

August 3, 2018



---

# Post Holdings, Inc. Announces Formation of 8th Avenue Food & Provisions



# Cautionary Statement Regarding Forward-Looking Statements

Certain matters discussed in this presentation are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made based on known events and circumstances at the time of release, and as such, are subject to uncertainty and changes in circumstances.

These forward-looking statements include, among others, statements regarding Post Holdings, Inc.'s ("Post," "Post Holdings," the "Company," "we," "us" or "our") fiscal year 2018 Adjusted EBITDA guidance, the expected benefits of the transaction with THL Equity Fund VIII Investors (PB), LLC, an affiliate of Thomas H. Lee Partners, L.P. ("THL"), Bob Evans Farms, Inc.'s ("Bob Evans") expected Adjusted EBITDA on an annual basis, expected sources of financing, Post's pro forma net leverage, expectations about future business plans, prospective performance and opportunities, regulatory approvals and the expected timing of completion of the transaction with THL. These forward-looking statements are sometimes identified from the use of forward-looking words such as "believe," "should," "could," "potential," "expect," "project," "estimate," "predict," "anticipate," "aim," "intend," "plan," "forecast," "target," "is likely," "will," "can," "may," "would" or the negative of these terms or similar expressions, and include all statements regarding future performance, earnings projections, events or developments. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made herein.

## THESE RISKS AND UNCERTAINTIES INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

- Post's high leverage, Post's ability to obtain additional financing (including both secured and unsecured debt) and Post's ability to service its outstanding debt (including covenants that restrict the operation of its business);
- Post's ability to continue to compete in its product categories and Post's ability to retain its market position;
- Post's ability to anticipate and respond to changes in consumer preferences and trends and introduce new products;
- Post's ability to identify, complete and integrate acquisitions and manage its growth;
- significant volatility in the costs or availability of certain raw materials, commodities or packaging used to manufacture Post's products, higher energy costs or higher transportation costs;
- Post's ability to successfully implement business strategies to reduce costs;
- allegations that Post's products cause injury or illness, product recalls and product liability claims and other litigation;
- legal and regulatory factors, including advertising and labeling laws, changes in food safety and laws and regulations governing animal feeding and housing operations;
- the ability and timing to close the proposed transaction with THL to capitalize Post's private brands business, including obtaining the required regulatory approvals and the satisfaction of other closing conditions in the transaction agreement;
- Post's ability to obtain a bridge loan and amend its credit agreement, and Post's private brands business' ability to obtain permanent financing, in conjunction with the proposed transaction with THL;
- the potential for disruption to Post and Post's private brands business from ongoing business operations in order to complete the proposed transaction with THL and the potential loss of key employees as a result of the transaction;
- the loss or bankruptcy of a significant customer;
- consolidations in the retail grocery and foodservice industries;
- Post's ability to promptly and effectively integrate the Bob Evans business, including the risk of experiencing disruptions from ongoing business operations which may make it more difficult than expected to maintain relationships with employees, business partners or governmental entities, and Post's ability to obtain expected cost savings and synergies of the acquisition within the expected timeframe;
- losses incurred in the appraisal proceedings brought in connection with Post's acquisition of Bob Evans by former Bob Evans stockholders who demanded an appraisal of their shares;



# Cautionary Statement Regarding Forward-Looking Statements (Cont'd)

## (CONTINUED FROM PRIOR PAGE):

- costs associated with Bob Evans's sale and separation of its restaurant business on April 28, 2017 (the "Bob Evans Restaurants Transaction"), which occurred prior to Post's acquisition of Bob Evans, including costs that may arise under Bob Evans's capacity as guarantor of payment and performance conditions for certain leases, as well as costs associated with a transition services agreement established as part of the Bob Evans Restaurants Transaction;
- Post's ability to promptly and effectively integrate the Weetabix business and obtain expected cost savings and synergies of the acquisition within the expected timeframe;
- the ability of Post's and Post's customers' private brand products to compete with nationally branded products;
- disruptions or inefficiencies in the supply chain, which may result from Post's reliance on third party manufacturers for certain of its products;
- the ultimate impact litigation may have on Post;
- Post's ability to successfully operate its international operations in compliance with applicable laws and regulations;
- changes in economic conditions, disruptions in the U.S. and global capital and credit markets and fluctuations in foreign currency exchange rates;
- the impact of the United Kingdom's exit from the European Union (commonly known as "Brexit") on Post and its operations;
- impairment in the carrying value of goodwill or other intangibles;
- changes in estimates in critical accounting judgments and changes to or new laws and regulations affecting Post's business, including U.S. tax reform;
- changes in weather conditions, natural disasters, agricultural diseases and pests or other events beyond Post's control;
- loss of key employees, labor strikes, work stoppages or unionization efforts;
- losses or increased funding and expenses related to Post's qualified pension or other postretirement plans;
- costs, business disruptions and reputational damage associated with information technology failures, cybersecurity incidents or information security breaches;
- Post's ability to protect its intellectual property and other assets;
- significant differences in Post's actual operating results from its guidance regarding its future performance;
- Post's ability to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, including with respect to acquired businesses; and
- other risks and uncertainties described in Post's filings with the Securities and Exchange Commission ("SEC").

