



PFG'S BRANDED PROTEIN STRATEGY

THE POWER OF PARTNERSHIP

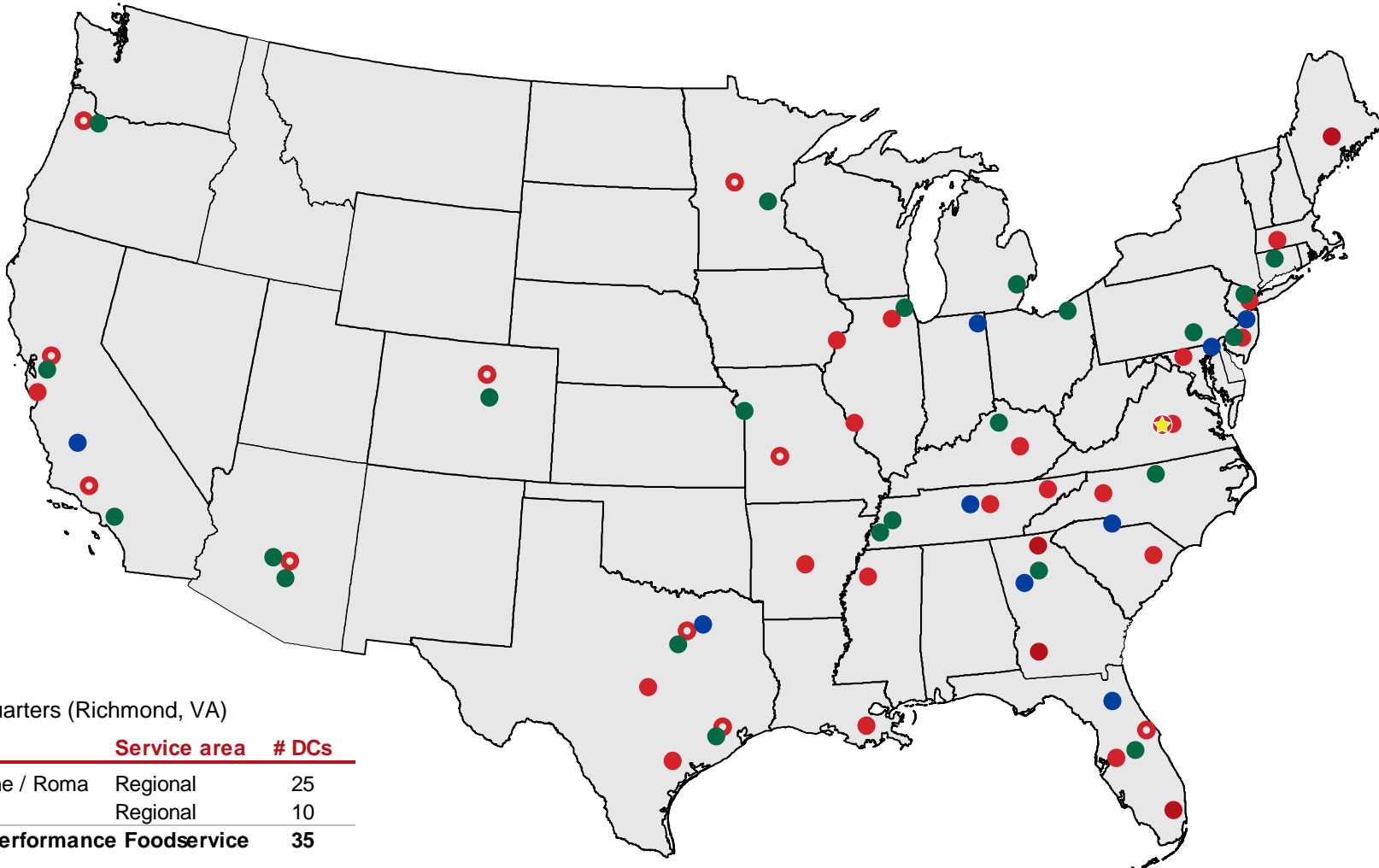


U.S. Foodservice Industry Structure

2014 Market Size = ~ \$256BN



Broad Geographic Footprint



★ Headquarters (Richmond, VA)

Segment	Service area	# DCs
● Broadline / Roma	Regional	25
○ Roma	Regional	10
Total Performance Foodservice		35
● Vistar	National	24
● PFG Customized	National	9
Total DCs		68

● Vistar Operating Companies
● Vistar Merchant's Marts

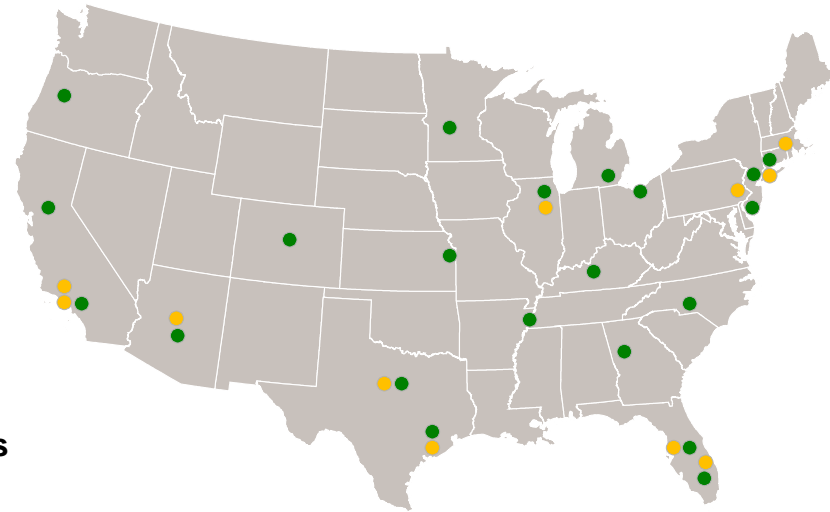
FY2016 Sales: \$3.3 BN

Customers: 35,000 +

Operating Companies: 24

Merchant's Marts: 11

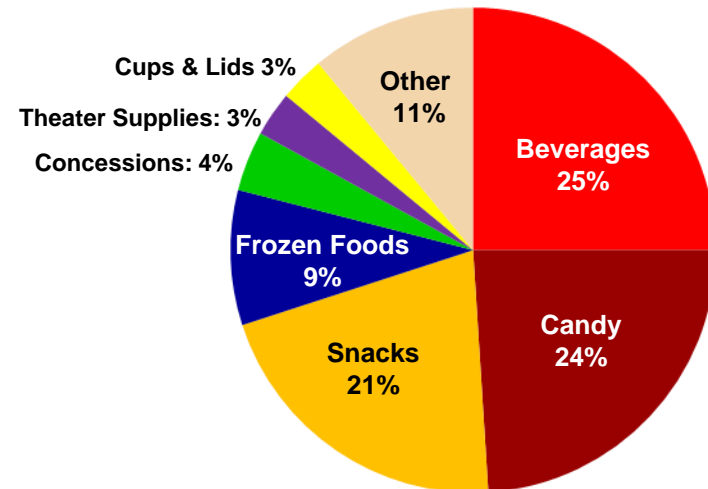
Key Strengths: #1 Share of major channels
Only national distributor
Industry leading supply chain efficiencies



