of Steep & Brew, Inc.	Generations Coffee Company, LLC	Packaged Foods and Meats	\$2.85
5/4/2018	Azure Bottling LLC	IsoBev, Inc.	Soft Drinks	\$2.35
12/31/2018	Appeeling Fruit, Inc.	Peterson Farms, Inc.	Agricultural Products	\$2.00
5/21/2018	Hound & Gatos Pet Foods Corp.	Charlee Bear Products Inc.	Packaged Foods and Meats	\$1.65
12/13/2018	All Assets of GOOD Co-Op Inc.	Plus Products Inc.	Packaged Foods and Meats	\$1.54
2/28/2019	Substantially All Assets of Sam Kane Beef Processors, Inc.	STX Beef Company	Packaged Foods and Meats	\$1.50
12/31/2018	Los Angeles Manufacturing And Bottling Plant Business of	California Custom Beverage, LLC	Soft Drinks	\$1.25
5/8/2018	Steve's Ice Cream, LLC	DGI Ventures, Inc.	Packaged Foods and Meats	\$1.25
12/31/2018	Azure Bottling LLC	N/A	Soft Drinks	\$1.00
1/24/2019	Blessed Bean Coffee LLC	Elev8 Brands, Inc.	Packaged Foods and Meats	\$0.12
3/28/2019	St. Louis and Kansas City operations of Morey's Seafood	Fortune International, LLC	Packaged Foods and Meats	NA
3/27/2019	Textbook Wines of Scenic Root Winegrowers	Distinguished Vineyards & Wine Partners	Distillers and Vintners	NA
3/21/2019	Turkey Creek's Snacks Inc	Evans Food Group Ltd.	Packaged Foods and Meats	NA

