

Today's Changes	Annual EPS	Annual Revenue	Rating/Target
	2012E No change	2012E \$456.3M from \$442.0M	No change
	2013E No change	2013E \$504.2M from \$479.5M	

## The Chefs' Warehouse

CHEF : NASDAQ : US\$21.28

**BUY****Target: US\$24.00**

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### COMPANY STATISTICS:

Shares Out diluted: 20.8  
 Market Cap (M): US\$443.4  
 52-week Range: 11.32 - 21.48  
 Avg. Daily Vol. (000s): 91.5  
 EV/EBITDA: 10.7

### EARNINGS SUMMARY:

FYE Dec	2010A	2011A	2012E	2013E
P/Sales:	1.3	1.1	1.0	0.9
P/E:	38.7	27.3	22.5	19.7
<b>Revenue (M):</b>				
Q1	70.0	83.2	99.8	-
Q2	83.6	99.3	119.1	-
Q3	84.9	101.7	115.9	-
Q4	91.6	116.5	121.4	-
Total	330.1	400.6	456.3	504.2
<b>EPS:</b>				
Q1	0.07	0.12	0.18	-
Q2	0.15	0.20	0.26	-
Q3	0.17	0.19	0.24	-
Q4	0.17	0.26	0.27	-
Total	0.55	0.78	0.95	1.08

### SHARE PRICE PERFORMANCE:



### COMPANY DESCRIPTION:

The Chefs' Warehouse was founded in 1985 and is a premier distributor of specialty food products with a focus on serving the specific needs of chefs who own and/or operate some of the nation's leading menu-driven independent restaurants, fine dining establishments, country clubs, hotels, caterers, culinary schools and specialty food stores in the United States.

All amounts in US\$ unless otherwise noted.

### Consumer & Retail -- Health, Wellness and Lifestyle

## DELIVERING GROWTH AND STRONG GROSS MARGINS; REITERATE BUY AND \$24 PRICE TARGET

### Investment recommendation

We expect that CHEF will deliver an EPS growth CAGR of over 20% over the next few years and has considerable geographic growth and consolidation opportunities to enhance strong organic growth within its existing markets.

### Investment highlights

- Q4 EPS of \$0.26 beat our and consensus estimates of \$0.24 and \$0.25, respectively, on stronger sales and margins. F2012 EPS guidance was in line with our forecast while below consensus on stronger sales but a higher tax rate.
- Revenue was \$116.5M vs. our \$107.8M on strong base organic case growth of 9% vs. our expectation of 7%. Acquired businesses also outperformed our forecast.
- Increasing F2012 revenue estimate to \$456M from \$442M, and F2013E to \$504M from \$480M. No changes to our EPS estimates as our new forecasts assume reinvestment of the stronger sales into the sales force and a higher tax rate.

### Valuation

At 22.5x forward earnings and 10.8x EBITDA estimates, we view valuation as appropriate relative to peers and growth. Maintain \$24 price target on a multiple of 11x our F2013 EBITDA forecast.

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## INVESTMENT THESIS

We believe CHEF is a best-in-class specialty foodservice distributor with a substantial growth opportunity lying ahead through a combination of internal growth and acquisitions as its segment of the industry is highly fragmented and scale undoubtedly offers advantages. While the company is a relatively recent IPO and still establishing a reputation with investors, we believe it is already proven in its industry and already proven investor concerns of cyclicalities are unwarranted. We simply believe that if CHEF can achieve the top market share of specialty foods sold into the New York culinary market, it can replicate this success in any major market. There is no market in the US with a larger base of menu-driven restaurants, no more diverse culinary offerings, no more challenging logistical environment than Manhattan, and no more demanding consumers or food palates anywhere in the country. With an expertise in leveraging its supplier and sourcing relationships throughout the world to ensure a broader, deeper or more readily available list of gourmet foods and ingredients than its competition, and tangible proof that it can dominate the most challenging market in the US, we believe there is ample reason to be comfortable that CHEF can replicate its success into a geographical growth opportunity that should ensure ample opportunity for consistent long-term growth.