Selected Customers and Products



Product Sales





Performance Food Group

Customized Distribution



FY2016 Sales:

\$3.5 BN

Customers:

5,000 +

Branches:

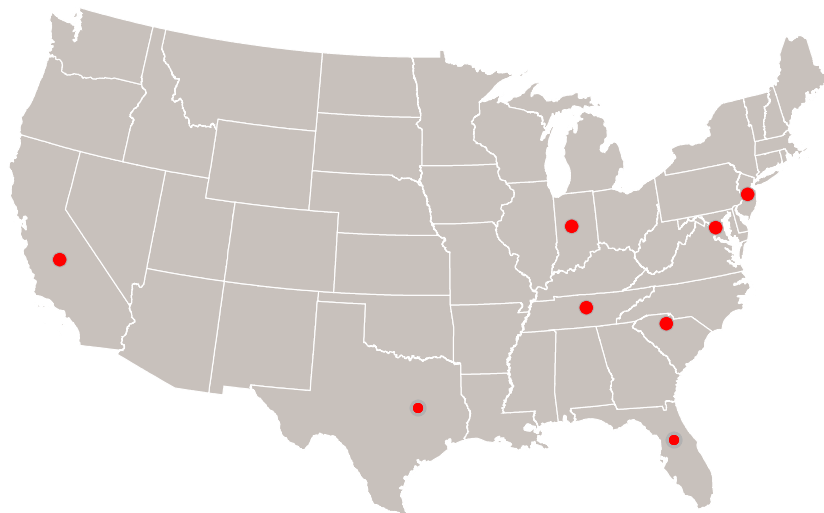
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Key Strengths:

National Scope

Network tailored to customer's footprints

Long term relationships



37 Years



11 Years

Ruby Tuesday

12 Years



19 Years

2 Years



4 Years



11 Years



4 Years





FY2016 Sales:

\$9.3 BN

Customers:

85,000 +

Operating Companies:

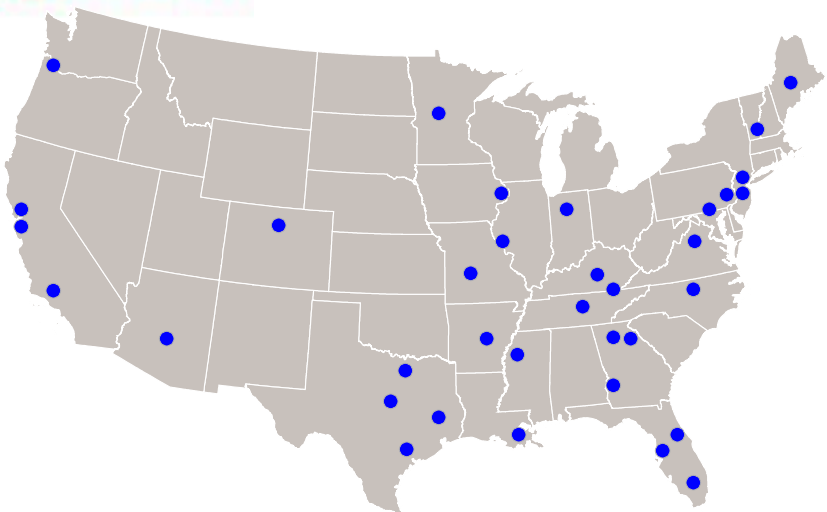
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Key Strengths:

National Scale

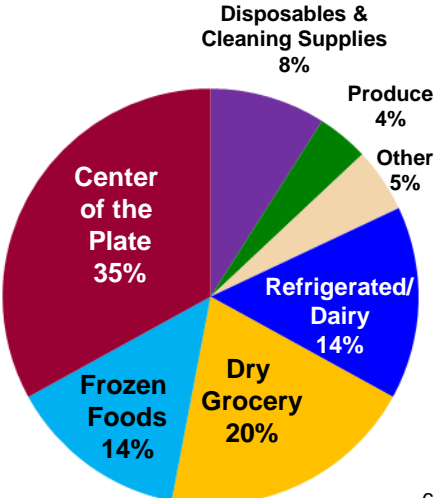
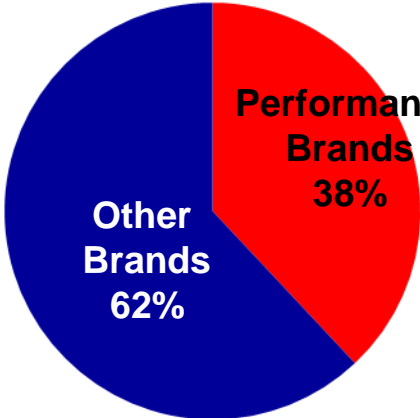
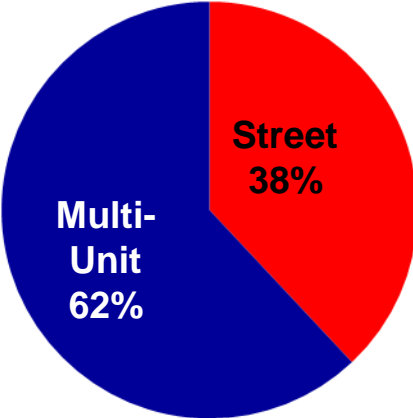
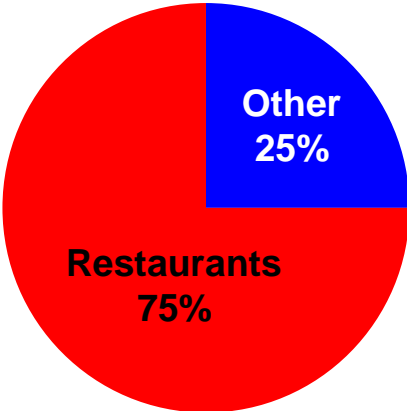
Performance Brands

