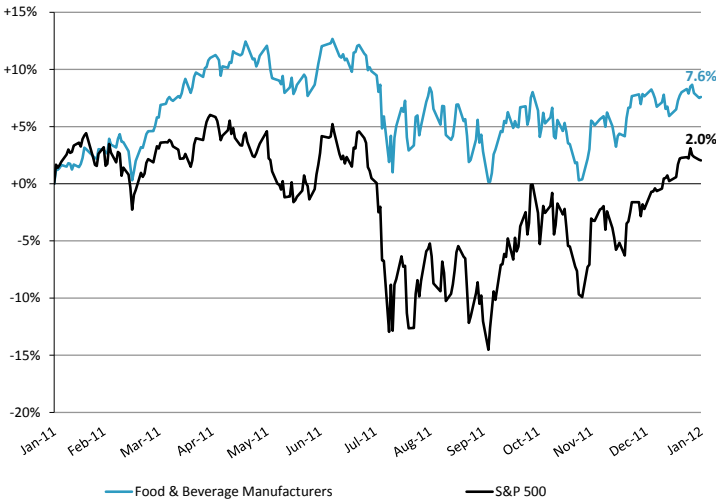


## CONFECTIONERY BULLETIN – JANUARY 2012

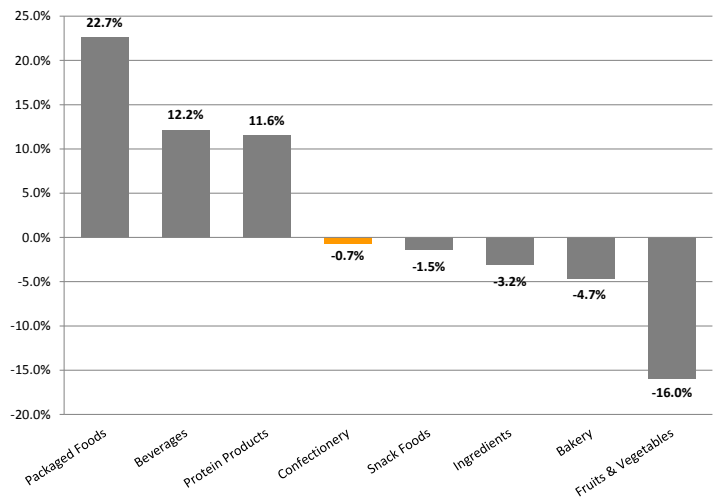
### PUBLIC STOCK PERFORMANCE – LATEST TWELVE MONTHS ENDING JANUARY 31, 2012

Food & Beverage Stock vs. S&P 500 Index



Food Products Index is a customized, market-weighted index of food & beverage stocks.

Food & Beverage Relative Subsector Stock Performance

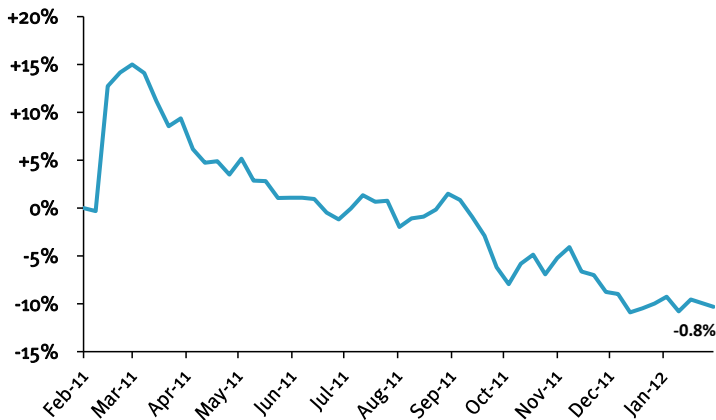


### EXCHANGE LISTED COMMODITY TRENDS

	1/31/2012		52-week		1/31/2012 'Close Price % Δ from:		
	Close Price	High	Low	Median	High	Low	Median
Milk Grade A, CME 42k lb.	\$1.38	\$1.83	\$1.30	\$1.51	-24.7%	6.2%	-8.6%
Cocoa, ICE, 10 MT	2,704.00	4,257.00	2,275.00	3,377.00	-36.5%	18.9%	-19.9%
Sugar - Raw Cane, USDA, lb.	0.34	0.41	0.34	0.38	-17.4%	0.7%	-10.5%
Palm Oil, KLSE, 25 MT	1,019.71	1,258.12	905.74	1,036.09	-18.9%	12.6%	-1.6%