## Q4 RESULTS

CHEF reported Q4 results last night that exceeded both our and consensus expectations. Revenues increased 27.2% to \$116.5 million vs. our and consensus estimates of \$107.8 million and \$113.2 million, respectively, as higher-than-forecast organic growth along with stronger sales performance from recent acquisitions of Provvista and Harry Wils delivered upside. Excluding these two acquisitions, which added \$9.2 million, as well as a fourteenth week in the quarter that contributed \$6.6 million, CHEF posted a 9% organic growth rate vs. our 7% estimate.

Gross margin continued to expand YOY, coming in at 26.6% vs. our 26.3% estimate, and we think the stronger margins are likely to continue. Given CHEF's performance with optimizing pricing and delivering margin enhancement, we have increased our forward estimates for gross margin to the mid-26% range. Pro forma operating margin for the quarter was also quite strong, having posted a 180 basis point YOY increase to 8.5%, which was above our forecast of 8.1% given the aforementioned gross margin performance, and the higher sales volumes aided expense leverage. On a GAAP basis, earnings for the quarter came in at \$0.25. On an adjusted basis, EPS were \$0.26, which was ahead of the consensus forecast of \$0.25 and our \$0.24 estimate. The Q4 results were strong across the board and add to our confidence in our F2012 forecasts for growth and margin performance.

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Figure 1: Q4 results comparison

Income Statement In \$ million, except per share at	Actual Q4:11A	Last Year Q4:10A	YOY % Growth	Canaccord Estimate Q4:11E	% Difference	Consensus Forecast Q4:11E
<b>Revenue</b>	<b>116.5</b>	<b>91.6</b>	27.2%	<b>107.8</b>	8.1%	<b>113.2</b>
COGS	(85.5)	(67.8)	26.1%	(79.5)	7.6%	
Gross Profit	31.0	23.8	30.4%	28.4	9.4%	
Operating Expenses	(21.3)	(17.3)	23.2%	(19.6)	8.5%	
Operating Income	9.7	6.5	49.6%	8.7	11.2%	
<b>EBITDA</b>	<b>10.1</b>	<b>7.2</b>	39.9%	<b>9.1</b>	10.7%	
Net Interest/Other	(0.5)	(2.4)	nmf	(0.4)	25.7%	
Other expenses	(0.0)	0.3		0.0		
Pretax Income	9.2	4.3	nmf	8.3	10.5%	
Income Tax	(4.0)	1.1	nmf	(3.2)	22.2%	
Net income	<b>5.2</b>	<b>5.4</b>	nmf	<b>5.1</b>	2.9%	
Average Shares	20.8	16.0	30.2%	20.9	(0.5%)	
<b>EPS</b>	<b>\$0.25</b>	<b>\$0.34</b>	nmf	<b>\$0.24</b>	3.4%	
<b>Pro forma adjustments</b>						
GAAP Pretax income	<b>9.2</b>	<b>6.0</b>	52.5%	<b>8.3</b>	10.5%	
SG&A	0.2	(0.4)	nmf	0.0	nmf	
D&A						
Interest						
<b>Adjusted EBITDA</b>	<b>10.3</b>	<b>6.3</b>	62.9%	<b>9.1</b>	12.8%	<b>9.4</b>
Adjusted pre-tax	9.4	5.7	65.2%	8.3	12.4%	
Taxes	(3.9)	(2.2)	75.8%	(3.2)	19.7%	
Adjusted net income	5.5	3.5	58.4%	5.1	7.8%	
<b>Pro Forma EPS</b>	<b>\$0.26</b>	<b>\$0.17</b>	57.1%	<b>\$0.24</b>	8.3%	<b>\$0.25</b>
Shares outstanding	20.8	20.7	0.8%	20.9	(0.5%)	
	<b>Actual Q4:11A</b>	<b>Last Year Q4:10A</b>	<b>YOY BP Change</b>	<b>Estimate Q4:11E</b>	<b>BP Difference</b>	
Gross Margin	26.6%	26.0%	64	26.3%	32	
Total Operating expenses	18.3%	18.9%	(60)	18.2%	8	
Adjusted operating margin	8.5%	6.7%	179	8.1%	40	
Adjusted EBITDA margin	8.8%	7.5%	133	8.5%	37	
Pretax margin	7.9%	4.7%	316	7.7%	17	
Adjusted net margin	4.7%	3.8%	86	4.7%	(1)	
Tax Rate	41.5%	39.0%	250	39.0%	250	

Source: Company reports and Canaccord Genuity forecasts

For F2012, initial guidance was given with revenues in the range of \$450 million to \$460 million and GAAP EPS of \$0.88 to \$0.93. Within the 16%-18% implied revenue increase, it is expected that roughly 8% come through acquisition and there is no adjustment for inflation, which is likely to add to sales growth. The pro forma EPS range given was for between \$0.91 and \$0.96, and the \$0.03 differential between the two guidance ranges reflect an anticipated impact from duplicate rent and lease fees for a new NYC distribution center that should be announced over the next quarter and placed into service in F2013. We added in these non-recurring costs beginning in Q2.