We caution readers not to rely on any forward-looking statements. These forward-looking statements represent Post's judgment as of the date of this presentation, and Post undertakes no obligation to update or revise them unless otherwise required by law.

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering, solicitation or sale would be unlawful.

# Additional Information

---

## Non-GAAP Financial Measures

While Post reports financial results in accordance with accounting principles generally accepted in the U.S., this presentation includes the non-GAAP measure Adjusted EBITDA for Post and Bob Evans on a forecast basis and for 8th Avenue Food & Provisions (“8th Avenue”) on a historical basis, neither of which is in accordance with or a substitute for a GAAP measure. Adjusted EBITDA is a non-GAAP measure which represents earnings before interest, income taxes, depreciation, amortization and other adjustments, as detailed later in this presentation in the Appendix. For a reconciliation of the Adjusted EBITDA measure for 8th Avenue in this presentation to the most directly comparable GAAP measure, see the Appendix.

Management uses certain non-GAAP measures, including Adjusted EBITDA, as key metrics in the evaluation of underlying company and segment performance, in making financial, operating and planning decisions, and, in part, in the determination of cash bonuses for its executive officers and employees. Management believes the use of non-GAAP measures, including Adjusted EBITDA, provides increased transparency and assists investors in understanding the underlying operating performance of the Company and its segments and in the analysis of ongoing operating trends.

Post considers Adjusted EBITDA an important supplemental measure of performance and a ability to service debt. Adjusted EBITDA is often used to assess performance because it allows comparison of operating performance on a consistent basis across periods by removing the effects of various items. Adjusted EBITDA has various limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of results as reported under GAAP.

In this presentation, Post provides its fiscal year 2018 Adjusted EBITDA guidance and discloses Bob Evans’ expected Adjusted EBITDA on an annual basis only on a non-GAAP basis and does not provide a reconciliation of Post’s or Bob Evans’ forward-looking Adjusted EBITDA non-GAAP measures to the most directly comparable GAAP measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation, including adjustments that could be made for non-cash mark-to-market adjustments and cash settlements on interest rate swaps, provision for legal settlement, transaction and integration costs, restructuring and plant closure costs, assets held for sale, mark-to-market adjustments on commodity and foreign exchange hedges and other charges reflected in the Company’s reconciliation of historical numbers, the amounts of which, based on historical experience, could be significant.

# Additional Information (Cont'd)

---

## Prospective Financial Information

The prospective financial information provided in this presentation regarding Post's future performance, including Post's fiscal year 2018 Adjusted EBITDA guidance, Bob Evans' expected Adjusted EBITDA on an annual basis, and specific dollar amounts and other plans, expectations, estimates and similar statements, represents Post management's estimates as of August 2, 2018 only and are qualified by, and subject to, the assumptions and the other information set forth on the slides captioned "Cautionary Statement Regarding Forward-Looking Statements."

Post's fiscal year 2018 Adjusted EBITDA guidance, Bob Evans' expected Adjusted EBITDA on an annual basis, and the dollar amounts and other plans, expectations, estimates and similar statements contained in this presentation are based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond Post's control, are based upon specific assumptions with respect to future business decisions, some of which will change, and are necessarily speculative in nature. It can be expected that some or all of the assumptions of the estimates furnished by Post will not materialize or will vary significantly from actual results. Accordingly, the information set forth herein is only an estimate of what management believes is realizable as of August 2, 2018, and actual results will vary from the estimates set forth herein. Investors should also recognize that the reliability of any forecasted financial data diminishes the farther in the future that the data is forecast. In light of the foregoing, investors are urged to put Post's fiscal year 2018 Adjusted EBITDA guidance, Bob Evans' expected Adjusted EBITDA on an annual basis, and other prospective financial information in context and not to rely on them.