Sales and customer-centric



Customer Mix

Product Mix



Note: Street Sales Mix

Note: Total Segment Mix

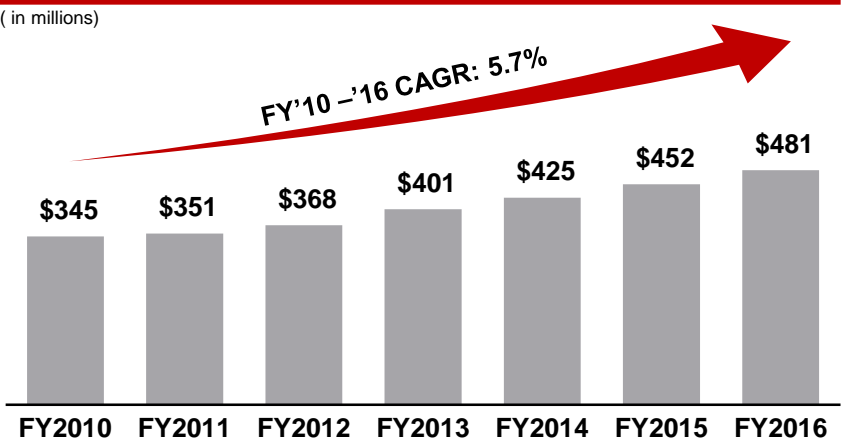
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Consistently Delivering Growth