## ESTIMATE REVISIONS

Following Q4 financial results, we are updating our forecasts for the upside and momentum heading into F2012. We are making no change to F2012 EPS estimate of \$0.95 as a 15 basis point impact from higher fuel costs and an increased effective tax rate assumption of 41% from 39% (trims \$0.03 of EPS) offset our increased revenue forecasts. The company is also targeting higher operating expenses than we had forecasted, but this reinvestment is mostly offset by a stronger gross margin assumption. Our F2012 revenue forecast is increasing by approximately \$14 million to \$456 million to account for the stronger-than-expected internal growth rate and better performance from recently acquired businesses. For F2013, we are again maintaining our EPS estimates while increasing revenue to \$504.2 million from \$479.5 million.

**Figure 2: Estimate revision**

in \$ millions, except EPS	Actual F2011	New F2012E	Prior F2012E	New F2013E	Prior F2013E
Revenue	400.6	456.3	442.0	504.2	479.5
Adjusted EBITDA	30.0	45.3	44.2	50.3	48.7
Pro forma EPS	\$0.78	\$0.95	\$0.95	\$1.08	\$1.08
Gross margin	26.4%	26.6%	26.2%	26.7%	26.2%
Adjusted EBITDA margin	7.5%	9.9%	10.0%	10.0%	10.1%
Adjusted net margin	4.1%	4.4%	4.5%	4.6%	4.8%

Source: Company reports and Canaccord Genuity forecasts

## VALUATION

Valuation is appropriate, in our view. Shares trade at 22.5x our 2012 EPS forecast and 10.8x our forecasted EBITDA. While the valuation represents a significant premium to the food distribution peer group multiples of 12.4x earnings and 7.0x EBITDA, the valuation is comparable to its best and only real comparable peer from a standpoint of growth, United Natural Foods (UNFI : NASDAQ : \$44.24 | Buy). We view UNFI as the best comparison for CHEF given it also enjoys a naturally growing market, superior margins relative to most distributors (yet at 18%, its gross margins are inferior to CHEF at 26%) and is the leader in its segment as is CHEF. We continue to argue that CHEF should trade at a premium to its distribution peers (as UNFI does) given its vastly superior margins, growth outlook and higher returns on invested capital.

We maintain our price target of \$24.00 as this reflects 11x our 2013 EBITDA forecast. Our targeted PE and EBITDA multiple forecasts reflect the premium valuations of the specialty food peer group (twice the valuation of the distribution group), reduced by the unattractive comparison to the low valuations afforded the traditional food distribution peer group.

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Figure 3: Relative valuation