Post's fiscal year 2018 Adjusted EBITDA guidance and Bob Evans' expected Adjusted EBITDA on an annual basis are not prepared with a view toward compliance with published guidelines of the American Institute of Certified Public Accountants, and neither Post's independent registered public accounting firm nor any other independent expert or outside party compiles or examines these estimates and, accordingly, no such person expresses any opinion or any other form of assurance with respect thereto.

Any failure to successfully implement Post's operating strategy or the occurrence of any of the events or circumstances set forth under "Cautionary Statement Regarding Forward-Looking Statements" could result in the actual operating results being different than the estimates set forth herein, and such differences may be adverse and material.

# Transaction Overview

---

- **Post and Thomas H. Lee Partners (“THL”) are together capitalizing 8th Avenue Food & Provisions (“8th Avenue”) for the purpose of driving consolidation in the private brands category**
  - 8th Avenue consists of Post’s nut butter, healthy snacks (granola and dried fruit and nut) and pasta business
- **Transaction structure enables Post to monetize its investment in private brands, retain meaningful ownership and preserve the ability to pursue a tax-efficient separation of its remaining position in 8th Avenue**
  - Post will receive \$875mm in total proceeds, fully monetizing its net investment in its private brands business, and will retain 60.5% of the common equity in 8th Avenue; final proceeds are anticipated to be funded by \$250 million from THL and 8th Avenue’s assumption of \$625 million of debt
  - THL will receive 8th Avenue preferred stock with an 11% PIK-equivalent, cumulative, quarterly compounding dividend<sup>1</sup> and will receive 39.5% of the common equity in 8th Avenue
  - 8th Avenue and its subsidiaries will become unrestricted subsidiaries of Post, and 8th Avenue debt will be non-recourse to Post
  - Post will use its net cash proceeds to pay down a portion of its existing term loan, resulting in a pro forma net leverage ratio of 5.5x
- **Jim Dwyer, current President and CEO of 8th Avenue, will continue to lead 8th Avenue as it enters the next phase of growth**
- **Post will appoint five directors to 8th Avenue’s Board of Directors, and THL will appoint one director**
- **Expected to close in October 2018, subject to regulatory approval and certain other closing conditions**

<sup>1</sup> Dividends payable in cash only upon liquidation (including certain change in control transactions) or redemption.



# Strategic Rationale for Post

---

- ✓ **Significant value creation opportunity by driving private brand consolidation**
  - Allows direct access to capital
  - Focuses management on singular objective
  - Post retains meaningful upside and preserves tax efficiency
- ✓ **Receive significant cash proceeds upfront, enabling Post to monetize investments made in acquiring the assets**
  - Attractive valuation for Post's private brands portfolio
  - Expected total cash proceeds of \$875mm, in excess of Post's net investment
  - Pro forma net leverage of 5.5x
- ✓ **Retain upside in private brand platform with mandate to consolidate industry landscape**
  - Post retains 60.5% ownership of common equity in 8th Avenue
  - Potential upside driven by realization of synergies through integration of existing private brands businesses and bolt-on / transformative acquisition opportunities
  - Private brands account for 16.4% of grocery sales and is growing<sup>1</sup>; category remains highly fragmented at the supplier level
- ✓ **Preserve optionality for tax-efficient separation of 8th Avenue**
- ✓ **Allows Post to focus on branded and foodservice portfolio while pursuing organic and inorganic growth**

<sup>1</sup> In 2017 per Food Marketing Institute, Daymon, and IRI.



# Strategic Rationale for 8th Avenue

---

- ✓ **Enhanced singular focus on attractive and on-trend private brands businesses with leadership positions in stable and growing categories**
  - Largest private brand manufacturer of nut butter products in the US<sup>1</sup>
  - Leading provider of private brand granola products in the US<sup>1</sup>
  - Market-leading position in the dry pasta category in the US<sup>1</sup>
- ✓ **Meaningful value creation opportunity through integration of three separate businesses, various operational improvements and experienced management team**
  - Management team has deep, long tenured experience in private brands management at the manufacturing, sales and retail levels
  - Integration process already underway with significant progress to date
  - Investment in operational improvements expected to drive growth and profitability
- ✓ **Leverage strong and diversified customer relationships to pursue organic growth opportunities**
  - Deep, long-tenured relationships with largest retail, foodservice and food ingredient customers in the US
  - Top customers well diversified across various channels
- ✓ **Create a powerful M&A platform to drive consolidation in fragmented categories**
  - Scale and ability to pursue potential private brand acquisition opportunities
  - Plan to seek both bolt-on and transformative acquisitions
- ✓ **Bolstered by leading private equity partner to execute growth strategy**
  - THL is a premier private equity firm investing in middle market growth companies in four core sectors: Business & Financial Services, Consumer & Retail, Healthcare and Media, Information Services & Technology
  - Relevant precedent investments include Michael Foods and Give & Go

<sup>1</sup> Management estimates.





