



THE CHEFS' WAREHOUSE, INC.

June 2014

# SAFE HARBOR STATEMENT

The following information contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements are based on management's current expectations and beliefs, as well as a number of assumptions, estimates and projections concerning future events. These statements, which are identified by words like "expect," "anticipate," "intend," "goal," "plan," "opportunities," "believe," "seek," "estimate" and similar expressions, are subject to risks, uncertainties, changes in circumstances, assumptions and other important factors, many of which are outside management's control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. Such factors include, but are not limited to: the Company's sensitivity to general economics conditions, including the current economic environment, changes in disposable income levels and consumer discretionary spending on food-away-from-home purchases; the Company's vulnerability to economic and other developments in the geographic markets in which it operates; the risks of supply chain interruptions due to the lack of long-term contracts, severe weather or more prolonged climate change, work stoppages or otherwise; the risk of loss of customers due to the fact that the Company does not customarily have long-term contracts with its customers; changes in the availability or cost of the Company's specialty and center-of-the-plate food products; the ability to effectively price the Company's specialty and center-of-the-plate food products and reduce the Company's expenses; the relatively low margins of the foodservice distribution industry and the Company's sensitivity to inflationary and deflationary pressures; the Company's ability to successfully identify, obtain financing for and complete acquisitions of other foodservice distributors and to successfully integrate those businesses and realize expected synergies from those acquisitions; the Company's ability to open and begin servicing customers from, a new Chicago distribution center and the expenses associated therewith; The Company's ability to deploy the remaining net proceeds from its September 2013 common stock offering within the timeframe contemplated; increased fuel costs and expectations regarding the use of fuel surcharges; fluctuations in the wholesale prices of beef, poultry and seafood, including increases in these prices as a result of increases in the cost of feeding and caring for livestock; the loss of key members of the Company's management team and the Company's ability to replace such personnel; and the strain on the Company's infrastructure and resources caused by its growth; the Company's ability to recover its losses related to the accounting issue at its Michael's Finer Meats subsidiary from the former owners of that business; and the results of the Company's continuing investigation into the accounting issue involving its Michael's Finer Meats subsidiary. A more detailed description of these and other risks is contained in any prospectus or prospectus supplement, including any preliminary prospectus or preliminary prospectus supplement, made available in connection with the offering of the securities contemplated by this presentation. You are cautioned not to put undue reliance on such forward-looking statements because actual results may vary materially from those expressed or implied. All forward-looking statements are based on information available to management on this date, and we assume no obligation to, and expressly disclaim any obligation to, update or revise any forward-looking statements, whether as result of new information, future events or otherwise.

This presentation also contains the non-GAAP financial measures "EBITDA" and "Adjusted EBITDA." Management believes that EBITDA and Adjusted EBITDA are each a measure commonly reported by issuers and widely used by investors as indicators of a company's operating performance. These non-GAAP financial measures, while providing useful information, should not be considered in isolation or as a substitute for The Chefs' Warehouse, Inc.'s net income as an indicator of operating performance. Investors should carefully consider the specific items included in our computations of EBITDA and Adjusted EBITDA. Adjusted EBITDA does not have any standardized meanings prescribed by GAAP and, therefore, is unlikely to be comparable to similar measures presented by other companies. A reconciliation between EBITDA and Adjusted EBITDA and net income is included in an appendix to this presentation.





COMPANY OVERVIEW AND  
KEY INVESTMENT HIGHLIGHTS

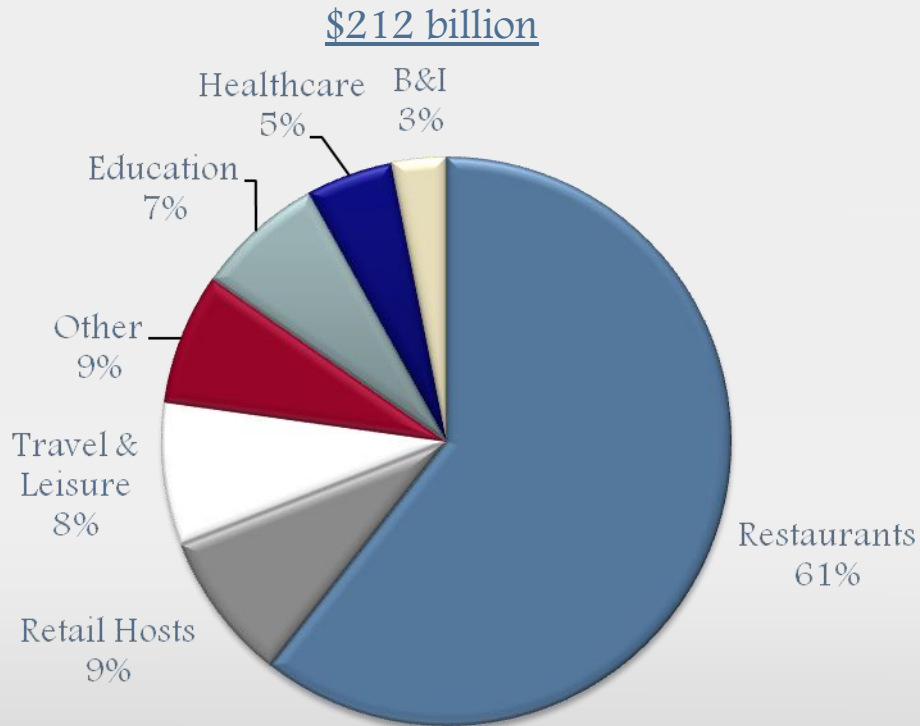
*Premier distributor of specialty food products,  
focused on serving the specific needs of chefs at  
menu-driven independent restaurants, fine  
dining establishments, country clubs, hotels,  
caterers, culinary schools, bakeries, pâtisseries,  
chocolatiers, cruise lines and specialty food  
retailers*