Food distribution Peer Group			Price	Market	Enterprise	C2012E	C2013E	P/E	P/E	Enterprise Value/EBITDA	Enterprise Value/EBITDA
Company	Symbol	Rating	3/6/2012	Cap (\$M)	Value	EPS	EPS	C2012E	C2013E	C2012E	C2013E
Core-Mark Holdings	CORE	Not rated	39.46	447	458	3.38	3.94	11.7	10.0	4.7	NA
Nash Finch	NAFC	Not rated	27.34	334	643	3.18	3.27	8.6	8.4	4.8	4.7
Supervalu	SVU	Not rated	6.32	1,342	7,745	1.23	1.31	5.1	4.8	4.3	4.3
Sysco	SYU	Not rated	29.39	17,180	19,702	2.00	2.18	14.7	13.5	8.1	7.5
United Natural Foods	UNFI	Buy	44.24	2,169	2,378	2.07	2.27	21.4	19.5	10.8	10.0
<b>Average</b>								<b>12.4x</b>	<b>11.6x</b>	<b>7.0x</b>	<b>6.6x</b>
Specialty Food Peer Group			Price	Market	Enterprise	C2012E	C2013E	P/E	P/E	Enterprise Value/EBITDA	Enterprise Value/EBITDA
Company	Symbol	Rating	3/6/2012	Cap (\$M)	Value	EPS	EPS	C2012E	C2013E	C2012E	C2013E
Diamond Foods	DMND	Not rated	24.68	544	1,073	3.05	3.61	8.1	6.8	4.1	2.5
Hain Celestial	HAIN	Buy	40.01	1,827	1,803	1.51	1.92	26.5	20.8	13.8	11.1
Lifeway Foods	LWAY	Not rated	8.95	147	153	0.29	0.47	30.9	19.0	14.1	NA
Peet's Coffee & Tea	PEET	Not rated	64.33	832	797	1.78	2.23	36.1	28.9	14.8	NA
Smart Balance	SMBL	Hold	6.01	355	441	0.23	0.31	25.8	19.7	11.6	9.7
United Natural Foods	UNFI	Buy	44.24	2,169	2,378	2.07	2.27	21.4	19.5	10.8	10.0
<b>Average</b>								<b>24.8x</b>	<b>19.1x</b>	<b>11.5x</b>	<b>8.3x</b>
<b>Chefs' Warehouse</b>			<b>CHEF</b>	<b>Buy</b>	<b>21.28</b>	<b>443</b>	<b>489</b>	<b>0.95</b>	<b>1.08</b>	<b>22.5x</b>	<b>19.7x</b>
Relative to conventional group								80.7%	70.6%	54.1%	46.8%
Relative to specialty group								(9.3%)	3.0%	(6.3%)	16.6%
Relative to UNFI								5.2%	1.0%	0.3%	(2.4%)

Source: Canaccord Genuity, Capital IQ and Thomson First Call consensus estimates

**Figure 4: Historical and projected operating results**

Fiscal Year End - December

(in millions, except per-share data)

