Pinnacle Foods Inc.
Form 424B1
December 12, 2013
Table of Contents

Filed pursuant to Rule 424(b)(1)
Registration No. 333-192563

PROSPECTUS

17,000,000 Shares

Pinnacle Foods Inc.

Common Stock

The selling stockholders named in this prospectus, which consist of certain affiliates of The Blackstone Group, L.P., our controlling shareholder, are offering 17,000,000 shares of our common stock. We will not receive any proceeds from the sale of our common stock by the selling stockholders.

Our common stock is listed on The New York Stock Exchange (the NYSE) under the symbol PF. On December 11, 2013, the last sale price of our common stock as reported on the NYSE was $27.21 per share.

Investing in our common stock involves risk. See Risk Factors beginning on page 18 to read about factors you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$ 26.75	$ 454,750,000
Underwriting discounts and commissions (1)	$ 1.003125	$ 17,053,125

Proceeds to selling stockholders, before expenses	$ 25.746875	$ 437,696,875

(1) We have agreed to reimburse the underwriters for certain FINRA-related expenses. See Underwriting (Conflicts of Interest).

To the extent that the underwriters sell more than 17,000,000 shares of our common stock, the underwriters have the option to purchase up to an additional 2,550,000 shares from the selling stockholders at the public offering price, less the underwriting discounts and commissions, within 30 days of the date of this prospectus.

The underwriters expect to deliver the shares against payment in New York, New York on or about December 17, 2013.

Barclays **BofA Merrill Lynch**

Deutsche Bank Securities
Credit Suisse
Goldman, Sachs & Co.
Morgan Stanley

Piper Jaffray
Macquarie Capital
Stifel
Stephens Inc.
BMO Capital Markets
C.L. King & Associates
Janney Montgomery Scott

Prospectus dated December 11, 2013.

Table of Contents

Table of Contents

You should rely only on the information contained in this prospectus or in any free writing prospectus that we authorize be delivered to you. None of us, the selling stockholders or the underwriters have authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. None of us, the selling stockholders or the underwriters are making an offer to sell these securities in any jurisdiction where an offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus or such other date stated in this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

Table of Contents

	Page
Market and Industry Data	ii
Trademarks, Service Marks and Tradenames	iii
Prospectus Summary	1
Risk Factors	18
Special Note Regarding Forward-Looking Statements	32
Use of Proceeds	34
Market Price of Our Common Stock	35
Dividend Policy	36
Capitalization	37
Unaudited Pro Forma Condensed Consolidated Financial Information	38
Selected Historical Consolidated Financial Data	46
Management s Discussion and Analysis of Financial Condition and Results of Operations	52
Business	93
Management	108
Principal and Selling Stockholders	136
Certain Relationships and Related Party Transactions	138
Description of Indebtedness	141
Description of Capital Stock	146
Shares Eligible for Future Sale	154
Certain United States Federal Income Tax Consequences to Non-U.S. Holders	156
Certain ERISA Considerations	159
Underwriting (Conflicts of Interest)	160
Legal Matters	167
Experts	168
Independent Accountants	168
Where You Can Find More Information	169
Index to Consolidated Financial Statements	F-1

Unless otherwise indicated or the context otherwise requires, financial data in this prospectus reflects the consolidated business and operations of Pinnacle Foods Inc. and its consolidated subsidiaries.

The consolidated financial statements included in this prospectus are presented in U.S. Dollars rounded to the nearest thousand, with amounts in this prospectus rounded to the nearest million. Therefore, discrepancies in the tables between totals and the sums of the amounts listed may occur due to such rounding. The accounting policies set out in the audited consolidated financial statements contained elsewhere in this prospectus have been consistently applied to all periods presented.

Table of Contents

MARKET AND INDUSTRY DATA

We obtained the industry, market and competitive position data used throughout this prospectus from internal company surveys and management estimates as well as from industry and general publications and research, surveys and studies conducted by third parties. We believe these internal company surveys and management estimates are reliable; however, no independent sources have verified such surveys and estimates. Third-party industry and general publications, research, studies and surveys generally state that the information contained therein has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that each of these studies and publications is reliable, we have not independently verified any of the data from third-party sources and cannot guarantee its accuracy and completeness.

We use data provided by Information Resources Inc. (IRI), previously Symphony IRI Group, Inc. Unless we indicate otherwise, retail sales, market share, category and other industry data (other than household penetration which is for the 52-week period ended September 22, 2013) used throughout this prospectus for all categories and segments are for U.S. brands and for the 52-week period ended September 29, 2013. This data includes retail sales for food (grocery stores with at least $2 million in annual sales), drug (all chain and independent drug retailers, excluding prescription sales), mass merchandisers (Target, Kmart and Shopko), Walmart (Supercenters, Division 1 and Neighborhood Market), club stores (BJ s and Sam s Club), dollar stores (Dollar General, Family Dollar and Fred s) and military (Defense Commissary Agency commissaries in the continental United States). Retail sales are dollar sales estimated by IRI and represent the value of units sold through cash registers for the relevant period. Market share is the Company s percentage of the overall category and is calculated using dollar retail sales of U.S. brands.

We view shelf-stable pickles, table syrup, frozen and refrigerated bagels, frozen pancakes/waffles/French toast and pie/pastry fruit fillings as distinct categories. We view the cake/brownie mixes and frostings category as consisting of cake and cupcake mixes, brownie mixes and frostings. We view the frozen vegetables category as consisting of frozen plain vegetables, frozen prepared vegetables and select frozen side dishes including vegetables. We view the frozen complete bagged meals category as consisting of frozen full-calorie multi-serve dinners, excluding non-bag items. We view the frozen prepared seafood category as consisting of frozen prepared fish/seafood and frozen prepared shrimp. We view the single-serve frozen dinners and entrées category as consisting of full-calorie single-serve frozen dinners and entrées and select frozen handheld entrees. We view the frozen pizza-for-one category as consisting of total frozen pizza of 12 ounces per unit or less (for single serve packages, or individual units within multi-serve packages), excluding French bread crust and diet-positioned varieties. We view the canned meat category as consisting of shelf-stable prepared chili, shelf-stable lunch meats, shelf-stable Vienna Sausage and shelf-stable potted meats.

We view our business as comprised of 12 major product categories, which are categories in which our net sales exceed $50 million and which collectively comprised over 93% of our North America Retail net sales in fiscal 2012. On October 1, 2013, we acquired the Wish-Bone salad dressings business, which is comprised of the Wish-Bone and Western shelf-stable salad dressings brands. The acquisition adds a 13th major product category to our portfolio.

Although we believe that this information is reliable, we cannot guarantee its accuracy and completeness, nor have we independently verified it. Although we are not aware of any misstatements regarding the industry data that we present in this prospectus, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under Risk Factors, Special Note Regarding Forward-Looking Statements and Management s Discussion and Analysis of Financial Condition and Results of Operations in this prospectus.

Table of Contents

TRADEMARKS, SERVICE MARKS AND TRADENAMES

We own a number of registered and common law trademarks in the United States, Canada and other countries, including Amazing Glazes®, Appian Way®, Birds Eye®, Bernstein s®, Brooks®, C&W®, CasaRegina®, Celeste®, Chocolate Lovers®, Comstock®, Country Kitchen®, Duncan Hines®, Erin s Gourmet Popcorn®, Farmer s Garden®, Freshlike®, Fun Frosters , Frosting Creations®, Hartford House®, Hawaiian Style Bowls®, Hearty Bowls , Hearty Hero®, Hungry-Man®, Hungry-Man Sports Grill®, Hungry-Man Steakhouse , Husman s®, It s Good to be Full®, Lender s®, Lil Griddles®, Log Cabin®, Lunch Bucket®, Magic Minis®, McKenzie s®, Milwaukee s®, Moist Deluxe®, Mrs. Butterworth s®, Mrs. Paul s®, Nalley®, Nobody Brings the Bite Like Vlasic®, Open Pit®, Ovals®, Riviera®, Satisfy Your Craving®, Signature Desserts®, Simple Mornings®, Simply Classic , Snack mms®, So Moist. So Delicious. And So Much More.®, Stackers®, Snyder of Berlin®, Steamfresh®, Taste the Juicy Crunch®, That s the Tastiest Crunch I ve Ever Heard!®, Thick N Rich®, Tim s Cascade Snacks®, Treet®, Van de Kamp s®, Vlasic®, Western®, Wilderness® and Wish-Bone®. We also have applications pending with the United States Patent and Trademark Office for a number of trademarks, including Discover the Wonder of Vegetables , Holiday Velvets , It s Always Vegetable Season , Simply Erin s , Simply Tim s and Spring Velvets . We own the trademark *Snyder of Berlin* while an unrelated third party owns the trademark Snyder of Hanover. Per a court order, the use of the trademark must include the word Snyder in combination with the words of Berlin. We protect our trademarks by obtaining registrations where appropriate and opposing any infringement in key markets. We also own a design trademark registration in the United States, Canada, and other countries on the *Vlasic* stork.

We manufacture and market certain of our frozen food products under the *Swanson* brand pursuant to two royalty-free, exclusive and perpetual trademark licenses granted by Campbell Soup Company. We manufacture and market certain of our frozen breakfast products under the *Aunt Jemima* brand pursuant to a royalty-free, exclusive (as to frozen breakfast products only) and perpetual license granted by The Quaker Oats Company, a subsidiary of PepsiCo Inc. We have a license agreement granting us an exclusive, royalty bearing, perpetual license to use certain *Armour* trademarks in the United States. Under the license agreement, Smithfield Foods, Inc., as successor to ConAgra, Inc., the licensor, grants us a license for the use of various *Armour* trademarks in conjunction with shelf-stable products within the United States. We own and maintain *Armour* registrations in many other countries. We also manufacture and market frozen complete bagged meals under the *Voila!* trademark pursuant to a royalty-free exclusive and perpetual license granted by Voila Bakeries, Inc. In 2011, we applied for a patent for our new Duncan Hines Frosting Creations® products.

Solely for convenience, the trademarks, service marks, and tradenames referred to in this prospectus are without the ® and symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks, and tradenames. All trademarks, service marks and tradenames appearing in this prospectus are the property of their respective owners.

Table of Contents

PROSPECTUS SUMMARY

This summary highlights certain significant aspects of our business and this offering. This is a summary of information contained elsewhere in this prospectus, is not complete and does not contain all of the information that you should consider before making your investment decision. You should carefully read the entire prospectus, including the information presented under the sections entitled Risk Factors and Special Note Regarding Forward-Looking Statements and the unaudited pro forma financial statements and the historical financial statements and the notes thereto, before making an investment decision. This summary contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from future results contemplated in the forward-looking statements as a result of certain factors such as those set forth in the sections entitled Risk Factors and Special Note Regarding Forward-Looking Statements.

Unless the context otherwise requires, all references herein to the Company, Pinnacle, we, our or us refer to Pinnacle Foods Inc. and its consolidated subsidiaries. On April 3, 2013, we completed our initial public offering of 33,350,000 shares, including the full exercise of the underwriters option to purchase additional shares, which we refer to herein as our IPO. The unaudited pro forma financial statements and the historical financial statements and financial data included in this prospectus are those of Pinnacle Foods Inc. and its consolidated subsidiaries.

Our Company

We are a leading manufacturer, marketer and distributor of high-quality, branded food products in North America, with annual net sales of $2.5 billion in fiscal 2012. Our brands are leaders in many of their respective categories, and we hold the #1 or #2 market share position in 10 of the 12 major product categories in which we compete. Our brand portfolio enjoys strong household penetration in the United States, where our products can be found in over 85% of U.S. households. Our products are sold through supermarkets, grocery wholesalers and distributors, mass merchandisers, super centers, convenience stores, dollar stores, drug stores and warehouse clubs in the United States and Canada, as well as in military channels and foodservice locations. Given our diverse portfolio of iconic brands with attractive market positions, our business generates significant and stable cash flows that we believe will enable us to pay regular dividends to our shareholders, reduce our debt and drive value creation through both reinvestment in our existing brands and periodic strategic acquisitions.

From fiscal 2008 through fiscal 2012, we grew our net sales and Adjusted EBITDA by approximately 59% and 91%, respectively, and expanded our Adjusted EBITDA margin by 2.9 percentage points. Over the same period, our earnings increased from a net loss of $28.6 million in 2008 to net earnings of $52.6 million in fiscal 2012. See Summary Historical Consolidated Financial Data for our definition of Adjusted EBITDA and a reconciliation of our net earnings (loss) to Adjusted EBITDA.

On December 23, 2009, we acquired all of the common stock of Birds Eye Foods, Inc. (the Birds Eye Acquisition), a transaction that significantly expanded our presence in frozen foods and provided Pinnacle with critical mass in the frozen food industry in the United States. At the time of the Birds Eye Acquisition, the Birds Eye Foods Inc. (Birds Eye) portfolio included an expanding platform of healthy, high-quality frozen vegetables and frozen meals, as well as a portfolio of primarily branded shelf-stable foods that were complimentary to our existing product offerings. In fiscal 2010, all aspects of the Birds Eye business were fully integrated with Pinnacle. On October 1, 2013, we acquired the

Wish-Bone salad dressings business (Wish-Bone), which had sales of approximately $190 million in 2012, adding a 13th major product category to our portfolio. Wish-Bone is a leading salad dressing brand, holding the #1 share position in the Italian segment of the category and the #3 position overall (based on IRI data for the 52-week period ended October 6, 2013). We expect that the acquisition of Wish-Bone will enhance our margins.

1

Table of Contents

In addition to reinvestment in our brands and making periodic strategic acquisitions, we have also deployed our significant cash flows to reduce our debt. Our cash flow generation, combined with proceeds from our IPO, has enabled us to pay down approximately $1.0 billion of the $3.0 billion of debt we incurred in connection with the acquisition of the Company by affiliates of The Blackstone Group L.P. in April 2007, and the Birds Eye Acquisition in December 2009. Our October 1, 2013 acquisition of Wish-Bone added $525 million of new debt to our capital structure.

Our operations are managed and reported in three operating segments: the Birds Eye Frozen Division, the Duncan Hines Grocery Division and the Specialty Foods Division. The Birds Eye Frozen Division and the Duncan Hines Grocery Division, which collectively represent our North America Retail operations, include the following brands:

Birds Eye Frozen Division	Industry Category	Market Share 52 Weeks Ended 9/29/13	Category Rank (1)
Major Brands:			
Birds Eye	Frozen vegetables	25.5%	#1
Birds Eye Voila!	Frozen complete bagged meals	27.0%	#2(2)
Van de Kamp s *Mrs. Paul s*	Frozen prepared seafood	14.8%	#2
Lender s	Frozen and refrigerated bagels	60.1%	#1
Celeste	Frozen pizza for one	7.9%	#4
Hungry-Man	Full-calorie single-serve frozen dinners and entrées	8.1%	#3
Aunt Jemima	Frozen pancakes/waffles/French toast	5.8%	#2

(1) Rank among branded manufacturers, excluding Private Label.

(2) Pinnacle is the #2 competitor and *Birds Eye Voila!* is the #1 ranked individual brand in the frozen complete bagged meals category.

Duncan Hines Grocery Division	Industry Category	Market Share 52 Weeks Ended 9/29/13	Category Rank (1)
Major Brands:			
Duncan Hines	Cake/brownie mixes and frostings	23.6%	#2
Vlasic	Shelf-stable pickles	35.0%	#1
Mrs.Butterworth s *Log Cabin*	Table syrup	21.0%	#1
Armour *Brooks* *Nalley*	Canned meat	21.0%	#2
Comstock *Wilderness*	Pie/pastry fruit fillings	38.3%	#1

(1) Rank among branded manufacturers, excluding Private Label.

In addition to our North America Retail operations, the Specialty Foods Division consists of a regional presence in snack products (including *Tim s Cascade* and *Snyder of Berlin*), as well as our Foodservice and Private Label businesses. As part of our ongoing strategic focus over the last several years, we have deemphasized certain low-margin Foodservice businesses, particularly Foodservice pickles in fiscal 2012, and Private Label businesses for the benefit of our higher margin branded food products. We expect that this effort will be substantially completed in 2013.

Within our divisions, we actively manage our portfolio by segregating our business into Leadership Brands and Foundation Brands. Our Leadership Brands enjoy a combination of higher growth and margins, greater potential for value-added innovation and enhanced responsiveness to consumer marketing than do our Foundation Brands. As a result, we focus our investment spending and brand-building activities on our Leadership Brands. By contrast, we manage our Foundation Brands for revenue and market share stability and

for cash flow generation to support investment in our Leadership Brands, reduce our debt and fund other corporate priorities. As a result, we focus spending for our Foundation Brands on brand renovation and targeted consumer and trade programs.

Our Leadership Brands are comprised of *Birds Eye*, *Birds Eye Voila!*, *Duncan Hines*, *Vlasic*, *Van de Kamp s*, *Mrs. Paul s*, *Mrs. Butterworth s* and *Log Cabin*. Historically, our Leadership Brands have received approximately 80% of our marketing investment and the majority of our innovation investment. Our *Birds Eye* and *Birds Eye Voila!* brands combined have annual retail revenue in excess of $1 billion, and our remaining Leadership Brands collectively have annual retail revenue of approximately $900 million. In fiscal 2012, our Leadership Brands accounted for approximately 55% and 70% of our consolidated net sales and gross profit, respectively, and approximately 65% and 74% of our North America Retail net sales and gross profit, respectively. We plan to add the recently acquired Wish-Bone business to our Leadership Brand portfolio.

Competitive Strengths

We believe the following competitive strengths differentiate us from our competitors and contribute to our ongoing success:

Actively Managed Portfolio of Iconic Food Brands with Leading Market Positions

We actively manage our diverse portfolio of iconic food brands that participate in attractive product categories. Our well-recognized brand portfolio enjoys strong household penetration in the United States, where our products can be found in over 85% of U.S. households. Our brands are leaders in their respective categories, holding the #1 or #2 market share position in 10 of the 12 major product categories in which we compete.

We have prioritized our investment spending and brand-building activities behind our Leadership Brands, given their higher growth and margins, greater potential for value-added innovation and enhanced responsiveness to consumer marketing, as compared to that of our Foundation Brands. We manage our Foundation Brands for stability in sales, market share and cash flow, with a focus on ongoing quality upgrades, competitive pricing and strong merchandising and trade programs. Our brand prioritization strategy is focused on ensuring that the strong, stable cash flows from our Foundation Brands are deployed for reinvestment in marketing and on-trend innovation for our higher-margin Leadership Brands, as well as for debt reduction and other corporate priorities. From fiscal 2008 through fiscal 2012, net sales of our Leadership Brands grew at a compounded annual growth rate, or CAGR, of 2%, compared to our Foundation Brands, which were flat. Gross profit margin for our Leadership Brands was 30% of net sales in fiscal 2012, compared to 20% of net sales for our Foundation Brands in fiscal 2012.

Strong Innovation and Marketing Capabilities Focused on Leadership Brands

Since 2009, we have substantially enhanced our organizational capabilities in the areas of new product innovation and consumer marketing. We have improved our in-house innovation capabilities by augmenting and upgrading our innovation team, with the construction of a new state-of-the-art Research and Development (R&D) facility in our Parsippany, New Jersey headquarters. This facility co-locates our sales, marketing and operations teams with our entire company-wide R&D team, and better enables us to leverage the innovation experience of senior management. Additionally, we have increased investment in consumer insights and employee innovation training. Our Renewal Rate, which we define as gross sales from products introduced within the last three years as a percentage of current year gross sales, has nearly doubled since the Birds Eye Acquisition to 9.4% in fiscal 2012, compared to 5.0% in fiscal 2009 for Pinnacle before the Birds Eye Acquisition. Gross sales represents net sales before returns, discounts, trade, slotting and coupon redemption expenses and other allowances. Recent examples of successfully launched

innovations include *Duncan Hines*

3

Table of Contents

Frosting Creations custom-flavor frosting system, *Duncan Hines Decadent* cake mixes, *Vlasic Farmer s Garden* artisan-quality pickles, *Birds Eye Chef s Favorites* enhanced vegetable side dishes and *Birds Eye Voila!* family size complete bagged meals. We intend to continue to invest in innovation that enables us to further differentiate our brands in the marketplace.

To complement our accelerated innovation efforts, we have also focused and enhanced our marketing investments behind our Leadership Brands. We have partnered with best-in-class branded consumer advertising, digital and media agencies to develop high impact marketing programs implemented across television, print, social and digital media. From fiscal 2008 through fiscal 2011, our consumer marketing investments behind our Leadership Brands increased at a CAGR of 6%, while investment spending declined 14% in fiscal 2012 due to our planned shift of investment spending into trade promotions during a period of heightened competitive activity and significant consumer price sensitivity. We intend to increase marketing investments behind our Leadership Brands over time, as the volume trends and promotional environment in the broader food industry normalize.

Operational Excellence Driving Continued Gross Margin Improvement

Our operational excellence program is a holistic, company-wide productivity initiative designed to generate annual productivity savings in procurement, manufacturing and logistics, as well as supply chain consolidation efforts, in the range of 3% to 4% of our annual Cost of products sold. In fiscal 2012, our operational excellence initiative drove productivity savings of 4.0%. These productivity savings, combined with selective retail price increases and our active commodity hedging program, have been instrumental in mitigating input cost inflation in periods of significant inflationary pressure, such as fiscal 2012, and driving gross margin expansion in periods of more modest inflation. We also pursue other initiatives to drive incremental improvement in our gross margin, including improving our product mix through new product innovation and low-margin SKU rationalization, increasing the effectiveness of our trade promotional spending and realizing synergies from acquisitions. Furthermore, our gross margin benefits from our diversified input cost basket in which no single commodity accounted for more than 9% of our total Cost of products sold in fiscal 2012.

In fiscal 2011, we completed two manufacturing plant consolidations designed to optimize our manufacturing footprint and reduce our supply chain costs. In fiscal 2012, we initiated the consolidation of a third manufacturing plant and terminated the use of a third party storage facility. The combined ongoing annualized benefit to Cost of products sold from these projects is estimated at approximately $28 million, with fiscal 2012 benefiting by approximately $16 million and the balance expected to be realized over the 2013-2015 time period. From fiscal 2008 through fiscal 2012, we have expanded our gross margin as percentage of net sales by 1.9 percentage points and our Adjusted gross margin as percentage of net sales by 3.4 percentage points. See Summary Historical Consolidated Financial Data for our definition of Adjusted gross profit and a reconciliation of our gross profit to Adjusted gross profit.

Strong Free Cash Flow Conversion

Our business generates an attractive Adjusted EBITDA margin and also benefits from modest capital expenditure and working capital requirements and approximately $1 billion in net operating loss carryovers (NOLCs), which combined have resulted in strong and stable unlevered free cash flows. Our Adjusted EBITDA margin benefits from the quality of our brand portfolio and our lean and nimble organization structure, with selling, general and administrative expenses, excluding marketing investment and one-time items, representing approximately 8.5% of net sales. Our well-maintained manufacturing facilities and strategic use of co-packers limit our maintenance capital expenditure requirements, and our significant NOLCs and other tax attributes minimize our cash taxes.

Table of Contents

We believe our strong free cash flows will enable us to maximize shareholder value through paying a regular dividend, reducing our indebtedness, strategically deploying our capital to fund innovation and organic growth opportunities and financing value-enhancing acquisitions.

Proven M&A Expertise with Significant Opportunity

We have substantial experience in sourcing, executing and integrating value-enhancing acquisitions. We maintain a highly-disciplined approach to M&A, focusing on opportunities that add new iconic brands to our portfolio and/or allow for strong synergy realization.

On October 1, 2013, we acquired Wish-Bone, which had sales of approximately $190 million in 2012, for a purchase price of $575 million. We anticipate that Wish-Bone, excluding one-time acquisition-related expenses, will be accretive to earnings per share beginning in the fourth quarter of 2013. In December 2009, we completed the $1.3 billion purchase of Birds Eye. The Birds Eye Acquisition added approximately $1 billion in net sales, including the *Birds Eye* and *Birds Eye Voila!* brands, enhanced our operating margins, and added critical scale to our frozen food business. The integration of Birds Eye was largely completed within six months of the acquisition, and the synergies we achieved exceeded our original estimates. Similarly, in 2006, we completed the acquisition of the Armour business (Armour) from the Dial Corporation and successfully integrated the business within four months. The Armour acquisition added approximately $225 million in net sales and was immediately accretive to our operating margins.

Our strong existing platforms in the Birds Eye Frozen and Duncan Hines Grocery segments facilitate a large addressable market and broad set of potential acquisition targets. We believe our scale, management depth, integration expertise and access to capital will allow us to consider both small and large acquisitions in the future and to seamlessly integrate them to drive maximum value creation.

Experienced, Hands-On Management Team and Board of Directors

Our management team has a demonstrated history of delivering strong operating results. From fiscal 2008 through fiscal 2012, we have enhanced our business mix through active portfolio management, including focused innovation and marketing and the successful integration of a transformative, value-enhancing acquisition that dramatically increased the scale and scope of our business. Our management team, which has been strengthened with the recent addition of several highly-experienced executives, has extensive food industry experience and includes several executives who have managed significantly larger businesses and have led numerous acquisition integrations. Our management team is complimented by an experienced Board of Directors, which includes several individuals with a proven track record of successfully managing and acquiring consumer businesses.

Our Strategy

We intend to profitably grow our business and create shareholder value through the following strategic initiatives:

Drive Growth Through Focus on Leadership Brands

Our Leadership Brands are among our highest-growth and highest-margin businesses and enjoy greater potential for value-added innovation and enhanced responsiveness to consumer marketing. Our brand prioritization strategy is focused on ensuring that the strong, stable cash flows from our Foundation Brands are, among other uses, reinvested in marketing and on-trend innovation for our higher-margin Leadership Brands. We believe our formalized innovation processes, upgraded R&D capabilities, increased investments in consumer insights, and partnership with best-in-class branded consumer advertising, digital and media agencies will enable

Table of Contents

us to continue to introduce successful new products and drive brand growth through high-impact marketing programs. We believe this strategy, which will focus the majority of our consumer marketing investments and new product innovation efforts on our Leadership Brands, will drive higher-margin revenue growth across our portfolio.