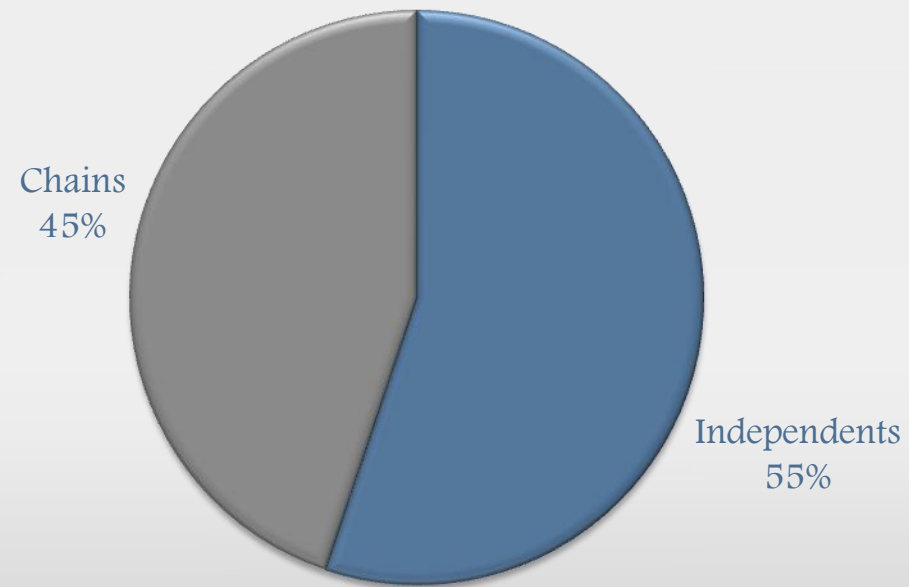
# INDUSTRY SNAPSHOT

- \$212 billion U.S. foodservice distribution industry with more than 16,500 distribution companies
- Top three competitors control 37% of the overall market
- Specialty food distribution remains highly fragmented with CHEF representing the only scaled national competitor

## Market by Customer Segment <sup>(1)</sup>



## Restaurant Segment Breakdown <sup>(2)</sup>



(1) Source: Technomic as of August 2013.

(2) Source: The NPD Group, as of Fall 2012.



# KEY INVESTMENT HIGHLIGHTS

Unique Competitive Position

Expansive and Differentiated Product Offering

Strong Presence in Key Culinary Markets

Critical Route-to-Market for Specialty Suppliers









Premier Customer Relationships and Customer Centric Sales Organization

Expertise in Logistics and Distribution

Established Platform for Continued Growth



# UNIQUE COMPETITIVE POSITION IN THE FOOD DISTRIBUTION INDUSTRY

	Average Broadline Distributors		Average Specialty Distributors
Breadth and Depth of Specialty Products			
Broadline Selection	✓		
Geographic Diversity	✓		
Chef Focused			✓
Relationship Oriented			✓
Differentiated			✓
High Growth			



# STRONG PRESENCE IN KEY CULINARY MARKETS

- We focus on markets that set the culinary trends for the rest of the country
- Successfully expanded into a number of key culinary markets

## Current Geographic Footprint



# PREMIER CUSTOMER RELATIONSHIPS

- One stop shop for chefs
  - Approximately 20,000 unique customer relationships
- Relationships with well-known chefs and leading culinary schools built on service and collaboration
- Product offering focused on providing chefs ingredients that enhance and differentiate their menu offerings