<i>Income Statement</i>	2011				2011	2012E				2012E	2013E
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	FY
<b>Revenue</b>	<b>83.2</b>	<b>99.3</b>	<b>101.7</b>	<b>116.5</b>	<b>400.6</b>	<b>99.8</b>	<b>119.1</b>	<b>115.9</b>	<b>121.4</b>	<b>456.3</b>	<b>504.2</b>
COGS	(61.1)	(73.0)	(75.1)	(85.5)	(294.7)	(73.4)	(87.3)	(85.1)	(88.9)	(334.7)	(369.7)
Gross Profit	22.0	26.3	26.6	31.0	105.9	26.5	31.8	30.8	32.5	121.6	134.4
Operating Expenses	(17.0)	(18.6)	(21.3)	(21.3)	(78.1)	(19.5)	(22.4)	(22.3)	(22.9)	(87.0)	(93.9)
Operating Income	5.1	7.7	5.3	9.7	27.8	7.0	9.4	8.5	9.6	34.5	40.6
<b>EBITDA</b>	<b>5.6</b>	<b>8.0</b>	<b>5.8</b>	<b>10.1</b>	<b>33.4</b>	<b>7.5</b>	<b>9.9</b>	<b>9.0</b>	<b>10.1</b>	<b>44.3</b>	<b>50.3</b>
Net Interest	(3.5)	(3.3)	(7.2)	(0.5)	(14.6)	(0.5)	(0.5)	(0.4)	(0.4)	(1.9)	(1.4)
Other expenses	0.1	0.0	0.0	(0.0)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Pretax Income	1.7	4.4	(1.9)	9.2	13.3	6.4	9.0	8.1	9.2	32.7	39.2
Income Tax	(0.7)	(1.7)	0.7	(4.0)	(5.6)	(2.6)	(3.7)	(3.3)	(3.8)	(13.4)	(16.1)
Net Income	1.0	2.7	(1.2)	5.2	7.7	3.8	5.3	4.8	5.4	19.3	23.1
Average Shares	16.0	16.0	18.7	20.8	17.9	20.8	20.9	21.0	21.2	21.0	21.4
EPS	\$0.06	\$0.17	(\$0.06)	\$0.25	\$0.43	\$0.18	\$0.25	\$0.23	\$0.26	\$0.92	\$1.08
<b>Pro forma adjustments</b>											
GAAP Pretax income	1.7	4.4	(1.9)	9.2	13.3	6.4	9.0	8.1	9.2	32.7	39.2
SG&A	(0.8)	(0.7)	1.7	0.2	0.5	0.0	0.2	0.4	0.4	1.0	0.0
D&A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest	3.0	2.9	6.7	0.0	12.7	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted EBITDA</b>	<b>4.8</b>	<b>7.3</b>	<b>7.5</b>	<b>10.3</b>	<b>29.9</b>	<b>7.5</b>	<b>10.1</b>	<b>9.4</b>	<b>10.5</b>	<b>45.3</b>	<b>50.3</b>
Adjusted pre-tax	4.2	6.9	6.6	9.4	27.0	6.4	9.2	8.5	9.6	33.7	39.2
Taxes	(1.6)	(2.7)	(2.6)	(3.9)	(10.8)	(2.6)	(3.8)	(3.5)	(3.9)	(13.8)	(16.1)
Adjusted net income	2.6	4.2	4.0	5.5	16.2	3.8	5.4	5.0	5.7	19.9	23.1
<b>Pro Forma EPS</b>	<b>\$0.12</b>	<b>\$0.20</b>	<b>\$0.19</b>	<b>\$0.26</b>	<b>\$0.78</b>	<b>\$0.18</b>	<b>\$0.26</b>	<b>\$0.24</b>	<b>\$0.27</b>	<b>\$0.95</b>	<b>\$1.08</b>
Shares outstanding	20.8	20.8	20.8	20.8	20.8	20.8	20.9	21.0	21.2	21.0	21.4
<b>Margin Analysis</b>											
<b>Gross Margin</b>	<b>26.5 %</b>	<b>26.5 %</b>	<b>26.2 %</b>	<b>26.6 %</b>	<b>26.4 %</b>	<b>26.5 %</b>	<b>26.7 %</b>	<b>26.6 %</b>	<b>26.8 %</b>	<b>26.6 %</b>	<b>26.7 %</b>
Warehousing and distribution	10.3 %	9.2 %	10.4 %	10.0 %	10.0 %	10.0 %	8.9 %	9.8 %	9.5 %	9.5 %	9.4 %
SG&A	9.3 %	9.1 %	10.1 %	7.9 %	9.0 %	9.4 %	8.8 %	8.2 %	7.7 %	8.5 %	8.3 %
Adjusted operating margin	5.2 %	7.1 %	6.9 %	8.5 %	7.1 %	7.0 %	8.1 %	7.7 %	8.3 %	7.8 %	8.0 %
<b>Adjusted EBITDA margin</b>	<b>5.8 %</b>	<b>7.4 %</b>	<b>7.4 %</b>	<b>8.8 %</b>	<b>7.5 %</b>	<b>7.5 %</b>	<b>8.5 %</b>	<b>8.1 %</b>	<b>8.7 %</b>	<b>9.9 %</b>	<b>10.0 %</b>
Pretax margin	2.0 %	4.4 %	-1.9 %	7.9 %	3.3 %	6.4 %	7.5 %	7.0 %	7.6 %	7.2 %	7.8 %
Adjusted net margin	3.1 %	4.2 %	3.9 %	4.7 %	4.1 %	3.8 %	4.5 %	4.3 %	4.7 %	4.4 %	4.6 %
Tax Rate	39.0 %	39.0 %	39.0 %	41.5 %	39.9 %	41.0 %	41.0 %	41.0 %	41.0 %	41.0 %	41.0 %
<b>Growth (vs Year Ago)</b>											
Revenue	19 %	19 %	20 %	27 %	21 %	20 %	20 %	14 %	4 %	14 %	11 %
Operating	67 %	37 %	-15 %	50 %	29 %	37 %	23 %	60 %	-1 %	24 %	17 %
Pro forma Pre-Tax Income	89 %	38 %	16 %	62 %	45 %	52 %	34 %	29 %	3 %	25 %	20 %
Pro forma Net Income	89 %	38 %	16 %	56 %	43 %	47 %	29 %	25 %	4 %	22 %	20 %
Pro forma EPS	87 %	36 %	15 %	55 %	42 %	47 %	28 %	24 %	2 %	21 %	14 %
<b>Ratio Analysis</b>											
Net debt	95.7	100.9	43.8	45.5	45.5	32.3	32.2	25.0	20.5	20.5	(4.8)
DSOs	39.6	37.1	37.6	38.4	38.4	39.2	37.1	37.6	38.4	38.4	38.4
Days Inventory	25.7	24.1	23.4	22.1	25.7	25.7	24.1	23.4	22.1	23.5	23.5
Inventory Turns	3.5	3.8	3.9	4.1	14.2	3.5	3.8	3.9	4.1	15.5	15.5
ROIC	25.2%	33.1%	20.6%	32.3%	23.8%	26.2%	31.9%	28.9%	31.3%	28.1%	30.5%
Return on Equity	nmf	nmf	nmf	nmf	nmf	103.4 %	44.4 %	32.8 %	31.7 %	39.4 %	25.3 %
Operating ROA	24.9%	32.2%	22.0%	37.0%	29.7%	26.3%	33.2%	29.7%	32.1%	30.8%	31.9%
Debt/Total Capital	85.8%	86.5%	70.8%	68.5%	71.7%	65.9%	64.1%	62.0%	59.7%	59.9%	34.6%
<b>Cash Flow Analysis</b>											
Operating cash flow	3.1	5.3	(1.9)	1.3	7.7	14.3	4.5	4.7	5.6	29.0	29.6
Free cash flow	2.7	4.8	(2.6)	0.6	5.6	13.7	3.8	4.0	4.9	26.4	27.0
EBITDA	5.6	8.0	5.8	10.1	33.4	7.5	9.9	9.0	10.1	44.3	50.3