Expand Margins By Leveraging Productivity and Efficient Organization Structure

We believe we are well-positioned to continue to expand our margins. Our company-wide focus on productivity, along with selective pricing actions and our active commodity hedging program, are intended to mitigate input cost inflation in periods of significant inflationary pressure and more than offset input cost inflation in periods of modest input cost inflation. In addition, our focus on improving our product mix, enhancing the effectiveness of our trade promotions, realizing synergies from acquisitions and leveraging our efficient organizational structure are expected to further drive margin expansion over time. We believe our lean, nimble structure and efficient internal processes will continue to enhance our decision-making and speed of execution. Our flat structure, which has enabled us to hold our overhead costs (i.e., selling, general and administrative expenses, excluding marketing investment and one-time items) at approximately 8.5% of net sales, allows for a high level of connectivity between senior management and our operations and customers, ensuring senior management engagement in key business decisions.

Deliver Strong Free Cash Flow Through Tight Working Capital Management, Focused Capital Spending and Minimal Cash Taxes

We believe we are well-positioned to profitably grow our business and generate strong free cash flow through our combination of attractive Adjusted EBITDA margins, modest working capital requirements, limited maintenance capital expenditures and low cash taxes that result from our approximately $1 billion in NOLCs and other tax attributes, which we believe will reduce the majority of our federal and state cash taxes through 2015 and generate modest annual cash tax savings beyond 2015. Our well-maintained manufacturing facilities and strategic use of co-packers limit our capital expenditure requirements, and our ongoing focused management of working capital also benefits our free cash flow.

Acquire Value-Enhancing Food Brands

We intend to continue to proactively pursue value-enhancing acquisitions in the packaged food industry, utilizing a disciplined approach to identify and evaluate attractive acquisition candidates. We believe we can leverage our scale, management depth and integration expertise, along with our access to capital, to continue our track record of making value-accretive acquisitions. We believe the combination of consolidating selling, general and administrative functions, leveraging our scale in procurement, optimizing supply chain and manufacturing operations, cross-marketing brands across categories and further developing retailer relationships will continue to enable us to drive acquisition synergies in future transactions we may pursue. On October 1, 2013, we acquired Wish-Bone, a leading salad dressing brand, with a broad range of liquid and dry-mix salad dressing flavors under the *Wish-Bone* and *Western* brand names.

Return Value to Shareholders Through Debt Reduction and Regular Dividend Payments

We believe our capital structure and strong free cash flow enable us not only to invest in our Leadership Brands to drive organic growth and fund value-enhancing acquisitions, but also to continue to strengthen our balance sheet through debt reduction and to return capital to our shareholders through regular dividend payments. We have paid a quarterly cash dividend of $0.18 per share since our IPO and, on November 18, 2013, reflecting the accretion we expect from the Wish-Bone acquisition and our strong operating cash flow since the consummation of our IPO, we announced an increase in our quarterly cash dividend to $0.21 per share beginning with our fourth quarter dividend to

be paid in January 2014 to shareholders of record on December 2, 2013. See Dividend Policy.

Table of Contents

Risks Related to Our Business and this Offering

Investing in our common stock involves substantial risk, and our ability to successfully operate our business is subject to numerous risks, including those that are generally associated with operating in the packaged food industry. Any of the factors set forth under Risk Factors may limit our ability to successfully execute our business strategy. You should carefully consider all of the information set forth in this prospectus and, in particular, should evaluate the specific factors set forth under Risk Factors in deciding whether to invest in our common stock.

Recent Developments

On August 11, 2013, we entered into an asset purchase agreement (the asset purchase agreement) with Conopco, Inc., a New York corporation (Unilever), which is a subsidiary of Unilever PLC. Pursuant to the terms of the asset purchase agreement, we agreed to acquire the Wish-Bone salad dressings business, including the *Wish-Bone* and *Western* brands, from Unilever for $575.0 million, subject to a customary post-closing inventory adjustment. We consummated the acquisition on October 1, 2013. Concurrently with the closing of the acquisition of Wish-Bone, we entered into the first amendment to our second amended and restated credit agreement which allowed Pinnacle Foods Finance LLC to, among other things, borrow under a new incremental $525.0 million term loan facility (the Tranche H Term Loans) to fund a portion of the purchase price for the acquisition of Wish-Bone, the rest of which was paid in cash. See Unaudited Pro Forma Condensed Consolidated Financial Information and Description of Indebtedness.

In connection with the acquisition, Unilever agreed to provide certain transition services associated with the Wish-Bone salad dressings business for three months following the consummation of the acquisition subject to an option to extend for an additional three months. In addition, Unilever has also agreed to continue to manufacture certain Wish-Bone products for approximately eighteen months following the consummation of the acquisition (with an option to extend for an additional six months) to enable us to transition manufacturing of Wish-Bone into an existing Pinnacle facility.

Corporate History and Information

Pinnacle Foods Inc. was incorporated in Delaware on July 28, 2003 under the name Crunch Holding Corp.

On April 2, 2007, Pinnacle Foods Inc. was acquired by, and became a wholly owned subsidiary of, Peak Holdings LLC, an entity controlled by investment funds affiliated with The Blackstone Group L.P. (Blackstone). We refer to this merger transaction and related financing transactions as the Blackstone Transaction.

On November 18, 2009, our indirect wholly-owned subsidiary Pinnacle Foods Group LLC entered into a Stock Purchase Agreement with Birds Eye Holdings LLC and Birds Eye, pursuant to which Pinnacle Foods Group LLC acquired all of the issued and outstanding common stock of Birds Eye from Birds Eye Holdings LLC. At the closing of the Birds Eye Acquisition on December 23, 2009, Pinnacle Foods Group LLC purchased all of the outstanding shares of Birds Eye s common stock, par value $0.01 per share, for $670.0 million in cash, together with the assumption of Birds Eye s debt of $670.4 million, resulting in the total acquisition cost of $1,340.4 million.

On March 28, 2013, the U.S. Securities and Exchange Commission (SEC) declared effective our registration statement on Form S-1 related to our IPO. Pinnacle Foods Inc. s common stock began trading on the NYSE, under the ticker symbol PF, on March 28, 2013. In connection with the closing of our IPO on April 3, 2013, Peak Holdings LLC was dissolved.

Table of Contents

After giving effect to this offering, Blackstone will beneficially own approximately 53.4% of our issued and outstanding common stock (assuming no exercise of the underwriters option to purchase additional shares from the selling stockholders) or 51.2% of our issued and outstanding common stock (assuming full exercise of the underwriters option to purchase additional shares from the selling stockholders).

Our principal executive offices are located at 399 Jefferson Road, Parsippany, New Jersey 07054, and our telephone number is (973) 541-6620. We maintain a website at www.pinnaclefoods.com. The information contained on our website or that can be accessed through our website neither constitutes part of this prospectus nor is incorporated by reference herein.

Table of Contents

The Offering

Common stock offered by the selling stockholders	17,000,000 shares.
Underwriters option to purchase additional shares of common stock	The selling stockholders have granted the underwriters a 30-day option to purchase up to an additional 2,550,000 shares.
Use of proceeds	We will not receive any of the proceeds from the sale of shares of common stock by the selling stockholders.
Risk factors	See Risk Factors beginning on page 18 and other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.
Dividend policy	We intend to continue to pay a regular quarterly cash dividend on our common stock. On November 18, 2013, we announced an increase in our quarterly cash dividend to $0.21 per share beginning with our fourth quarter dividend to be paid in January 2014 to shareholders of record on December 2, 2013. Accordingly, since this offering will be consummated after the record date for our January dividend, investors who purchase shares in this offering will not receive the January 2014 dividend. Our dividend is subject to the discretion of our Board of Directors and our compliance with applicable law, and depending on, among other things, our results of operations, financial condition, level of indebtedness, capital requirements, contractual restrictions, restrictions in our debt agreements and in any preferred stock, business prospects and other factors that our Board of Directors may deem relevant. Our ability to pay dividends on our common stock is limited by the covenants of the credit agreement governing our senior secured credit facility and the indenture governing our senior notes and may be further restricted by the terms of any future debt or preferred securities. We do not currently believe that the restrictions contained in our existing indebtedness will impair our ability to pay regular quarterly cash dividends as described above. See Dividend Policy and Description of Indebtedness.
NYSE ticker symbol	PF
Conflicts of Interest	Affiliates of Blackstone Advisory Partners L.P. own in excess of 10% of our issued and outstanding common stock and, as selling stockholders in

this offering, will receive in excess of 5% of the net proceeds of this offering. Because Blackstone Advisory Partners L.P. is acting as a financial adviser in this offering and its affiliates own in excess of 10% of our issued and outstanding common stock and will receive more than 5% of the net proceeds of this offering, Blackstone Advisory Partners L.P. is deemed to have a conflict of interest under Rule 5121 (Rule 5121) of the Financial Industry Regulatory Authority, Inc. (FINRA). Accordingly, this offering will be conducted in compliance with Rule 5121. Pursuant to Rule 5121, the

Table of Contents

appointment of a qualified independent underwriter is not necessary in connection with this offering as a bona fide public market, as defined in Rule 5121, exists for our common stock. See Underwriting (Conflicts of Interest).

Unless we indicate otherwise or the context otherwise requires, all information in this prospectus:

- assumes no exercise of the underwriters option to purchase additional shares of our common stock from the selling stockholders; and

- does not reflect (1) 2,648,740 shares of common stock issuable upon the exercise of 2,648,740 options outstanding as of November 19, 2013, at a weighted average exercise price of $19.02 per share, of which 146,777 were then vested and exercisable and (2) 7,273,305 shares of common stock available for future issuance under our 2013 Omnibus Incentive Plan. See Management Compensation Discussion and Analysis Compensation Arrangements Adopted in connection with the IPO.

Table of Contents

Summary Historical Consolidated Financial Data

The table below presents our summary historical consolidated financial data as of the dates and for the periods indicated.

We derived the summary historical consolidated financial data for each of the fiscal years ended December 26, 2010, December 25, 2011 and December 30, 2012, and the summary consolidated balance sheet data as of December 25, 2011 and December 30, 2012, from our audited consolidated financial statements included elsewhere in this prospectus. We derived the summary consolidated balance sheet data as of December 26, 2010 from our audited consolidated financial statements, which are not included in this prospectus. Share and per share data for the fiscal years ended December 26, 2010, December 25, 2011 and December 30, 2012 has been retroactively adjusted to give effect to the 55.2444-for-one stock split which occurred on March 12, 2013.

We derived our summary historical consolidated financial data for each of the nine months ended September 23, 2012 and September 29, 2013, and the summary consolidated balance sheet data as of September 29, 2013, from our unaudited consolidated financial statements included elsewhere in this prospectus. These unaudited consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements, and, in our opinion, all adjustments (consisting only of normal recurring adjustments) necessary for a fair statement of the financial position, results of operations, and cash flows have been included. The results for any interim period are not necessarily indicative of the results that may be expected for a full fiscal year.

Our historical results are not necessarily indicative of future operating results. Because the data in this table is only a summary and does not provide all of the data contained in our consolidated financial statements, the information should be read in conjunction with Selected Historical Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations, Unaudited Pro Forma Condensed Consolidated Financial Information and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus.

($ in millions, other than per share and share data)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Statement of Operations Data:					
Net sales	$ 2,436.7	$ 2,469.6	$ 2,478.5	$ 1,773.4	$ 1,754.5
Cost of products sold	1,834.4	1,854.7	1,893.9	1,376.2	1,297.8
Gross profit	602.3	614.9	584.6	397.2	456.7
Operating expenses					
Marketing and selling expenses	172.3	171.6	169.7	130.5	134.0
Administrative expenses	110.0	80.5	89.4	66.1	93.2
Research and development expenses	9.4	8.0	12.0	8.2	7.8
Goodwill impairment charge		122.9			
Other expense (income), net	45.5	48.6	29.8	25.3	45.1

Total operating expenses	337.2	431.6	300.9	230.1	280.1
Earnings before interest and taxes	265.1	183.3	283.7	167.1	176.6
Interest expense	236.0	208.3	198.5	154.6	107.9
Interest income	0.3	0.2	0.1	0.1	0.1
Earnings (loss) before income taxes	29.4	(24.8)	85.3	12.6	68.8
Provision (benefit) for income taxes	7.4	22.1	32.7	3.7	35.1
Net earnings (loss)	$ 22.0	$ (46.9)	$ 52.6	$ 8.9	$ 33.7

Table of Contents

($ in millions, other than per share and share data)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Net earnings (loss) per share:					
Basic	$ 0.32	$ (0.58)	$ 0.65	$ 0.11	$ 0.32
Diluted	$ 0.30	$ (0.58)	$ 0.61	$ 0.10	$ 0.32
Weighted average shares outstanding:					
Basic	68,434,982	81,315,848	81,230,630	81,237,056	103,921,211
Diluted	73,638,195	81,315,848	86,494,546	86,460,856	105,978,368
Dividends declared					$ 0.36
Cash Flow:					
Net cash provided by (used in):					
Operating activities	$ 257.0	$ 204.2	$ 202.9	$ 62.4	$ 141.7
Investing activities	(81.3)	(109.4)	(77.7)	(49.2)	(55.9)
Financing activities	(134.3)	(59.0)	(184.1)	(158.7)	(68.0)
Balance sheet data (at end of period):					
Cash and cash equivalents	$ 115.3	$ 151.0	$ 92.3	$	$ 110.4
Working capital (1)	344.4	408.7	404.1		455.1
Total assets	4,491.6	4,451.6	4,400.0		4,521.4
Total debt (2)	2,803.5	2,756.0	2,608.9		1,989.4
Total liabilities	3,596.5	3,606.3	3,511.3		2,984.5
Total shareholders equity	895.1	845.4	888.7		1,536.9
Other Financial Data:					
North America Retail net sales	$ 2,023.9	$ 2,066.9	$ 2,081.7	$ 1,474.8	$ 1,484.7
Adjusted gross profit (3)	645.7	643.2	622.9	423.4	460.6
Adjusted EBITDA (4)	446.9	449.7	426.1	273.1	305.2
Capital expenditures	81.3	117.3	78.3	49.8	62.7

(1) Working capital excludes notes payable, revolving debt facility and current portion of long-term debt.

(2) Total debt includes notes payable, revolving debt facility and current portion of long-term debt.

(3) Adjusted gross profit is defined as gross profit before restructuring-related accelerated depreciation, certain non-cash items, acquisition, merger and other restructuring charges and other adjustments noted in the table below. Our management uses Adjusted gross profit as an operating performance measure. We believe that the presentation of Adjusted gross profit is useful to investors because it is consistent with our definition of Adjusted EBITDA (defined below), a measure frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. In addition, we also use targets based on Adjusted gross profit as one of the components used to evaluate our management s performance. Adjusted gross profit is not defined under United States Generally Accepted Accounting Principles (GAAP), should not be considered in isolation or as substitutes for measures of our performance prepared in

accordance with GAAP and is not indicative of gross profit as determined under GAAP.

Table of Contents

The following table provides a reconciliation from our gross profit to Adjusted gross profit.

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Gross profit	$ 602.3	$ 614.9	$ 584.6	$ 397.2	$ 456.7
Accelerated depreciation expense (a)	0.7	14.1	21.0	11.8	
Non-cash items (b)	38.2	3.0	(1.2)	(2.0)	0.1
Acquisition, merger and other restructuring charges (c)	4.3	9.9	16.9	13.8	3.8
Other adjustment items (d)	0.2	1.3	1.6	2.6	
Adjusted gross profit	$ 645.7	$ 643.2	$ 622.9	$ 423.4	$ 460.6

(a) Reflects accelerated depreciation from plant closures.

(b) Non-cash items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Non-cash compensation charges (1)	$ 0.4	$ 0.2	$ 0.1	$ 0.1	$ 0.4
Unrealized losses (gains) resulting from hedging activities (2)	0.7	1.6	(1.3)	(2.1)	(0.3)
Other impairment charges (3)		1.3			
Effects of adjustments related to the application of purchase accounting (4)	37.1				
Total non-cash items	$ 38.2	$ 3.0	$ (1.2)	$ (2.0)	$ 0.1

(1) Represents non-cash compensation charges related to the granting of equity awards.

(2)

Represents non-cash gains and losses resulting from mark-to-market obligations under derivative contracts.

(3) For fiscal year 2011, represents a plant asset impairment on the previously announced closure of the Tacoma, Washington facility of $1.3 million.

(4) For fiscal year 2010, represents expense related to the write-up to fair market value of inventories acquired as a result of the Birds Eye Acquisition.

(c) Acquisition, merger and other restructuring charges are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Restructuring charges, integration costs and other business optimization expenses (1)	$ 4.1	$ 9.3	$ 16.9	$ 13.8	$ 3.6
Employee severance and recruiting (2)	0.2	0.6		0.0	0.2
Total acquisition, merger and other restructuring charges	$ 4.3	$ 9.9	$ 16.9	$ 13.8	$ 3.8

(1) For fiscal year 2010, primarily represents integration costs related to the Birds Eye Acquisition. For fiscal year 2011, primarily represents restructuring charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington and Fulton, New York facilities. For fiscal year 2012, primarily represents restructuring charges and consulting and business optimization expenses related to the closings of the Tacoma, Washington, Fulton, New York and Millsboro, Delaware facilities. For the nine months ended September 23, 2012 and September 29, 2013, primarily represents restructuring and restructuring-related charges, consulting and business optimization expenses related to closures at our Millsboro, Delaware (March, 2013) and Fulton, New York (March, 2012) facilities and a gain from the sale of our Tacoma, Washington location in July 2013.

(2) Represents severance costs paid or accrued to terminated employees.

(d) Other adjustment items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Other (1)	$ 0.2	$ 1.3	$ 1.6	$ 2.6	$
Total other adjustments	$ 0.2	$ 1.3	$ 1.6	$ 2.6	$

(1) For fiscal year 2010, represents miscellaneous other costs. For fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012, primarily represents the cost of retrieving and

destroying the product covered by the recall of *Aunt Jemima* product, net of insurance recoveries.

(4) Adjusted EBITDA is defined as net earnings (loss) before interest expense, taxes, depreciation and amortization (EBITDA) and other adjustments noted in the table below. Our management uses Adjusted EBITDA as an operating performance measure. We believe that the presentation of Adjusted EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. In addition, targets for Adjusted EBITDA are among the measures we use to evaluate our management s performance for purposes of determining their compensation under our incentive plans.

EBITDA and Adjusted EBITDA do not represent net earnings or loss or cash flow from operations as those terms are defined by GAAP and do not necessarily indicate whether cash flows will be sufficient to fund cash needs. In particular, Adjusted EBITDA includes certain non-cash, extraordinary, unusual or non-recurring charges that are deducted in calculating net earnings or loss. However, these are expenses that

Table of Contents

vary greatly and are difficult to predict. Because not all companies use identical calculations, these presentations of EBITDA and Adjusted EBITDA are not necessarily comparable to other similarly titled captions of other companies. In addition, under the credit agreement governing our senior secured credit facility and the indenture governing our senior notes, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is tied to a ratio based on Adjusted EBITDA. See Management s Discussion and Analysis of Financial Condition and Results of Operations Covenant Compliance.

The following table provides a reconciliation from our net earnings (loss) to EBITDA and Adjusted EBITDA.

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Net earnings (loss)	$ 22.0	$ (46.9)	$ 52.6	$ 8.9	$ 33.7
Interest expense, net	235.7	208.1	198.4	154.5	107.8
Income tax expense	7.4	22.1	32.7	3.7	35.1
Depreciation and amortization expense	78.1	88.5	98.1	68.5	57.7
EBITDA	$ 343.2	$ 271.8	$ 381.7	$ 235.6	$ 234.2
Non-cash items (a)	$ 71.5	$ 152.2	$ 0.1	$ (1.4)	$ 5.3
Acquisition, merger and other restructuring charges (b)	27.5	20.3	23.3	17.9	12.3
Other adjustment items (c)	4.7	5.5	21.0	21.0	53.4
Adjusted EBITDA	$ 446.9	$ 449.7	$ 426.1	$ 273.1	$ 305.2

(a) Non-cash items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Non-cash compensation charges (1)	$ 4.7	$ 1.1	$ 0.9	$ 0.7	$ 5.6
Unrealized losses (gains) resulting from hedging activities (2)	0.7	1.6	(1.3)	(2.1)	(0.3)
Goodwill impairment charge (3)		122.9			
Other impairment charges (4)	29.0	26.6	0.5		
Effects of adjustments related to the application of purchase accounting (5)	37.1				

Total non-cash items	$ 71.5	$ 152.2	$ 0.1	$ (1.4)	$ 5.3

(1) Represents non-cash compensation charges related to the granting of equity awards.

(2) Represents non-cash gains and losses resulting from mark-to-market adjustments of obligations under foreign exchange and commodity derivative contracts.

(3) For fiscal year 2011, represents goodwill impairments on the Frozen Breakfast ($51.7 million), Private Label ($49.7 million) and Food Service ($21.5 million) reporting units.

Table of Contents

(4) For fiscal year 2010, represents an impairment for the Hungry-Man tradename ($29.0 million). For fiscal year 2011, represents tradename impairments on Aunt Jemima ($23.7 million), Lender s ($1.2 million) and Bernstein s ($0.4 million), as well as a plant asset impairment on the previously announced closure of the Tacoma, Washington facility ($1.3 million). For fiscal year 2012, represents tradename impairment of Bernstein s ($0.5 million).

(5) For fiscal year 2010, represents expense related to the write-up to fair market value of inventories acquired as a result of the Birds Eye Acquisition.

(b) Acquisition, merger and other restructuring charges are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Expenses in connection with an acquisition or other non-recurring merger costs (1)	$ 0.9	$ 8.8	$ 2.3	$ 1.6	$ 1.2
Restructuring charges, integration costs and other business optimization expenses (2)	25.5	9.5	20.0	15.3	7.4
Employee severance and recruiting (3)	1.1	2.0	1.0	1.0	3.7
Total acquisition, merger and other restructuring charges	$ 27.5	$ 20.3	$ 23.3	$ 17.9	$ 12.3

(1) For fiscal year 2010, primarily represents costs related to the Birds Eye Acquisition as well as other expenses related to due diligence investigations. For fiscal year 2011, primarily represents an $8.5 million legal settlement related to the Lehman Brothers Specialty Financing claim described in more detail in Note 12 to our audited consolidated financial statements included elsewhere in this prospectus and in Business Legal Proceedings. For fiscal year 2012 and the nine months ended September 23, 2012 and September 29, 2013, primarily represents expenses related to the IPO and due diligence investigations.

(2) For fiscal year 2010, primarily represents employee termination benefits and lease termination costs related to the closing of the Rochester, New York office and integration costs related to the Birds Eye Acquisition. For fiscal year 2011, primarily represents restructuring charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington and Fulton, New York facilities. For fiscal year 2012, primarily represents restructuring charges and restructuring-related charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington, Fulton, New York and Millsboro, Delaware facilities. For the nine months ended September 23, 2012, primarily represents restructuring and restructuring-related charges related to the closure of our Fulton, New York and Millsboro, Delaware facilities, as a result of footprint

consolidation projects. For the nine months ended September 29, 2013, primarily represents restructuring and restructuring-related charges related to the closure of our Millsboro, Delaware facility, consulting and business optimization expenses related to the expansion of headquarter direct sales coverage for retail and a gain from the sale of our Tacoma, Washington location in July 2013.

(3) For fiscal year 2010, fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012 and September 29, 2013, represents severance costs paid, or to be paid, to terminated employees.

Table of Contents

(c) Other adjustment items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Management, monitoring, consulting and advisory fees (1)	$ 4.5	$ 4.6	$ 4.7	$ 3.5	$ 19.2
Bond redemption fees (2)			14.3	14.3	34.2
Other (3)	0.2	0.9	2.0	3.2	
Total other adjustments	$ 4.7	$ 5.5	$ 21.0	$ 21.0	$ 53.4

(1) For fiscal year 2010, fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012 and September 29, 2013 represents management/advisory fees and expenses paid to an affiliate of Blackstone pursuant to the Advisory Agreement. For the nine months ending September 29, 2013, it also includes a $15.1 million expense to terminate the Blackstone advisory fee agreement. The Advisory Agreement was terminated in accordance with its terms.

(2) For fiscal year 2012 and the nine months ended September 23, 2012, represents $14.3 million of the premiums paid on the redemption of $150.0 million of 9.25% Senior Notes due 2015, the redemption of $199.0 million of 10.625% Senior Subordinated Notes due 2017 and the repurchase and retirement of $10.0 million of 9.25% Senior Notes due 2015. For the nine months ended September 29, 2013, represents the premiums paid on the redemption of $400.0 million of 8.25% Senior Notes due 2017 at a premium of $34.2 million.

(3) For fiscal year 2010, represents miscellaneous other costs. For fiscal year 2011, primarily represents a gain on the sale of the Watsonville, California property and the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product of $1.1 million, net of insurance recoveries. For fiscal year 2012 and the nine months ended September 23, 2012, primarily represents the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product of $2.0 million (after insurance recovery received in the fourth quarter of 2012) and $3.2 million (before insurance recovery), respectively.

17

Table of Contents

RISK FACTORS

An investment in our common stock involves risk. You should carefully consider the following risks as well as the other information included in this prospectus, including Selected Historical Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations, Unaudited Pro Forma Condensed Consolidated Financial Information and our financial statements and related notes, before investing in our common stock. Any of the following risks could materially and adversely affect our business, financial condition or results of operations. However, the selected risks described below are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. In such a case, the trading price of the common stock could decline and you may lose all or part of your investment in our Company.