## Representative Customers



# EXPANSIVE AND DIFFERENTIATED PRODUCT OFFERING

## Selected Specialty Products

Cheese



Oil and Vinegar



Specialty Meats



Custom Cut Beef



Specialty Seafood



Coffee & Tea



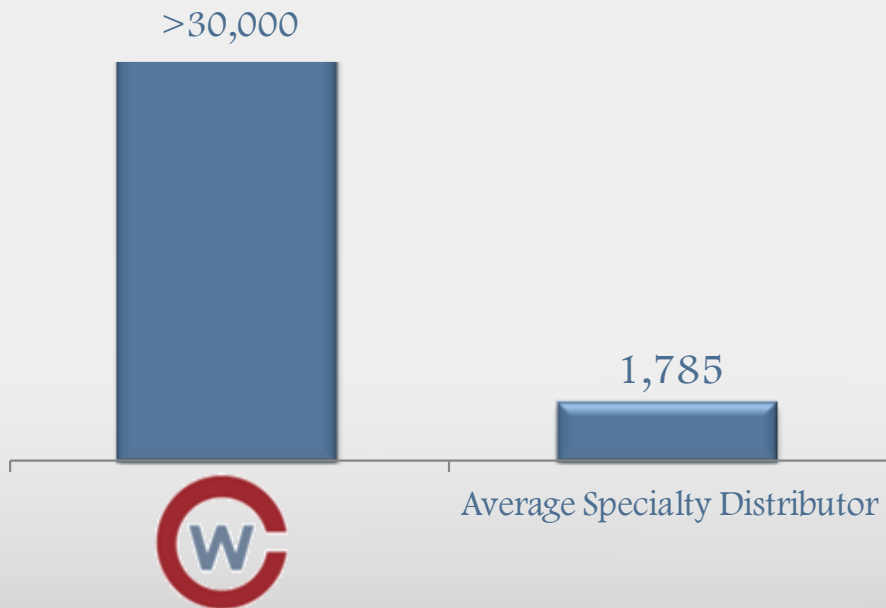
Pastry Products



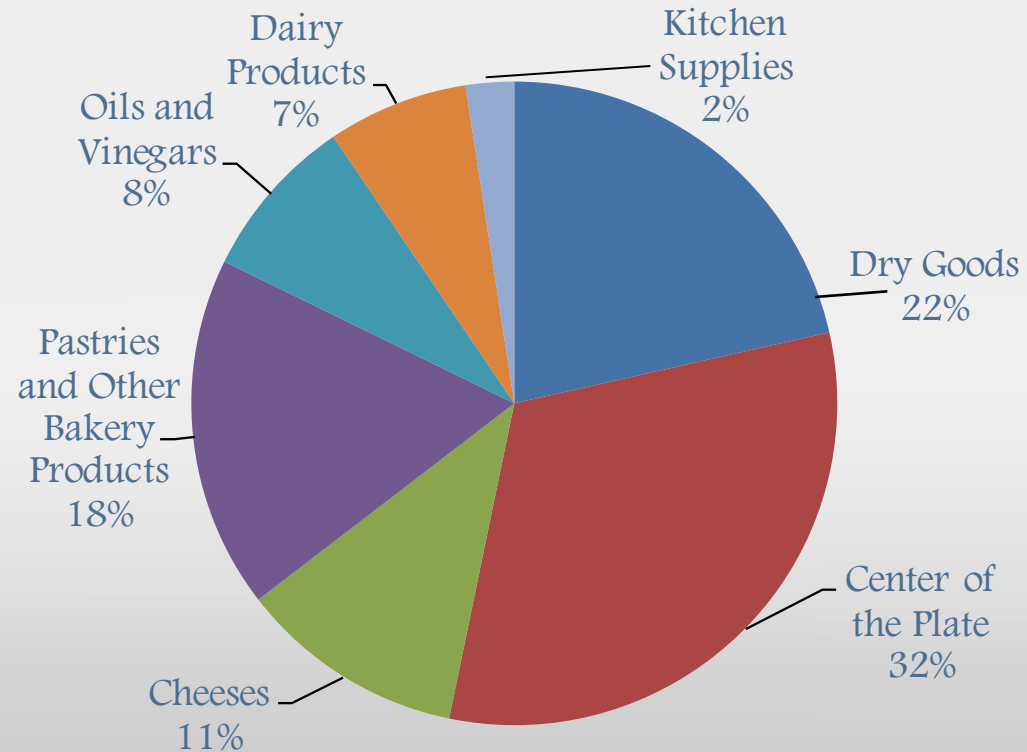
Chocolate



## Product Selection (Total SKUs) <sup>(1)</sup>



## 2013 Net Revenues by Category



(1) Information from company filings and Mintel Group Ltd.



# CRITICAL ROUTE TO MARKET FOR SPECIALTY SUPPLIERS

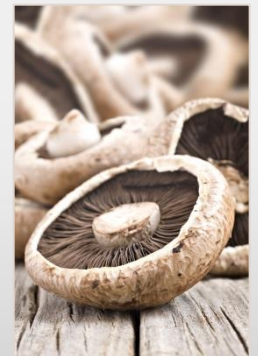
- Sourcing the world's finest gourmet brands
- Critical route-to-market for boutique suppliers and artisanal producers
  - Products sourced from more than 1,600 different suppliers from across the globe
- CW's proprietary brands provide value

## Representative Suppliers



# CUSTOMER CENTRIC SALES ORGANIZATION

- High-quality sales force is key differentiator
  - A significant number have culinary experience
  - Target sales rep to customer ratio is 1:65
  - Extensive education and training
- Relationship-focused sales force adds value
  - Educate clients on latest products and culinary trends
  - Assist with menu planning and pricing
- Entrepreneurial environment focused on meeting customer needs



# EXPERTISE IN LOGISTICS AND DISTRIBUTION

## Distribution Infrastructure

- First-class logistics platform
  - Fill over 13,500 orders weekly
  - Service level in excess of 97% <sup>(1)</sup>
  - 20 distribution centers across the U.S. and Canada
  - Six-days-a-week delivery in many areas

## Technology Systems

- Best-in-class information technology platform
- Data driven organization
  - Fully-integrated warehouse management system
  - Voice-picking and dimension-based pallet building technologies
  - GPS and vehicle monitoring technologies
  - Sales reporting system for both management and sales professionals

(1) As measured by the percentage of in-stock items ordered by customers that were delivered by the requested date.





Increase Penetration with Existing Customers

Increase Number of Unique Customers

Pursue Select Acquisitions

Improve on Operating Margins



# GROWTH IN EXISTING MARKETS

## Increase Penetration with Existing Customers

- Increase product placements
- Increase weekly sales gross profit contribution per customer
- Provide industry leading customer service



## Increase Number of Unique Customers

- Improve brand recognition
- Add highly trained sales professionals
- Enhance product offering



## EXPANSION INTO CENTER OF THE PLATE

- Targeted proteins due to broad customer needs and market penetration opportunities
- Highly fragmented industry
- Long-term synergies with CW distribution logistics and technology
- Center of the plate critical to customers