Source: Company reports and Canaccord Genuity estimates

**Investment risks**

Key risks that may impede the achievement of our forecasts and/or price target include the following:

- A rise in commodity prices: While normally beneficial for food distributors, excessive commodity costs, which have been volatile over the last several years, could alter consumption behavior and lower consumer demand. Major products sold that have had their inputs fluctuate greatly are dairy, wheat, flour, and cooking oils. Additionally, rises in fuel costs could negatively impact CHEF's operations.
- Economic sensitivity: Given CHEF's focus on higher end food service establishments, the company is exposures to potential sales volatility as consumer confidence and spending fluctuation. Recent concerns surrounding incremental economic weakness have impacted the performance of the shares.
- Competitive activity: Despite its favorable positioning in specialty foods, competition in the food distribution industry is fierce and CHEF competes with larger food companies with greater resources. Market leaders include Sysco, U.S. Foodservices, Inc and United Natural Foods.
- Market concentration: CHEF operations are concentrated in six markets, leaving the Company susceptible to economic downturns. As of the end of 2010, 66% of CHEF's total sales originated from the New York market.
- Acquisition and integration risk: CHEF has made several acquisitions over its history and it remains a key growth initiative. The specialty foods distribution industry is highly fragmented and the Company has indicated plans for future acquisitions. Future acquisitions could strain management resources; result in sales disruptions or loss of key personnel and the company may not achieve expected cost reductions or distribution gains.
- Product recalls and/or food safety concerns: CHEF products are ingested and any concern about food safety or quality can impair consumer confidence in the brands sold through CHEF. The risk of adverse health impacts is always present.
- Industry regulation: CHEF's line of business is highly regulated at the federal, state and local levels, and its specialty food products and distribution operations require various licenses, permits and approvals. Suppliers are also subject to similar regulatory requirements and oversight. In addition, as a distributor of specialty food products, CHEF is subject to increasing governmental scrutiny of and public awareness regarding food safety and the sale, packaging and marketing of natural and organic products
- Weather: Adverse weather conditions can significantly impact CHEF's ability to profitably and efficiently conduct its operations and, in severe cases, could result in its trucks being unable to make deliveries or cause the temporary closure or the destruction of one or more of its distribution centers.

In addition, we strongly urge investors to review the complete set of risk factors that can be found in The Chefs' Warehouse's most recent regulatory filing.