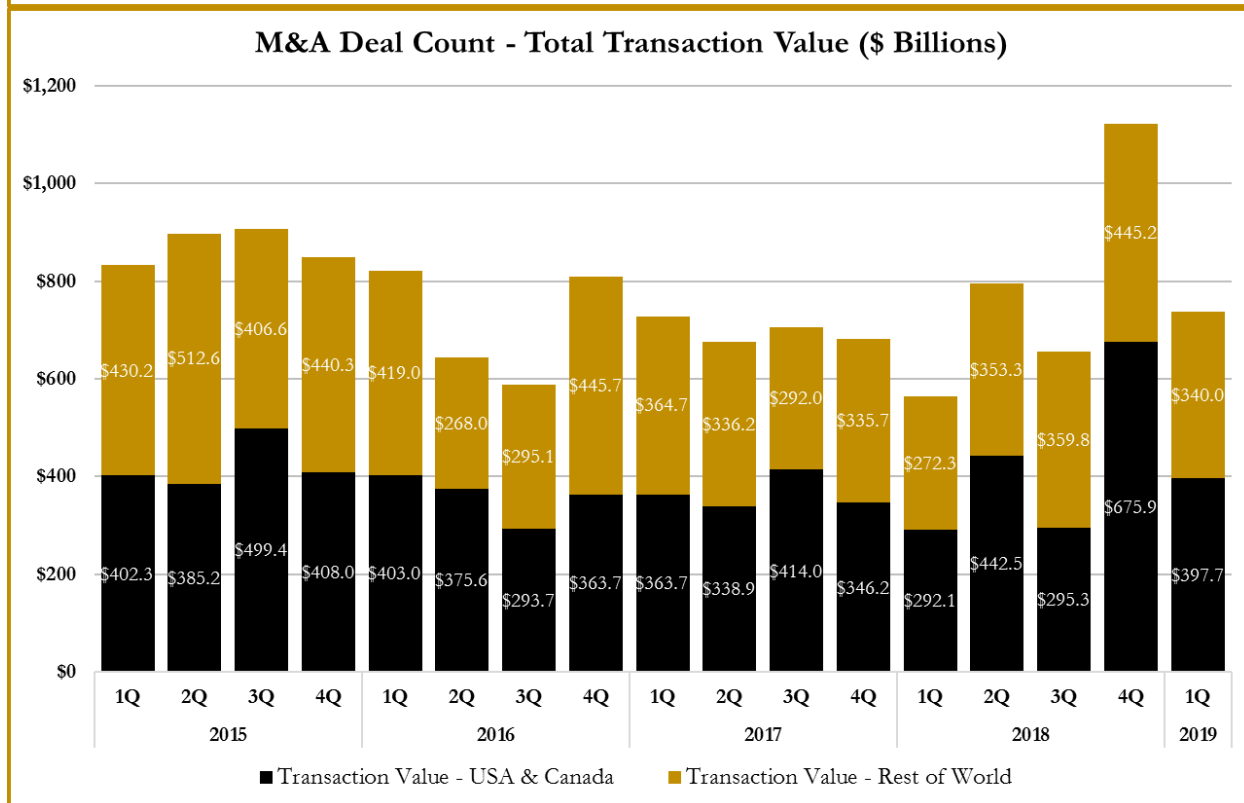
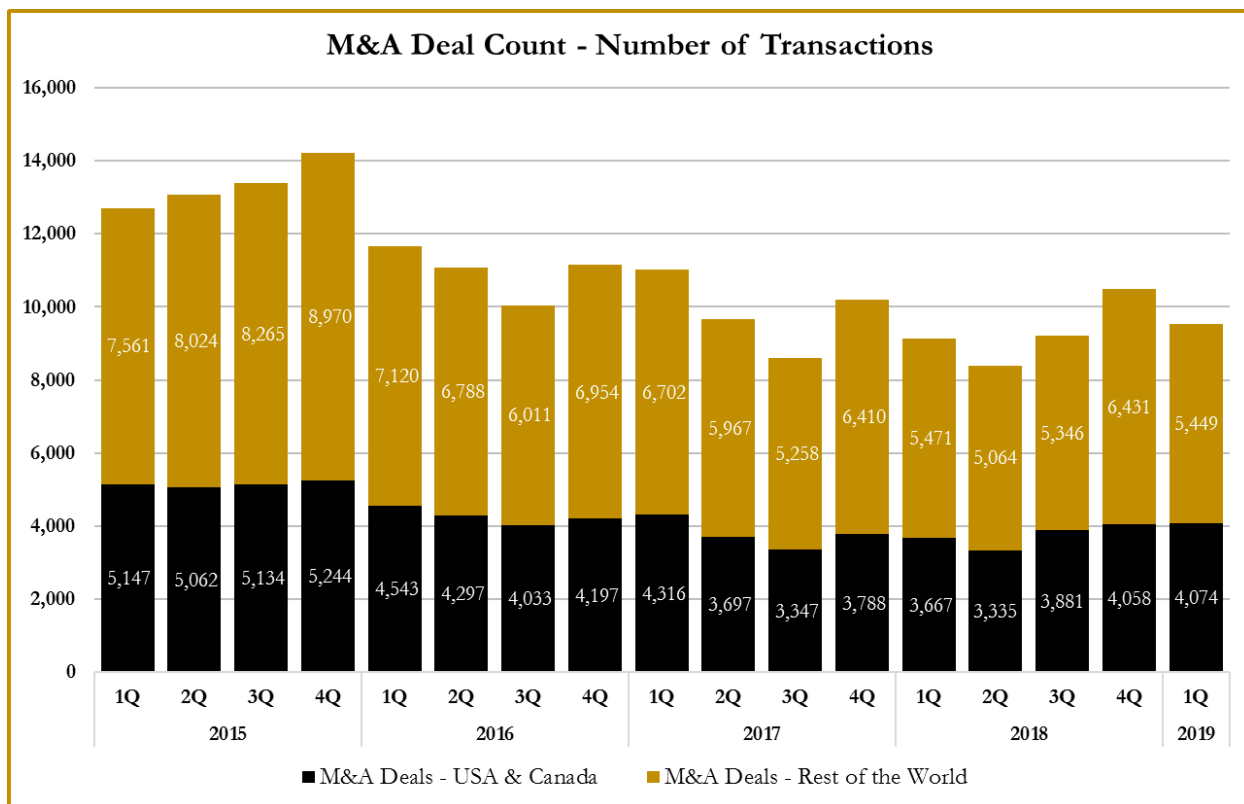
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of March 31, 2019