### Michael's acquisition – August 2012

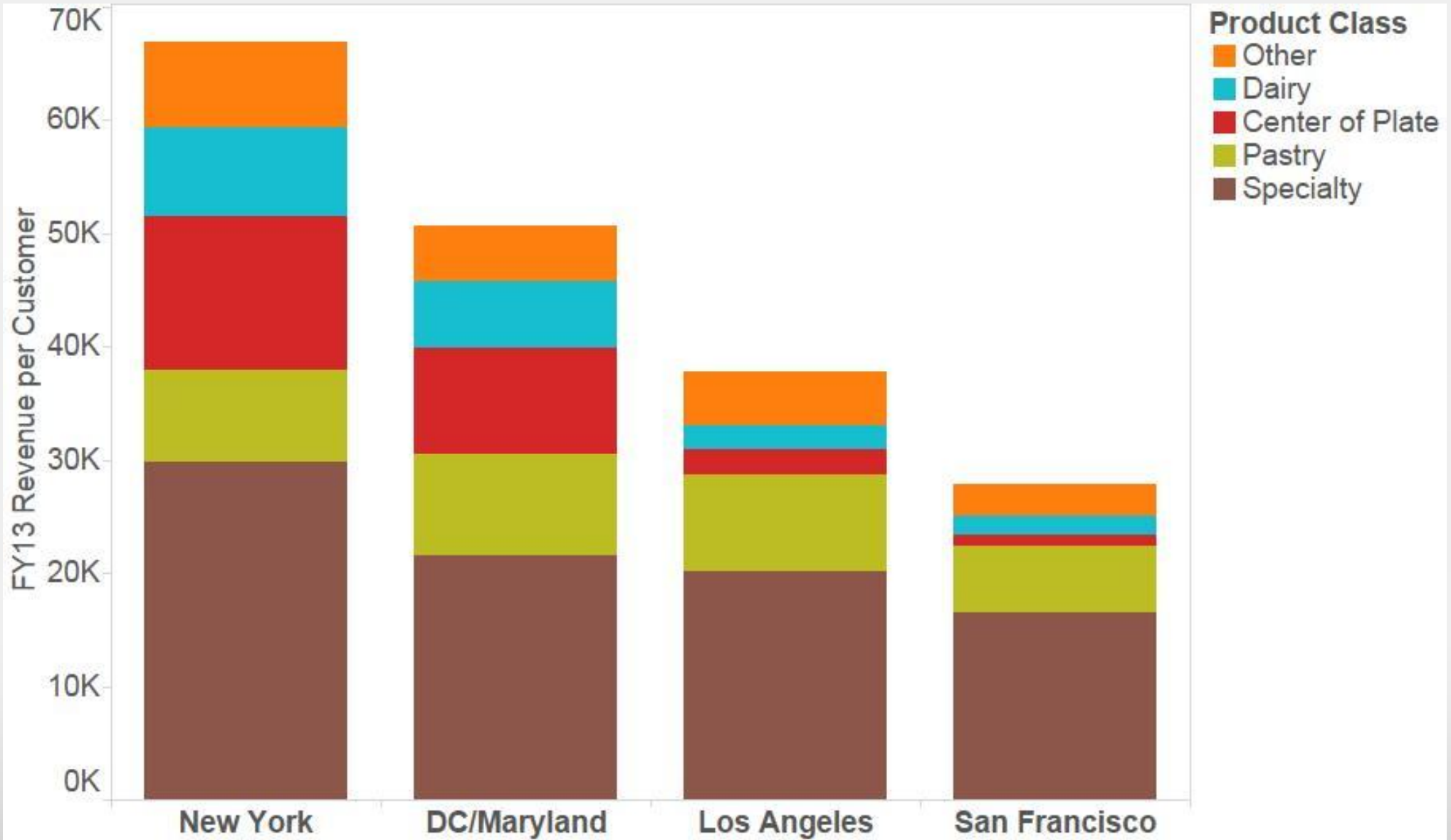
- Michael's distributes an extensive portfolio of custom cut beef, seafood and other center-of-the-plate products
- Ohio, Indiana, Illinois and western Pennsylvania.

### Allen Brothers Acquisition – December 2013

- Allen Brothers is the premier brand in further processing of prime beef
- Established B2C platform
- Based in Chicago, national presence

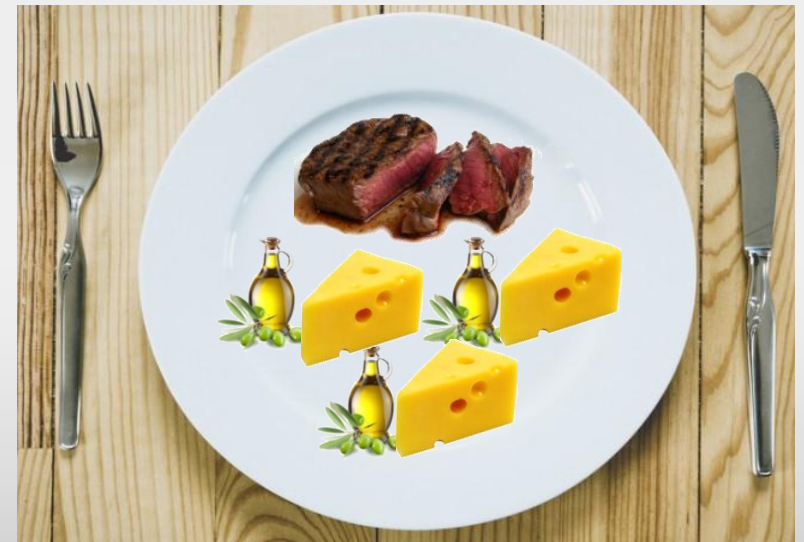
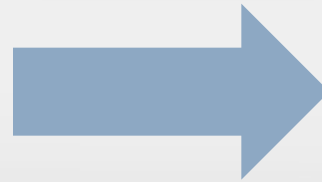


# CENTER OF THE PLATE AND REVENUE PER CUSTOMER



## CENTER OF THE PLATE IS A KEY OFFERING

In both New York and Ohio, customers who buy Center of the Plate spend **3x** as much on our Specialty items as other customers.



## New Market

Example:



Acquisition target qualities:

- Market leader
- Strong account base
- Strong operating team
- Limited SKU set, ability to build – out

## Tuck-in

Examples:



Acquisition target qualities:

- Strong specialty food presence
- Strong account base
- Strong synergies
- Opportunity to leverage infrastructure

## Strategic Product /Platform

Example:



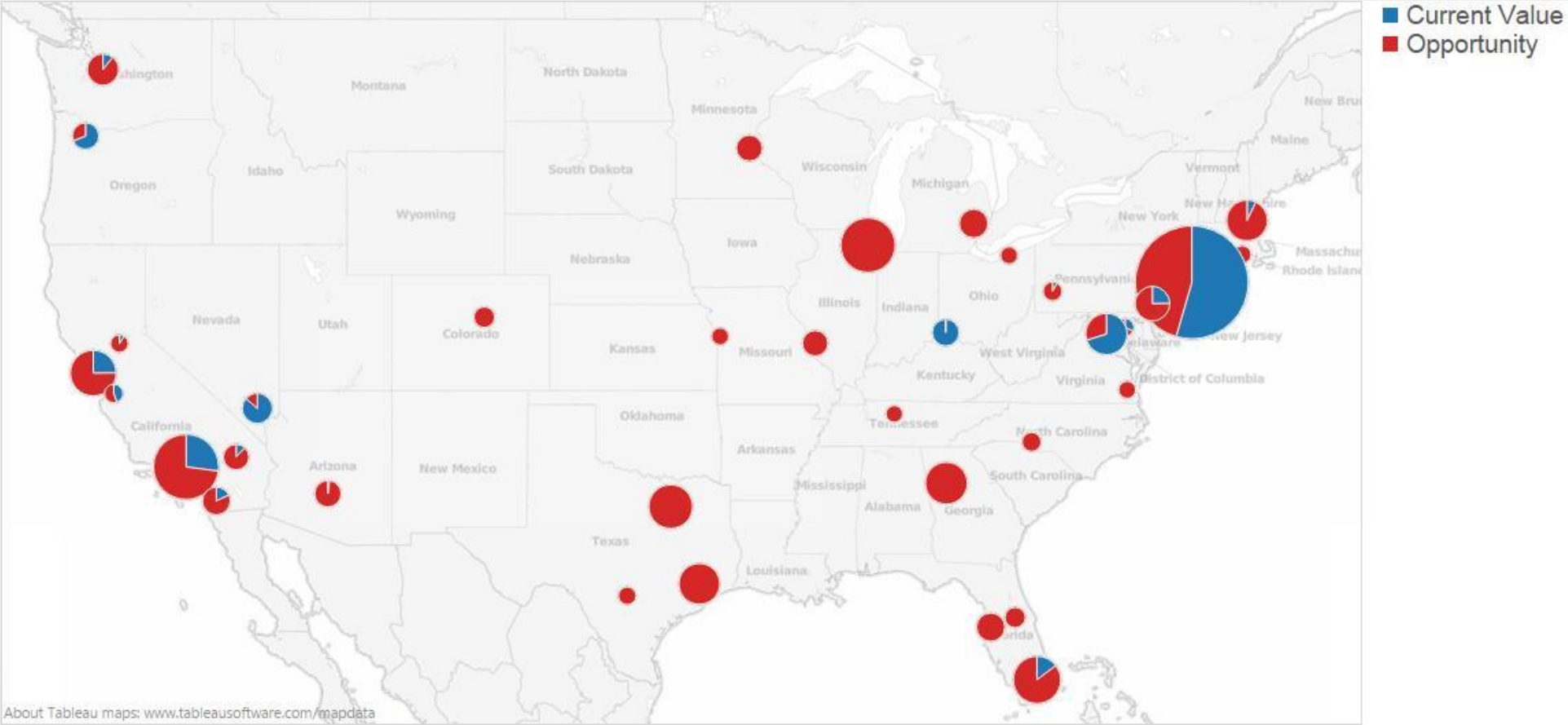
Acquisition target qualities:

- Market leading position
- Strong operating team
- Meat, Seafood, Produce, Direct Ship Pastry, Supplies



# LOTS OF ROOM TO GROW

Top 15 metros in terms of opportunity represent \$900 million+ of potential revenue.\*



\*Company estimates





## Chicago Expansion Strategy

- ✓ May, 2013 – Acquired Qzina Specialty Foods, including its Chicago-area location.
- ✓ December, 2013 – Acquired Allen Brothers, adding a premium quality meat offering and additional Chicago customers.
- ✓ April, 2014 – Executed lease for a 107,000 square foot distribution center.
- ✓ Chicago has the potential to be our 3<sup>rd</sup> largest market.

## San Francisco Expansion Example

- ✓ 2005 – Entered SF market via acquisition
- ✓ c. 2007 – Acquired Van Rex Gourmet Foods
- ✓ September, 2009 – Acquired European Imports Ltd
- ✓ May, 2013 – Acquired Qzina Specialty Foods, including its SF metro location
- ✓ Currently 5th largest market

## Washington DC Expansion Example

- ✓ 1999 – Entered DC market through greenfield expansion
- ✓ June, 2008 – Acquired American Gourmet Foods
- ✓ Currently 3rd largest market



