

Post buying PowerBar, Musashi brands from Nestle (Update)

February 3 2014

Post Holdings Inc. is buying the PowerBar and Musashi brands from Nestle SA, further diversifying its business by expanding into the active nutrition category.

Financial terms were not immediately disclosed.

The PowerBar and Musashi brands make premium bars, powders and gels. Musashi is a leading sports nutrition brand in Australia.

The transaction also includes other related worldwide assets.

Post, based in St. Louis, makes cereals such as Grape-Nuts, Great Grains and Honeycomb. In January it completed its \$370 million acquisition of Dakota Growers Pasta Company Inc.

Post said Monday that it expects to combine the PowerBar and Musashi brands with its current active nutrition portfolio to create an active nutrition group with anticipated annual revenue of nearly \$550 million. The PowerBar and Musashi brands will join with Post-owned Premier Nutrition's Premier Protein and Joint Juice brands and Dymatize Enterprises LLC's Dymatize and Supreme brands. Dymatize makes premium protein powders, bars and nutritional supplements.

Post also announced Monday that it closed on the acquisitions of Golden Boy Foods Ltd., a maker of private label peanut and other nut butters and dried fruits and snacking nuts, and Dymatize Enterprises. Post

announced the deals in December. It bought privately held Golden Boy from affiliates of Tricor Pacific Capital Inc. and other shareholders for \$320 million Canadian (\$300.2 million U.S.).

Post bought privately held Dymatize from affiliates of TA Associates and other owners for \$380 million. It also said in December that there could be an additional payment of up to \$17.5 million if Dymatize hits certain profit targets next year.

David Ritterbush, president and CEO of Premier Nutrition, and Greg Venner, president and CEO of Dymatize, will serve as co-CEOs of Post's active nutrition group. Ritterbush and Venner will report to Post President and Chief Operating Officer Terence E. Block.

The deal is expected to close in Post's fiscal third quarter. The company said Monday that it plans to fund the transaction with available cash.

Post's stock gained 69 cents, or 1.3 percent, to \$54.24 in morning trading on Monday. Its shares have risen more than 43 percent since a year ago.

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