Risks Related to Our Business

We face significant competition in our industry, which could cause us to lose market share, lower prices, or increase advertising and promotional expenditures. Our success also depends on our ability to predict, identify and interpret changes in consumer preferences and develop and offer new products rapidly enough to meet those changes.

The food products business is highly competitive. Numerous brands and products compete for shelf space and sales, with competition based primarily on product quality, brand recognition and loyalty, price, trade promotion, consumer promotion, customer service, and the ability to identify and satisfy emerging consumer preferences. We compete with a significant number of companies of varying sizes, including divisions, subdivisions, or subsidiaries of larger companies. Many of these competitors have multiple product lines, substantially greater financial and other resources available to them, and may be substantially less leveraged than Pinnacle. In addition, Private Label is a significant competitor, particularly in the frozen vegetables, shelf-stable pickles, table syrup, frozen and refrigerated bagels, and pie/pastry fruit fillings categories. We may not be able to compete successfully with these companies and Private Label. Competitive pressures or other factors could cause us to lose market share, which may require us to lower prices, increase marketing and advertising expenditures, or increase the use of discounting or promotional campaigns, each of which would materially and adversely affect our margins and could result in a decrease in our operating results and profitability.

Our success depends on our ability to predict, identify, and interpret the tastes and dietary habits of consumers and to offer products that appeal to those preferences. There are inherent marketplace risks associated with new product or packaging introductions, including uncertainties about trade and consumer acceptance. If we do not succeed in offering products that consumers want to buy, our sales and market share will decrease, resulting in reduced profitability. If we are unable to accurately predict which shifts in consumer preferences will be long-lasting, or are unable to introduce new and improved products to satisfy those preferences, our sales will decline. In addition, given the variety of backgrounds and identities of consumers in our consumer base, we must offer a sufficient array of products to satisfy the broad spectrum of consumer preferences. As such, we must be successful in developing innovative products across a multitude of product categories. Finally, if we fail to rapidly develop products in faster-growing and more profitable categories, we could experience reduced demand for our products, or fail to expand margins.

We are also subject to the effect that the overall economic conditions have upon consumer sentiment and retail sales.

If we lose one or more of our major customers, or if any of our major customers experience significant business interruption, our results of operations could be adversely affected.

We have several large customers that account for a significant portion of our sales. Wal-Mart and its affiliates are our largest customers and represented approximately 25% of net sales in each of the fiscal years

2012, 2011 and 2010, respectively. Cumulatively, including Wal-Mart, our top ten customers accounted for approximately 60% of net sales in fiscal year 2012, 60% of net sales in fiscal year 2011 and 61% of net sales in fiscal year 2010.

We do not have long-term supply contracts with any of our major customers. The loss of one or more major customers, a material reduction in sales to these customers as a result of competition from other food manufacturers, or the occurrence of a significant business interruption of our customers operations would result in a decrease in our revenues, operating results, and earnings and could adversely affect the market price of our common stock.

In addition, as the retail grocery trade continues to consolidate and our retail customers grow larger and become more sophisticated, our retail customers may demand lower pricing and increased promotional programs. If we fail to use our sales and marketing expertise to maintain our category leadership positions to respond to these trends, or if we lower our prices or increase promotional support of our products and are unable to increase the volume of our products sold, our profitability and financial condition may be adversely affected.

For the manufacturing, co-packing and distribution of many of our products, we primarily rely on single source providers where a significant disruption in a facility or loss of arrangements could affect our business, financial condition, and results of operations.

With the exception of our *Birds Eye* frozen vegetable products which are produced in two facilities (Waseca, Minnesota and Darien, Wisconsin, which has approximately three times the production capacity of the Waseca location), none of our products are produced in significant amounts at multiple manufacturing facilities or co-packers. In addition, in connection with the Wish-Bone acquisition, Unilever has agreed to continue to manufacture certain products for approximately eighteen months following the consummation of the acquisition (with an option to extend for an additional six months) to enable us to transition the manufacturing of Wish-Bone into an existing Pinnacle facility. Significant unscheduled downtime at any of our facilities or co-packers due to equipment breakdowns, power failures, natural disasters, or any other cause could materially adversely affect our ability to provide products to our customers, which would have a material adverse effect on our business, financial condition and results of operations.

We rely upon co-packers for our *Duncan Hines* cake mixes, brownie mixes, specialty mixes, frosting products and a limited portion of our other manufacturing needs. We believe that there are a limited number of competent, high-quality co-packers in the industry, and if we were required to obtain additional or alternative co-packing agreements or arrangements in the future, we may not be able to do so on satisfactory terms or in a timely manner.

We sell a majority of our products in the United States through one national broker with whom we have a long-term working relationship. In Canada, we use one national broker to distribute the majority of our products. Our business could suffer disruption if either of these brokers were to default in the performance of their obligations to perform brokerage services or fail to effectively represent us to the retail grocery trade.

We are vulnerable to fluctuations in the price and supply of food ingredients, packaging materials, and freight.

The prices of the food ingredients, packaging materials and freight are subject to fluctuations in price attributable to, among other things, changes in supply and demand of crops or other commodities, fuel prices and government-sponsored agricultural and livestock programs. The sales prices to our customers are a delivered price. Therefore, changes in our input costs could impact our gross margins. Our ability to pass along higher costs through price increases to our customers is dependent upon competitive conditions and pricing methodologies employed in the various markets in which we compete. To the extent competitors do not also increase their prices, customers and consumers may choose to purchase competing products or may shift purchases to lower-priced Private Label or other

value offerings which may adversely affect our results of operations.

Table of Contents

We use significant quantities of sugar, cucumbers, broccoli, corn, peas, green beans, flour (wheat), poultry, seafood, vegetable oils, shortening, meat, corn syrup and other agricultural products as well as aluminum, glass jars, plastic trays, corrugated fiberboard and plastic packaging materials provided by third-party suppliers. We buy from a variety of producers and manufacturers, and alternate sources of supply are generally available. However, the supply and price are subject to market conditions and are influenced by other factors beyond our control, such as general economic conditions, unanticipated demand, problems in production or distribution, natural disasters, weather conditions during the growing and harvesting seasons, insects, plant diseases, and fungi. Adverse weather conditions may occur more frequently as a result of climate change and other factors. Adverse weather conditions and natural disasters can reduce crop size and crop quality, which in turn could reduce our supplies of raw materials, lower recoveries of usable raw materials, increase the prices of our raw materials, increase our cost of storing raw materials if harvests are accelerated and processing capacity is unavailable, or interrupt or delay our production schedules if harvests are delayed.

We do not have long-term contracts with many of our suppliers, and, as a result, they could increase prices or fail to deliver. The occurrence of any of the foregoing could increase our costs and disrupt our operations.

If our assessments and assumptions about commodity prices, as well as ingredient and other prices and currency exchange rates, prove to be incorrect in connection with our hedging or forward-buy efforts or planning cycles, our costs may be greater than anticipated and our financial results could be adversely affected. Volatility in commodity prices will impact our results of operations.

From time to time, we enter into commodity forward contracts to fix the price of natural gas, diesel fuel, corn, soybean oil and other commodity purchases at a future delivery date. However, such strategies do not fully address commodity price risk. Adverse movements in commodity prices over the terms of the contracts or instruments could decrease the economic benefits we derive from these strategies. Additionally, changes in the value of our commodities derivatives are recorded in the Cost of products sold line in our Consolidated Statements of Operations. Accordingly, volatility in commodities could result in volatility in our results of operations. As of December 30, 2012, the potential change in fair value of commodity derivative instruments, assuming a 10% adverse movement in the underlying commodity prices, would have resulted in an unrealized net loss of $1.0 million.

In addition, certain parts of our foreign operations in Canada expose us to fluctuations in foreign exchange rates. Net sales in Canada accounted for 3.4% of Consolidated Net Sales for fiscal 2012. We seek to reduce our exposure to such foreign exchange risks primarily through the use of foreign exchange-related derivative financial instruments. We enter into derivative financial instruments to protect the value or fix the amount of certain obligations in terms of our functional currency. As of December 30, 2012, a 10% decline in the U.S. dollar relative to the Canadian dollar would have decreased the fair value of our foreign exchange forward contracts by $5.0 million.

We may cease any of our current programs or use other hedging or derivative programs in the future. The extent of our hedges at any given time depends on our assessment of the markets for these commodities, natural gas and diesel fuel, including our assumptions about future prices and currency exchange rates. For example, if we believe market prices for the commodities we use are unusually high, we may choose to hedge less, or even none, of our upcoming requirements. If we fail to hedge and prices or currency exchange rates subsequently increase, or if we institute a hedge and prices or currency exchange rates subsequently decrease, our costs may be greater than anticipated or greater than our competitors costs and our financial results could be adversely affected. See Management s Discussion and Analysis of Financial Condition and Results of Operations Quantitative and Qualitative Disclosures About Market Risk for a discussion of our current hedging and derivatives programs.

20

Table of Contents

We may not be able to successfully identify, evaluate and integrate businesses we may acquire in the future and we may not be able to realize anticipated cost savings, revenue enhancements, or other synergies from such acquisitions including our recent acquisition of Wish-Bone.

We may not be able to identify and complete acquisitions in the future, and our failure to identify and complete acquisitions could limit our ability to grow our business beyond our existing brands.

Our acquisition strategy involves a number of risks, including the following:

- we may not be able to find suitable businesses to acquire at affordable valuations or on other acceptable terms;
- our acquisition of suitable businesses could be prohibited by U.S. or foreign antitrust laws; and
- we may have to obtain additional equity financing or incur additional debt to finance future acquisitions, and such financing may not be available on terms acceptable to us or at all.

The process of integrating an acquired business, involves risks. These risks include, but are not limited to:

- demands on management related to the significant increase in the size of our business;
- diversion of management s attention from the management of daily operations;
- difficulties in the assimilation of different corporate cultures and business practices;
- difficulties in conforming the acquired company s accounting policies to ours;
- retaining the loyalty and business of the customers of acquired businesses;
- retaining employees that may be vital to the integration of acquired businesses or to the future prospects of the combined businesses;
- difficulties and unanticipated expenses related to the integration of departments, information technology systems, including accounting systems, technologies, books and records, and procedures, and maintaining uniform standards, such as internal accounting controls, procedures, and policies;

- costs and expenses associated with any undisclosed or potential liabilities;

- the use of more cash or other financial resources on integration and implementation activities than we expect;

- our ability to avoid labor disruptions in connection with any integration, particularly in connection with any headcount reduction; and

- the incurrence of additional debt and related interest expense, contingent liabilities and amortization expenses related to intangible assets.

Failure to successfully integrate acquired businesses may result in reduced levels of revenue, earnings or operating efficiency than might have been achieved if we had not acquired such businesses.

Our substantial leverage could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, expose us to interest rate risk to the extent of our variable rate debt, and prevent us from meeting our obligations under our indebtedness.

We are highly leveraged. As of September 29, 2013, on a pro forma basis after giving effect to the acquisition of Wish-Bone and the related incurrence of indebtedness in connection therewith, our total indebtedness was approximately $2,504.8 million. Our high degree of leverage could have important consequences, including:

- requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund our operations, capital expenditures, and future business opportunities or to pay dividends;

Table of Contents

- exposing us to the risk of increased interest rates because certain of our borrowings, including certain borrowings under our senior secured credit facility, are at variable rates;

- making it more difficult for us to make payments on our indebtedness;

- increasing our vulnerability to general economic and industry conditions;

- restricting us from making strategic acquisitions or causing us to make non-strategic divestitures;

- subjecting us to restrictive covenants that may limit our flexibility in operating our business;

- limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions, and general corporate or other purposes; and

- placing us at a competitive disadvantage compared to our competitors who are less highly leveraged.

Despite our significant leverage, we may be able to incur significant additional amounts of debt, which could further exacerbate the risks associated with our significant leverage.

Litigation or claims regarding our trademarks and any other proprietary rights or termination of our material licenses may have a significant, negative impact on our business.

We attempt to protect our intellectual property rights through a combination of trademark, patent, copyright and trade secret laws. We consider our trademarks to be of significant importance to our business and devote resources to the establishment and protection of our trademarks and other intellectual property rights. However, our trademark or other intellectual property applications are not always approved. Third parties may also oppose our intellectual property applications, or otherwise challenge our use of our trademark or other intellectual property. The actions we have taken or will take in the future may not be adequate to prevent violation of our trademark or other proprietary rights by others or prevent others from seeking to block sales of our products as an alleged violation of their trademark or other proprietary rights. We may need to initiate future claims or litigation or defend claims or litigation against us to enforce our trademark or other proprietary rights or to defend ourselves against claimed infringement of the trademark or other proprietary rights of others. Any future claims or litigation of this type, even without merit, could result in a material adverse effect on our business, financial condition or results of operations. Any such future claims or litigation may: (a) be expensive and time consuming to defend; (b) cause us to cease making, licensing or using products that incorporate the challenged intellectual property; (c) require us to rebrand our products or redesign our packaging, if feasible; (d) divert management s attention and resources; or (e) require us to enter into royalty or licensing agreements in order to obtain the right to use a third party s intellectual property, which, if required, may not be available to us on acceptable terms or at all. Any inability to use our trademarks or other proprietary rights could harm our business and sales through reduced demand for our products and reduced revenues.

As described in greater detail under Business Intellectual Property, we manufacture our *Aunt Jemima, Armour, Swanson and Voila!* brands under license agreements from various third parties. The loss of these licenses could have a material adverse effect on our business.

We may be unable to drive revenue growth in our key product categories or add products that are in faster growing and more profitable categories.

The food and beverage industry s overall growth is linked to population growth. Our future results will depend on our ability to drive revenue growth in our key product categories. Because our operations are concentrated in North America, where growth in the food and beverage industry has been moderate, our success also depends in part on our ability to enhance our portfolio by adding innovative new products in faster growing and more profitable categories. Our failure to drive revenue growth in our key product categories or develop innovative products for new and existing categories could materially and adversely affect our profitability, financial condition and results of operations.

Table of Contents

We may be subject to product liability claims should the consumption of any of our products cause injury, illness, or death.

We sell food products for human consumption, which involves risks such as product contamination or spoilage, misbranding, product tampering, and other adulteration of food products. Consumption of a misbranded, adulterated, contaminated, or spoiled product may result in personal illness or injury. We could be subject to claims or lawsuits relating to an actual or alleged illness or injury, and we could incur liabilities that are not insured or exceed our insurance coverage. Even if product liability claims against us are not successful or fully pursued, these claims could be costly and time consuming and may require our management to spend time defending the claims rather than operating our business.

A product that has been actually or allegedly misbranded or becomes adulterated could result in product withdrawals or recalls, destruction of product inventory, negative publicity, temporary plant closings, and substantial costs of compliance or remediation. Any of these events, including a significant product liability judgment against us, could result in a loss of demand for our food products, which could have a material adverse effect on our financial condition, results of operations or cash flows.

Due to the seasonality of the business, our revenue and operating results may vary from quarter to quarter.

Our sales and cash flows are affected by seasonal cyclicality. Sales of frozen foods, including frozen vegetables and frozen complete bagged meals, tend to be marginally higher during the winter months. Seafood sales peak during Lent, in advance of the Easter holiday. Sales of pickles, relishes, barbecue sauces, potato chips and salad dressings tend to be higher in the spring and summer months, and demand for *Duncan Hines* products, *Birds Eye* vegetables and our pie and pastry fruit fillings tend to be higher around the Easter, Thanksgiving, and Christmas holidays. Since many of the raw materials we process under the *Birds Eye* and *Vlasic* brands are agricultural crops, production of these products is predominantly seasonal, occurring during and immediately following the purchase of such crops. We also increase our *Duncan Hines* inventories in advance of the peak fall selling season. As a result, our inventory levels tend to be higher during August, September, and October, and thus we require more working capital during these months. We are typically a seasonal net user of cash in the third quarter of the calendar year.

For these reasons, sequential quarterly comparisons are not a good indication of our performance or how we may perform in the future. If we are unable to obtain access to working capital or if seasonal fluctuations are greater than anticipated, there could be a material adverse effect on our financial condition, results of operations or cash flows.

We face risks associated with certain pension obligations.

We hold investments in equity and debt securities in our qualified defined benefit pension plans. Deterioration in the value of plan assets, resulting from a general financial downturn or otherwise, could cause an increase in the underfunded status of our defined benefit pension plans, thereby increasing our obligation to make contributions to the plans. The underfunding in our pension plans totaled $58.1 million as of September 29, 2013. The decrease in discount rates from approximately 6% in 2008 to approximately 4.7% as of September 29, 2013 has had a significant impact to our funding status. We have contributed cash significantly in excess of expense for the last three years to improve the funded status of the plans and intend to continue to do so. Changes in interest rates in the future could have a significant effect on our funded status.

Our obligation to make contributions to the pension plans could reduce the cash available for working capital and other corporate uses and may have a material adverse impact on our operations, financial condition and liquidity.

23

Table of Contents

Our financial well-being could be jeopardized by unforeseen changes in our employees collective bargaining agreements or shifts in union policy.

We employed approximately 4,900 people as of September 29, 2013, with approximately 63% of our hourly employees unionized. Due to the seasonality of our pickle and vegetable businesses, our employment fluctuates throughout the year, and thus our average number of employees was approximately 4,400 throughout fiscal 2012.

The collective bargaining agreement covering approximately 480 employees at our Darien, Wisconsin plant is due to expire in December 2013, and negotiations with the union began in October 2013. Our other unionized employees are covered under collective bargaining agreements expiring between April 2014 and October 2022.

Failure to extend or renew our collective bargaining agreements or a prolonged work stoppage or strike at any facility with union employees could have a material adverse effect on our business, financial condition, or results of operations. In addition, we may not be able to reach new agreements upon the expiration of our existing collective bargaining agreements and if we do reach new agreements, such agreements may not be on terms that we consider favorable. Furthermore, labor organizing activities could result in additional employees becoming unionized.

We and our third-party co-packers and suppliers are subject to laws and regulations relating to protection of the environment, worker health, and workplace safety. Costs to comply with these laws and regulations, or claims with respect to environmental, health and safety matters, could have a significant negative impact on our business.

Our operations are subject to various federal, state and local laws and regulations relating to the protection of the environment, including those governing the discharge of pollutants into the air and water, the management and disposal of solid and hazardous materials and wastes, employee exposure to hazards in the workplace and the cleanup of contaminated sites. We are required to obtain and comply with environmental permits for many of our operations, and sometimes we are required to install pollution control equipment or to implement operational changes to limit air emissions or wastewater discharges and/or decrease the likelihood of accidental releases of hazardous materials. We could incur substantial costs, including cleanup costs, civil or criminal fines or penalties, and third-party claims for property damage or personal injury as a result of any violations of environmental laws and regulations, noncompliance with environmental permit conditions or contamination for which we may be responsible that is identified or that may occur in the future. Such costs may be material.

Under federal and state environmental laws, we may be liable for the costs of investigation, removal or remediation of certain hazardous or toxic substances, as well as related costs of investigation and damage to natural resources, at various properties, including our current and former properties and the former properties of our predecessors, as well as offsite waste handling or disposal sites that we or our predecessors have used. Liability may be imposed upon us without regard to whether we knew of or caused the presence of such hazardous or toxic substances. Any such locations, or locations that we may acquire in the future, may result in liability to us under such laws or expose us to third party actions such as tort suits based on alleged conduct or environmental conditions. In addition, we may be liable if hazardous or toxic substances migrate from properties for which we may be responsible to other properties.

In addition to regulations applicable to our operations, failure by any of our co-packers or other suppliers to comply with regulations, or allegations of compliance failure, may disrupt their operations and could result in potential liability. Even if we were able to obtain insurance coverage or compensation for any losses or damages resulting from the non-compliance of a co-packer or supplier with applicable regulations, our brands and reputation may be adversely affected by negative perceptions of our brands stemming from such compliance failures.

We cannot predict what environmental or health and safety legislation or regulations will be enacted in the future or how existing or future laws or regulations will be enforced, administered or interpreted. We also cannot predict the amount of future expenditures that may be required in order to comply with such environmental or health and safety laws or regulations or to respond to environmental claims.

Our operations are subject to regulation by the U.S. Food and Drug Administration (FDA), U.S. Department of Agriculture (USDA), Federal Trade Commission (FTC) and other governmental entities and such regulations are subject to change from time to time which could impact how we manage our production and sale of products. Federal budget cuts could result in furloughs for government employees, including inspectors and reviewers for our plants and products and for our suppliers plants and products, which could materially impact our ability to manufacture regulated products.

Our operations are subject to extensive regulation by the FDA, the USDA and other national, state, and local authorities. For example, we are subject to the Food, Drug and Cosmetic Act and regulations promulgated thereunder by the FDA. This comprehensive regulatory program governs, among other things, the manufacturing, composition and ingredients, packaging, and safety of food. Under this program, the FDA regulates manufacturing practices for foods through, among other things, its current good manufacturing practices regulations, or cGMPs, and specifies the recipes for certain foods. Our processing facilities and products are subject to periodic inspection by federal, state, and local authorities. In addition, we must comply with similar laws in Canada. In January 2011, the FDA s Food Safety Modernization Act was signed into law. The law will increase the number of inspections at food facilities in the U.S. in an effort to enhance the detection of food borne illness outbreaks and order recalls of tainted food products. The FTC and other authorities regulate how we market and advertise our products, and we could be the target of claims relating to alleged false or deceptive advertising under federal, state, and foreign laws and regulations. Changes in these laws or regulations or the introduction of new laws or regulations could increase the costs of doing business for us or our customers or suppliers or restrict our actions, causing our results of operations to be adversely affected.

We seek to comply with applicable regulations through a combination of employing internal personnel to ensure quality-assurance compliance (for example, assuring that food packages contain only ingredients as specified on the package labeling) and contracting with third-party laboratories that conduct analysis of products for the nutritional-labeling requirements. Compliance with federal, state and local regulations is costly and time-consuming. Failure to comply with applicable laws and regulations or maintain permits and licenses relating to our operations could subject us to civil remedies, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could result in increased operating costs resulting in a material adverse effect on our operating results and business. For example, on January 27, 2012, we issued a voluntary recall for certain *Aunt Jemima* frozen pancakes due to potential cross contamination with soy protein which may cause allergic reactions for people who have a soy allergy. The cost of retrieving and destroying the product covered by the recall, net of insurance recoveries, was $3.2 million ($2.1 million in fiscal 2012 and $1.1 million in fiscal 2011).

In addition, current budget cuts proposed by the federal government could result in furloughs for government employees, including inspectors and reviewers for our plants and products and for our suppliers plants and products. Such furloughs could materially impact our ability to manufacture regulated products, which could have a material adverse effect on our business.

Our business operations could be disrupted if our information technology systems fail to perform adequately.

The efficient operation of our business depends on our information technology systems, some of which are managed by third-party service providers. We rely on our information technology systems to effectively manage our business data, communications, supply chain, order entry and fulfillment, and other business processes. The failure of our

information technology systems to perform as we anticipate could disrupt our business and could result in transaction errors, processing inefficiencies, and the loss of sales and customers, causing our business and results of operations to suffer. In addition, our information technology systems may be vulnerable to damage

or interruption from circumstances beyond our control, including fire, natural disasters, power outages, systems failures, security breaches, cyber attacks and viruses. Any such damage or interruption could have a material adverse effect on our business.

We have a significant amount of goodwill and intangible assets on our Consolidated Balance Sheets that are subject to impairment based upon future adverse changes in our business and the overall economic environment.

At September 29, 2013, the carrying value of goodwill and tradenames was $1,441.5 million and $1,604.0 million, respectively. We evaluate the carrying amount of goodwill and indefinite-lived intangible assets for impairment on an annual basis, in December, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value below its carrying amount. We have recorded impairment charges in recent years, including a $0.5 million tradename impairment to our *Bernstein s* tradename in fiscal 2012 and $148.2 million of goodwill and tradename impairments in fiscal 2011. The value of goodwill and intangible assets will be derived from our business operating plans and is susceptible to an adverse change in demand, input costs, general changes in the business, or changes in the overall economic environment and could require an impairment charge in the future. We expect our goodwill and intangible assets to increase significantly with the Wish-Bone acquisition.

If we are unable to retain our key management personnel, our future performance may be impaired and our financial condition could suffer as a result.

Our success depends to a significant degree upon the continued contributions of senior management, certain of whom would be difficult to replace. Departure by certain of our executive officers could have a material adverse effect on our business, financial condition, or results of operations. We do not maintain key-man life insurance on any of our executive officers. The services of such personnel may not continue to be available to us.

We may not be able to utilize all of our net operating loss carryovers.

If there is an unfavorable adjustment from an United States Internal Revenue Service (IRS) examination (whether as a result of a change in law or IRS policy or otherwise) that reduces any of our NOLCs, cash taxes may increase and impact our ability to pay dividends or make interest payments on our indebtedness. As of September 29, 2013, we had NOLCs for U.S. federal income tax purposes of $1 billion. In general, under Section 382 of the Internal Revenue Code of 1986, as amended (the Code), a corporation that undergoes an ownership change is subject to annual limitations on its ability to utilize its pre-change NOLCs to offset future taxable income. Certain of our existing NOLCs are subject to annual limitations under Section 382 of the Code. In addition, if we undergo an ownership change in the future, our ability to utilize NOLCs could be further limited by Section 382 of the Code. The IPO may have increased, and this offering could increase, the risk of an ownership change. Moreover, future shifts in ownership of our common stock (including future sales by Blackstone) may cause an ownership change. These limitations and/or our failure to generate sufficient taxable income may result in the expiration of the NOLCs before they are utilized. For further detail on our NOLCs, see Note 15 Taxes on Earnings to our audited consolidated financial statements included elsewhere in this prospectus.