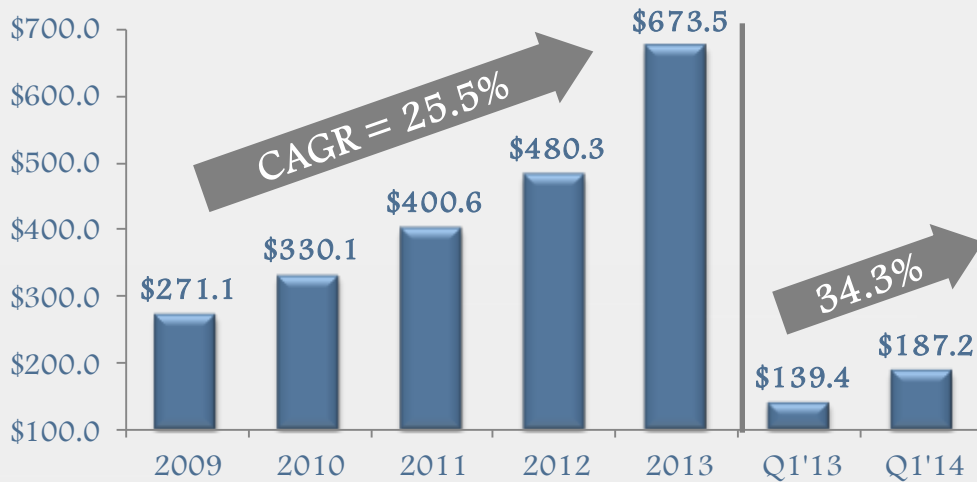


# FINANCIAL DISCUSSION

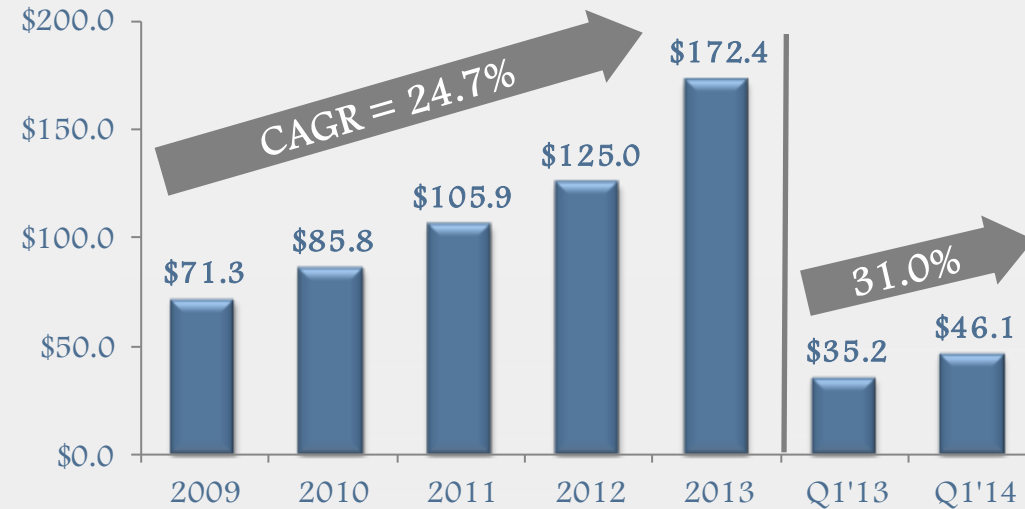
# STRONG FINANCIAL PERFORMANCE

(\$Millions)

## Historical Net Sales Growth



## Historical Gross Profit Growth

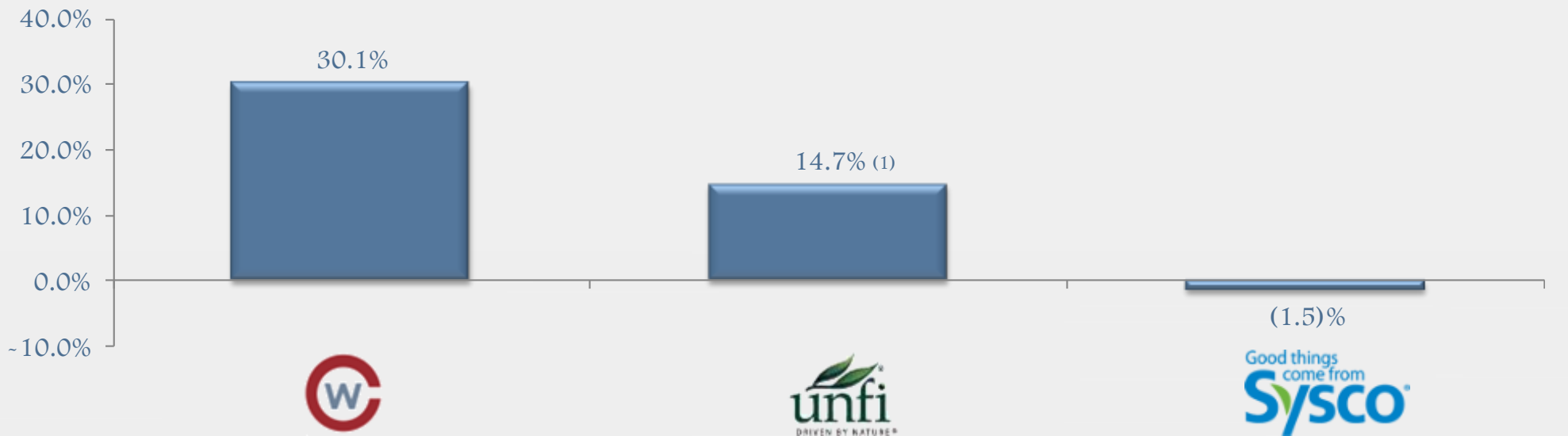


## Historical Adjusted EBITDA Growth

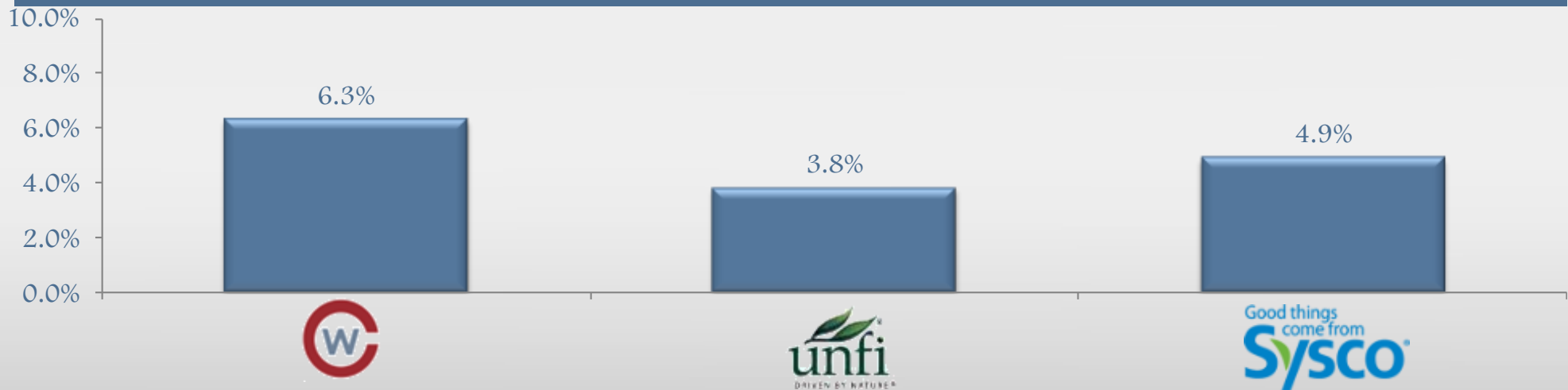


# SUPERIOR GROWTH AND MARGINS

## 2009 – 2013 EBITDA CAGR\*



## LTM EBITDA Margin\*



\* Note: UNFI and SYY unadjusted EBITDA CAGR and Margin represent data from CY 2009 through CY 12.