Source: Commodity Research Bureau

Relative, 1-year Mean Price Change of Aggregated Commodities Above



Source: Commodity Research Bureau

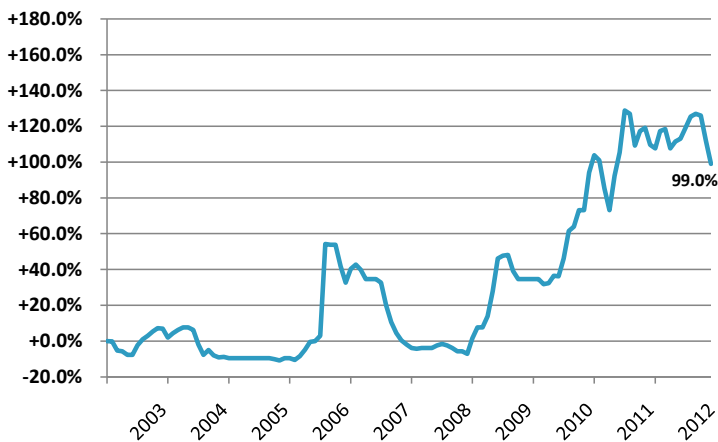
Relative, 2-year Mean Price Change of Aggregated Commodities Above



Source: Commodity Research Bureau

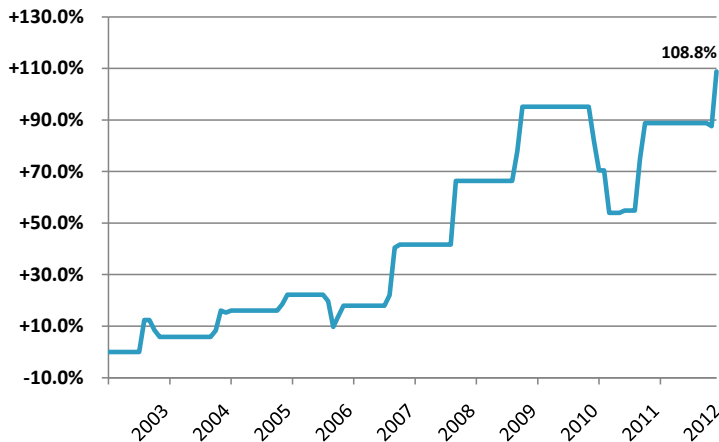
## NON-EXCHANGE LISTED COMMODITY TRENDS

Relative, 10-year Mean Price Change of Refined Beet Sugar



Source: USDA Economic Research Service

Relative, 10-year Mean Price Change of High Fructose Corn Syrup



Source: USDA Economic Research Service

## TRAILING TWELVE MONTH VALUATION MULTIPLES FOR PUBLIC CONFECTIONERY COMPANIES

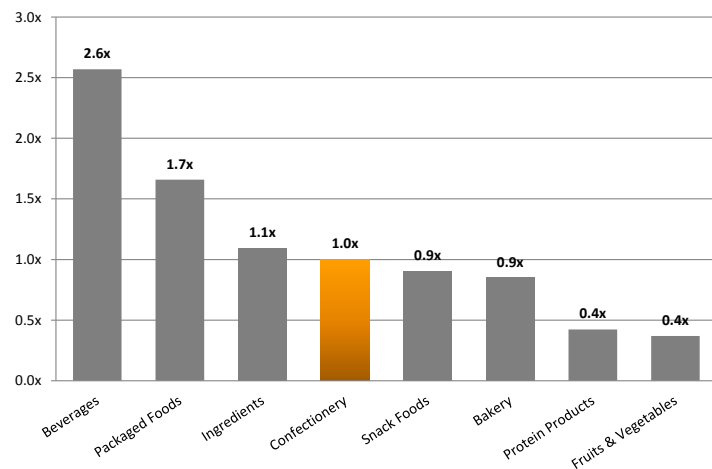
Market Data (Given in \$Millions)