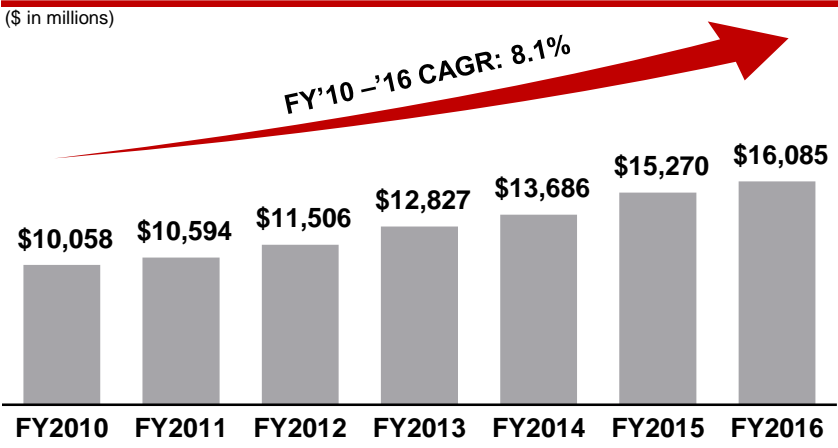


Results driven by strong top line momentum and substantial operating leverage

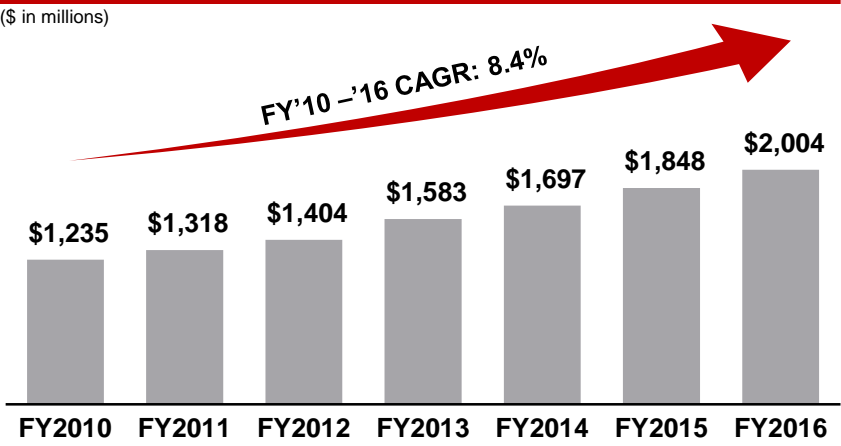
Cases



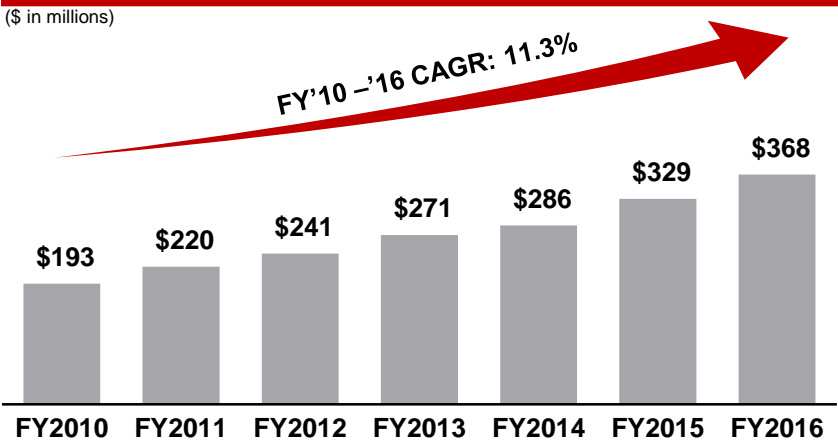
Net Sales



Gross Profit



Adj. EBITDA

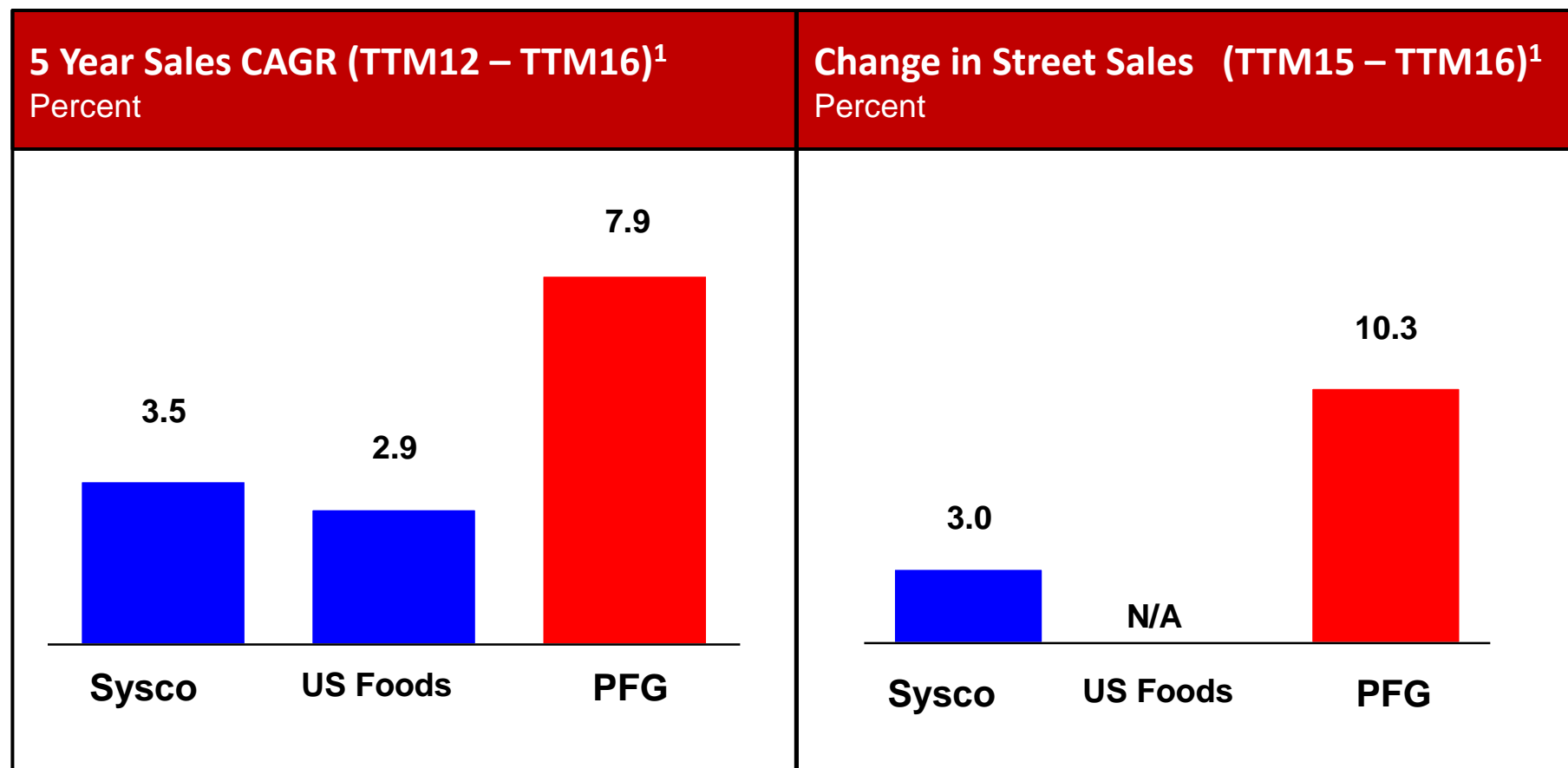


Adj. EBITDA
As % of GP



Note: CAGRs exclude impact of 53rd week

We are Gaining Share



We continue to gain share especially among Independents

¹ Trailing 12 months through September 2015, from 10Q's.

² Top 100 US food distributors by revenue

DAIRY IS FACING SOME HEADWINDS

FY 2016	Cases			Sales			% Growth			GP\$ Per Unit		
Category Totals:	YTD 2016	YTD 2015	YTD Variance	YTD 2016	YTD 2015	YTD Variance	Cases	Sales	Inflation/ Mix	TY	LY	Change
MEATS	25,396,880	24,615,244	781,636	\$1,622,483,201	\$1,639,125,685	-\$16,642,483	3.18%	-1.02%	-4.19%	\$5.47	\$5.24	\$0.23
POULTRY	19,499,511	18,258,772	1,240,739	\$1,093,022,013	\$1,031,784,387	\$61,237,627	6.80%	5.94%	-0.86%	\$4.03	\$3.94	\$0.09
TOTAL	44,896,391	42,874,016	2,022,375	\$2,715,505,214	\$2,670,910,071	\$44,595,143	4.72%	1.67%				
DAIRY	30,994,823	28,655,526	2,339,297	\$1,268,360,818	\$1,249,249,481	\$19,111,338	8.16%	1.53%	-6.63%	\$4.15	\$4.20	-\$0.05
YTD 2017 (wk 25)												
MEATS	12,223,921	12,088,912	135,009	\$758,197,979	\$786,543,483	-\$28,345,504	1.12%	-3.60%	-4.72%	\$5.77	\$5.59	\$0.18
POULTRY	11,330,875	10,572,802	758,074	\$647,226,996	\$583,789,324	\$63,437,672	7.17%	10.87%	3.70%	\$3.99	\$4.00	-\$0.01
TOTAL	23,554,796	22,661,714	893,082	\$1,405,424,975	\$1,370,332,807	\$35,092,168	3.94%	2.56%				
DAIRY	14,937,011	14,410,568	526,443	\$624,326,899	\$632,792,491	-\$8,465,592	3.65%	-1.34%	3.47%	\$4.19	\$4.31	-\$0.12

PFG Brands Drive Margin and Sales



- A broad array of products, for a wide variety of customers at multiple price points.
- Products with a difference drive customer loyalty and overall sales.
- Expertise in Italian category and Protein Products.
- National distribution network.
- Food is a highly competitive and fragmented market.
- PFG is organizing the supply chain to create mutually beneficial relationships.