Source: Company filings.

(1) CY 2009 EBITDA represented by 12 months ending January 30, 2010 reported EBITDA; LTM EBITDA represented by FY ended August 3, 2013 reported EBITDA.



# ACQUISITION INTEGRATION UPDATE

Integrate back office functions as soon as possible

Timing is deal-specific

Finance

Human Resources

Information Technology

Purchasing (hybrid)

In-house capabilities

Unique technology /process issues

- ✓ Accounting
- ✓ Accounts receivable
- ✓ Accounts payable

- ✓ Compliance
- ✓ Recruiting, onboarding
- ✓ Payroll

- ✓ Development
- ✓ Processing
- ✓ Disaster recovery

Aug 2012

Dec 2012

May 2013

Dec 2013

**Michael's**  
FINER MEATS & SEAFOODS

"center of the plate specialists"



**QZINA**

**ALLEN BROTHERS**  
THE GREAT STEAKHOUSE STEAKS®

- ✓ Unique process – meat cutting
- ✓ Stand alone (for now)
- ✓ HR converted 10/12
- ✓ Oversight of financial reporting, consolidated monthly

- ✓ HR converted 1/13
- ✓ Converted IT system 4/13
- ✓ Integrated delivery logistics with Michael's 7/13

- ✓ HR converted 6/13
- ✓ Consolidated delivery logistics 7/13
- ✓ Converting IT system in Q2 2014

- ✓ HR converted 12/13
- ✓ Upgrading IT system in 2H2014
- ✓ Standardizing process with MFM

- ✓ Updating IT platform and controls in 2014



## CAPITALIZATION AS OF 3/28/2014

- Flexible capital structure
- Adequate capacity for future acquisitions
- Continue focus on financial discipline and judicious usage of free cash flow

(\$ millions)	As Adjusted Q1'14
<b>Cash and cash equivalents</b>	26.1
\$140.0 million Revolver	0.0
\$40.0 million Term Loan A	31.5
Senior Secured Notes due 2023	100.0
New Markets Tax Credit Loan	11.0
Capital leases and software financing	4.6
<b>Total debt</b>	<b>147.1</b>