Affiliates of Blackstone control us and their interests may conflict with ours or yours in the future.

Immediately following this offering of common stock by the selling stockholders, affiliates of Blackstone will beneficially own approximately 53.4% of our common stock, or approximately 51.2% if the underwriters exercise in full their option to purchase additional shares from the selling stockholders. As a result, affiliates of Blackstone will continue to have the ability to elect all of the members of our Board of Directors and thereby control our policies and operations, including the appointment of management, future issuances of our common stock or other securities, the

payment of dividends, if any, on our common stock, the incurrence of debt by us,

amendments to our amended and restated certificate of incorporation and amended and restated bylaws and the entering into of extraordinary transactions, and their interests may not in all cases be aligned with your interests. In addition, Blackstone may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you. For example, Blackstone could cause us to make acquisitions that increase our indebtedness or cause us to sell revenue-generating assets. Blackstone is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. Our amended and restated certificate of incorporation provides that none of Blackstone, any of its affiliates or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or his or her affiliates has any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. Blackstone also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. So long as investment funds associated with or designated by affiliates of Blackstone collectively continue to control us, even if such amount is less than 50%, Blackstone will continue to be able to influence or effectively control our decisions and, so long as Blackstone and its affiliates collectively own at least 5% of our outstanding common stock, appoint individuals to our Board of Directors under our stockholders agreement. See Certain Relationships and Related Party Transactions Stockholders Agreement. In addition, Blackstone may determine the outcome of all matters requiring stockholder approval and may cause or prevent a change of control of our Company or a change in the composition of our Board of Directors and may preclude any unsolicited acquisition of our Company. The concentration of ownership could deprive you of an opportunity to receive a premium for your shares of common stock as part of a sale of our Company and ultimately might affect the market price of our common stock.

Risks Related to this Offering and Ownership of Our Common Stock

Our stock price may change significantly following the offering, and you may not be able to resell shares of our common stock at or above the price you paid or at all, and you could lose all or part of your investment as a result.

We completed our IPO in April 2013. Since the IPO, the price of our common stock, as reported by the NYSE, has ranged from a low of $22.36 on April 1, 2013 to a high of $28.81 on November 25, 2013. In addition, the stock market recently has experienced extreme volatility. This volatility often has been unrelated or disproportionate to the operating performance of particular companies. You may not be able to resell your shares at or above the offering price due to a number of factors such as those listed in Risks Related to Our Business and the following:

- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates and investment recommendations by securities analysts and investors;
- changes in economic conditions for companies serving our markets;

changes in market valuations of, or earnings and other announcements by, companies serving our markets;

declines in the market prices of stocks generally, particularly those of packaged food companies;

strategic actions by us or our competitors;

announcements by us, our competitors or our vendors of significant contracts, new products, acquisitions, joint marketing relationships, joint ventures, other strategic relationships or capital commitments;

Table of Contents

changes in general economic or market conditions or trends in our industry or the economy as a whole and, in particular, in the packaged food company environment;

changes in business or regulatory conditions;

future sales of our common stock or other securities;

investor perceptions or the investment opportunity associated with our common stock relative to other investment alternatives;

the public s response to press releases or other public announcements by us or third parties, including our filings with the SEC;

announcements relating to litigation;

guidance, if any, that we provide to the public, any changes in this guidance or our failure to meet this guidance;

the development and sustainability of an active trading market for our stock;

changes in accounting principles; and

other events or factors, including those resulting from manufacturing system failures and disruptions, natural disasters, war, acts of terrorism or responses to these events.

Furthermore, the stock market has experienced extreme volatility that in some cases has been unrelated or disproportionate to the operating performance of particular companies. These broad market and industry fluctuations may adversely affect the market price of our common stock, regardless of our actual operating performance

In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If we were involved in securities litigation, it could have a substantial cost and divert resources and the attention of executive management from our business regardless of the outcome of such litigation.

We may decide not to continue to pay dividends on our common stock, and our indebtedness could limit our ability to pay dividends on our common stock.

We have paid a quarterly cash dividend of $0.18 per share since our IPO and, on November 18, 2013, reflecting the accretion we expect from the Wish-Bone acquisition and our strong operating cash flow since the consummation of our IPO, we announced an increase in our quarterly cash dividend to $0.21 per share beginning with our fourth quarter dividend to be paid in January 2014 to shareholders of record on December 2, 2013. Our dividend is subject to the

discretion of our Board of Directors and our compliance with applicable law, and depending on, among other things, our results of operations, financial condition, level of indebtedness, capital requirements, contractual restrictions, restrictions in our debt agreements and in any preferred stock, business prospects and other factors that our Board of Directors may deem relevant. For more information, see Dividend Policy. We may decide not to pay a dividend in the future or discontinue paying any dividend.

If securities analysts do not publish research or reports about our business or if they downgrade our stock or our sector, our stock price and trading volume could decline.

The trading market for our common stock relies in part on the research and reports that industry or financial analysts publish about us or our business. We do not control these analysts. Furthermore, if one or more of the analysts who do cover us downgrade our stock or our industry, or the stock of any of our competitors, or publish inaccurate or unfavorable research about our business, the price of our stock could decline. If one or more of these analysts ceases coverage of our Company or fail to publish reports on us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline.

Table of Contents

Future sales, or the perception of future sales, by us or our existing stockholders in the public market following this offering could cause the market price for our common stock to decline.

The market price of our common stock could decline as a result of sales of a large number of shares of common stock in the market or the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to issue equity securities in the future at a time and at a price that we deem appropriate. As of November 19, 2013, there were 117,193,169 shares of common stock outstanding, of which 34,778,119 were freely tradable on the NYSE. After giving effect to this offering approximately 44.2% of our shares of common stock outstanding would be freely tradable on the NYSE (or approximately 46.4% if the underwriters exercise in full their option to purchase additional shares from the selling stockholders).

We, our directors, certain of our executive officers and the selling stockholders have agreed with the underwriters, subject to certain exceptions, not to offer or sell, dispose of or hedge, directly or indirectly, any common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 90 days from the date of this prospectus, except with the prior written consent of the representatives of the underwriters. See Underwriting (Conflicts of Interest) for a description of these lock-up agreements. Collectively, these shares will represent approximately 55.5% of our outstanding common stock following this offering (or 53.3% if the underwriters exercise in full their option to purchase additional shares from the selling stockholders).

Pursuant to the registration rights agreement entered into in connection with the IPO, we granted Blackstone the right, subject to certain conditions, to require us to register the sale of their shares of our common stock under the Securities Act and we granted Blackstone and certain members of management piggyback registration rights providing them the right to have us include the shares of our common stock they own in any registration by the Company. By exercising their registration rights and selling a large number of shares, the selling stockholders could cause the prevailing market price of our common stock to decline. Following completion of this offering, the shares covered by registration rights would represent approximately 55.8% of our outstanding common stock (or 53.6%, if the underwriters exercise in full their option to purchase additional shares from the selling stockholders). Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. See Shares Eligible for Future Sale.

To the extent that such registration rights are exercised, the resulting sale of a substantial number of shares of our common stock into the market could cause the market price of our common stock to decline. These shares also may be sold pursuant to Rule 144 (Rule 144) of the Securities Act of 1933, as amended (the Securities Act) depending on their holding period and subject to restrictions in the case of shares held by persons deemed to be our affiliates. As restrictions on resale end, the market price of our common stock could also decline if the holders of restricted shares sell them or are perceived by the market as intending to sell them.

These factors could also make it more difficult for us to raise additional funds through future offerings of our shares of common stock or other securities.

In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you.

Anti-takeover provisions in our organizational documents could delay or prevent a change of control.

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws may have an anti-takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders.

Table of Contents

These provisions provide for, among other things:

- a classified Board of Directors with staggered three-year terms;
- the ability of our Board of Directors to issue one or more series of preferred stock;
- advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at our annual meetings;
- certain limitations on convening special stockholder meetings;
- the removal of directors only for cause and only upon the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class, if Blackstone and its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors; and
- that certain provisions may be amended only by the affirmative vote of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class, if Blackstone and its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors.

These anti-takeover provisions could make it more difficult for a third party to acquire us, even if the third party s offer may be considered beneficial by many of our stockholders. As a result, our stockholders may be limited in their ability to obtain a premium for their shares. See Description of Capital Stock.

We are a controlled company within the meaning of the NYSE rules and the rules of the SEC. As a result, we qualify for, and rely on, exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.

After completion of this offering, affiliates of Blackstone are expected to continue to control a majority of the voting power of our outstanding common stock. As a result, we expect we will continue to be a controlled company within the meaning of the corporate governance standards of the NYSE. Under these rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a controlled company and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of the Board of Directors consist of independent directors as defined under the rules of the NYSE;

- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee s purpose and responsibilities;

- the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee s purpose and responsibilities; and

- the requirement for an annual performance evaluation of the nominating/corporate governance and compensation committees.

Following this offering, we intend to continue to utilize these exemptions. As a result, we do not have a majority of independent directors, our nominating/corporate governance committee and compensation committee do not consist entirely of independent directors and such committees are not subject to annual performance evaluations. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE.

In addition, on June 20, 2012, the SEC adopted Rule 10C-1 under the Exchange Act (Rule 10C-1) to implement provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-

Frank Act) pertaining to compensation committee independence and the role and disclosure of compensation consultants and other advisers to the compensation committee. The NYSE has since adopted amendments to its existing listing standards to comply with provisions of Rule 10C-1, and on January 11, 2013, the SEC approved such amendments. The amended listing standards require, among others, that:

- compensation committees be composed of fully independent directors, as determined pursuant to new and existing independence requirements;
- compensation committees be explicitly charged with hiring and overseeing compensation consultants, legal counsel and other committee advisers; and
- compensation committees be required to consider, when engaging compensation consultants, legal counsel or other advisers, certain independence factors, including factors that examine the relationship between the consultant or adviser s employer and us.

As a controlled company, we are not be subject to these compensation committee independence requirements.

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of Section 27A of the Securities Act. All statements, other than statements of historical facts included in this prospectus, including statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, financing needs, plans or intentions relating to acquisitions, business trends and other information referred to under Prospectus Summary, Management s Discussion and Analysis of Financial Condition and Results of Operations and Business are forward-looking statements. When used in this prospectus, the words estimates, expects, contemplates, anticipates, projects, pla intends, believes, forecasts, may, should and variations of such words or similar expressions are intended to ider forward-looking statements. The forward-looking statements are not historical facts, and are based upon our current expectations, beliefs and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond our control. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management s expectations, beliefs and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements.

There are a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from the forward-looking statements contained in this prospectus. Such risks, uncertainties and other important factors include, among others, the risks, uncertainties and factors set forth under Risk Factors, Management s Discussion and Analysis of Financial Condition and Results of Operations and the following risks, uncertainties and factors:

- competition;
- our ability to predict, identify, interpret and respond to changes in consumer preferences;
- the loss of any of our major customers;
- our reliance on single source provider for the manufacturing, co-packing and distribution of many of our products;
- fluctuations in price and supply of food ingredients, packaging materials and freight;
- volatility in commodity prices and our failure to mitigate the risks related to commodity price fluctuation and foreign exchange risk through the use of derivative instruments;
- costs and timeliness of integrating Wish-Bone, and any future acquisitions or our failure to realize anticipated cost savings, revenue enhancements or other synergies therefrom;

- our substantial leverage;
- litigation or claims regarding our intellectual property rights or termination of our material licenses;
- our inability to drive revenue growth in our key product categories or to add products that are in faster growing and more profitable categories;
- potential product liability claims;
- seasonality;
- the funding of our defined benefit pension plans;
- changes in our collective bargaining agreements or shifts in union policy;
- changes in the cost of compliance with laws and regulations, including environmental, worker health and workplace safety laws and regulations;
- our failure to comply with FDA, USDA or FTC regulations and the impact of governmental budget cuts;

Table of Contents

- disruptions in our information technology systems;
- future impairments of our goodwill and intangible assets;
- difficulty in the hiring or the retention of key management personnel;
- changes in tax statutes, tax rates, or case laws which impact tax positions we have taken; and
- Blackstone controlling us.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements, including factors disclosed under the sections entitled Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations in this prospectus. You should evaluate all forward-looking statements made in this prospectus in the context of these risks and uncertainties.

We caution you that the risks, uncertainties and other factors referenced above may not contain all of the risks, uncertainties and other factors that are important to you. In addition, we cannot assure you that we will realize the results, benefits or developments that we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our business in the way expected. All forward-looking statements in this prospectus apply only as of the date made and are expressly qualified in their entirety by the cautionary statements included in this prospectus. We undertake no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances.

Table of Contents

USE OF PROCEEDS

The selling stockholders named in this prospectus, which consist of affiliates of The Blackstone Group, L.P., our controlling shareholder, are offering 17,000,000 shares of our common stock. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

Table of Contents

MARKET PRICE OF OUR COMMON STOCK

Our common stock has been listed on the NYSE under the symbol PF since March 28, 2013. Prior to that time, there was no public market for our common stock. The following table sets forth for the periods indicated, the high and low sale prices of our common stock, as reported on the NYSE.

	High	Low
2013		
First Quarter (from March 28, 2013)	$ 22.82	$ 22.15
Second Quarter	$ 26.48	$ 22.36
Third Quarter	$ 28.52	$ 23.90
Fourth Quarter (through December 11, 2013)	$ 28.81	$ 25.00

On December 11, 2013, the closing price of our common stock on the NYSE was $27.21. Computershare Trust Company, N.A. is the transfer agent and registrar for our common stock. On November 19, 2013, we had 81 holders of record of our common stock.

Table of Contents

DIVIDEND POLICY

We have paid a quarterly cash dividend of $0.18 per share since our IPO and, on November 18, 2013, reflecting the accretion we expect from the Wish-Bone acquisition and our strong operating cash flow since the consummation of our IPO, we announced an increase in our quarterly cash dividend to $0.21 per share, beginning with our fourth quarter dividend to be paid in January 2014 to shareholders of record on December 2, 2013. Accordingly, as this offering will be consummated after the record date, investors who purchase shares in this offering will not receive the January 2014 dividend. Our dividend is subject to the discretion of our Board of Directors and our compliance with applicable law, and depending on, among other things, our results of operations, financial condition, level of indebtedness, capital requirements, contractual restrictions, restrictions in our debt agreements and in any preferred stock, business prospects and other factors that our Board of Directors may deem relevant.

Because we are a holding company, our ability to pay dividends depends on our receipt of cash dividends from our operating subsidiaries, which may further restrict our ability to pay dividends as a result of the laws of their jurisdiction of organization, agreements of our subsidiaries or covenants under any existing and future outstanding indebtedness we or our subsidiaries incur. In particular, the ability of our subsidiaries to distribute cash to Pinnacle Foods Inc. to pay dividends is limited by covenants in the credit agreement governing our senior secured credit facility and the indenture governing our senior notes. See Description of Indebtedness for a description of the restrictions on our ability to pay dividends. We do not currently believe that the restrictions contained in our existing indebtedness will impair our ability to pay regular quarterly cash dividends as described above.

Table of Contents

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of September 29, 2013 on a historical basis and on a pro forma basis after giving effect to the Wish-Bone acquisition as if the acquisition and related financing were consummated on September 29, 2013.

You should read this table in conjunction with the information contained in Use of Proceeds, Unaudited Pro Forma Condensed Consolidated Financial Information, Selected Historical Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations and Description of Indebtedness, as well as the consolidated financial statements and the notes thereto included elsewhere in this prospectus.

($ in millions)	**Actual**	**Pro Forma**
Cash and cash equivalents	$ 110.4	$ 38.0
Long-term debt, including current portion of long-term debt:		
Senior Secured Credit Facility Tranche G Term Loans due 2020	1,625.9	1,625.9
Senior Secured Credit Facility Tranche H Term Loans due 2020		525.0
4.875% Senior Notes due 2021	350.0	350.0
Unamortized discount on long term debt	(8.2)	(16.7)
Capital lease obligations	20.6	20.6
Total long-term debt	$ 1,988.3	$ 2,504.8
Stockholder equity:		
Common stock, $0.01 par value (200,000,000 shares authorized; issued and outstanding 117,220,795)	1.2	1.2
Additional paid-in capital	1,325.8	1,325.8
Retained Earnings	244.4	239.6
Accumulated other comprehensive (loss) income	(34.5)	(34.5)
Total stockholders equity	1,536.9	1,532.1
Total capitalization	$ 3,525.2	$ 4,036.9

Table of Contents

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On October 1, 2013, we acquired substantially all of the assets (the Acquisition) of the Wish-Bone Business and Western Salad Dressing Business (Wish-Bone) from Conopco, Inc., a New York corporation (Unilever), which is a subsidiary of Unilever PLC. The acquired portfolio includes a broad range of liquid and dry-mix salad dressing flavors under the *Wish-Bone* and *Western* brand names.

The Unaudited Pro Forma Condensed Consolidated Statement of Operations for the year ended December 30, 2012 gives effect to the Acquisition under the acquisition method of accounting as if had occurred on December 26, 2011 (the first date of fiscal 2012) and combines the historical operating results of Pinnacle for the year ended December 30, 2012 with the historical revenues and direct expenses of the Wish-Bone Business for the twelve months ended December 31, 2012.

The Unaudited Pro Forma Condensed Consolidated Statement of Operations for the nine months ended September 29, 2013 gives effect to the Acquisition under the acquisition method of accounting as if had occurred on December 26, 2011 (the first date of fiscal 2012) and combines the historical operating results of Pinnacle for the nine months ended September 29, 2013 with the historical revenues and direct expenses of the Wish-Bone Business for the nine months ended September 30, 2013.

The Unaudited Pro Forma Condensed Consolidated Balance Sheet gives effect to the Acquisition and related financing as if they had occurred on September 29, 2013.

The Statements of Revenues and Direct Expenses include direct cost of production, marketing and distribution, including selling and direct overhead, depreciation and amortization, and all direct expenses incurred by Unilever on behalf of Wish-Bone. Certain other Unilever expenses and other income, such as corporate overhead, interest income, interest expense, and income taxes have been excluded from the statements of revenues and direct expenses. As a result, the Statement of Revenues and Direct Expenses are not indicative of the results of operations of Wish-Bone had the business been operated as a separate, stand-alone entity.

The Unaudited Pro Forma Condensed Consolidated Statements of Operations adjustments are based upon available information, the structure of the transactions and certain assumptions that we believe are reasonable under the circumstances. The Unaudited Pro Forma Condensed Consolidated Statements of Operations are presented for illustrative purposes only and are not necessarily indicative of the results of operations that would have actually been reported had the Acquisition occurred as of December 26, 2011, or what results will be for any future period.

The preliminary allocation of the purchase price was based upon a preliminary estimate of fair value of assets acquired, including fixed assets, inventory, tradenames, distributor relationships and non-compete agreement. The estimated fair values were determined by management. Our estimates and assumptions are subject to change upon the finalization of appraisals, purchase price adjustments, and accounting for income taxes.

The historical consolidated financial information has been adjusted in the pro forma financial statements to give effect to pro forma events that are (1) directly attributable to the merger, (2) factually supportable and (3) with respect to the statement of operations, recurring in nature.

The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the historical consolidated financial statements and accompanying notes of Pinnacle and the historical Statement of Assets Acquired, the Statement of Revenues and Direct Expenses and related footnotes of Wish-Bone included elsewhere in this prospectus. The unaudited pro forma financial statements do not reflect any operating efficiencies and cost

savings that we may achieve with respect to the Acquisition. In connection with the Acquisition, Unilever has agreed to continue to manufacture certain Wish-Bone products for approximately eighteen months following the consummation of the acquisition (with an option to extend for an additional six months) to enable Pinnacle to transition manufacturing of Wish-Bone into an existing Pinnacle facility.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 30, 2012

(thousands, except per share data)

	Pinnacle	Wish-Bone	Adjustments		Pro forma Total
Net sales	$ 2,478,485	$ 192,196	$		$ 2,670,681
Cost of products sold	1,893,936	122,244	2,131	(a)	2,018,311
Gross profit	584,549	69,952	(2,131)		652,370
Operating expenses					
Marketing and selling expenses	169,736	16,657			186,393
Administrative expenses	89,414				89,414
Research and development expenses	12,031				12,031
Other expense (income), net	29,774		666	(b)	30,440
Total operating expenses	300,955	16,657	666		318,278
Earnings before interest and taxes	283,594	53,295	(2,797)		334,092
Interest expense	198,484		19,891	(c)	218,375
Interest income	110				110
Earnings before income taxes	85,220	53,295	(22,688)		115,827
Provision for income taxes	32,701		11,998	(d)	44,699
Net earnings	$ 52,519	$ 53,295	$ (34,686)		$ 71,128
Net earnings per share					
Basic	$ 0.65				$ 0.88
Weighted average shares outstanding-basic	81,231				81,231
Diluted	$ 0.61				$ 0.82
Weighted average shares outstanding-diluted	86,495				86,495
Dividends declared	$				$

See accompanying notes to unaudited pro forma condensed consolidated statements of operations

39

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE NINE MONTHS ENDED SEPTEMBER 29, 2013

(thousands, except per share data)

	Pinnacle	Wish-Bone	Adjustments		Pro forma Total
Net sales	$ 1,754,480	$ 148,895	$		$ 1,903,375
Cost of products sold	1,297,808	95,903	1,633	(a)	1,395,344
Gross profit	456,672	52,992	(1,633)		508,031
Operating expenses					
Marketing and selling expenses	134,002	15,209			149,211
Administrative expenses	93,189				93,189
Research and development expenses	7,825				7,825
Other expense (income), net	45,096		500	(b)	45,596
Total operating expenses	280,112	15,209	500		295,821
Earnings before interest and taxes	176,560	37,783	(2,133)		212,210
Interest expense	107,878		14,918	(c)	122,796
Interest income	68				68
Earnings before income taxes	68,750	37,783	(17,051)		89,482
Provision for income taxes	35,108		8,106	(d)	43,214
Net earnings	$ 33,642	$ 37,783	$ (25,157)		$ 46,268
Net earnings per share					
Basic	$ 0.32				$ 0.45
Weighted average shares outstanding-basic	103,921				103,921
Diluted	$ 0.32				$ 0.44
Weighted average shares outstanding-diluted	105,978				105,978
Dividends declared	$ 0.36				$ 0.36

See accompanying notes to unaudited pro forma condensed consolidated statements of operations

Table of Contents

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(thousands of dollars, except where noted in millions)

Pinnacle unaudited pro forma condensed consolidated statement of operations pro forma adjustments:

(a) Reflects the following:

	Year ended December 30, 2012	Nine months ended September 29, 2013
Depreciation adjustment (i)	$ 331	$ 283
Transition manufacturing agreement (ii)	1,800	1,350
	$ 2,131	$ 1,633

i. The elimination of historical depreciation expense incurred by Wish-Bone and reflects annual depreciation expense based on the preliminary allocation of the purchase price to the fair value of the assets acquired. Acquired fixed assets consist of machinery and equipment with useful lives averaging 21 months.

	Year ended December 30, 2012	Nine months ended September 29, 2013
Depreciation expense based on the preliminary allocation of the purchase price	$ 2,857	$ 2,143
Historical depreciation expense included by the Wish-Bone Business	2,526	1,860
	$ 331	$ 283

The pro forma adjustment to depreciation expense reflects Pinnacle s preliminary allocation of purchase price to the fair value of the tangible assets acquired. If the final allocation of the purchase price were to result in an increase in the fair value of the fixed assets of 10% (approximately $500), Pinnacle estimates that depreciation expense would increase approximately $286 per year (based on the weighted average estimated useful life of approximately 21 months of such assets).

ii. Pro forma charges from the transition manufacturing agreement were approximately $1.8 million and $1.4 million for the year ended December 30, 2012 and nine months ended September 29, 2013, respectively.

(b)

Increased Other expense is based upon Pinnacle s preliminary allocation of purchase price to $5.0 million of distributor relationships and $1.0 million to a non-compete agreement. Distributor relationships are being amortized over 30 years using the double declining balance method. This life was based on an attrition rate based on industry experience which management believes is appropriate in Pinnacle s circumstances. The non-compete is being amortized over 3 years, the contractual length of the agreement. The total adjustment to Other expense related to amortization was approximately $0.7 million and $0.5 million for the year ended December 30, 2012 and nine months ended September 29, 2013, respectively.

Pro forma depreciation and amortization expense for Wish-Bone were approximately $3.5 million and $2.6 million for the year ended December 30, 2012 and nine months ended September 29, 2013, respectively.

41

Table of Contents

(c) Increased interest expense is based upon the following pro forma amounts of debt giving effect to the financing of the Acquisition:

	Year ended December 30, 2012	Nine months ended September 29, 2013
Term Loan (i)	$ 17,063	$ 12,797
Amortization of financing fees (ii)	2,828	2,121
Pro forma interest expense	$ 19,891	$ 14,918

i. Pursuant to the terms of Term Loan H, the interest rates on the term loan bear interest at the Eurodollar rate (which at no time shall be less than 0.75%) + 2.5%. The assumed interest rates for Term Loan H reflect the Eurodollar rate of 0.75%, the approximate average of the Eurodollar rate during all relevant periods. A change in the interest rate of one-eigth of one percent would change interest expense on Term Loan H by $656 annually. However, we have mitigated approximately 70% of this risk through the use of cash flow hedges of interest rate risk.

ii. Deferred debt issue costs and original issue discount are amortized using the effective interest method over the life of the related debt. Total fees related to the debt issuance in connection with Term Loan H amounted to $18.4 million, including an original issue discount of approximately $8.5 million, with a weighted amortization period of 6.5 years for all items. This resulted in amortization of approximately $2.8 million for the year ended December 31, 2012 and $2.1 million for the nine months ended September 29, 2013, respectively.