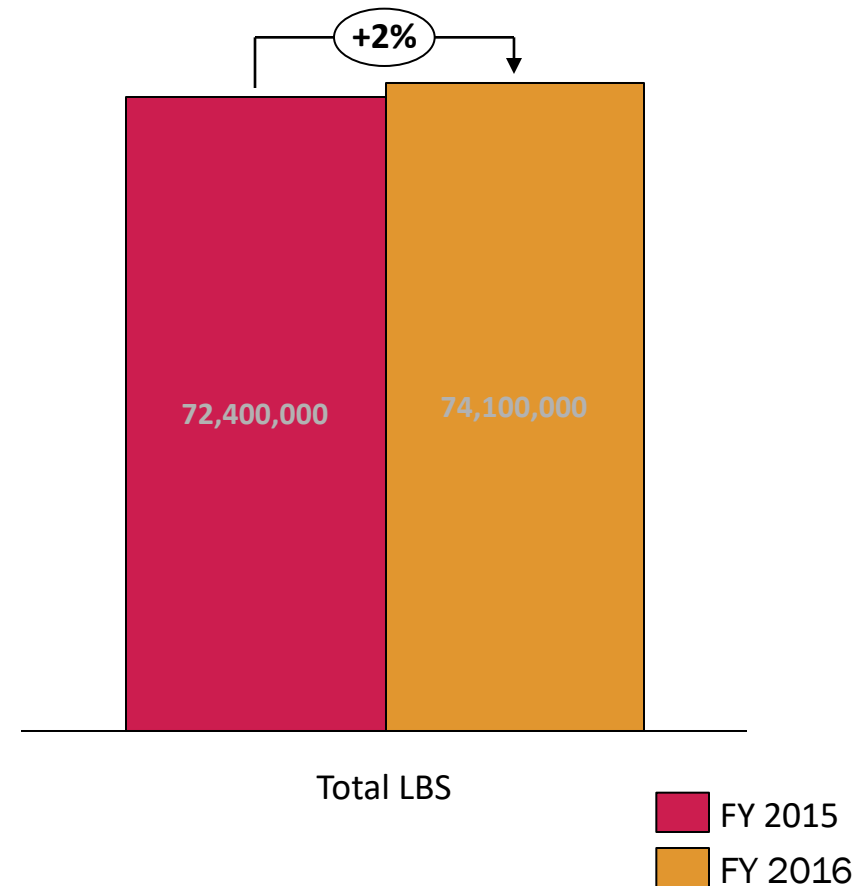
Current Brands of Distinction



Commodity Beef growth is small for PFG and static for the overall restaurant industry

Fiscal Year 2015-2016

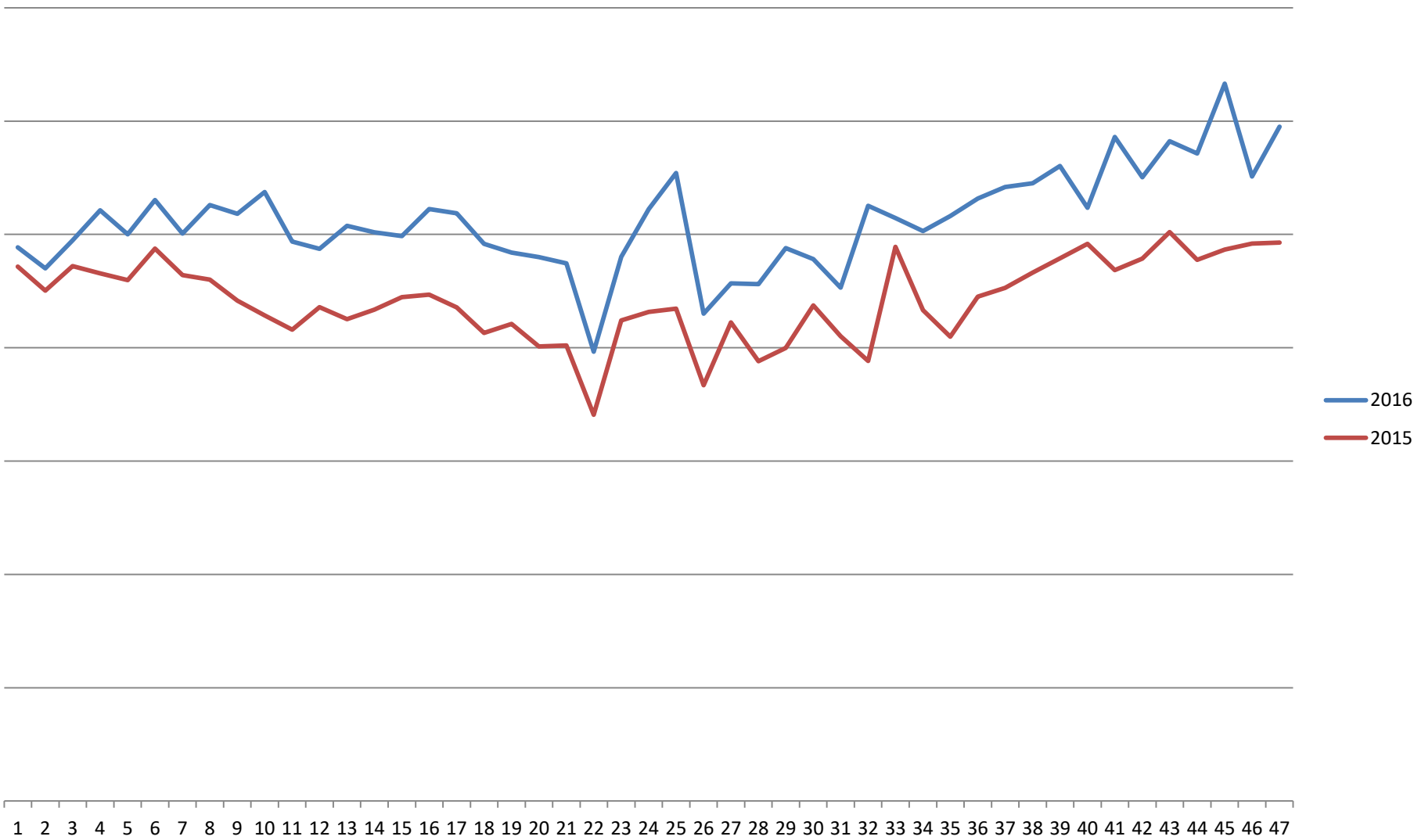
- PFG sales of commodity Beef grew by 2% during the Fiscal Year (beating the national average in sales growth) but this is far below our growth of PFG branded programs that “tell a story”.
- Branded Protein programs have driven all of PFG’s growth in the category for the last 4 years.