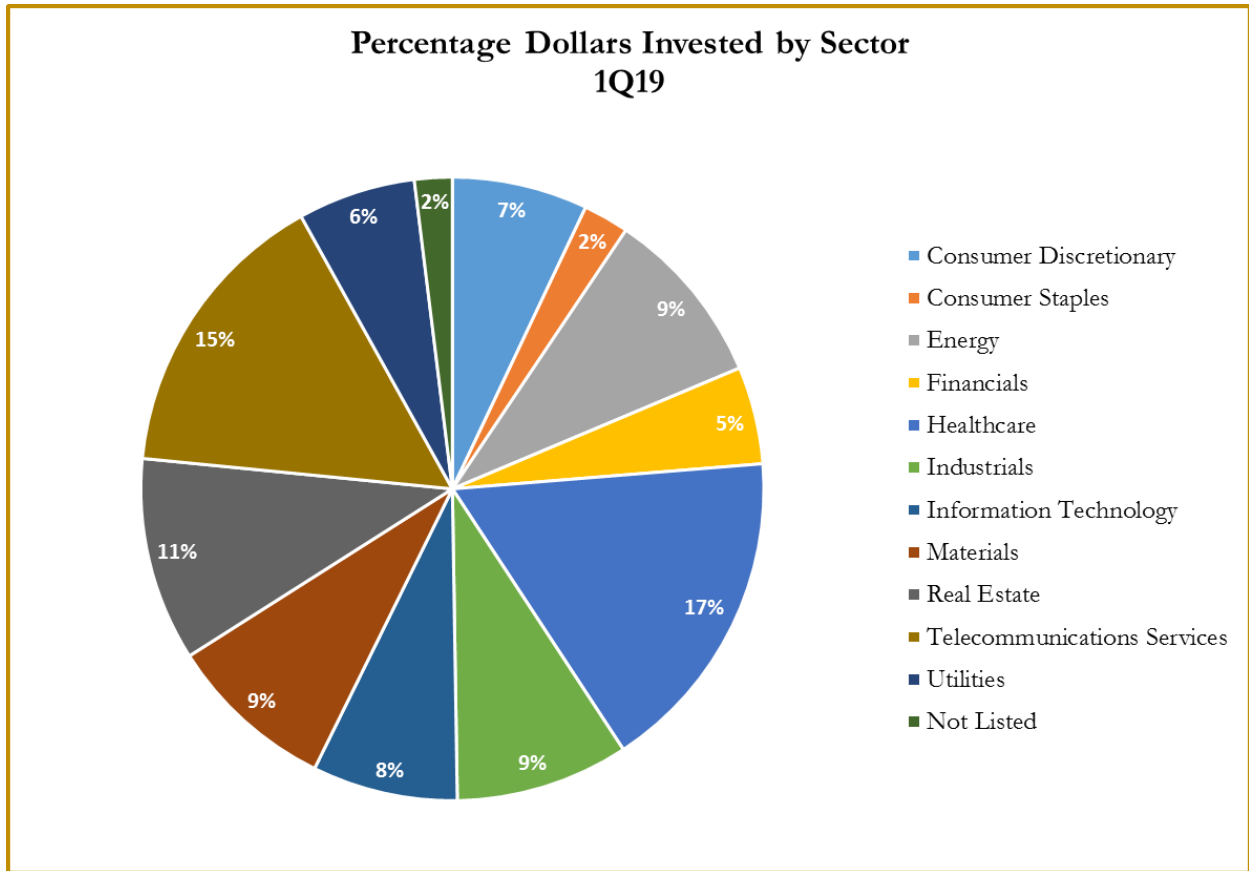


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector As of March 31, 2019



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of March 31, 2019





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