(d) Income taxes are provided on the operating results of Wish Bone, as adjusted, at our statutory tax rate of 39.2% for the year ended December 31, 2012 and 39.1% for the nine months ended September 29, 2013.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

AS OF SEPTEMBER 29, 2013

(thousands, except share and per share data)

	Pinnacle	Wish-Bone	Adjustments		Pro forma total
Current assets:					
Cash and cash equivalents	$ 110,403		$ (72,399)	(a)	$ 38,004
Accounts receivable, net of allowances of $5,707	168,916				168,916
Inventories	394,328	15,428	1,572	(b)	411,328
Other current assets	7,266				7,266
Deferred tax assets	121,181				121,181
Total current assets	802,094	15,428	(70,827)		746,695
Plant assets, net of accumulated depreciation of $283,426	512,351	18,860	(13,860)	(b)	517,351
Tradenames	1,603,992		250,000	(b)	1,853,992
Other assets, net	161,423		15,851	(c)	177,274
Goodwill	1,441,495		297,000	(b)	1,738,495
Total assets	$ 4,521,355	$ 34,288	$ 478,164		$ 5,033,807
Current liabilities:					
Short-term borrowings	$ 1,065		$		$ 1,065
Current portion of long-term obligations	19,436		5,250	(a)	24,686
Accounts payable	180,055				180,055
Accrued trade marketing expense	38,920				38,920
Accrued liabilities	106,675		3,883	(a)	110,558
Dividends payable	21,354				21,354
Total current liabilities	367,505		9,133		376,638
Long-term debt	1,968,907		511,219	(a)	2,480,126
Pension and other postretirement benefits	93,090				93,090
Other long-term liabilities	24,802				24,802
Deferred tax liabilities	530,148		(3,089)	(a)	527,059
Total liabilities	2,984,452		517,263		3,501,715
Commitments and contingencies					
Shareholders equity:					
Pinnacle preferred stock: $.01 per share, 50,000,000 shares authorized, none issued					

Pinnacle common stock: par value $.01 per share, 200,000,000 shares authorized; issued and outstanding 117,220,795	1,172			1,172
Additional paid-in-capital	1,325,835			1,325,835
Retained earnings	244,410	(4,811)	(a)	239,599
Accumulated other comprehensive loss	(34,514)			(34,514)
Total shareholders equity	1,536,903	(4,811)		1,532,092
Total liabilities and shareholders equity	$ 4,521,355	$ 512,452		$ 5,033,807

See accompanying notes to unaudited pro forma condensed consolidated balance sheet

43

Table of Contents

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

(thousands of dollars, except where noted in millions)

Pinnacle unaudited pro forma condensed consolidated balance sheet pro forma adjustments:

(a) The following table sets forth the estimated sources and uses of cash in the Acquisition, assuming it had occurred on September 29, 2013.

Sources:	
Incremental term loan facility (i)	$ 525,000
Cash on hand	72,399
Accrued liabilities	3,883
	$ 601,282
Uses:	
Wish-Bone purchase price	$ 575,000
Transaction fees and expenses (ii)	26,282
	$ 601,282

(i) Reflects the incurrence of $525.0 million under the Term Loan H facility entered into at the closing of the Acquisition. Loans under the Term Loan H facility were issued at a 1.625% discount, with net proceeds to us of $516.5 million and will require scheduled quarterly payments of 0.25% of the original principal amount, with the balance payable in the final quarterly installment. On a pro forma basis as of September 29, 2013, the current portion of Term Loan H was $5.3 million.

(ii) Reflects the fees and expenses associated with the Acquisition, as described in the table below:

Deferred financing costs:	
Financing fees (i)	$ 18,179
Other financing costs (ii)	203
Total deferred financing costs	18,382
Costs to be expensed by PF:	
Other transaction costs (ii)	7,900
Total transaction costs	$ 26,282

(i) Reflects financing fees incurred in connection with Term Loan H. Includes original issue discount of $8.5 million.

(ii) Represents estimated transaction costs, other than those included in (i) above, including fees attributable to professional advisers and other fees associated with the completion and integration of the Acquisition. The costs will result in a tax benefit of approximately $3.1 million.

(b) Reflects the preliminary allocation of the purchase price to the estimated fair values of assets acquired:

Purchase Price of Wish-Bone	$ 575,000
Assets acquired:	
Inventories (i)	17,000
Plant assets	5,000
Trade names (ii)	250,000
Distributor Relationships and Non-Compete (iii)	6,000
Goodwill	297,000
Total cost of Acquisition	$ 575,000

Table of Contents

(i) Inventories acquired in the Acquisition were valued at estimated fair value (net realizable value, which is defined as estimated selling prices less the sum of costs of disposal and a reasonable profit allowance for the selling effort of the acquiring entity), which is approximately $3.6 million higher than historical manufacturing cost. Additionally, excludes approximately $2.0 million of certain inventories to conform with our accounting policies.

(ii) We have assigned $250.0 million to the estimated value of the trade names acquired. The values of the trade names are not subject to amortization but are reviewed annually for impairment.

(iii) Of the total intangible assets acquired, an estimated $5.0 million has been assigned to distributor relationships and $1.0 million to a non-compete agreement. See note (b) in the notes to the Unaudited Pro Forma Condensed Consolidated Statement of Operations for further details.

(c) Other assets, net, consists of $9.9 million of deferred financing costs, $5.0 million of distributor relationships and $1.0 million for a non-compete agreement.

Table of Contents

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

Set forth below is our selected historical consolidated financial data as of the dates and for the periods indicated.

The selected financial data for each of the fiscal years ended December 26, 2010, December 25, 2011 and December 30, 2012 and the summary consolidated balance sheet data as of December 25, 2011 and December 30, 2012 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The selected financial data as of December 28, 2008, December 27, 2009 and December 26, 2010 and for the fiscal year ended December 28, 2008 and December 27, 2009 have been derived from our audited consolidated financial statements, which are not included in this prospectus. Share and per share data for the fiscal years ended December 28, 2008, December 27, 2009, December 26, 2010, December 25, 2011 and December 30, 2012 has been retroactively adjusted to give effect to the 55.2444-for-one stock split which occurred on March 12, 2013.

The selected financial data for each of the nine months ended September 23, 2012 and September 29, 2013 and the summary consolidated balance sheet data as of September 29, 2013 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. These unaudited consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements, and, in our opinion, all adjustments (consisting only of normal recurring adjustments) necessary for a fair statement of the financial position, results of operations, and cash flows have been included. The results for any interim period are not necessarily indicative of the results that may be expected for a full fiscal year.

Our historical results are not necessarily indicative of future operating results. The following table should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations, Unaudited Pro Forma Condensed Consolidated Financial Information and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus.

($ in millions, other than per share and share data)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Statement of Operations Data:							
Net sales	$ 1,556.4	$ 1,642.9	$ 2,436.7	$ 2,469.6	$ 2,478.5	$ 1,773.4	$ 1,754.5
Cost of products sold	1,217.9	1,263.6	1,834.4	1,854.7	1,893.9	1,376.2	1,297.8
Gross profit	338.5	379.3	602.3	614.9	584.6	397.2	456.7
Operating expenses							
Marketing and selling expenses	111.4	123.8	172.3	171.6	169.7	130.5	134.0
Administrative expenses	47.8	62.7	110.0	80.5	89.4	66.1	93.2
Research and development expenses	3.5	4.6	9.4	8.0	12.0	8.2	7.8
Goodwill impairment charge				122.9			
Other expense (income), net	24.4	42.2	45.5	48.6	29.8	25.3	45.1

Total operating expenses	187.1	233.3	337.2	431.6	300.9	230.1	280.1
Earnings before interest and taxes	151.4	146.0	265.1	183.3	283.7	167.1	176.6
Interest expense	153.3	121.2	236.0	208.3	198.5	154.6	107.9
Interest income	0.3	0.1	0.3	0.2	0.1	0.1	0.1
Earnings (loss) before income taxes	(1.6)	24.9	29.4	(24.8)	85.3	12.6	68.8
Provision (benefit) for income taxes	27.0	(277.7)	7.4	22.1	32.7	3.7	35.1
Net earnings (loss)	$ (28.6)	$ 302.6	$ 22.0	$ (46.9)	$ 52.6	$ 8.9	$ 33.7

Table of Contents

in millions, other than per are and share data)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Month ended September 2 2013
t earnings (loss) per share:							
sic	$ (0.57)	$ 6.09	$ 0.32	$ (0.58)	$ 0.65	$ 0.11	$ 0.3
uted	$ (0.57)	$ 5.51	$ 0.30	$ (0.58)	$ 0.61	$ 0.10	$ 0.3
eighted average shares standing:							
sic	49,710,659	49,709,367	68,434,982	81,315,848	81,230,630	81,237,056	103,921,21
uted	49,710,659	54,902,353	73,638,195	81,315,848	86,494,546	86,460,856	105,978,36
vidends declared							$ 0.3
sh Flow:							
t cash provided by (used in):							
erating activities	$ 16.8	$ 116.2	$ 257.0	$ 204.2	$ 202.9	$ 62.4	$ 141.
esting activities	(32.6)	(1,366.8)	(81.3)	(109.4)	(77.7)	(49.2)	(55.
ancing activities	14.2	1,319.8	(134.3)	(59.0)	(184.1)	(158.7)	(68.
lance sheet data (at end of riod):							
sh and cash equivalents	$ 4.3	$ 73.9	$ 115.3	$ 151.0	$ 92.3	$	$ 110.
orking capital (1)	131.2	364.6	344.4	408.7	404.1		455.
tal assets	2,632.2	4,538.5	4,491.6	4,451.6	4,400.0		4,521.
tal debt (2)	1,785.4	2,888.7	2,803.5	2,756.0	2,608.9		1,989.
tal liabilities	2,324.6	3,664.1	3,596.5	3,606.3	3,511.3		2,984.
tal shareholders equity	307.6	874.4	895.1	845.4	888.7		1,536.
her Financial Data:							
rth America Retail net sales			$ 2,023.9	$ 2,066.9	$ 2,081.7	$ 1,474.8	$ 1,484.
justed gross profit (3)	337.1	627.0	645.7	643.2	622.9	423.4	460.
justed EBITDA (4)	223.0	390.8	446.9	449.7	426.1	273.1	305.
pital expenditures	32.6	52.0	81.3	117.3	78.3	49.8	62.

(1) Working capital excludes notes payable, revolving debt facility and current portion of long-term debt.

(2) Total debt includes notes payable, revolving debt facility and current portion of long-term debt.

(3) Adjusted gross profit is defined as gross profit before restructuring-related accelerated depreciation, certain non-cash items, acquisition, merger and other restructuring charges and other adjustments noted in the table below. Our management uses Adjusted gross profit as an operating performance measure. We believe that the presentation of Adjusted gross profit is useful to investors because it is consistent with our definition of Adjusted EBITDA (defined below), a measure frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. In addition, we also use targets based on Adjusted gross profit as one of the components used to evaluate our management s performance.

Adjusted gross profit is not defined under GAAP, should not be considered in isolation or as substitutes for measures of our performance prepared in accordance with GAAP and is not indicative of gross profit as determined under GAAP.

The following table provides a reconciliation from our gross profit to Adjusted gross profit.

($ in millions)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Gross profit	$ 338.5	$ 379.3	$ 602.3	$ 614.9	$ 584.6	$ 397.2	$ 456.7
Accelerated depreciation expense (a)			0.7	14.1	21.0	11.8	
Acquired gross profit- Birds Eye Acquisition (b)		246.3					
Non-cash items (c)	(2.0)	0.8	38.2	3.0	(1.2)	(2.0)	0.1
Acquisition, merger and other restructuring charges (d)	0.6	0.6	4.3	9.9	16.9	13.8	3.8
Other adjustment items (e)			0.2	1.3	1.6	2.6	
Adjusted gross profit	$ 337.1	$ 627.0	$ 645.7	$ 643.2	$ 622.9	$ 423.4	$ 460.6

(a) Reflects accelerated depreciation from plant closures.

Table of Contents

(b) Represents the acquired gross profit for Birds Eye for the period of fiscal year 2009 prior to the Birds Eye Acquisition, calculated consistent with our definition of Adjusted gross profit.

(c) Non-cash items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Non-cash compensation charges (1)	$ 0.1	$ 0.5	$ 0.4	$ 0.2	$ 0.1	$ 0.1	$ 0.4
Unrealized losses (gains) resulting from hedging activities (2)	(2.1)	(0.2)	0.7	1.6	(1.3)	(2.1)	(0.3)
Other impairment charges (3)				1.3			
Effects of adjustments related to the application of purchase accounting (4)		0.5	37.1				
Total non-cash items	$ (2.0)	$ 0.8	$ 38.2	$ 3.0	$ (1.2)	$ (2.0)	$ 0.1

(1) Represents non-cash compensation charges related to the granting of equity awards.

(2) Represents non-cash gains and losses resulting from mark-to-market obligations under derivative contracts.

(3) For fiscal year 2011, represents a plant asset impairment on the previously announced closure of the Tacoma, Washington facility of $1.3 million.

(4) For fiscal year 2009 and fiscal year 2010, represents expense related to the write-up to fair market value of inventories acquired as a result of the Birds Eye Acquisition.

(d) Acquisition, merger and other restructuring charges are comprised of the following:

($ in millions)	(52 weeks) Fiscal	(52 weeks) Fiscal	(52 weeks) Fiscal	(52 weeks) Fiscal	(53 weeks) Fiscal year	(39 weeks)	(39 weeks)

	year ended December 28, 2008	year ended December 27, 2009	year ended December 26, 2010	year ended December 25, 2011	ended December 30, 2012	Nine Months ended September 23, 2012	Nine Months ended September 29, 2013
Restructuring charges, integration costs and other business optimization expenses (1)	$ 0.4	$ 0.4	$ 4.1	$ 9.3	$ 16.9	$ 13.8	$ 3.6
Employee severance and recruiting (2)	0.2	0.2	0.2	0.6		0.0	0.2
Total acquisition, merger and other restructuring charges	$ 0.6	$ 0.6	$ 4.3	$ 9.9	$ 16.9	$ 13.8	$ 3.8

(1) For fiscal year 2008, represents consultant expenses incurred to optimize our distribution network. For fiscal year 2009, represents consultant expense incurred to execute yield and labor savings in our plants. For fiscal year 2010, primarily represents integration costs related to the Birds Eye Acquisition. For fiscal year 2011, primarily represents restructuring charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington and Fulton, New York facilities. For fiscal year 2012, primarily represents restructuring charges and consulting and business optimization expenses related to the closings of the Tacoma, Washington, Fulton, New York and Millsboro, Delaware facilities. For the nine months ended September 23, 2012 and September 29, 2013, primarily represents restructuring and restructuring-related charges, consulting and business optimization expenses related to closures at our Millsboro, Delaware (March, 2013) and Fulton, New York (March, 2012) facilities and a gain from the sale of our Tacoma, Washington location in July 2013.

(2) Represents severance costs paid or accrued to terminated employees.

(e) Other adjustment items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Other (1)			$ 0.2	$ 1.3	$ 1.6	$ 2.6	$
Total other adjustments			$ 0.2	$ 1.3	$ 1.6	$ 2.6	$

(1) For fiscal year 2010, represents miscellaneous other costs. For fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012, primarily represents the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product, net of insurance recoveries.

48

Table of Contents

(4) Adjusted EBITDA is defined as net earnings (loss) before interest expense, taxes, depreciation and amortization (EBITDA) and other adjustments noted in the table below. Our management uses Adjusted EBITDA as an operating performance measure. We believe that the presentation of Adjusted EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. In addition, targets for Adjusted EBITDA are among the measures we use to evaluate our management s performance for purposes of determining their compensation under our incentive plans.

EBITDA and Adjusted EBITDA do not represent net earnings or loss or cash flow from operations as those terms are defined by GAAP and do not necessarily indicate whether cash flows will be sufficient to fund cash needs. In particular, Adjusted EBITDA includes certain non-cash, extraordinary, unusual or non-recurring charges that are deducted in calculating net earnings or loss. However, these are expenses that vary greatly and are difficult to predict. Because not all companies use identical calculations, these presentations of EBITDA and Adjusted EBITDA are not necessarily comparable to other similarly titled captions of other companies. In addition, under the credit agreement governing our senior secured credit facility and the indenture governing our senior notes, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is tied to a ratio based on Adjusted EBITDA. See Management s Discussion and Analysis of Financial Condition and Results of Operations Covenant Compliance.

The following table provides a reconciliation from our net earnings (loss) to EBITDA and Adjusted EBITDA.

($ in millions)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Net earnings (loss)	$ (28.6)	$ 302.6	$ 22.0	$ (46.9)	$ 52.6	$ 8.9	$ 33.7
Interest expense, net	153.0	121.1	235.7	208.1	198.4	154.5	107.8
Income tax expense (benefit)	27.0	(277.7)	7.4	22.1	32.7	3.7	35.1
Depreciation and amortization expense	62.5	65.5	78.1	88.5	98.1	68.5	57.7
EBITDA	$ 213.9	$ 211.5	$ 343.2	$ 271.8	$ 381.7	$ 235.6	$ 234.2
Acquired EBITDA- Birds Eye Acquisition (a)		$ 142.3					
Non-cash items (b)	$ 3.8	4.7	$ 71.5	$ 152.2	$ 0.1	$ (1.4)	$ 5.3
Acquisition, merger and other restructuring charges (c)	2.7	29.8	27.5	20.3	23.3	17.9	12.3
Other adjustment items (d)	2.6	2.5	4.7	5.5	21.0	21.0	53.4
Adjusted EBITDA	$ 223.0	$ 390.8	$ 446.9	$ 449.7	$ 426.1	$ 273.1	$ 305.2

(a)

Represents the acquired EBITDA for Birds Eye for the period of fiscal year 2009 prior to the Birds Eye Acquisition, calculated consistent with our definition of Adjusted EBITDA.

(b) Non-cash items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Non-cash compensation charges (1)	$ 0.8	$ 3.2	$ 4.7	$ 1.1	$ 0.9	$ 0.7	$ 5.6
Unrealized losses (gains) resulting from hedging activities (2)	(2.1)	(0.3)	0.7	1.6	(1.3)	(2.1)	(0.3)
Goodwill impairment charge (3)				122.9			
Other impairment charges (4)	15.1	1.3	29.0	26.6	0.5		
Non-cash gain on litigation settlement (5)	(10.0)						
Effects of adjustments related to the application of purchase accounting (6)		0.5	37.1				
Total non-cash items	$ 3.8	$ 4.7	$ 71.5	$ 152.2	$ 0.1	$ (1.4)	$ 5.3

(1) Represents non-cash compensation charges related to the granting of equity awards.

(2) Represents non-cash gains and losses resulting from mark-to-market adjustments of obligations under foreign exchange and commodity derivative contracts.

(3) For fiscal year 2011, represents goodwill impairments on the Frozen Breakfast ($51.7 million), Private Label ($49.7 million) and Food Service ($21.5 million) reporting units.

(4) For fiscal year 2008, represents impairment charges for the *Van de Kamp s* ($8.0 million), *Mrs. Paul s* ($5.6 million), *Lender s* ($0.9 million) and *Open Pit* tradenames ($0.6 million). For fiscal year 2009, represents an impairment charge for the *Swanson* tradename ($1.3 million). For fiscal year 2010, represents an impairment for the *Hungry-Man* tradename ($29.0 million). For fiscal year 2011, represents tradename impairments on *Aunt Jemima* ($23.7 million), *Lender s* ($1.2 million) and *Bernstein s* ($0.4 million), as well as a plant asset impairment on the previously announced closure of the Tacoma, Washington facility ($1.3 million). For fiscal year 2012, represents tradename impairment of *Bernstein s* ($0.5 million).

(5) For fiscal year 2008, represents the excess of the accrued liability established in purchase accounting over the amount of the cash payment in the litigation settlement.

(6) For fiscal year 2009 and fiscal year 2010, represents expense related to the write-up to fair market value of inventories acquired as a result of the Birds Eye Acquisition.

(c) Acquisition, merger and other restructuring charges are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Expenses in connection with an acquisition or other non-recurring merger costs (1)	$ 0.7	$ 25.2	$ 0.9	$ 8.8	$ 2.3	$ 1.6	$ 1.2
Restructuring charges, integration costs and other business optimization expenses (2)	1.0	1.0	25.5	9.5	20.0	15.3	7.4
Employee severance and recruiting (3)	1.0	3.6	1.1	2.0	1.0	1.0	3.7
Total acquisition, merger and other restructuring charges	$ 2.7	$ 29.8	$ 27.5	$ 20.3	$ 23.3	$ 17.9	$ 12.3

(1) For fiscal year 2008, represents additional costs related to the 2007 acquisition of Pinnacle Foods Inc. by a wholly-owned subsidiary of Peak Holdings LLC, an entity controlled by investment funds affiliated with Blackstone and related financing transactions (the Blackstone Transaction) that was dissolved in connection with

the IPO. For fiscal year 2009 and fiscal year 2010, primarily represents costs related to the Birds Eye Acquisition as well as other expenses related to due diligence investigations. For fiscal year 2011, primarily represents an $8.5 million legal settlement related to the Lehman Brothers Specialty Financing claim described in more detail in Note 12 to our audited consolidated financial statements included elsewhere in this prospectus and in Business Legal Proceedings. For fiscal year 2012 and the nine months ended September 23, 2012 and September 29, 2013, primarily represents expenses related to the IPO and due diligence investigations.

(2) For fiscal year 2008, represents expenses incurred to reconfigure the freezer space in our Mattoon, Illinois warehouse, as well as consultant expense incurred to execute labor and yield savings in our plants. For fiscal year 2009, represents consultant expense incurred to execute yield and labor savings in our plants. For fiscal year 2010, primarily represents employee termination benefits and lease termination costs related to the closing of the Rochester, New York office and integration costs related to the Birds Eye Acquisition. For fiscal year 2011, primarily represents restructuring charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington and Fulton, New York facilities. For fiscal year 2012, primarily represents restructuring charges and restructuring-related charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington, Fulton, New York and Millsboro, Delaware facilities. For the nine months ended September 23, 2012, primarily represents restructuring and restructuring-related charges related to the closure of our Fulton, New York and Millsboro, Delaware facilities, as a result of footprint consolidation projects. For the nine months ended September 29, 2013, primarily represents restructuring and restructuring-related charges related to the closure of our Millsboro, Delaware facility, consulting and business optimization expenses related to the expansion of headquarter direct sales coverage for retail and a gain from the sale of our Tacoma, Washington location in July 2013.

(3) For fiscal year 2009, principally represents severance and recruiting costs related to the change in the Chief Executive Officer. For fiscal year 2008, fiscal year 2010, fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012 and September 29, 2013, represents severance costs paid, or to be paid, to terminated employees.

(d) Other adjustment items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 28, 2008	(52 weeks) Fiscal year ended December 27, 2009	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Management, monitoring, consulting and advisory fees (1)	$ 2.6	$ 2.5	$ 4.5	$ 4.6	$ 4.7	$ 3.5	$ 19.2
Bond redemption fees (2)					14.3	14.3	34.2
Other (3)			0.2	0.9	2.0	3.2	
Total other adjustments	$ 2.6	$ 2.5	$ 4.7	$ 5.5	$ 21.0	$ 21.0	$ 53.4

(1) For fiscal year 2008, represents management/advisory fees and expenses paid to Blackstone. For fiscal year 2009, fiscal year 2010, fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012 and September 29, 2013 represents management/advisory fees and expenses paid to an affiliate of Blackstone pursuant to the Advisory Agreement. For the nine months ending September 29, 2013, it also includes a $15.1 million expense to terminate the Blackstone advisory fee agreement. The Advisory Agreement was terminated in accordance with its terms.

(2) For fiscal year 2012 and the nine months ended September 23, 2012, represents $14.3 million of the premiums paid on the redemption of $150.0 million of 9.25% Senior Notes due 2015, the redemption of $199.0 million of 10.625% Senior Subordinated Notes due 2017 and the repurchase and retirement of $10.0 million of 9.25% Senior Notes due 2015. For the nine months ended September 29, 2013, represents the premiums paid on the redemption of $400.0 million of 8.25% Senior Notes due 2017 at a premium of $34.2 million.

(3) For fiscal year 2010, represents miscellaneous other costs. For fiscal year 2011, primarily represents a gain on the sale of the Watsonville, California property and the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product of $1.1 million, net of insurance recoveries. For fiscal year 2012 and the nine months ended September 23, 2012, primarily represents the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product of $2.0 million (after insurance recovery received in the fourth quarter of 2012) and $3.2 million (before insurance recovery), respectively.

Table of Contents

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

The following discussion contains management s discussion and analysis of our financial condition and results of operations and should be read together with Summary Historical Consolidated Financial Data, Selected Historical Consolidated Financial Data, Unaudited Pro Forma Condensed Consolidated Financial Information and our consolidated financial statements and related notes thereto included elsewhere in this prospectus. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including but not limited to those described in the Risk Factors section of this prospectus. Actual results may differ materially from those contained in any forward-looking statements. You should read Special Note Regarding Forward-Looking Statements and Risk Factors.

Information presented for the nine months ended September 23, 2012 and September 29, 2013 is derived from our unaudited consolidated financial statements for those periods. Information for the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010 is derived from our audited consolidated financial statements for those periods included elsewhere in this prospectus.