# Forecasted Impact on Post's Net Leverage

| (\$ in mm)                 | Post                  | 8th Avenue           | Shared Services   | Forecasted Post Net of 8th Avenue |
|----------------------------|-----------------------|----------------------|-------------------|-----------------------------------|
| Adjusted EBITDA            | \$ 1,261 <sup>1</sup> | (\$111) <sup>2</sup> | \$ 7 <sup>3</sup> | \$ 1,157                          |
| Debt                       | 7,558 <sup>4,5</sup>  | (875)                | -                 | 6,683                             |
| Cash                       | 346 <sup>4</sup>      | -                    | -                 | 346                               |
| Net Debt                   | 7,212 <sup>4</sup>    | (875)                |                   | 6,337                             |
| Net Debt / Adjusted EBITDA | 5.7 x                 |                      |                   | 5.5 x                             |

<sup>1</sup>For illustrative purposes, assumes mid-point of estimated Post FY18 Adjusted EBITDA range, inclusive of Bob Evans, as announced on August 2, 2018 of \$1,230mm and 3.5 months of the \$107mm previously-announced anticipated Adjusted EBITDA contribution from Bob Evans of \$31mm. Please refer to "Additional Information - Prospective Financial Information" and "Additional Information - Non-GAAP Financial Measures".

<sup>2</sup>Twelve months ended June 30, 2018 excluding anticipated cost synergies resulting from the integration of the existing private brands businesses. Please see the Appendix for a reconciliation to the nearest GAAP figure, net earnings, which was \$77.1mm for the same period.

<sup>3</sup>Estimated certain master services fees and advisory fees expected to be paid to Post and THL from 8th Avenue following the consummation of the transaction.

<sup>4</sup>As of June 30, 2018.

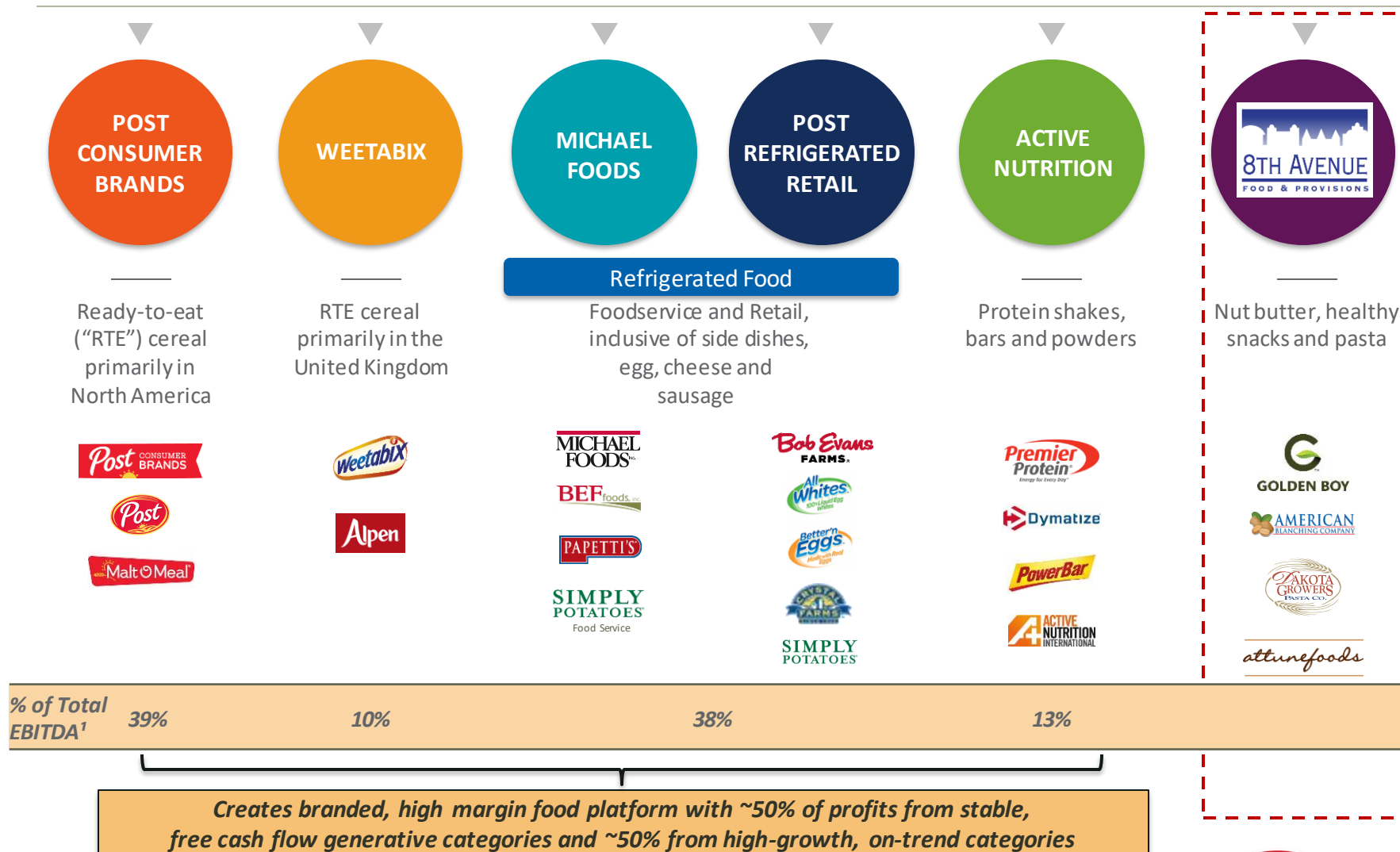
<sup>5</sup>Includes \$254mm payable, under certain circumstances, to former holders of shares of Bob Evans common stock who have demanded appraisal of their shares under Delaware law and have not withdrawn their demands.