Company (\$ mm)	Ticker	Price 01/31/12	Price Performance LTM	Equity Value	Firm Value	1 Yr Est. Growth Rate	EV / LTM		EBITDA Margin
							Sales	EBITDA	
<b>Confectionery</b>									
Barry Callebaut AG	BARN	\$941.20	17.0%	\$4,856	\$5,695	NA	1.0x	10.5x	9.6%
Chocoladefabriken Lindt	LISN	34,235.41	16.7%	7,357	6,712	NA	2.2x	13.2x	16.9%
Halloren Schokoladenfabrik	H2R	7.21	-23.4%	33	79	NA	1.0x	10.1x	9.5%
Hershey Foods	HSY	61.08	30.8%	13,750	15,124	14.8%	2.5x	11.8x	21.3%
Natra SA	CATS:NAT	1.18	-57.8%	55	437	NA	0.9x	NM	1.2%
Petra Foods	P34	1.52	21.6%	929	1,483	NA	0.9x	11.6x	7.4%
Tootsie Roll Industries	TR	24.24	-9.7%	1,386	1,358	NA	2.6x	18.2x	14.3%
Average			-0.7%			14.8%	1.6x	12.6x	11.5%
Median			16.7%			14.8%	1.0x	11.7x	9.6%

Source: Capital IQ and Company Documents  
 Except per share data, presented in \$ millions  
 EBITDA = Earnings before interest, taxes, depreciation and amortization  
 Enterprise Value (EV) = Market value of equity + Interest-bearing debt – cash  
 NA = Not Available

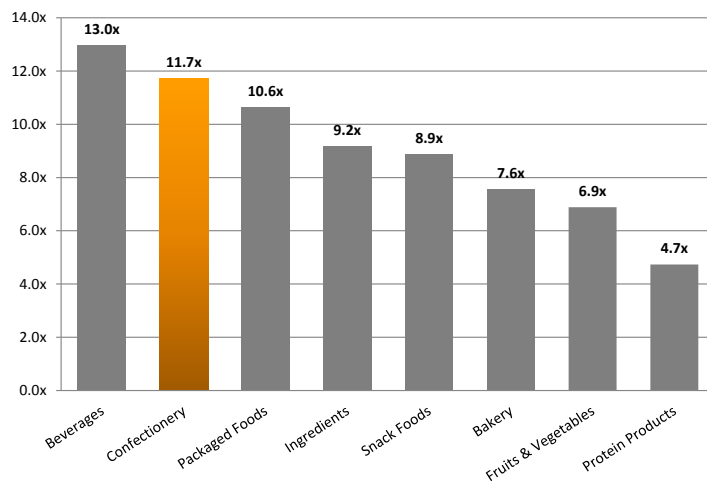
## TRAILING TWELVE MONTH CONFECTIONERY VALUATION MULTIPLES RELATIVE TO OTHER FOOD SECTORS

Relative LTM EV / Revenue Multiples by Subsector



Source: Capital IQ and Company Documents

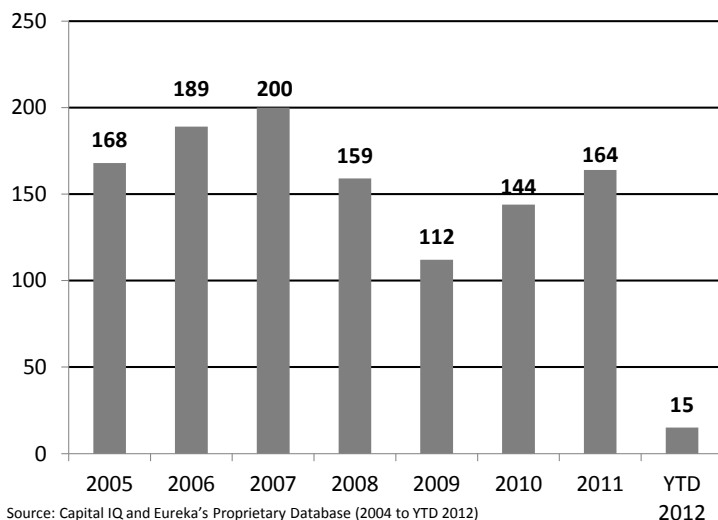
Relative LTM EV / EBITDA Multiples by Subsector



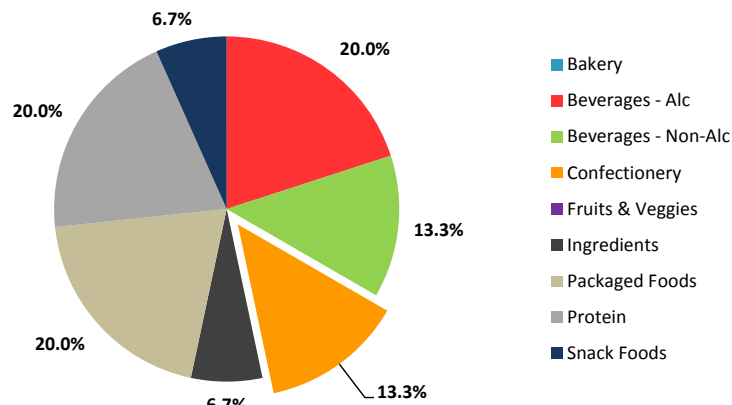
Source: Capital IQ and Company Documents