Overview

We are a leading manufacturer, marketer and distributor of high quality, branded food products in North America. We manage the business in three operating segments: Birds Eye Frozen, Duncan Hines Grocery and Specialty Foods. Our Birds Eye Frozen Division manages our Leadership Brands in the United States retail frozen vegetables (*Birds Eye*), frozen complete bagged meals (*Birds Eye Voila!*), and frozen prepared seafood (*Van de Kamp s* and *Mrs. Paul s*) categories, as well as our Foundation Brands in the full-calorie single-serve frozen dinners and entrées (*Hungry-Man*), frozen pancakes / waffles / French Toast (*Aunt Jemima*), frozen and refrigerated bagels (*Lender s*) and frozen pizza for one (*Celeste*) categories. Our Duncan Hines Grocery Division manages our Leadership Brands in the baking mixes and frostings (*Duncan Hines*), shelf-stable pickles (*Vlasic*), and table syrups (*Mrs. Butterworth s* and *Log Cabin*) categories, and our Foundation Brands in the canned meat (*Armour, Nalley* and *Brooks*), pie and pastry fillings (*Comstock* and *Wilderness*), barbecue sauces (*Open Pit*) and salad dressing (*Bernstein s*) categories as well as all Canadian operations. We refer to the sum of our Birds Eye Frozen Division and our Duncan Hines Grocery Division as our North America Retail businesses. Our Specialty Foods Division consists of snack products (*Tim s Cascade* and *Snyder of Berlin*) and our Foodservice and Private Label businesses.

Within our divisions, we actively manage our portfolio by segregating our business into Leadership Brands and Foundation Brands. Our Leadership Brands enjoy a combination of higher growth, greater potential for value-added innovation and enhanced responsiveness to consumer marketing than do our Foundation Brands. As a result, we focus our brand-building activities on our Leadership Brands. By contrast, we manage our Foundation Brands for revenue and market share stability and for cash flow generation to support investment in our Leadership Brands, reduce our debt and fund other corporate priorities. As a result, we focus spending for our Foundation Brands on brand renovation and targeted consumer and trade programs.

Segment performance is evaluated by the Company s Chief Operating Decision Maker and is based on earnings before interest and taxes. Transfers between segments and geographic areas are recorded at cost plus markup or at market. Identifiable assets are those assets, including goodwill, which are identified with the operations in each segment or geographic region. Corporate assets consist of prepaid and deferred tax assets. Unallocated corporate expenses consist of corporate overhead such as executive management and finance and legal functions. See Adjusted Gross Profit for the definition of Adjusted gross profit and a reconciliation of gross profit to Adjusted gross profit.

Business Drivers and Measures

In operating our business and monitoring its performance, we pay attention to trends in the food manufacturing industry and a number of performance measures and operational factors. The industry has experienced volatility in overall commodity prices over the past five years. The industry has managed this

commodity inflation by increasing retail prices, which has affected consumer buying patterns and led to lower volumes in many categories. The overall food industry continues to face top line challenges, with overall volume softness and a more challenging environment to fully pass on price increases due to weak consumer demand.

Industry Trends

Growth in our industry is driven primarily by population growth, changes in product selling prices and changes in consumption between out-of-home and in-home eating. With the slow economic recovery since the recession in 2008 and 2009, consumers are looking for value alternatives, which has caused an increase in the percentage of products sold on promotion and a shift from traditional retail grocery to mass merchandisers, club stores and the dollar store channel. We are well positioned in grocery and alternative channels, maintaining strong customer relationships across key retailers in each division.

Over the long term, the share of food consumed at restaurants and in other foodservice venues had been increasing, with the share of food consumed at home in decline. During the 2008-09 recession, this trend reversed, with consumers eating more at home. Recently, the industry has experienced a decline in the volume of food consumed at home, yet away from home eating venues have not experienced corresponding volume increases.

During 2012 and 2013, the industry shifted investment spending to trade promotions during a period of heightened competitive activity and significant consumer price sensitivity.

In order to maintain and grow our business, we must successfully react to, and offer products that respond to, evolving consumer trends, such as changing health trends and focus on convenience and products tailored for busy lifestyles. Incremental growth in the industry is principally driven by product and packaging innovation.

Revenue Factors

Our net sales are driven principally by the following factors:

- *Gross sales,* which change as a function of changes in volume and list price; and

- the costs that we deduct from gross sales to reach net sales, which consist of:

  - *Cash discounts, returns and other allowances.*

  - *Trade marketing expenses,* which include the cost of temporary price reductions (on sale prices), promotional displays and advertising space in store circulars.

  - *New product distribution (slotting) expenses,* which are the costs of having certain retailers stock a new product, including amounts retailers charge for updating their warehousing systems, allocating shelf space and in-store systems set-up, among other things.

Consumer coupon redemption expenses, which are costs from the redemption of coupons we circulate as part of our marketing efforts.

Cost Factors

Costs recorded in Cost of products sold in the consolidated statement of operations include:

Raw materials, such as sugar, cucumbers, broccoli, corn, peas, green beans, carrots, flour (wheat), poultry, seafood, vegetable oils, shortening, meat and corn syrup, among others, are available from numerous independent suppliers but are subject to price fluctuations due to a number of factors, including changes in crop size, federal and state agricultural programs, export demand, weather conditions and insects, among others.

Packaging costs. Our broad array of products entails significant costs for packaging and is subject to fluctuations in the price of aluminum, glass jars, plastic trays, corrugated fiberboard, and plastic packaging materials.

Conversion costs, which include all costs necessary to convert raw materials into finished product. Key components of this cost include direct labor, and plant overhead such as rent, utilities and depreciation.

Freight and distribution. We use a combination of common carriers and inter-modal rail to transport our products from our manufacturing facilities to distribution centers and to deliver products to our customers from both those centers and directly from our manufacturing plants. Our freight and distribution costs are influenced by fuel costs as well as capacity within the industry.

Costs recorded in marketing and selling expenses in the consolidated statement of operations include:

Advertising and other marketing expenses. These expenses represent advertising and other consumer and trade-oriented marketing programs. A key strategy is to continue to invest in marketing and public relations that build brand affinity for our Leadership Brands.

Brokerage commissions and other overhead expenses.

Working Capital

Our working capital is primarily driven by accounts receivable and inventories, which fluctuate throughout the year due to seasonality in both sales and production. See Seasonality. We will continue to focus on reducing our working capital requirements while simultaneously maintaining our customer service levels and fulfilling our production requirements. We have historically relied on internally generated cash flows and temporary borrowings under our revolving credit facility to satisfy our working capital requirements.

Other Factors

Other factors that have influenced our results of operations and may do so in the future include:

Interest Expense. Our recent IPO and debt refinancings (the April 2013 Refinancing) have significantly reduced our leverage and our expected future interest expense. See Note 1 and Note 9 to the consolidated financial statements included elsewhere in this prospectus for further details. However, as a result of the Blackstone Transaction, the Birds Eye Acquisition and the Wish-Bone acquisition, we still have significant indebtedness. Although we expect to continue to reduce our leverage over time, we expect interest expense to continue to be a significant, although much less than before, component of our expenses. See Liquidity and Capital Resources.

Cash Taxes. We have significant tax-deductible intangible asset amortization and federal and state NOLCs, which resulted in minimal federal and state cash taxes in recent years. We expect continued amortization and utilization of our NOLCs will reduce the majority of our federal and state income tax through 2015.

Acquisitions and Consolidations. We believe we have the expertise to identify and integrate value-enhancing acquisitions to further grow our business. We have successfully integrated acquisitions in the past. We have, however, incurred significant costs in connection with integrating these businesses and streamlining our operations. On October 1, 2013 we acquired Wish-Bone from Unilever PLC for cash consideration of $575.0 million, subject to a post-closing adjustment based upon inventory levels at closing. The acquired portfolio includes a broad range of liquid and dry-mix salad dressing flavors under the Wish-Bone and Western brand names. The purchase price was funded using a combination of cash on hand and new $525.0 million Tranche H Term Loans.

Impairment of Goodwill, Tradenames and Long-Lived Assets. We test our goodwill and intangible assets annually or more frequently (if necessary) for impairment and have recorded impairment charges

in recent years. The value of goodwill and intangibles from the allocation of purchase price from the Blackstone Transaction and the Birds Eye Acquisition is derived from our business operating plans at that time and is therefore susceptible to an adverse change that could require an impairment charge. We have incurred impairment charges in each of the fiscal years ended on December 25, 2011 and December 30, 2012, the amounts of which are discussed in greater detail in Note 7 to the audited consolidated financial statements included elsewhere in this prospectus.

Seasonality

Our sales and cash flows are affected by seasonal cyclicality. Sales of frozen foods, including frozen vegetables and frozen complete bagged meals, tend to be marginally higher during the winter months. Seafood sales peak during Lent, in advance of the Easter holiday. Sales of pickles, relishes, barbecue sauces, potato chips and salad dressings tend to be higher in the spring and summer months, and demand for *Duncan Hines* products, *Birds Eye* vegetables and our pie and pastry fruit fillings tend to be higher around the Easter, Thanksgiving, and Christmas holidays. Since many of the raw materials we process under the *Birds Eye*, *Vlasic*, *Comstock* and *Wilderness* brands are agricultural crops, production of these products is predominantly seasonal, occurring during and immediately following the purchase of such crops. We also increase our *Duncan Hines* inventories in advance of the peak fall selling season. As a result, our inventory levels tend to be higher during August, September, and October, and thus we require more working capital during these months. Typically, we are a seasonal net user of cash in the third quarter of the calendar year.

Restructuring Charges

From time to time, we voluntarily undertake consolidation and restructuring activities in order to optimize our manufacturing footprint, reduce our supply chain costs and increase organizational effectiveness.

Pickle supply chain

On May 25, 2012, we announced plans to further improve the efficiency of our supply chain by consolidating our *Vlasic* pickle production into one plant in Imlay City, Michigan. Our decision to focus on our branded *Vlasic* business and de-emphasize our lower-margin, un-branded pickle business was the catalyst for this consolidation.

Millsboro, Delaware plant closure

Our pickle production plant, located in Millsboro, Delaware ended production at year-end 2012. We recorded employee termination costs of $1.5 million in the nine months ended September 23, 2012. We recorded asset retirement obligation charges of $0.8 million in the nine months ended September 23, 2012. In addition, we recorded accelerated depreciation charges of $8.4 million in the nine months ended September 23, 2012. In the fiscal year ended December 30, 2012, we recorded employee termination costs of $1.7 million, asset retirement obligation charges of $0.8 million and accelerated depreciation charges of $16.5 million. All restructuring charges related to the closure of the Millsboro, Delaware plant are recorded in the Duncan Hines Grocery Division and in the Cost of products sold line in the Consolidated Statements of Operations.

Exit low-margin un-branded business

As a result of exiting the lower-margin un-branded pickle business, we terminated the use of a third party ingredients storage facility. In doing so, we accrued contract termination and other fees of $6.5 million in the nine months ended September 23, 2012, which was subsequently paid in July 2013. In addition, we recorded accelerated depreciation charges at our Imlay City, Michigan plant for assets used in the low-margin un-branded pickle business. These

charges were $0.8 million in the nine months ended September 23, 2012 and $1.6 million in the fiscal year ended December 30, 2012. All restructuring charges related to exiting the low-margin un-branded pickle business are recorded in the Specialty foods segment and in the Cost of products sold line in the Consolidated Statements of Operations.

Green Bay, Wisconsin Research Facility

On May 15, 2012, we announced plans to relocate the Birds Eye Frozen Division Research and Development team from Green Bay, Wisconsin to our new facility at our Parsippany, New Jersey headquarters. We believe that the relocation will allow for seamless collaboration between marketing, sales, procurement and R&D that will drive improved brand innovation, marketing and productivity. We closed our Green Bay, Wisconsin research facility in December 2012. We recorded employee termination costs of $1.0 million in the nine months ended September 23, 2012 and the fiscal year ended December 30, 2012. In addition, we recorded accelerated depreciation charges of $0.4 million in the nine months ended September 23, 2012 and $0.9 million in the fiscal year ended December 30, 2012. All restructuring charges related to the closure of the Green Bay, Wisconsin research facility are recorded in the Birds Eye Frozen Division and in the Research and development line in the Consolidated Statements of Operations.

Fulton, New York Plant

On April 15, 2011, we announced plans to consolidate the Birds Eye Frozen Division s Fulton, New York plant operations into our Darien, Wisconsin and Waseca, Minnesota facilities in order to locate vegetable processing closer to the crop-growing region and thus reduce the related freight costs. In connection with this project, we made significant capital investments in our Darien, Wisconsin and Waseca, Minnesota plants. We recorded accelerated depreciation costs of $2.3 million in the nine months ended September 23, 2012 and $2.6 million in the fiscal year ended December 30, 2012. All restructuring charges related to the closure of the Fulton, New York plant were recorded in the Birds Eye Frozen Division and in the Cost of products sold line in the Consolidated Statements of Operations. Severance costs were accrued in the second quarter of 2011 and payments were substantially completed in the third quarter of 2012. On January 13, 2013, the sale of the Fulton location was consummated for total net proceeds of $0.9 million.

Tacoma, Washington Plant

On December 3, 2010, in an effort to improve our supply chain operations, we announced the closure of the Tacoma, Washington plant and the consolidation of production into our Fort Madison, Iowa plant. We recorded accelerated depreciation costs of $0.3 million in the nine months ended September 23, 2012. All restructuring charges related to the closure of the Tacoma, Washington plant were recorded in the Duncan Hines Grocery Division and in the Cost of products sold line in the Consolidated Statements of Operations. Severance costs were accrued in the fourth quarter of 2010 and payments were substantially completed in the second quarter of 2012. Our Tacoma, Washington location was sold in July 2013 for net proceeds of $5.1 million.

Impairment of Goodwill and Other Long-Lived Assets

In fiscal 2012, as a result of reassessing long-term sales projections, we recognized an impairment of $0.5 million on the *Bernstein s* tradename. This charge is recorded in Other expense (income), net in the Consolidated Statements of Operations and is reported in the Duncan Hines Grocery Division.

In fiscal year 2011, we recognized goodwill impairments totaling $122.9 million in our Frozen Breakfast, Private Label, and Foodservice reporting units. This impairment represents approximately 8% of our consolidated goodwill balance. The impairment of $51.7 million in our Frozen Breakfast reporting unit was driven by our strategic decision during the fourth quarter to discontinue substantial portions of our low margin products on a prospective basis and the aggressive re-entry of a key competitor. This impairment is reported in the Birds Eye Frozen Division. The impairments of $49.7 million and $21.5 million in our Private Label and Foodservice reporting units, respectively, were driven by the loss of a large customer account during the fourth quarter, our strategic decision to discontinue

various lower margin products, as well as compressed operating margins resulting from higher ingredient costs. These impairments are reported in the Specialty Foods Division. All goodwill impairments are recorded in the Goodwill impairment charge line in the Consolidated Statements of Operations. We also recognized an impairment of $23.7 million on the *Aunt Jemima* tradename, and charges of

Table of Contents

$1.2 million on other tradenames, which are reported in the Birds Eye Frozen Division and an impairment of $0.4 million on the *Bernstein s* tradename that is reported in the Duncan Hines Grocery Division. These impairments are the result of our reassessing the long-term sales projections for the underlying products, which we decreased during our 2011 strategic planning cycle in the fourth quarter as a result of a strategic decision to exit certain products. The charges for tradename impairment are recorded in Other expense (income), net in the Consolidated Statements of Operations.

In fiscal 2010, we experienced declines in sales of our *Hungry-Man* branded products. Upon reassessing the long-term growth rates at the end of 2010, we recorded an impairment of the tradename asset in the amount of $29.0 million. The charge is recorded in Other expense (income), net in the Consolidated Statements of Operations and is reported in the Birds Eye Frozen segment.

Items Affecting Comparability

During fiscal 2012, our earnings before interest and taxes were impacted by certain items. These items included:

- We recorded restructuring charges totaling $32.0 million related to the closure of manufacturing facilities in Millsboro, Delaware ($26.3 million), Fulton, New York ($2.6 million) and Tacoma, Washington ($0.3 million), and the Green Bay, Wisconsin research facility ($2.8 million). Restructuring charges include severance, depreciation and facility closure costs which are explained in greater detail in Note 8 to the audited consolidated financial statements included elsewhere in this prospectus. In addition, we recorded $8.0 million of restructuring-related expenses, which include plant enhancement expenses, removal and transfer of equipment and consulting and engineering costs for restructuring projects. These costs are primarily recorded in Cost of products sold in the Consolidated Statements of Operations.

- We recorded charges, net of insurance recoveries, of $2.1 million, related to the voluntary recall for certain *Aunt Jemima* frozen pancakes due to potential cross contamination with soy protein which may cause an allergic reaction in people who have a soy allergy. This is explained in greater detail in Note 12 to the audited consolidated financial statements included elsewhere in this prospectus. The charges are primarily recorded as a reduction of Net Sales in the Consolidated Statements of Operations.

- We recorded a redemption premium of $14.3 million related to the early extinguishment of our debt. This is explained in greater detail in Note 5 to the audited consolidated financial statements included elsewhere in this prospectus and is recorded in Other expense (income), net in the Consolidated Statements of Operations.

- As described above, during fiscal 2012, we recognized a trade name impairment of $0.5 million which is recorded in Other expense (income), net in the Consolidated Statements of Operations.

During the year ended December 30, 2012, our net earnings were impacted by certain items, which included the following:

Our refinancings resulted in the recognition of approximately $17.4 million of charges to interest expense during fiscal 2012. See Note 9 to the audited consolidated financial statements included elsewhere in this prospectus for further details.

During fiscal 2011, our earnings before interest and taxes were impacted by certain items. These items included:

As described above, during 2011, we recognized $122.9 million of goodwill impairment and $25.3 million of trade name impairment totaling $148.2 million. These charges are recorded in Goodwill impairment charge and in Other expense (income), net in the Consolidated Statements of Operations.

We recorded costs of $11.0 million and $6.6 million, respectively, related to the closure of the Fulton, New York and Tacoma, Washington plants. These costs are recorded in Cost of products sold in the Consolidated Statements of Operations.

Table of Contents

In June 2010, LBSF initiated a claim against us in LBSF s bankruptcy proceeding related to certain derivative contracts which we had earlier terminated due to LBSF s default as a result of its bankruptcy filing in 2008. In May 2011, we and LBSF agreed in principle to a settlement of LBSF s claim. Under the terms of the settlement, we made a payment of $8.5 million during the third quarter of 2011 in return for LBSF s full release of its claim. This charge is recorded in Other expense (income), net in the Consolidated Statements of Operations.

We recorded expenses of $1.1 million related to the voluntary recall of certain *Aunt Jemima* frozen pancakes due to potential cross contamination with soy protein which may cause an allergic reaction in people who have a soy allergy. This is explained in greater detail in Note 12 to the audited consolidated financial statements included elsewhere in this prospectus.

During the year ended December 25, 2011, our net loss was impacted by certain items. These items included:

As described above, during 2011, we recognized goodwill and trade name impairments totaling $148.2 million. Of these impairments, $100.2 million are not deductible for income tax purposes. Therefore, we realized a very high effective tax rate of (89.1%) during 2011.

During fiscal 2010, our earnings before interest and taxes were impacted by certain items. These items included:

In accordance with the requirements of the acquisition method of accounting for acquisitions, inventories obtained in the Birds Eye Acquisition were required to be valued at fair value (net realizable value, which is defined as estimated selling prices less the sum of (a) costs of disposal and (b) a reasonable profit allowance for the selling effort of the acquiring entity), which was $37.6 million higher than historical manufacturing cost. Cost of products sold for the year ended December 26, 2010 includes pre-tax charges of $37.1 million related to the finished products at December 23, 2009 which were subsequently sold. Cost of products sold for the year ended December 27, 2009, includes pre-tax charges of $0.5 million related to the finished products at December 23, 2009, which were subsequently sold.

In December 2010, we recorded an impairment charge of $29.0 million for our *Hungry-Man* tradename. The charge is the result of our reassessment of the long-term growth rates for our *Hungry-Man* branded products and is recorded in Other expense (income), net in the Consolidated Statements of Operations.

We recorded costs of $12.6 million related to the closure of the former headquarters of Birds Eye in Rochester, New York. These costs are recorded in Administrative expenses in the Consolidated Statements of Operations.

In December 2010, we announced the planned closure of our Tacoma, Washington plant. The full cost of termination benefits of employees that was recorded in the fourth quarter of 2010 was $1.5 million and was paid in the first half of 2011. In addition to termination benefits, we revised the estimated useful lives of the Tacoma plant assets and therefore incurred accelerated depreciation of $0.7 million in the fourth quarter of 2010.

During the year ended December 26, 2010, our net earnings were impacted by certain items. These items included:

In connection with the refinancing of our Tranche C term loans, we wrote off approximately $17.2 million of original issue costs and discounts. In addition, we incurred approximately $3.2 million of costs related to the issuance of our Tranche D term loans, which were considered to be loan modification costs under the accounting guidance and therefore were expensed. All of these charges are recorded in Interest expense, net in our consolidated financial statements.

Table of Contents

We recorded an out-of-period adjustment to correct an error in the tax effects of Accumulated other comprehensive loss as of December 27, 2009. During the twelve months ended December, 26, 2010, this adjustment reduced the provision for income taxes by $3.7 million. Accordingly, Accumulated other comprehensive loss was increased by the related effect of this adjustment during the twelve months ended December 26, 2010.

Results of Operations:

Consolidated Statements of Operations

Nine months ended September 29, 2013 compared to nine months ended September 23, 2012

The following tables set forth our statement of operations data expressed in dollars and as a percentage of net sales for the nine months ended September 23, 2012 and September 29, 2013.

	Nine months ended			
($ in millions)	September 23, 2012		September 29, 2013	
Net sales	$ 1,773.4	100.0%	$ 1,754.5	100.0%
Cost of products sold	1,376.2	77.6%	1,297.8	74.0%
Gross profit	397.2	22.4%	456.7	26.0%
Operating expenses:				
Marketing and selling expenses	$ 130.5	7.4%	$ 134.0	7.6%
Administrative expenses	66.1	3.7%	93.2	5.3%
Research and development expenses	8.2	0.5%	7.8	0.4%
Other expense (income), net	25.3	1.4%	45.1	2.6%
Total operating expenses	$ 230.1	13.0%	$ 280.1	16.0%
Earnings before interest and taxes	$ 167.0	9.4%	$ 176.6	10.1%

	Nine months ended	
($ in millions)	September 23, 2012	September 29, 2013
Net sales		
Birds Eye Frozen	$ 787.6	$ 794.5
Duncan Hines Grocery	687.2	690.2
North America Retail	1,474.8	1,484.7
Specialty Foods	298.6	269.8
Total	$ 1,773.4	$ 1,754.5
Earnings before interest and taxes		
Birds Eye Frozen	$ 109.5	$ 130.5

Duncan Hines Grocery		77.1		97.4
Specialty Foods		12.7		21.1
Unallocated corporate expenses		(32.3)		(72.4)
Total	$	167.0	$	176.6
Depreciation and amortization				
Birds Eye Frozen	$	28.4	$	28.5
Duncan Hines Grocery		26.7		16.1
Specialty Foods		13.4		13.0
Total	$	68.5	$	57.7

Adjustments to Earnings (loss) before Interest and Taxes and Depreciation and Amortization used in the calculation of Adjusted EBITDA as described below in the Covenant Compliance section, by Segment, are as follows:

($ in millions)	Nine months ended September 23, 2012	 September 29, 2013
Adjustments to Earnings (loss) before interest and taxes		
Birds Eye Frozen	$ 9.1	$ 7.0
Duncan Hines Grocery	6.2	6.8
Specialty Foods	6.7	0.6
Unallocated corporate expenses	15.6	56.5
Adjustments to Depreciation and amortization		
Birds Eye Frozen	$ 2.7	$
Duncan Hines Grocery	8.7	
Specialty Foods	0.8	
Unallocated corporate expenses		

Net sales

Net sales for the nine months ended September 29, 2013 were $1,754.5 million, a decline of 1.1%, compared to net sales of $1,773.4 million in the comparable prior year period, resulting from a decline in our Specialty Division as we continue to focus on our branded retail business. The decline included higher net pricing of 0.4%, a 1.8% decrease from volume/mix and a 0.3% benefit from the aforementioned recovery and related charges in 2012.

Net sales in our North America retail businesses for the nine months ended September 29, 2013 increased 0.7% versus year-ago to $1,484.7 million, reflecting higher net pricing of 0.4% and a 0.3% benefit from the aforementioned recovery and related charges in 2012.

Birds Eye Frozen Division:

Net sales in the nine months ended September 29, 2013 increased 0.9% versus year-ago to $794.5 million, reflecting higher net pricing of 0.7%, partially offset by a 0.3% decrease from volume/mix, and a 0.5% benefit from the aforementioned recovery and related charges in 2012. The increase in sales is primarily attributable to strong sales of *Birds Eye Voila!*, which included the Chipotle Chicken line extension introduced during the first quarter and *Lender* s bagels, partially offset by lower *Aunt Jemima* breakfast product sales. The period also benefited from the introduction of our new *Recipe Ready* line of *Birds Eye* frozen vegetables, a new 20-item line of pre-chopped and blended vegetables designed to enable faster preparation of popular recipes.

Duncan Hines Grocery Division:

Net sales in the nine months ended September 29, 2013 increased 0.4% versus year-ago to $690.2 million, reflecting a 0.4% increase from volume/mix. Higher sales of our *Mrs. Butterworth* s, *Log Cabin* and *Country Kitchen* syrups, *Comstock* and *Wilderness* pie/pastry fruit fillings, in addition to increased sales from our Canadian business were somewhat offset by lower sales of our *Duncan Hines* frostings line of products due to heightened competitive activity and comparison against last year s introduction of *Duncan Hines Frosting Creations*.

Specialty Foods Division:

Net sales in the nine months ended September 29, 2013 were $269.8 million, a decline of 9.7%, reflecting a 10.7% decrease from volume/mix, partially offset by higher net pricing of 1.0%. The decrease was primarily attributable to our planned exit of the lower margin un-branded pickle business, in addition to lower sales of private label canned meat.

