

Brasil Foods Comparable Valuation

Stern IAG - 10/16/2009

(All data in millions US\$, except per share data in US\$)

Company Name	Stock Price (10/16/2009)	Disc/Prem to 52 week		Market Cap	Enterprise Value	Enterprise Value /				Share price /		Total Debt /		LT		
		High	Low			2009E Rev.	2010E Rev.	2009E EBITDA	2010E EBITDA	2009E EPS	2010E EPS	2009E EBITDA	2010E EBITDA	Growth Rate	P/E/G	
Brasil Foods (PDA)	\$54.56	-4%	154%	\$6,182	\$10,737	1.1x	1.1x	13.4x	9.3x	26.4x	19.0x	8.2x	5.7x	20%	1.0x	
Meat Products																
JBS SA (br:JBSS)	\$5.93	-3%	281%	\$8,304	\$10,560	0.5x	0.4x	12.0x	8.8x	67.5x	17.5x	4.1x	3.0x	17%	1.0x	
Tyson Foods (TSN)	\$12.41	-13%	182%	\$4,678	\$7,351	0.3x	0.3x	7.3x	5.1x	28.2x	11.7x	3.5x	2.4x	10%	1.2x	
Hormel Foods (HRL)	\$36.06	-8%	45%	\$4,840	\$4,955	0.7x	0.7x	7.6x	7.2x	14.7x	14.0x	0.6x	0.6x	10%	1.4x	
Smithfield Farms (SFD)	\$14.09	-11%	161%	\$2,328	\$5,172	0.4x	0.4x	18.5x	8.1x	NM	23.9x	12.0x	5.2x	11%	2.2x	
Campofrio Food Group (es:CFG)	\$10.80	-18%	21%	\$1,104	\$1,662	0.6x	0.6x	7.4x	6.7x	12.5x	17.3x	3.2x	2.9x	33%	0.5x	
Average		-10%	138%	\$4,251	\$5,940	0.5x	0.5x	10.6x	7.2x	30.7x	16.9x	4.7x	2.8x	16%	1.3x	
Median		-11%	161%	\$4,678	\$5,172	0.5x	0.4x	7.6x	7.2x	21.5x	17.3x	3.5x	2.9x	11%	1.2x	
Large Foods																
Archie Daniels Midland (ADM)	\$29.99	-7%	87%	\$19,261	\$25,284	0.4x	0.4x	7.5x	7.8x	11.4x	11.8x	2.4x	2.5x	21%	0.6x	
ConAgra (CAG)	\$21.70	-5%	61%	\$9,612	\$12,811	1.0x	1.0x	8.1x	7.6x	13.4x	12.3x	2.2x	2.1x	8%	1.5x	
Bunge (BG)	\$66.34	-9%	140%	\$8,793	\$13,554	0.3x	0.3x	11.3x	7.3x	13.8x	10.6x	4.4x	2.8x	NA	NA	
Corn Products Intl. (CPO)	\$30.80	-5%	73%	\$2,299	\$2,944	0.8x	0.8x	7.2x	6.2x	16.3x	12.4x	2.0x	1.7x	NA	NA	
Fresh del Monte Produce (FDP)	\$23.85	-11%	95%	\$1,516	\$1,824	0.5x	0.5x	7.1x	6.6x	9.9x	8.9x	1.3x	1.2x	7%	1.3x	
Average		-7%	91%	\$8,296	\$11,283	0.6x	0.6x	8.3x	7.1x	13.0x	11.2x	2.5x	2.1x	12%	1.1x	
Median		-7%	87%	\$8,793	\$12,811	0.5x	0.5x	7.5x	7.3x	13.4x	11.8x	2.2x	2.1x	8%	1.3x	
Overall Average		-9%	115%	\$6,273	\$8,612	0.6x	0.5x	9.4x	7.1x	20.9x	14.0x	3.6x	2.4x	15%	1.2x	
Overall Median		-8%	91%	\$4,759	\$6,261	0.5x	0.5x	7.6x	7.3x	13.8x	12.3x	2.8x	2.5x	11%	1.2x	

Source: Reuters and I/B/E/S estimates via Reuters Knowledge

<u>Valuation</u>	<u>Meat Products</u>	<u>Large Foods</u>	<u>Overall</u>
Equity metrics			
P/E (2009)	\$63.63	\$26.87	\$43.21
P/E (2010)	\$48.42	\$32.09	\$40.25
P/E/G (2010)	\$72.46	\$64.27	\$69.39
Current	\$54.56		
P/E (2009) Meat Products	\$63.63		
Upside	16.62%		
LT Growth Rate	20%		
P/E/G (2010) Average	\$69.39		
Upside	27.18%		
Blended Weights			
P/E (2009) Meat Products	80.00%		
P/E/G (2010) Average	20.00%		
Blended	\$64.78		
Upside	18.73%		