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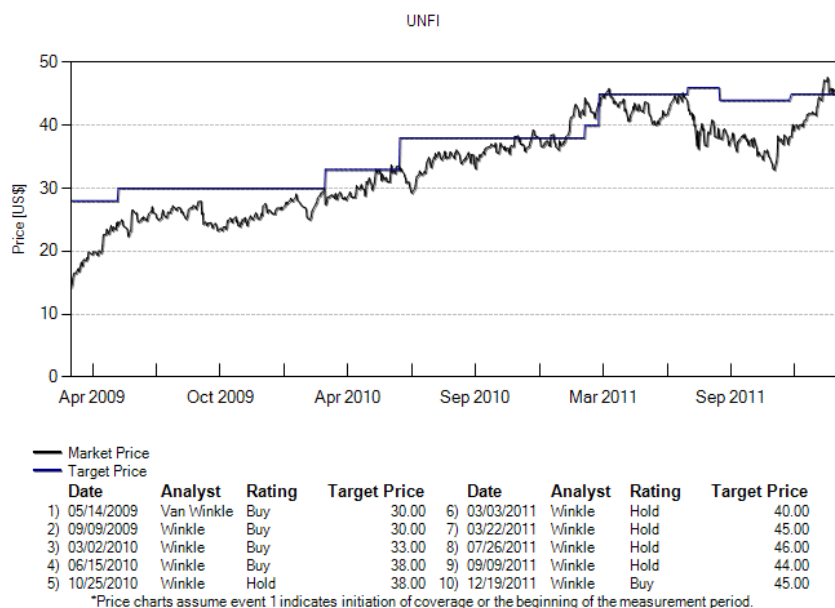
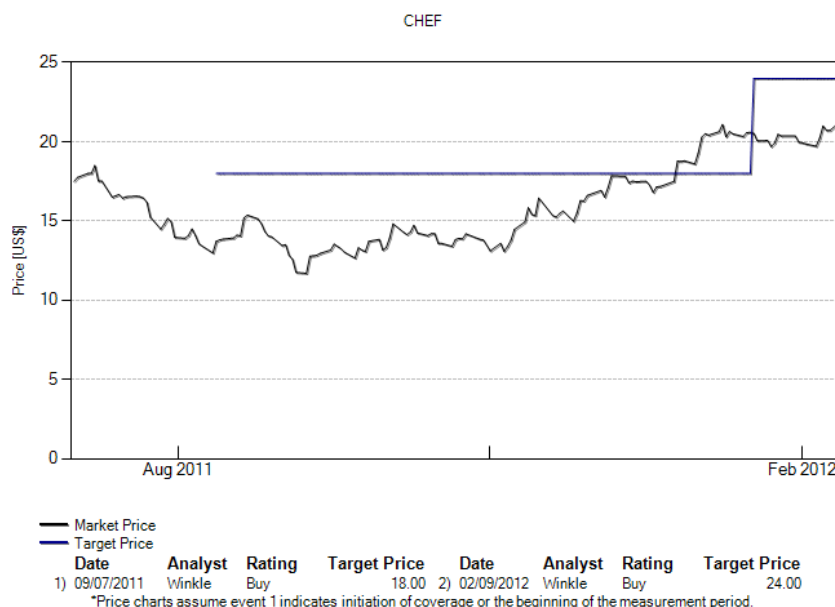
7 March 2012

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**Site Visit:**

An analyst has visited the issuer's material operations in Ridgefield, Connecticut. No payment or reimbursement was received from the issuer for the related travel costs.

**Price Chart:\***



**Distribution of Ratings:**Global Stock Ratings  
(as of 2 March 2012)

Rating	Coverage Universe		IB Clients	
	#	%		
Buy	478	59.4%	33.7%	
Speculative Buy	92	11.4%	70.7%	
Hold	217	27.0%	18.4%	
Sell	18	2.2%	16.7%	
	805	100%		

**Canaccord Ratings System:****BUY:** The stock is expected to generate risk-adjusted returns of over 10% during the next 12 months.**HOLD:** The stock is expected to generate risk-adjusted returns of 0-10% during the next 12 months.**SELL:** The stock is expected to generate negative risk-adjusted returns during the next 12 months.**NOT RATED:** Canaccord Genuity does not provide research coverage of the relevant issuer.

"Risk-adjusted return" refers to the expected return in relation to the amount of risk associated with the designated investment or the relevant issuer.

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Company	Disclosure
The Chefs' Warehouse	1A, 2, 3, 5, 7
United Natural Foods	5, 7

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