Gross profit

Gross profit for the nine months ended September 29, 2013 was $456.7 million, or 26.0% of net sales, compared to $397.2 million, or 22.4% of net sales, in the comparable prior year period. The increase in gross profit as a percentage of net sales was largely driven by improved productivity ahead of inflation, favorable product mix and higher net price realization, primarily resulting from the planned lower new product introduction costs. Also benefiting gross profit was $22.0 million of lower restructuring charges and restructuring-related expenses.

The following table outlines the factors affecting gross profit as a percentage of net sales in the nine months ended September 29, 2013.

	$ (in millions)	% net sales
Productivity including footprint consolidation	$ 51.0	2.9%
Favorable product mix	17.1	0.8
Inflation (principally higher commodity costs)	(28.0)	(1.6)
Higher net price realization, net of slotting	7.2	0.3
Lower mark to market gains on financial instruments	(1.8)	(0.1)
Lower restructuring and restructuring-related expenses	22.0	1.3
Lower depreciation expense	0.4	
Other	1.1	
Subtotal	$ 69.0	3.6%
Lower sales volume	(9.4)	
Total	$ 59.6	

Marketing and selling expenses

Marketing and selling expenses were $134.0 million, or 7.6% of net sales, for the nine months ended September 29, 2013, compared to $130.5 million, or 7.4% of net sales, for the comparable prior year period. We continue to focus our consumer oriented marketing such as advertising on our Leadership brands, such as *Birds Eye* frozen vegetables and *Duncan Hines*. The nine months ended September 29, 2013 was also impacted by $6.3 million of charges including higher business optimization expenses related to the expansion of headquarter direct sales coverage for retail, equity based compensation and other charges.

Administrative expenses

Administrative expenses were $93.2 million, or 5.3% of net sales, for the nine months ended September 29, 2013, compared to $66.1 million, or 3.7% of net sales, for the comparable prior year period. The increase was principally related to $18.5 million in charges from the termination at the IPO date of the advisory agreement previously in place with Blackstone. Additionally, for the nine months ended September 29, 2013, there was an additional $3.8 million of equity based compensation. Excluding items affecting comparability from both years, Administrative expense increased $7.8 million compared to the prior year period largely due to additional personnel and facilities expense.

Research and development expenses:

Research and development expenses were $7.8 million, or 0.4% of net sales, for the nine months ended September 29, 2013 compared to $8.2 million, or 0.5% of net sales, for the comparable prior year period. This decrease was primarily driven by $1.3 million lower expense in the current period related to the 2012 relocation of research and development activities of our Birds Eye Frozen Division at our Parsippany, NJ headquarters.

Table of Contents

Other income and expense:

($ in millions)	Nine months ended September 23, 2012	September 29, 2013
Other expense (income), net consists of:		
Amortization of intangibles/other assets	$ 11.6	$ 11.6
Redemption premiums on the early extinguishment of debt	14.3	34.2
Royalty income and other	(0.6)	(0.7)
Total other expense (income), net	$ 25.3	$ 45.1

On May 10, 2013, as part of a debt refinancing (the April 2013 Refinancing) the Company redeemed all $400.0 million of its outstanding 8.25% Senior Notes at a redemption price of 108.5% of the aggregate principal amount at a premium of $34.2 million. In 2012, on April 19, as part of a debt refinancing the Company redeemed all $199.0 million of its outstanding 10.625% Senior Subordinated Notes at a redemption price of 105.313% of the aggregate principal amount at a premium of $10.6 million. On June 5, 2012, the Company repurchased and retired $10.0 million of 9.25% Senior Notes at a price of 102.125% of the aggregate principal amount at a premium of $0.2 million. On September 20, 2012, the Company repurchased and retired $150.0 million of 9.25% Senior Notes at a price of 102.313% of the aggregate principal amount at a premium of $3.5 million.

Earnings before interest and taxes

Earnings before interest and taxes for the nine months ended September 29, 2013 increased 5.7% versus year-ago to $176.6 million. The increase was primarily driven by increased gross profit, which included $23.3 million less restructuring and restructuring-related expense. Also impacting the comparison were $53.4 million of charges related to the early extinguishment of debt and the IPO related termination and ongoing fees of the advisory agreement with Blackstone, compared to $17.8 million in the comparable prior year period. Additionally, there was higher equity based compensation of $4.9 million, lower non-cash mark-to-market gains of $1.8 million and $2.2 million of additional items affecting comparability as compared to 2012. Excluding these items, Earnings before interest and taxes increased $30.7 million, or 14.1%, primarily driven by increased gross profit.

Birds Eye Frozen Division:

Earnings before interest and taxes increased 19.1%, or $21.0 million, versus year-ago to $130.5 million for the nine months ended September 29, 2013, primarily reflecting higher gross profit, driven by higher net pricing, productivity savings ahead of inflation including the benefit from our plant consolidation projects and the benefit of the aforementioned recovery and related charges in 2012. Earnings before interest and taxes were also impacted by charges of $1.6 million and $6.8 million in the first nine months of 2013 and 2012, respectively, related to our plant consolidation projects and relocating research and development activities to our Parsippany, New Jersey location. The results also included an additional $0.4 million of other items affecting comparability that reduced Earnings before interest and taxes in the first nine months of 2013 as compared to the same period in 2012. Excluding these items that affected comparability, Earnings before interest and taxes for the nine months ended September 29, 2013 increased by $16.2 million, or 13.3%, compared to the prior year period.

Duncan Hines Grocery Division:

Earnings before interest and taxes were $97.4 million, an increase of 26.3%, primarily reflecting productivity ahead of inflation and lower plant consolidation charges. These charges of $2.1 million and $12.8 million in the first nine months of 2013 and 2012, respectively, related to our plant consolidation projects. Partially offsetting these lower plant consolidation project charges are $4.8 million of other items affecting comparability, largely comprised of increased equity based compensation and employee severance, an increase

of $2.8 million as compared to the year-ago quarter that reduced Earnings before interest and taxes in the current quarter. Excluding these items that affected comparability, Earnings before interest and taxes for the nine months ended September 29, 2013 increased by $12.2 million, or 13.3%, compared to the prior year period.

Specialty Foods Division:

Earnings before interest and taxes increased 66.3%, or $8.4 million, versus year-ago to $21.1 million, primarily reflecting charges of $7.3 million recognized in the first nine months of 2012 resulting from the exit of the lower-margin un-branded pickle business and lower private label canned meat sales. Partially offsetting these are an additional $0.6 million of other items affecting comparability, an increase of $0.4 from the prior year period. Excluding these items that affected comparability, Earnings before interest and taxes for the nine months ended September 29, 2013 increased by $1.5 million, or 7.4%, compared to the prior year period.

Interest expense, net

Net interest expense declined 30.2%, or $46.7 million, to $107.9 million in the nine months ended September 29, 2013 from $154.6 million in the nine months ended September 23, 2012. Included in net interest expense in both periods are charges associated with our 2013 refinancing and our 2012 refinancing. These items which total $22.5 million in 2013 and $17.5 million in 2012 are described below. Excluding these items from both periods, net interest expense declined by $51.7 million principally related to lower interest expense of $43.7 million related to lower outstanding balances as well as lower interest rates on our Notes and $8.0 million lower expense on interest rate swap agreements.

Our 2013 refinancing included using the net proceeds of $623.9 million ($667.0 million of gross proceeds net of $43.1 million of underwriting discounts) from our April 3, 2013 IPO along with cash on hand to redeem all $465.0 million of our 9.25% Senior Notes on April 15, 2013 and to repay $202.0 million of Tranche B Term Loans. In addition, on April 29, 2013, the Company entered into the Second Amended and Restated Credit Agreement which provided for the issuance of $1.63 billion of Tranche G Term Loans due 2020 and the extension of the due date of our revolving credit facility to 2018. The proceeds were used to repay all previous outstanding borrowings under the senior secured credit facility. This refinancing resulted in our recognizing approximately $22.5 million of charges to interest expense during the second quarter of 2013. The charges recognized consisted of $14.9 million of existing deferred financing costs and original issue discounts as well as $4.8 million of new costs incurred in connection with the transaction that were recorded directly to interest expense and a $2.8 million charge resulting from the de-designation and termination of interest rate swaps.

Our 2012 refinancing involved the Company entering into an amended and restated credit agreement on April 17, 2012, which provided for the extension of certain Tranche B Term Loans and our revolving credit facility, the repayment of our Tranche D term loans and the issuance of a new Tranche E term loan. In connection with this refinancing, we also redeemed all of our outstanding 10.625% senior subordinated notes. This refinancing resulted in our recognizing approximately $14.8 million of charges to interest expense during the second quarter of 2012. The charges recognized consisted of $7.3 million of write downs of existing deferred financing costs and original issue discounts as well as $7.5 million of new costs incurred in connection with the transaction that were recorded directly to interest expense.

On August 30, 2012 we entered into the first amendment to the amended and restated credit agreement, which provided for the issuance of a new Tranche F term loan. In connection with this refinancing, on September 20, 2012 we also redeemed $150 million aggregate principal of our 9.25% senior notes. This refinancing resulted in the recognition of approximately $2.6 million of charges to interest expense during the third quarter of 2012 for write

downs of existing deferred financing costs.

We utilize interest rate swap agreements to reduce the potential exposure to interest rate movements and to achieve a desired proportion of variable versus fixed rate debt. Any gains or losses realized on the interest rate

swap agreements, excluding the Accumulated other comprehensive (loss) earnings (AOCL) portion, are recorded as an adjustment to interest expense. Included in net interest expense was $1.2 million and $9.2 million for the first three quarters of 2013 and 2012, respectively, recorded from losses on interest rate swap agreements.

Provision for income taxes

The effective tax rate was 51.1% for the nine months ended September 29, 2013, compared to 29.5% for the nine months ended September 23, 2012. The effective rate difference is primarily driven by the Company discontinuing hedge accounting at the time of the April 2013 refinancing for interest rate swaps in effect at that time (Note 11). Accordingly, changes to the fair value and associated tax effects accumulated in other comprehensive income were recognized to the statement of operations during the second quarter of 2013, resulting in a $9.1 million non-cash deferred tax charge to the provision for income taxes. Comparatively, the effective rate difference for the period is principally resulting from tax benefits recorded during the nine months ended September 23, 2012 related to reduction of the Company s liability for uncertain tax positions. For the nine months ended September 29, 2013 and September 23, 2012 we maintained a valuation allowance against certain state net operating carryovers, state tax credits carryovers and foreign loss carryovers. See Note 15 to the audited consolidated financial statements included elsewhere in this prospectus.

Under Code Section 382, the Company is a loss corporation. Section 382 of the Code places limitations on our ability to use a portion of our NOLCs to offset income. The annual NOLC limitation that applies to a portion of our NOLCs is approximately $17.0 million to $23.0 million, subject to other rules and restrictions. The Company also has available unencumbered NOLCs that are expected to be utilized. Our NOLCs and certain other tax attributes generated prior to December 23, 2009 may not be utilized to offset Birds Eye income from recognized built-in gains through December 2014, pursuant to Section 384 of the Code.

We have significant tax-deductible intangible asset amortization and federal and state NOLCs, which resulted in minimal federal and state cash taxes in recent years. We expect continued amortization and utilization of our NOCLs will reduce the majority of our federal and state income tax through 2015.

Fiscal year ended December 30, 2012 compared to fiscal year ended December 25, 2011

The following tables set forth our statement of operations data expressed in dollars and as a percentage of net sales for the fiscal years ended December 26, 2010, December 25, 2011 and December 30, 2012.

			Fiscal year ended			
($ in millions)	**December 26, 2010** (52 weeks)		**December 25, 2011** (52 weeks)		**December 30, 2012** (53 weeks)	
Net sales	$ 2,436.7	100.0%	$ 2,469.6	100.0%	$ 2,478.5	100.0%
Cost of products sold	1,834.4	75.3%	1,854.7	75.1%	1,893.9	76.4%
Gross profit	602.3	24.7%	614.9	24.9%	584.6	23.6%
Operating expenses:						
Marketing and selling expenses	$ 172.3	7.1%	$ 171.6	6.9%	$ 169.7	6.8%
Administrative expenses	110.0	4.5%	80.5	3.3%	89.4	3.6%
Research and development expenses	9.4	0.4%	8.0	0.3%	12.0	0.5%

Goodwill impairment charge					122.9	5.0%			
Other expense (income), net		45.5	1.9%		48.6	2.0%		29.8	1.2%
Total operating expenses	$	337.2	13.8%	$	431.6	17.5%	$	301.0	12.1%
Earnings before interest and taxes	$	265.1	10.9%	$	183.3	7.4%	$	283.7	11.4%

Table of Contents

($ in millions)	Fiscal year ended December 26, 2010 (52 weeks)	December 25, 2011 (52 weeks)	December 30, 2012 (53 weeks)
Net sales			
Birds Eye Frozen	$ 1,065.9	$ 1,100.8	$ 1,103.1
Duncan Hines Grocery	958.0	966.1	978.6
Specialty Foods	412.8	402.7	396.8
Total	$ 2,436.7	$ 2,469.6	$ 2,478.5
Earnings (loss) before interest and taxes			
Birds Eye Frozen	$ 114.5	$ 97.2	$ 178.2
Duncan Hines Grocery	158.8	157.3	120.7
Specialty Foods	27.1	(40.3)	23.5
Unallocated corporate expenses	(35.2)	(30.9)	(38.8)
Total	$ 265.2	$ 183.3	$ 283.6
Depreciation and amortization			
Birds Eye Frozen	$ 34.1	$ 42.1	$ 38.7
Duncan Hines Grocery	24.2	29.3	41.4
Specialty Foods	19.7	17.1	18.1
Total	$ 78.0	$ 88.5	$ 98.1

The following table sets forth (i) adjustments by operating segment made to Earnings (loss) before interest and taxes per operating segment as used in the calculation of Adjusted EBITDA as described below under Covenant Compliance Adjusted EBITDA and (ii) certain accelerated depreciation charges recorded in fiscal 2010, fiscal 2011 and fiscal 2012 as further described above under Restructuring Charges.

($ in millions)	Fiscal year ended December 26, 2010 (52 weeks)	December 25, 2011 (52 weeks)	December 30, 2012 (53 weeks)
Adjustments to Earnings (loss) before interest and taxes			
Birds Eye Frozen	$ 59.5	$ 86.7	$ 11.2
Duncan Hines Grocery	32.8	10.6	10.4
Specialty Foods	10.7	72.2	7.0
Unallocated corporate expenses	0.7	8.5	15.8
Accelerated depreciation charges			
Birds Eye Frozen	$	$ 9.3	$ 3.4
Duncan Hines Grocery	0.7	4.8	16.8
Specialty Foods			1.6

Fiscal year ended December 30, 2012 compared to the fiscal year ended December 25, 2011

Net sales

Net sales were $2.48 billion for the fiscal year ended December 30, 2012, an increase of 0.4% compared to net sales of $2.47 billion in the comparable prior-year period. This performance reflected higher net pricing of 1.6%, stemming from pricing actions that were previously initiated, which were more than offset by a 2.3% decline from volume/mix. Also impacting fiscal 2012 performance was a 1.1% increase in net sales resulting from the 2012 fiscal year being a fifty-three week year compared to the fifty-two weeks in the 2011 fiscal year.

Net sales in our North America Retail businesses increased 0.7% from the prior year, reflecting increases in *Birds Eye Steamfresh* vegetables, seafood, *Hungry-Man* frozen meals, *Lender s* bagels, *Duncan Hines* products and *Armour* canned meats which were offset by lower sales in *Vlasic* pickles, *Aunt Jemima* frozen breakfast products and *Celeste* pizza. The overall food industry continues to face top line challenges, with overall volume softness and a more challenging environment to fully pass on price increases due to weak consumer demand.

Partially offsetting these factors was the benefit of innovative new products launched during fiscal 2012, such as *Duncan Hines Frosting Creations* and *Vlasic Farmer s Garden* shelf stable artisan-style pickles.

Birds Eye Frozen Division:

Net sales in the fifty-three week fiscal year ended December 30, 2012 were $1,103.1 million, an increase of $2.3 million, or 0.2% from the prior year, reflecting higher net pricing of 1.7%, partially offset by a 1.3% decrease from volume/mix. The *Aunt Jemima* product recall also reduced sales by 0.2% for the year. Higher sales of *Birds Eye Steamfresh* vegetables, *Hungry-Man* frozen meals and *Lender s* bagels, as well as increased *Mrs. Paul s* and *Van de Kamp s* seafood sales, were offset by lower sales in our *Aunt Jemima* breakfast products and *Celeste* pizza.

Duncan Hines Grocery Division:

Net sales in the fifty-three week fiscal year ended December 30, 2012 were $978.6 million, an increase of $12.5 million, or 1.3% from the prior year, reflecting higher net pricing of 1.5%, partially offset by a 0.1% decrease from volume/mix and a 0.1% decrease from foreign exchange. During the year we realized strong sales from our *Duncan Hines* brand driven by the launch of our new *Frosting Creations* products. Also positively impacting net sales for the year was expanded distribution of *Armour* canned meats. These increases were offset by lower sales in our *Vlasic* and syrup brands. *Vlasic* was negatively impacted by introductory new distribution costs for its new *Farmers Garden* artisan-style pickles, which have been well received in the market place.

Specialty Foods Division:

Net sales in the fifty-three week fiscal year ended December 30, 2012 were $396.8 million, a decline of $6.0 million, or 1.5%, from the prior year. The decrease is primarily attributable to lower sales in our Private Label business as we de-emphasized lower margin un-branded products and the exit from the lower-margin un-branded foodservice pickle business during fiscal 2012. The decline reflected a 1.9% increase from higher net pricing, which was more than offset by a 3.4% decrease from volume/mix.

Gross profit

Gross profit for the year ended December 30, 2012 was $584.6 million, or 23.6% of net sales, compared to $614.9 million, or 24.9% of net sales, in the comparable prior-year period. Impacting gross profit in both periods were restructuring charges and restructuring-related expenses. In fiscal 2012 these totaled $37.0 million, comprised of restructuring charges of $30.0 million ($9.0 million in cash and $21.0 million non-cash) and related expenses of $7.0 million. In fiscal 2011, these totaled $25.3 million, comprised of restructuring charges of $17.6 million ($2.2 million in cash and $15.4 million non-cash) and related expenses of $7.7 million. Excluding restructuring charges and related expenses, fiscal 2012 gross profit was $621.6 million, or 25.1% of net sales, compared to $640.2 million, or 25.9% in the prior year, a decrease of 0.8 percentage points. The following table outlines the factors resulting in the decrease in gross profit in fiscal 2012 of $18.6 million, or 0.8% of net sales.

	$ (in millions)	% net sales
Higher net selling prices, net of slotting	$ 45.2	1.4%
Productivity including footprint consolidation savings	71.0	2.9
Favorable product mix	9.1	0.2
Mark to market gains on financial instruments	2.9	0.1

Inflation (principally higher commodity costs)		(130.6)	(5.3)
Higher management compensation expense		(2.2)	(0.1)
Higher depreciation expense		(1.1)	
Lower sales volume		(12.9)	
	$	(18.6)	(0.8)%

Table of Contents

Marketing and selling expenses

Marketing and selling expenses were $169.7 million, or 6.8% of net sales, for the fiscal year ended December 30, 2012, compared to $171.6 million, or 6.9% of net sales, for the fiscal year ended December 25, 2011. During the second half of fiscal 2012, in response to competition in the marketplace, we shifted some planned advertising spending to trade marketing expense. As a result, advertising and other consumer spending in fiscal 2012 declined by $9.6 million but was focused on new product introductions in our *Duncan Hines* and *Birds Eye* leadership brands. Also impacting Marketing and selling expenses was $3.9 million of lower management incentive compensation expense in fiscal 2011.

Administrative expenses

Administrative expenses were $89.4 million, or 3.6% of net sales, for the fiscal year ended December 30, 2012, compared to $80.5 million, or 3.3% of net sales, for the comparable prior-year period. This increase was principally due to $4.3 million lower management incentive compensation expense in fiscal 2011. The total impact of lower management incentive compensation expense in fiscal 2011 on all expense lines throughout the Statement of Operations was $10.7 million. Also impacting Administrative expense in fiscal 2012 was higher depreciation expense of $1.5 million in fiscal 2012, principally related to the new Parsippany, New Jersey headquarters and $0.5 million of lease termination costs incurred in fiscal 2012 in connection with the completion of our headquarters office move.

Research and development expenses:

Research and development expenses were $12.0 million, or 0.5% of net sales, for the fiscal year ended December 30, 2012 compared to $8.0 million, or 0.3% of net sales, for the comparable prior-year period. This increase was primarily driven by $3.0 million ($2.1 million cash and $0.9 million non-cash) of one-time expenses in fiscal 2012 related to consolidating research and development activities of our Birds Eye Frozen Division at our Parsippany, New Jersey headquarters. Also impacting Research and development expenses was $0.3 million of lower management incentive compensation expense in fiscal 2011.

Other Income and Expense:

($ in millions)	**Fiscal year** **December 25, 2011** (52 weeks)	**December 30, 2012** (53 weeks)
Other expense (income), net consists of:		
Amortization of intangibles/other assets	$ 16.2	$ 15.8
Tradename impairment charges	25.3	0.5
Redemption premium on the early extinguishment of debt		14.3
Lehman Brothers Specialty Financing settlement	8.5	
Gain on sale of the Watsonville, California facility	(0.4)	
Royalty income and other	(1.0)	(0.8)
Total other expense (income), net	48.6	29.8

On April 19, 2012, as part of a debt refinancing (the April 2012 Refinancing), the Company redeemed all $199.0 million of its outstanding 10.625% Senior Subordinated Notes at a redemption price of 105.313% of the aggregate principal amount. In addition, on June 5, 2012, the Company repurchased and retired $10.0 million of 9.25% Senior Notes at a price of 102.125% of the aggregate principal amount. Also, on September 20, 2012, as part of a debt refinancing (the September 2012 Refinancing, and, together with the April 2012 Refinancing, the 2012 Refinancings), the Company redeemed $150.0 million of 9.25% Senior Notes at a price of 102.313% of the aggregate principal amount. For more information on the 2012 Refinancings see Note 9 to the consolidated financial statements included elsewhere in this prospectus.

Earnings before interest and taxes

Earnings before interest and taxes (EBIT) was $283.6 million for the fiscal year ended December 30, 2012, an increase of $100.3 million, or 54.7%, from $183.3 million in the comparable prior-year period. The primary drivers of the increase are goodwill and tradename impairment charges of $148.2 million recognized in fiscal year 2011 compared to $0.5 million in fiscal 2012. The increase in fiscal 2012 was partially offset by $14.3 million of charges related to the early extinguishment of debt, increased incentive compensation, increased research and development costs and lower gross profit as described above. Also, the fifty-third week in fiscal 2012 increased EBIT by $5.5 million.

Birds Eye Frozen Division:

EBIT increased $81.0 million, or 83.4%, to $178.2 million for the fiscal year ended December 30, 2012, primarily reflecting goodwill and impairment charges of $76.6 million in 2011. EBIT was also impacted by charges of $8.3 million and $14.0 million in the fiscal years 2012 and 2011, respectively, related to our plant consolidation projects. Fiscal year 2012 was also impacted by significantly higher commodity costs and higher research and development charges resulting from our consolidation activities, which were offset by ongoing productivity programs, higher net selling prices and the $11.0 million savings from the closure of our Fulton, New York plant.

Duncan Hines Grocery Division:

EBIT was $120.7 million, a decline of $36.6 million, or 23.2%, primarily reflecting significantly higher commodity costs, which were only partially offset by productivity improvements and increased net selling prices. Also impacting EBIT were introductory distribution costs related to the second-half 2012 *Vlasic Farmers Garden* launch. In addition, EBIT was also impacted by charges of $23.6 million and $11.3 million in the fiscal years 2012 and 2011, respectively, related to our Millsboro, Delaware and Tacoma, Washington plant consolidation projects.

Specialty Foods Division:

EBIT increased $63.8 million, or 158.3%, to $23.5 million, primarily reflecting goodwill impairment charges of $71.2 million in 2011. EBIT was also impacted by charges of $8.1 million in fiscal 2012 resulting from the exit of the lower-margin un-branded pickle business, higher commodity costs which were partially offset by productivity improvements and increased net selling prices.

Interest Expense, net

Net interest expense declined 4.7% or $9.7 million from $208.1 million in the fiscal year ended December 25, 2011 to $198.4 million in the fiscal year ended December 30, 2012. Included in net interest expense in both periods were charges associated with our 2012 Refinancings and certain interest rate swap activity that was de-designated for swap accounting in 2008. These items, which total $17.9 million in fiscal 2012 and $2.1 million in fiscal 2011, are discussed below.

On April 17, 2012 we entered into an amended and restated credit agreement, which provided for the extension of certain of our Tranche B Term Loans and our revolving credit facility, the repayment of our Tranche D term loans and the issuance of new Tranche E term loans. In connection with this refinancing, we also redeemed all of our outstanding 10.625% Senior Subordinated Notes. This refinancing resulted in the recognition of approximately $14.8 million of charges to interest expense during fiscal 2012. The charges recognized consisted of $7.3 million of write downs of existing deferred financing costs as well as $7.5 million of new costs incurred in connection with the

transaction that were recorded directly to interest expense.

On August 30, 2012, the Company entered into the first amendment to the amended and restated credit agreement, which provided for the issuance of new Tranche F term loans. In connection with this refinancing, on

September 20, 2012, we also redeemed $150 million aggregate principal of our 9.25% Senior Notes. This refinancing resulted in the recognition of approximately $2.6 million of charges to interest expense during the third quarter for write downs of existing deferred financing costs.