# APPENDIX



# Pro Forma Post Holdings Business Overview



<sup>1</sup> Based on total Adjusted EBITDA for the nine months ended June 30, 2018, excluding Corporate / Other costs and 8th Avenue.

# Overview of 8th Avenue

## Business Overview

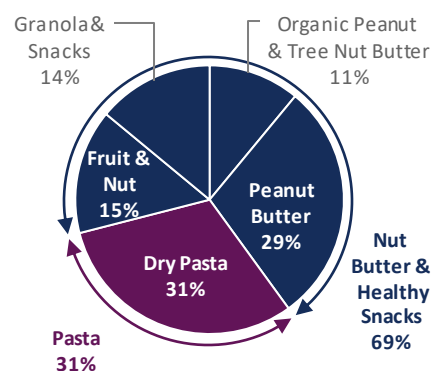
- Leading North American private brands provider and manufacturer of nut butter, healthy snacks and pasta
- Operates in two categories and three product groups
  - Nut Butter & Healthy Snacks**
    - Nut Butter:** Organic and conventional private brand peanut and tree nut butters
    - Healthy Snacks:** Organic and non-GMO granola, private brand trail mixes, dried fruits and nuts, and baking nuts
  - Pasta:** Dry pasta
- Products sold through three primary channels
  - Consumer facing:** retail grocery, mass merchandise, discount, and other retail formats, including e-commerce
  - Ingredient/Co-Manufacturing:** external manufacturing and ingredient supply for branded consumer packaged goods (CPG) manufacturers
  - Foodservice:** distributors, group purchasing organizations (GPOs), and chain restaurants
- Well-invested manufacturing facilities and distribution network to support future growth

## Key Statistics

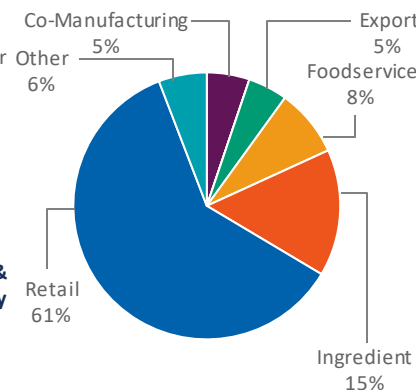
| (\$ in mm)                   | Fiscal Year<br>2016 | Fiscal Year<br>2017 | LTM Ended<br>June 30, 2018 |
|------------------------------|---------------------|---------------------|----------------------------|
| Net Sales                    | \$811.1             | \$791.2             | \$833.4                    |
| Net Earnings                 | \$52.0              | \$43.4              | \$77.1                     |
| Adjusted EBITDA <sup>1</sup> | \$110.4             | \$99.5              | \$103.1                    |