## FOOD AND BEVERAGE M&A HISTORICAL DATA

Historical Transaction Volume  
U.S. Targets

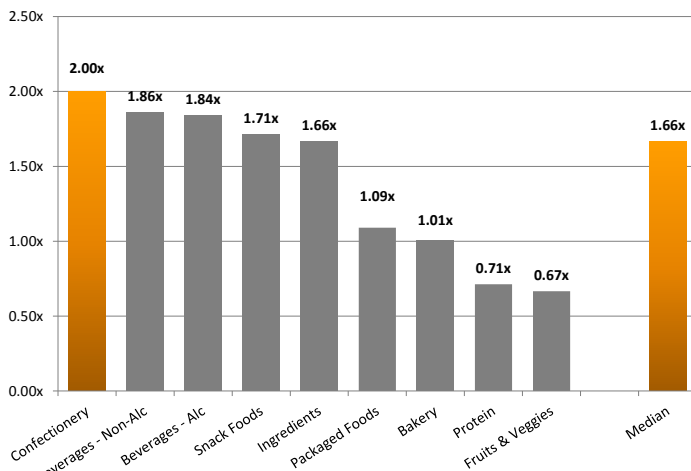


YTD 2011 M&A U.S. Activity by Subsector

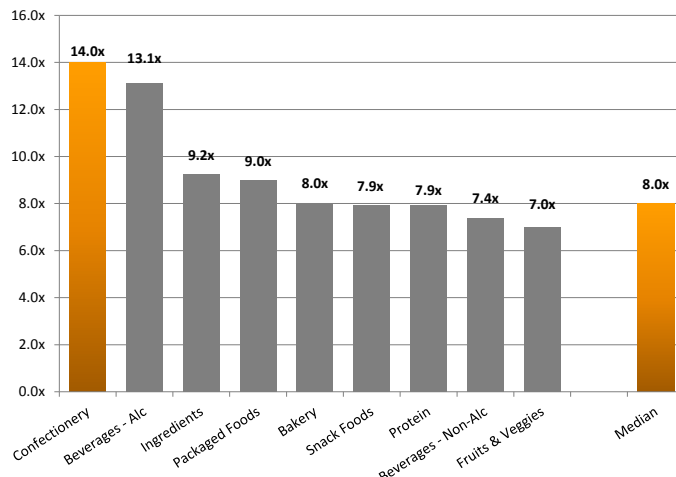


## M&A CONFECTIONERY VALUATION MULTIPLES RELATIVE TO OTHER FOOD SECTORS

Historical M&A  
EV / Revenue Multiples by Subsector



Historical M&A  
EV / EBITDA Multiples by Subsector



## RECENT MERGERS & ACQUISITIONS

Announced Date	Target	Total Transaction Value (\$mm)	Buyers	Sellers	Target Business Description
01/17/2012	Peterbrook Chocolate Co.		- Hickory Foods, Inc.	-	Peterbrook Chocolate Co. produces and sells chocolates. It offers personalized chocolates for weddings and special events; and business gifts. In addition, it sells its products online.
01/02/2012	Stafford's Famous Chocolates		- Rob & Leslie Taylor	-	Stafford's Famous Chocolates produces chocolates.

Source: Capital IQ

**EUREKA CAPITAL MARKETS, LLC**  
www.eurekacap.com

**California**  
23 Corporate Plaza, Suite 125  
Newport Beach, CA 92660  
Ph: 949.719.2260  
Fx: 949.719.2314

**New York**  
286 Madison Ave., Suite 1300  
New York, NY 10017  
Ph: 646.277.8420  
Fx: 646.277.8421

This report is for information purposes only and is not intended as an offer or solicitation with respect to any purchase or sale of any security. Eureka Capital Markets, LLC gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this publication. The opinions presented herein reflect the current judgment of the authors and are subject to change. Eureka Capital Markets, LLC makes no warranties, expressed or implied, regarding the accuracy of this information or the subjective opinions expressed by the authors. Eureka Capital Markets, LLC, its officers, directors and partners may at any time have positions in the securities of the companies discussed herein.