# ATTRACTIVE LONG TERM GROWTH OPPORTUNITY

History of strong organic growth

History of consistent gross profit margins

Track record of successful acquisitions

Focus on improvement  
in operating leverage

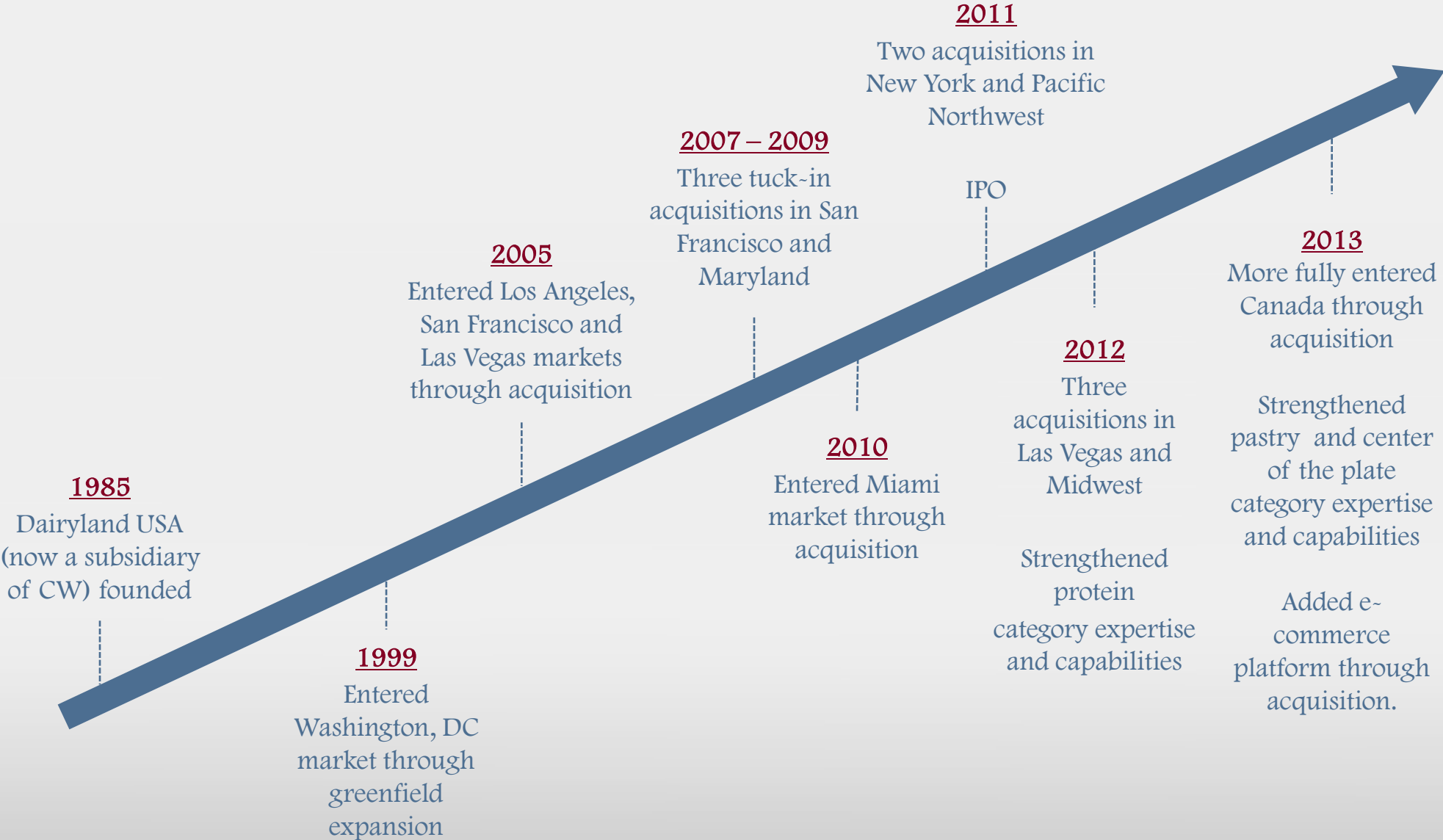
Judicious usage of free cash flow





# APPENDIX

# COMPANY HISTORY



# ADJUSTED EBITDA RECONCILIATION

(\$Millions)	Fiscal Year Ended					Quarter Ended	
	2009	2010	2011	2012	2013	March 29, 2013	March 28, 2014
Net Income	\$9.0	\$15.9	\$7.7	\$14.5	\$17.0	\$2.7	\$0.9
Interest Expense	2.8	4.0	14.6	3.7	7.8	1.4	2.1
Depreciation and Amortization	1.9	2.1	1.7	3.9	7.3	1.7	2.3
Provision for Income Taxes	2.2	2.6	5.6	10.6	11.8	1.8	0.7
<b>EBITDA <sup>(1)</sup></b>	<b>\$15.9</b>	<b>\$24.6</b>	<b>\$29.6</b>	<b>\$32.7</b>	<b>\$43.9</b>	<b>\$7.6</b>	<b>\$6.0</b>
Adjustments:							
Mark to Market of Interest Rate Swap <sup>(2)</sup>	(0.7)	(0.9)	(0.1)	-	-	-	-
Management Severance Costs <sup>(3)</sup>	0.7	-	-	-	-	-	-
Management Fee <sup>(4)</sup>	0.4	0.2	-	-	-	-	-
Stock Compensation <sup>(5)</sup>	-	-	2.1	1.6	1.2	0.3	0.3
Duplicate rent <sup>(6)</sup>	-	-	-	0.7	1.5	0.4	0.5
Prior year's customs duty refund <sup>(7)</sup>	-	-	(0.3)	-	-	-	-
Workers' Compensation Trust Settlement <sup>(8)</sup>	-	-	0.1	-	-	-	-
Impact of 53rd week <sup>(9)</sup>	-	-	(0.7)	-	-	-	-
Effect of Hurricane Sandy <sup>(10)</sup>	-	-	-	1.8	-	-	-
Cumulative impact of prior periods inventory overstatement <sup>(11)</sup>	-	-	-	-	0.5	-	-
Investigation costs <sup>(12)</sup>	-	-	-	-	0.3	-	0.4
Third party transaction costs <sup>(13)</sup>	-	-	-	-	0.6	-	-
Reduction of contingent liability <sup>(14)</sup>	-	-	-	-	(1.2)	-	-
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$16.3</b>	<b>\$23.9</b>	<b>\$30.7</b>	<b>\$36.8</b>	<b>\$46.8</b>	<b>\$8.3</b>	<b>\$7.2</b>

(1) We are presenting EBITDA and Adjusted EBITDA, which are not measurements determined in accordance with the U.S. generally accepted accounting principles, or GAAP, because we believe these measures provide additional metrics to evaluate our operations and which we believe, when considered with both our GAAP results and the reconciliation to net income, provide a more complete understanding of our business than could be obtained absent this disclosure. We use EBITDA and Adjusted EBITDA, together with financial measures prepared in accordance with GAAP, such as revenue and cash flows from operations, to assess our historical and prospective operating performance and to enhance our understanding of our core operating performance. The use of EBITDA and Adjusted EBITDA as performance measures permits a comparative assessment of our operating performance relative to our performance based upon our GAAP results while isolating the effects of some items that vary from period to period without any correlation to core operating performance or that vary widely among similar companies.

(2) Represents the gain or loss CW experienced on its interest rate swap in each period. When CW entered into its interest rate swap in 2005, CW did not elect to account for it under hedge accounting rules. As such, the mark to market movement of the swap is recorded through CW's statement of operations. This interest rate swap expired January 2011.

(3) Represents cash severance payments to individuals in connection with CW's 2009 management restructuring.

(4) Represents the management fee paid to CW's former private equity investor.

(5) Represents non-cash stock compensation expense associated with awards of restricted shares of CW's common stock to key employees and our independent directors.

(6) Represents rent expense and other facility costs, including utilities and insurance, incurred on the renovation and expansion of our Bronx, NY distribution facility while we are unable to use the facility.

(7) Represents a refund received for the overpayment of import tariffs since 2007.

(8) Represents the settlement recorded with the New York Transportation Industry Workers' Compensation Trust.

(9) Represents the estimated impact of a 53rd week in the 2011 fiscal year.

(10) Represents our estimate of the impact of Hurricane Sandy, primarily the margin associated with lost revenue and additional bad debt expense incurred.

(11) Represents the cumulative prior year impact related to the inventory misstatements at Michael's Finer Meats.

(12) Represents the costs incurred in our previously disclosed investigation of the accounting issue referred to in note (11) above.

(13) Represents third party transaction costs related to the Company's acquisitions.

(14) Represents the reduction of a liability for contingent consideration related to one of the Company's prior acquisitions due to the fact the acquired entity failed to meet specified earnings targets for fiscal 2013 as defined in the earn out agreement for that transaction.