## Fiscal Year 2017 Net Sales

### By Product



### By Channel



<sup>1</sup> Calculated on a pro forma basis to give effect to certain master services fees and advisory fees expected to be paid to Post and THL from 8th Avenue following the consummation of the transaction and excludes anticipated cost synergies resulting from the integration of the existing private brands businesses. Please see the Appendix for a reconciliation to the nearest GAAP figure.



# Explanation and Reconciliation of 8th Avenue Non-GAAP Measure

---

Post uses Adjusted EBITDA, a non-GAAP measure, in this presentation to supplement its financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP). Adjusted EBITDA is not prepared in accordance with U.S. GAAP, as it excludes certain items as listed below, and may not be comparable to similarly-titled measures of other companies.

Post believes that Adjusted EBITDA is useful to investors in evaluating 8th Avenue's operating performance and liquidity because (i) Post believes it is widely used to measure a company's operating performance without regard to items such as depreciation and amortization, which can vary depending upon accounting methods and the book value of assets, (ii) it presents a measure of corporate performance exclusive of a company's capital structure and the method by which the assets were acquired, and (iii) it is a financial indicator of a company's ability to service its debt. Management uses Adjusted EBITDA to provide forward-looking guidance and to forecast future results. Adjusted EBITDA reflects adjustments for income tax expense (benefit), depreciation and amortization, as well as the following adjustment:

- a) Integration costs: Post has excluded integration costs incurred to integrate acquired or to-be-acquired businesses as Post believes that these exclusions allow for more meaningful evaluation of 8th Avenue's current operating performance and comparisons of 8th Avenue's operating performance to other periods. Post believes such costs are generally not relevant to assessing or estimating the long-term performance of acquired assets as part of 8th Avenue, and such costs are not factored into management's evaluation of potential acquisitions or its performance after completion of an acquisition. In addition, the frequency and amount of such charges varies significantly based on the size and timing of the acquisitions and the maturity of the businesses being acquired. Also, the size, complexity and/or volume of past acquisitions, which often drive the magnitude of such expenses, may not be indicative of the size, complexity and/or volume of future acquisitions. By excluding these expenses, management is better able to evaluate 8th Avenue's ability to utilize its existing assets and estimate the long-term value that acquired assets will generate for 8th Avenue. Furthermore, Post believes that the adjustments of these items more closely correlate with the sustainability of 8th Avenue's operating performance.



# 8th Avenue Historical Financials Reconciliation<sup>1</sup>

| (\$ in mm)  | Year Ended<br>Ended Sep 30 |              | Year Ended<br>Ended Sep 30 |              | Last Twelve Months<br>Ended Jun 30 |                          |
|---|----------------------------|--------------|----------------------------|--------------|------------------------------------|--------------------------|
|   | 2016                       |              | 2017                       |              | 2018                               |                          |
| <b>Net Earnings</b>   | \$                         | 52.0         | \$                         | 43.4         | \$                                 | 77.1                     |
| Income tax expense (benefit)  |                            | 19.4         |                            | 14.7         |                                    | (16.4)                   |
| Depreciation and amortization   |                            | 46.4         |                            | 48.6         |                                    | 49.3                     |
| Integration costs   |                            | -            |                            | 0.2          |                                    | 0.5                      |
| <b>Adjusted EBITDA, before estimated master services agreement and advisory fees</b>    | \$                         | <b>117.8</b> | \$                         | <b>106.9</b> | \$                                 | <b>110.5</b>             |
| Estimated master services agreement and advisory fees                                   |                            | (7.4)        |                            | (7.4)        |                                    | (7.4)                    |
| <b>Adjusted EBITDA, including estimated master services agreement and advisory fees</b> | \$                         | <b>110.4</b> | \$                         | <b>99.5</b>  | \$                                 | <b>103.1<sup>2</sup></b> |

<sup>1</sup> This presentation does not include standalone costs and interest expense allocations. Furthermore, net earnings, interest expense and income tax expense on a standalone basis may differ materially from this presentation.

<sup>2</sup> Excludes anticipated cost synergies resulting from the integration of the existing private brands businesses.