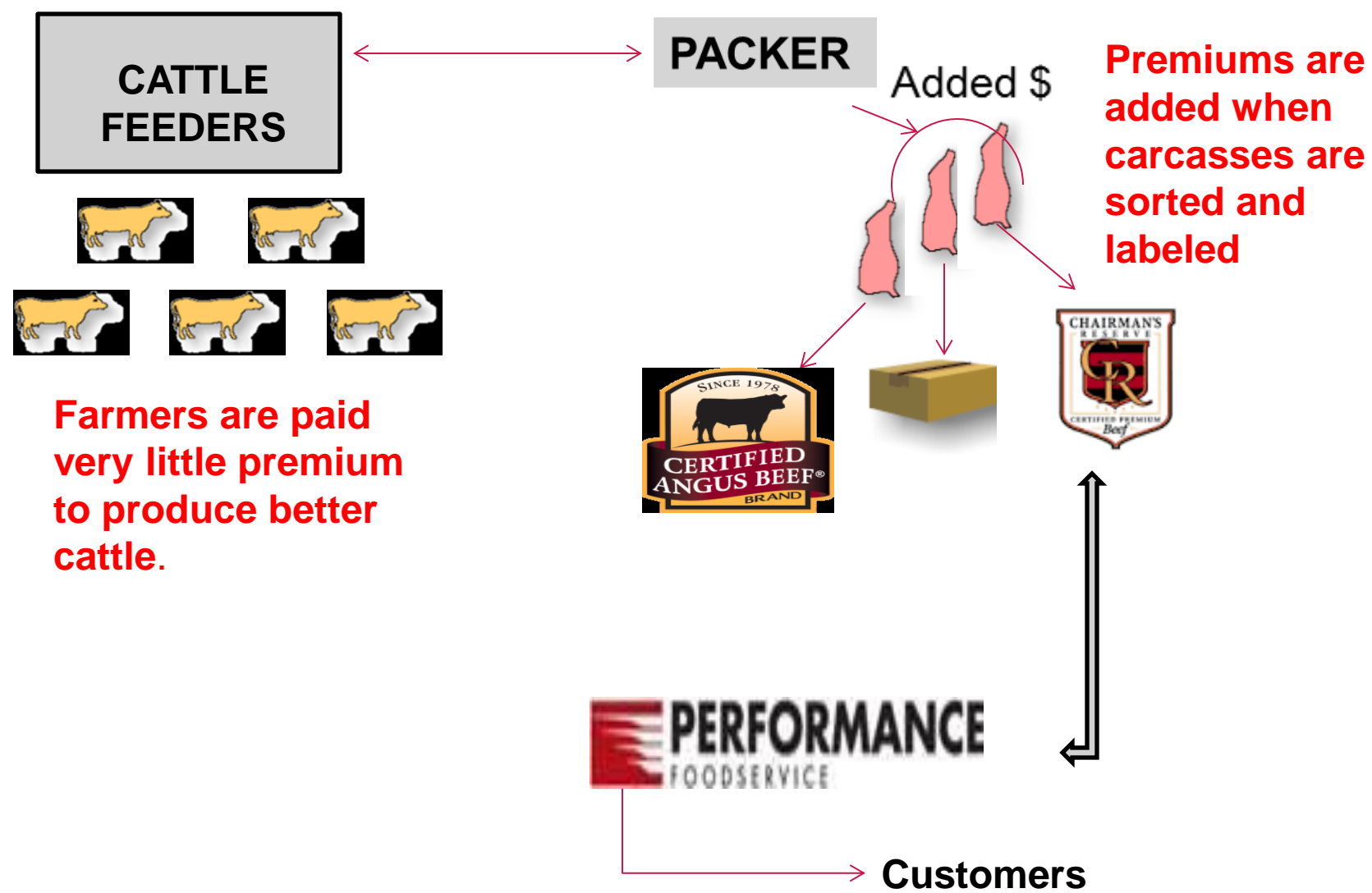


Braveheart has been PFG's fastest growing brand for over 7 years



Braveheart Volume FYTD vs Last Year - LBS





- Price volatility in commodity markets is making it harder and harder for the small farmer to stay in business. **Commodity beef is not working for the farmer.**
- As cattle producers consolidate, fewer packing houses are needed which eliminates jobs in rural America and shrinks the overall industry. In the past 2 years, major companies like Tyson and Cargill have shuttered beef packing plants without opening new operations. **Commodity beef is not working for the packer.**
- The cost-driven commodity beef model has driven farmers to produce larger and larger animals. Customers prefer smaller animals that produce thicker, higher quality steaks. Beef consumption in the U.S. is flat after declining for several years in a row. **Commodity beef is not working for the consumer.**

- **Recent research conducted by the Mintel Group reveals that:**

**43% of Millennials* do not trust large food companies.
(compared with 18% of non-Millennials)**

**74% of Millennials want more transparency regarding how their
food was raised. (compared with 69% of non-Millennials)**

**59% of Millennials will stop buying a product if they think the
brand is engaged in unethical practices. (compared with 28% of
non-Millennials)**

**55% of Millennials go online to find information about the food
products they buy. (compared with 12% of non-Millennials)**

* Millennials are considered to be American consumers between the ages of 21 and 38 years old.



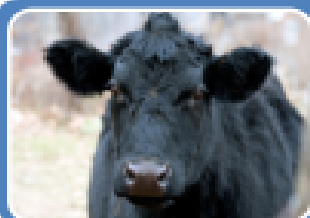
PFG has created an organized, traceable, and accountable supply chain that is helping to re-define what high quality beef means.

IT IS ALL ABOUT ESTABLISHING TRUST!

BRAVEHEART IS DIFFERENT

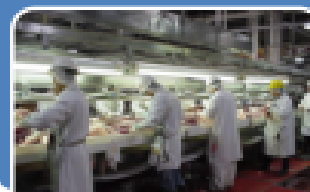


BRAVEHEART OFFERS REAL POINTS OF DIFFERENCE WHEN COMPARED TO OTHER ANGUS PROGRAMS



PFG DETERMINES THE CATTLE SPECIFICATION

- The finest Midwestern Corn-Fed Beef Available...cattle are local in the sense that they are processed where they are raised.
- "BLACK ANGUS" on the label – the REAL Angus
- No Brahman or Holstein influence allowed...Product of the U.S.A.



PFG DETERMINES THE APPROVED PROCESSORS

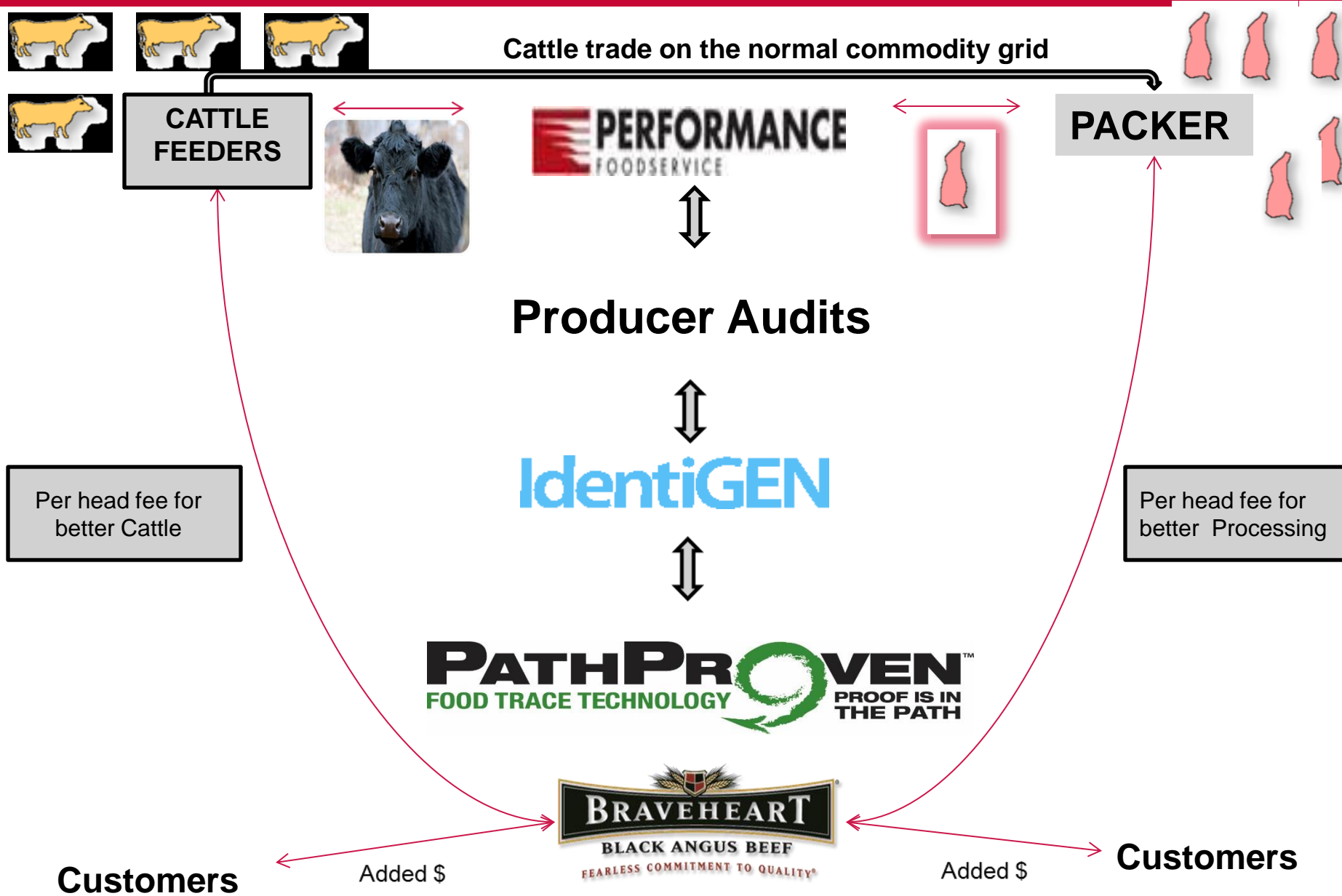
- In-Plant production supervision
- Audits of plants, records, and quality control
- REAL control of production – not just a label on a box



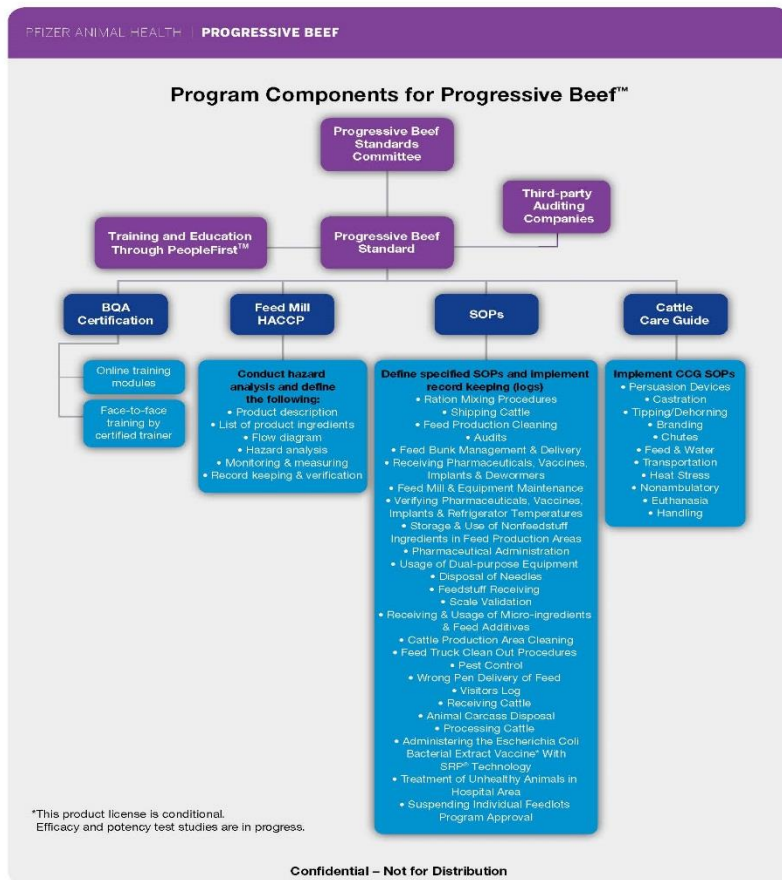
PFG DETERMINES THE TRIM SPECIFICATIONS

- REAL quarter inch trim on boxed beef cuts
- The highest yielding Choice and High Choice boxed beef program in the U.S.

Braveheart Beef is based on partners cooperating to raise and process the highest quality beef in the U.S.



Live Side Audits Are Critical



Progressive Beef™ has established the live side standards which define the PathProven Program

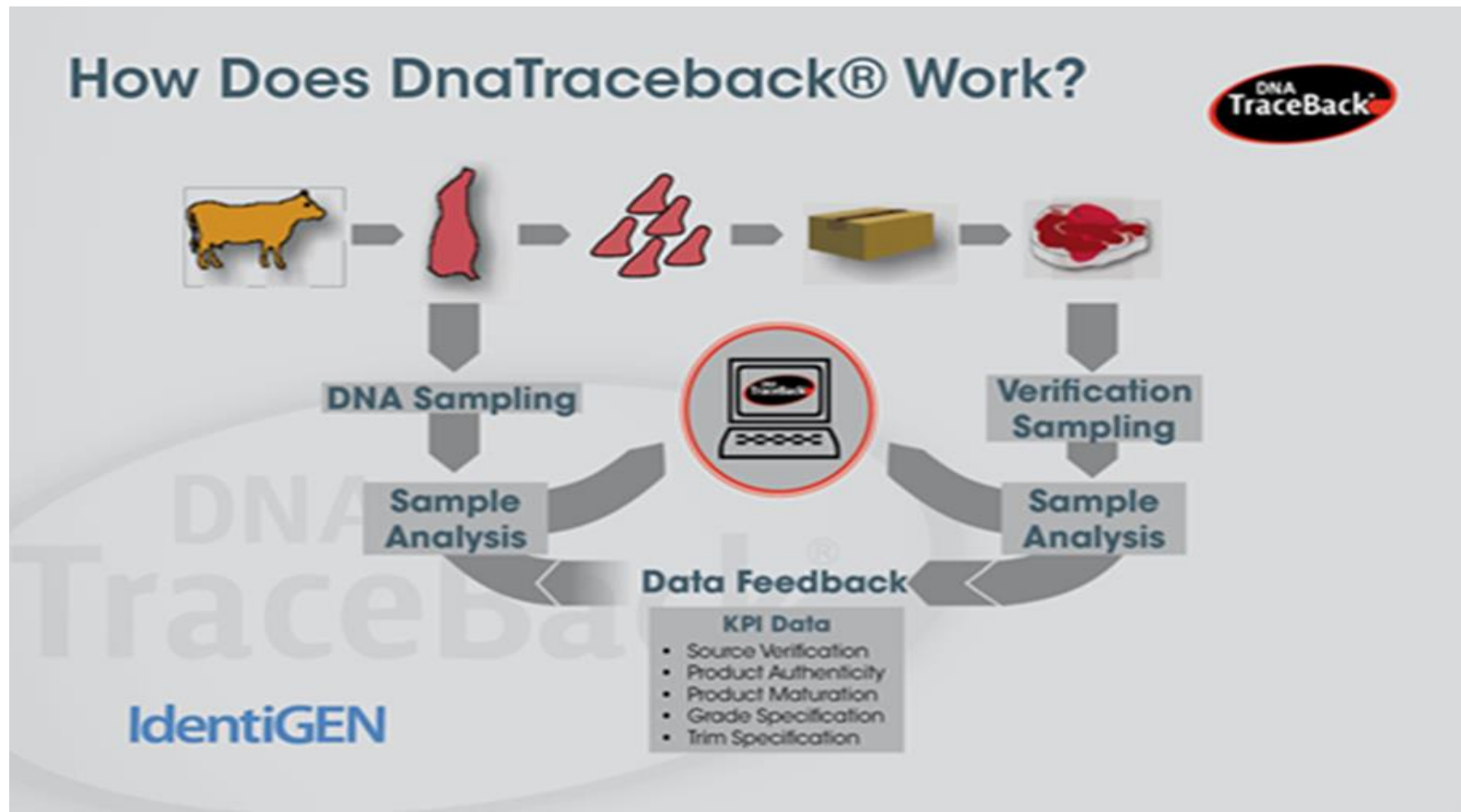
Key Fundamentals Include:

- **BQA Certification**
- **Feed mill HACCP**
- **SOP's to meet care and handling requirements**
- **Cattle Care Guide**
- **Documented Humane Animal Treatment**
- **Environmental Standards**
- **Feed and Medicine Standards**

In the transparent world we live in, “authenticity” is critical and no industry is under more scrutiny than the beef industry.

DNA Testing is another of the tools we use to establish trust with our customers....Benefits include:

- Recall Mitigation
- Supply Chain Accountability
- Cutting Edge Innovation
- Compliance
- Marketing Advantages
- The "Halo" Effect



Palatability Assurance Critical Control Points (PACCP)

Conception (Tender Producing Bulls, Reputable Producers)

Genetics (Angus Based Cattle, Predictive Genetic Eating Quality, Carcass Weight)

Nutrition/Environment (DOF, Balanced Grain-Based Diet)

Pre-Slaughter Factors (Aggressive Growth Promotion, Stress, Employee Education)

Post-slaughter factors (Chilling Conditions, Aging Time, Quality Grade)

Cooking (Degree of Doneness, Education)

Third-Party Audit (Progressive Beef)

Consumer Feedback



Braveheart Beef is Produced by an Organized Supply Chain Dedicated to Quality



- **Agreements with producers ensure that the right type of cattle and proper animal handling practices are being utilized.**
- **Agreements with packers ensure that the product quality adheres to Braveheart specifications.**
- **Advantages include:**
 - **Price**
 - **Consistency**
 - **Quality**
 - **Full Traceability**
 - **Smaller Animal Size**
 - **Efficiency...reduced carbon foot print**
 - **Accountability**
 - **No un-approved feed or drugs**
 - **Documentable Humane Handling**
 - **Continuous quality improvement**





PFG'S RESPONSE TO CUSTOMER DEMAND IS PathProven™



"One Company – One Mission"

PathProven™ is PFG's assurance that the product is traceable, auditable, and meets a specific set of farming and processing standards established and controlled by PFG.

In term of beef, PathProven is defined as follows:

- PFG has established standards for feeding, animal health, humane treatment, environmental impact, and processing – all important assurances of quality throughout every stage of production.
- Assures the origin of these products, by having the ability to track meat back to specific animals using DNA Traceback™ technology.
- Verifies cattle feeding and handling process through an independent third-party audit system.
- Cattle sourced within 200 miles of the harvest facility.

PFG HAS NOW CREATED A “BRAVEHEART” TYPE SUPPLY CHAIN FOR PORK



& WEST CREEK Pork



We have now built the same sort of organized supply chain to produce high quality pork.

PFG's Production Systems are Changing the Beef Industry

Certified Angus Beef®

**Raised in the Midwest and Traceable
under the PathProven™ Program**



Just being “Angus” isn’t good enough and for the first time in it’s history, Certified Angus Beef® has created a unique CAB product that is exclusive to PFG .



- Organized supply chains that create mutually beneficial relationships are important to production agriculture.
- Today's consumer expects transparency and accountability in all things.
- There are first-mover advantages in terms of selecting industry partners when building a supply chain.
- The proven market response is that this approach generates increases in sales and profits.

Current PathProven™ Brands:



WHERE ARE THE DAIRY PRODUCTS?

What we really do



IS DELIVER.