Included in net interest expense was $0.4 million and $2.1 million for the fiscal years ended December 30, 2012 and December 25, 2011, respectively, related to the amortization of the cumulative mark-to-market adjustment for an interest rate swap that was de-designated for swap accounting in the fourth quarter of 2008 and subsequently terminated. The counterparty to the interest rate swap was Lehman Brothers Special Financing (LBSF), a subsidiary of Lehman Brothers, and the hedge was de-designated for swap accounting at the time of LBSF s bankruptcy filing. At that time of de-designation, the cumulative mark to market adjustment was $11.5 million. As of December 30, 2012, the balance was fully amortized.

Excluding the impact of the aforementioned charges on net interest expense in both periods, the net decrease in interest expense was $25.5 million, of which $13.5 million was due to the pay down of our term loans and notes, $13.3 million was due to lower payments on interest rate swap agreements and $2.6 million was due to lower amortization of deferred financing costs. Partially offsetting these interest savings were a $2.8 million increase resulting from the additional fifty-third week in the 2012 fiscal year as compared to the fifty-two weeks in the 2011 fiscal year and a $0.2 million increase due to higher weighted average interest rates on our term loans.

We utilize interest rate swap agreements to reduce the potential exposure to interest rate movements and to achieve a desired proportion of variable versus fixed rate debt. Any gains or losses realized on the interest rate swap agreements, excluding the AOCL portion, are recorded as an adjustment to interest expense. Included in net interest expense was $10.1 million and $23.4 million for the fiscal years 2012 and 2011, respectively, recorded from losses on interest rate swap agreements, resulting in $13.3 million lower payments on interest rate swap agreements.

Provision (benefit) for income taxes

Our effective tax rate was 38.4% for the fiscal year ended December 30, 2012 compared to (89.1%) for the fiscal year ended December 25, 2011. The effective rate difference was principally due to the $100.2 million portion of the $122.9 million goodwill impairment in December 2011 for which no tax benefit was recognized. Additionally, in the prior year, a benefit of $3.0 million was recorded as a result of evaluating new information affecting the measurement of certain unrecognized tax positions.

Under Section 382 of the Code, the Company is a loss corporation. Section 382 of the Code places limitations on our ability to use certain NOLCs to offset income. The annual federal NOLC limitation on the portion subject to Section 382 is approximately $17.0 million to $23.0 million, subject to other rules and restrictions. Our NOLCs and certain other tax attributes generated prior to December 23, 2009 may not be utilized to offset Birds Eye income from recognized built in gains through December 2014 pursuant to Section 384 of the Code. See Note 15 to the audited consolidated financial statements included elsewhere in this prospectus. Approximately $225 million of the NOLCs are not subject to Section 382 limitations.

Fiscal year ended December 25, 2011 compared to fiscal year ended December 26, 2010

Net sales

Net sales were $2.47 billion for the fiscal year ended December 25, 2011 compared to $2.44 billion in the comparable prior year period, a 1.3% increase. Net sales in our North America Retail businesses were up 2.5%, excluding the $11.5 million impact of the exited *Birds Eye Steamfresh* meals and U.S. *Swanson* meals businesses. Our new product

introductions contributed a 2.5% increase in our sales volume. We have increased our published selling prices across our portfolio to help offset inflation and have experienced sequential improvement in price realization throughout the year. Net pricing actions increased net sales by 2.0% in 2011 and foreign exchange increased net sales by 0.1%, while lower volumes and product mix reduced sales by approximately 0.8%.

Birds Eye Frozen Division:

Net sales in the fiscal year ended December 25, 2011 were $1,100.8 million, an increase of $34.8 million, or 3.3%, from the prior year. Sales for the period were impacted by this year s significant investment in new product launches, which has led to strong gains in sales of our *Birds Eye Steamfresh* vegetables and *Birds Eye Voila!* complete bagged meals. We introduced several new products during 2011, including *Birds Eye Steamfresh*, *Chef s Favorites* restaurant style vegetable blends, new varieties of *Birds Eye Steamfresh* vegetables, new varieties of *Birds Eye Voila!* complete bagged meals, new varieties of *Mrs. Paul s* and *Van de Kamp s* seafood products, and new varieties of *Hungry-Man* frozen dinners. *Celeste* sales also increased 22% as a result of strong market share gains and additional distribution at key customers. *Mrs. Paul s* and *Van de Kamp s* sales increased as a result of strong sales during Lent. The increases were offset, primarily by lower sales in our *Aunt Jemima* frozen breakfast products as a result of increased competition in 2011 and the elimination of sales from our exited *Steamfresh* meals business. Net pricing actions increased net sales for the division by 1.2% in 2011 and volume and product mix increased net sales by approximately 2.1%.

Duncan Hines Grocery Division:

Net sales in the fiscal year ended December 25, 2011 were $966.1 million, an increase of $8.1 million, or 0.8%, from the prior year. During the period, we realized strong sales in our Canadian business, where we introduced *Swanson Skillet* meals during the first quarter. In addition, sales of our *Armour* canned meat, *Nalley s* chili and *Log Cabin* brand increased significantly from the prior year. Offsetting these increases were lower sales in our *Vlasic* and *Open Pit* brands. *Duncan Hines* sales gained considerable momentum during the second half of the year following an extensive advertising campaign for our premium line started during the second quarter. We introduced several new products during the year, including *Log Cabin* all natural pancake mix and *Vlasic Farmers Garden* refrigerated artisan-style pickles. Net pricing actions increased net sales for the division by 4.0% in 2011 and foreign exchange increased net sales by 0.2%, while volume and product mix reduced sales by approximately 3.4%.

Specialty Foods Division:

Net sales in the fiscal year ended December 25, 2011 were $402.7 million, a decrease of $10.1 million, or 2.4% from the prior year. The decrease is primarily attributable to lower sales in our Foodservice business as we exited lower margin un-branded businesses and emphasized higher margin branded products. The decline was partially offset by higher selling prices and increased sales in our snacks business. During 2011, volume and product mix reduced net sales for the division by approximately 2.2%. Net pricing declined by approximately 0.2%.

Gross profit

Gross profit for the fiscal year ended December 25, 2011 was $614.9 million, or 24.9%, of net sales, compared to $602.3 million, or 24.7%, of net sales during the comparable prior year period. The comparison of gross profit as a percentage of net sales was impacted during the period by a favorable variance resulting from $37.1 million of non-recurring expense recorded during 2010 related to the sale of inventory that was recorded at fair value during the Birds Eye Acquisition. Offsetting this favorable variance were charges of $12.6 million and $8.9 million, respectively, related to the closures of our Fulton, New York and Tacoma, Washington facilities. Each of the plants was closed during 2011 and the transfer of manufacturing activities to our remaining plants has gone according to our plans. Substantially higher commodity costs net of manufacturing productivity savings decreased gross profit by 2.6% during the period. We have increased our published selling prices across our portfolio in order to help offset inflation and have experienced sequential improvement in realization throughout the fiscal year. As a result, net pricing increased gross profit by 2.6% during 2011. Unfavorable product mix decreased gross profit by 0.4% during 2011.

Excluding the restructuring and acquisition charges, gross profit was 25.8% and 26.2% of net sales, respectively, for 2011 and 2010.

Table of Contents

Marketing and selling expenses

Marketing and selling expenses were $171.6 million, or 6.9%, of net sales for the fiscal year ended December 25, 2011, compared to $172.3 million, or 7.1%, of sales during the comparable prior year period. During 2011, we increased advertising expenses by $9.4 million as we expanded our investment in direct consumer marketing. We made significant investments in our *Birds Eye Steamfresh* and *Birds Eye Voila!* brands, as part of our enhanced brand building efforts and in support of our new product launches during the period. We also supported our *Duncan Hines* brand with an extensive new advertising campaign for the *Decadent* line. These incremental expenses were more than offset by the overhead synergies achieved from the Birds Eye Acquisition, which reduced other marketing and selling expenses by $10.4 million for the period.

Administrative expenses

Administrative expenses were $80.5 million, or 3.3%, of net sales for the fiscal year ended December 25, 2011, compared to $110.0 million, or 4.5%, of net sales during the comparable prior year period. The decrease in administrative expenses as a percentage of net sales is due to an $8.6 million decrease in incentive compensation expenses during 2011 due to a low bonus payout rate of 20% for 2011, synergies from the Birds Eye Acquisition and charges of $13.1 million in the 2010 period for the termination benefits and integration related expenses and $1.3 million of lease termination costs. Excluding these 2010 charges and expenses and the impact of the 2011 incentive compensation variance, administrative expenses were 3.6% and 3.9% of net sales during 2011 and 2010, respectively.

Goodwill impairment charges

During 2011, we recognized goodwill impairment charges of $122.9 million related to our Frozen Breakfast ($51.7 million), Private Label ($49.7 million) and Foodservice ($21.5 million) reporting units. The impairment charges were primarily driven by lower long term sales projections resulting from a strategic decision to focus on higher margin products and the loss of a key customer within the Private Label reporting unit. For more information on our impairment charges please refer to the Impairment of Goodwill and Other Long-Lived Assets section above.

Other expense (income), net

Other expense (income), net consists of the following:

	Fiscal years ended	
($ in millions)	**December 26, 2010**	**December 25, 2011**
Amortization of intangibles/other assets	$ 17.2	$ 16.2
Tradename impairment charges	29.0	25.3
Lehman Brothers Specialty Financing settlement		8.5
Gain on sale of the Watsonville, California facility		(0.4)
Birds Eye Acquisition merger-related costs (1)	0.2	(0.1)
Royalty income and other	(0.9)	(0.9)
Total other expense (income), net	$ 45.5	$ 48.6

(1) See Note 2 to the audited consolidated financial statements included elsewhere in this prospectus.

During 2011 we recognized tradename impairment charges of $23.7 million related to our *Aunt Jemima* trade name, and $1.6 million related to other smaller tradenames. The impairments were driven by lower projected sales levels within these brands primarily as a result of our strategic initiatives to focus on higher margin products.

During the second quarter of 2010 LBSF initiated a claim against us in LBSF s bankruptcy proceeding for an additional payment from us of $19.7 million, related to certain derivative contracts which we had earlier terminated due to LBSF s default as a result of its bankruptcy filing in 2008. During the second quarter of 2011, we and LBSF agreed in principle to a settlement of LBSF s second quarter 2010 claim. Under the terms of the settlement, we made a payment of $8.5 million in return for LBSF s full release of its claim.

On June 24, 2011, we completed the sale of our Watsonville, California facility which had been recorded as an asset held for sale. The proceeds of the sale were $7.9 million and resulted in a $0.4 million gain.

Earnings before interest and taxes

EBIT was $183.3 million for the fiscal year ended December 25, 2011, a decrease of $81.9 million, or 30.9%, from the comparable prior year period. The primary drivers of the decrease are the goodwill and tradename impairment charges of $148.2 million related to our Frozen Breakfast, Private Label and Foodservice reporting units and our *Aunt Jemima* tradename recognized during 2011. The $8.5 million settlement of LBSF s outstanding claim against us also contributed to the decrease. The decrease was partially offset by higher gross profit as a result of the favorable comparison of $15.6 million described above related to the Birds Eye Acquisition and plant consolidation projects, an impairment charge of $29.0 million recognized during 2010 related to the *Hungry-Man* trade name, and a $29.5 million decrease in administrative expenses primarily driven by non-recurring costs related to the Birds Eye integration during the prior year, synergies achieved during 2011 and reduced management incentive compensation in 2011. Excluding these items, EBIT increased by $0.9 million, which is primarily driven by improved pricing, partially offset by higher commodity costs.

Birds Eye Frozen Division:

EBIT was $97.2 million for the fiscal year ended December 25, 2011, a decrease of $17.3 million, or 15.1%, from the comparable prior year period. The primary drivers of the decrease were impairment charges of $51.7 million and $24.9 million related to our Frozen Breakfast reporting unit goodwill and trade names. In addition, we incurred $12.6 million of costs related to the planned closure of our Fulton, New York manufacturing facility. Offsetting these was a favorable variance resulting from $18.3 million of non-recurring expense recorded during 2010 related to the sale of inventory that was recorded at fair value during the Birds Eye Acquisition. In addition, administrative expenses were lower as a result of non-recurring integration costs of $5.3 million that were incurred during the prior year related to the Birds Eye Acquisition. Higher commodity costs in 2011, partially offset by increased selling prices and improved manufacturing performance also impacted EBIT for the period.

Duncan Hines Grocery Division:

EBIT was $157.3 million for the fiscal year ended December 25, 2011, a decrease of $1.5 million, or 0.9%, from the comparable prior year period. The primary driver of the decrease was $8.9 million of costs related to the closure of our Tacoma, Washington manufacturing facility. This unfavorable variance was offset by improved pricing and manufacturing performance and a favorable variance resulting from $12.0 million of non-recurring expense recorded during 2010 related to the sale of inventory that was recorded at fair value during the Birds Eye Acquisition. Higher commodity costs in 2011, along with higher advertising expenses resulting from our new *Duncan Hines* advertising campaign also impacted EBIT during the period.

Specialty Foods Division:

Loss before interest and taxes was $40.3 million for the fiscal year ended December 25, 2011, a decrease of $67.4 million, or 248.8%, from the comparable prior year period. The primary driver of the decrease was impairment charges of $71.2 million recorded in our Private Label and Foodservice reporting units. Offsetting this charge was a favorable variance resulting from $7.3 million of non-recurring expense recorded during 2010 related to the sale of inventory that was recorded at fair value during the Birds Eye Acquisition. The remaining decrease was driven by lower net sales, combined with higher commodity costs.

Table of Contents

Interest expense, net

Interest expense, net was $208.1 million in the fiscal year ended December 25, 2011, compared to $235.7 million in the fiscal year ended December 26, 2010.

The comparison of interest expense to the prior year period was impacted by our August 2010 refinancing, which resulted in charges of $20.9 million related to the write off of debt issue costs and discounts, loan modification fees and hedge ineffectiveness.

Included in interest expense, net, was $2.1 million and $3.3 million for the fiscal year ended December 25, 2011 and the fiscal year ended December 26, 2010, respectively, for the amortization of the cumulative mark-to-market adjustment for an interest rate swap that was de-designated for swap accounting in the fourth quarter of 2008 and subsequently terminated. The counterparty to the interest rate swap was LBSF, a subsidiary of Lehman Brothers, and the hedge was de-designated for swap accounting at the time of LBSF s bankruptcy filing. At that time of de-designation, the cumulative mark to market adjustment was $11.5 million. As of December 25, 2011, the remaining unamortized balance is $0.4 million.

Excluding the impact of the items in the previous paragraphs, the net decrease in interest expense was $5.5 million, of which $5.4 million was due to lower term loan debt levels due to payments made in 2010, $2.2 million due to the impact of lower interest rates from the August 2010 refinancing, $2.5 million due to lower amortization of debt issue costs, $2.0 million due to lower interest rates on the Tranche B term loans, offset by increased losses on interest rate swap agreements of $5.7 million and other increases of $0.9 million.

Included in the interest expense, net, amount was $23.4 million and $17.7 million for the fiscal year ended December 25, 2011 and the fiscal year ended December 26, 2010, respectively, recorded from losses on interest rate swap agreements, a net change of $5.7 million. We utilize interest rate swap agreements to reduce the potential exposure to interest rate movements and to achieve a desired proportion of variable versus fixed rate debt. Any gains or losses realized on the interest rate swap agreements, excluding the AOCI portion, are recorded as an adjustment to interest expense.

Provision (benefit) for income taxes

The effective tax rate was (89.1%) for the fiscal year ended December 25, 2011, compared to 25.1% for the fiscal year ended December 26, 2010. The effective rate difference was principally due to the $100.2 million portion of the $122.9 million goodwill impairment for which no tax benefit was recognized. Further, a benefit of $3.9 million was recorded as a result of evaluating new information effecting the measurement of certain unrecognized tax benefits and the settlement of a tax examination, as well as a benefit of $2.6 million reflecting a decrease in our net deferred state taxes as a result of changes to our manufacturing footprint and state legislation enacted during the year. Additionally, the prior year rate was effected due to a $2.2 million benefit to the state effective rate as a result of restructuring arising from the Birds Eye integration and an out of period adjustment of $4.2 million to correct errors related to the reversal of our income tax valuation allowance as of December 27, 2009. Since the out of period adjustment was not material to either the fiscal year 2010 or fiscal year 2009 financial statements, we recorded the adjustment in the financial statement for the year ended December 26, 2010.

Liquidity and Capital Resources

Overview

Our cash flows are seasonal. Typically we are a net user of cash in the third quarter of the calendar year (i.e., the quarter ending in September) and a net generator of cash over the balance of the year.

Our principal liquidity requirements have been, and we expect will be, for working capital and general corporate purposes, including capital expenditures and debt service. In addition, subsequent to the IPO, the Company initiated a quarterly dividend program. Currently, the quarterly payment is $0.18 per share or

approximately $21 million. We have paid a quarterly cash dividend of $0.18 per share since our IPO and, on November 18, 2013, reflecting the accretion we expect from the Wish-Bone acquisition and our strong operating cash flow since the consummation of our IPO, we announced an increase in our quarterly cash dividend to $0.21 per share, beginning with our fourth quarter dividend to be paid in January 2014 to shareholders of record on December 2, 2013. Capital expenditures are expected to be approximately $80 to $90 million in 2013, which include approximately $7 million related to our facility restructuring projects. We have historically satisfied our liquidity requirements with internally generated cash flows and availability under our revolving credit facility. We expect that our ability to generate cash from our operations and ability to borrow from our credit facilities should be sufficient to support working capital needs, planned growth, capital expenditures, debt service and dividends for the next 12 months and for the foreseeable future. We keep an insignificant amount of cash in foreign accounts, primarily related to the operations of our Canadian business. Tax liabilities related to bringing these funds back into the United States would not be significant and have been accrued. Our recent IPO and refinancing has significantly reduced interest expense and improved our debt maturity profile.

Statements of cash flows for the nine months ended September 29, 2013 compared to the nine months ended September 23, 2012

For the nine months ended September 29, 2013, the net of all activities resulted in an increase in cash of $18.1 million compared to a decrease in cash of $145.1 million for the nine months ended September 23, 2012.

Net cash provided by operating activities was $141.7 million for the nine months ended September 29, 2013 and was the result of net earnings, excluding non-cash charges and credits, of $177.0 million and an increase in working capital of $35.4 million. The increase in working capital was primarily the result of a $36.2 million seasonal increase in inventory during the harvest season, a $25.3 million increase in accounts receivable driven by the timing of sales, a $10.5 million decrease in accrued liabilities primarily attributable to lower interest payable resulting from the refinancings and pay downs and a $5.6 million decrease in accrued trade marketing expense driven by the seasonality of our marketing programs. The aging profile of accounts receivable has not changed significantly from December 2012. These were partially offset by a $41.7 million increase in accounts payable driven by the timing of our inventory purchases. All other working capital accounts generated a net $0.4 million cash inflow.

Net cash provided by operating activities was $62.4 million for the nine months ended September 23, 2012 and was the result of net earnings, excluding non-cash charges and credits, of $112.0 million and an increase in working capital of $49.7 million. The increase in working capital was primarily the result of a $66.8 million seasonal increase in inventory during the harvest season and a $6.0 million increase in accounts receivable driven by the timing of sales as well as higher selling prices. These were offset by a $14.2 million increase in accounts payable driven by our inventory purchases. All other working capital accounts generated a net $8.9 million cash inflow.

Net cash used in investing activities was $55.9 million for the nine months ended September 29, 2013 and was primarily related to capital expenditures. Capital expenditures during the first nine months of 2013 included approximately $6.1 million of costs related to our facility consolidation projects. Investing activities also included $6.9 million of proceeds from the sale of assets previously held for sale.

Net cash used in investing activities was $49.2 million for the nine months ended September 23, 2012 and was primarily related to capital expenditures. Capital expenditures during the first nine months of 2012 included approximately $4.9 million of costs related to our facility consolidation projects.

Net cash used by financing activities in 2013 was impacted by our April 2013 refinancing, which is explained in greater detail in Note 9 to the unaudited consolidated financial statements included elsewhere in this prospectus. Net

cash used by financing activities for the nine months ended September 29, 2013 was $68.0 million and consisted of $1,625.9 million of proceeds from our new Tranche G Term Loan, $624.2 million of proceeds ($667.0 million of gross proceeds net of $43.1 million of underwriting discounts and other fees) from

our IPO and $350.0 million of proceeds from our notes offering which were more than offset by $1,732.1 million of term loan repayments, $899.2 million of repurchases of outstanding notes, $20.8 million of dividends paid, $12.5 million of debt acquisition costs and $3.4 million of net capital leases and notes payable activity.

Net cash used by financing activities in 2012 was impacted by our April and September 2012 refinancings. Net cash used by financing activities for the nine months ended September 23, 2012 was $158.7 million and consisted of $625.2 million of term loan repayments, $373.3 million of repurchases of outstanding notes, $17.4 million of debt acquisition costs, $2.8 million of net capital leases, $2.4 million of notes payable activity, and $0.8 million of equity repurchases. These outflows were funded by $842.6 million of proceeds from our new Tranche E and F Term loans, with the remainder coming from cash on hand.

Statements of cash flows for the fiscal year ended December 30, 2012 compared to the fiscal year ended December 25, 2011

Net cash provided by operating activities was $202.9 million for the fiscal year ended December 30, 2012 and was the result of net earnings, excluding non-cash charges and credits, of $216.1 million and a decrease in cash from working capital of $13.1 million. The decrease in cash from working capital was primarily the result of a $22.0 million increase in inventory principally resulting from temporary inventory buildup from our supply chain efficiency initiatives, principally the close down of the Millsboro, Delaware plant, and a $16.3 million decrease in accounts payable driven principally by the timing of production. These were offset by a $9.4 million increase in accrued trade marketing expense driven by higher sales for December of 2012 compared to the previous year as well as increased spending rates driven by increased competitive activity. Also impacting working capital was a decrease of $16.3 million in accounts receivable resulting from the timing of sales within the month of December in 2012 compared to the previous year. The aging profile of accounts receivable has not changed significantly from December 25, 2011. All other working capital accounts generated a net $0.4 million cash outflow.

Net cash provided by operating activities was $204.2 million for the fiscal year ended December 25, 2011 and was the result of net earnings, excluding non-cash charges and credits, of $215.5 million and an increase in working capital of $11.3 million. The increase in working capital was primarily the result of a $23.5 million decrease in accrued liabilities driven by lower incentive compensation and interest accruals, a $12.1 million decrease in accrued trade marketing expense driven by lower trade spending rates in December and a faster rate of settlement on deductions, and an $11.0 million increase in accounts receivable driven by the timing of sales as well as higher selling prices. The aging profile of accounts receivable did not change significantly from December 2010. These were offset by a $38.2 million increase in accounts payable driven by our inventory purchases and the timing of vendor payments. All other working capital accounts had no net effect on cash during the period.

Net cash used in investing activities was $77.7 million for the fiscal year ended December 30, 2012 and was primarily related to capital expenditures. Capital expenditures during fiscal 2012 included approximately $8.6 million of costs related to our facility consolidation projects.

Net cash used in investing activities was $109.4 million for the fiscal year ended December 25, 2011 and consisted of $117.3 million of capital expenditures, offset by $7.9 million of proceeds received for the sale of our Watsonville, CA facility, which had been recorded as an asset held for sale. Capital expenditures during 2011 included approximately $29.0 million of costs related to our plant consolidation projects in Tacoma and Fulton. Although not impacting our cash capital expenditures, we also acquired approximately $11.2 million of assets through capital leases during 2011.

Net cash used by financing activities was impacted by our 2012 Refinancings, which is explained in greater detail in Note 9 to the consolidated financial statements included elsewhere in this prospectus. Net cash used by financing

activities for the fiscal year ended December 30, 2012 was $184.1 million and consisted of $632.0 million of term loan repayments, $373.3 million of repurchases of outstanding notes, $17.4 million of debt

acquisition costs, $3.5 million of capital lease payments, $0.4 million of notes payable activity, and $0.9 million for repurchases of equity. These outflows were funded by $842.6 million of proceeds from our new Tranche E and F Term loans, with the remainder coming from cash on hand.

Net cash used by financing activities for the fiscal year ended December 25, 2011 was $59.0 million and consisted of $57.5 million of term loan repayments, including a $55.0 million voluntary prepayment of the Tranche D Term Loan made in December 2011, $2.5 million of payments on capital leases, $1.6 million of share repurchases of equity, and $0.7 million of debt acquisition costs. These outflows were partially offset by proceeds from new equity contributions of $0.6 million and other financing activities of $2.7 million.

The net of all activities resulted in a decrease in cash of $58.8 million for the fiscal year ended December 30, 2012, compared to an increase in cash of $35.7 million for the fiscal year ended December 25, 2011.

Statements of cash flows for the fiscal year ended December 25, 2011 compared to the fiscal year ended December 26, 2010

Net cash provided by operating activities was $204.2 million for the fiscal year ended December 25, 2011 and was the result of net earnings, excluding non-cash charges and credits, of $215.5 million and an increase in working capital of $11.3 million. The increase in working capital was primarily the result of a $23.5 million decrease in accrued liabilities driven by lower incentive compensation and interest accruals, a $12.1 million decrease in accrued trade marketing expense driven by lower trade spending rates in December and a faster rate of settlement on deductions, and an $11.0 million increase in accounts receivable driven by the timing of sales as well as higher selling prices. The aging profile of accounts receivable has not changed significantly from December 2010. These were offset by a $38.2 million increase in accounts payable driven by our inventory purchases and the timing of vendor payments. All other working capital accounts had no net effect on cash during the period.

Net cash provided by operating activities was $257.0 million for fiscal 2010, which consisted of net earnings excluding non-cash charges of $166.4 million, and a decrease in working capital of $90.6 million. The decrease in working capital was principally due to a concerted effort to reduce inventories while, at the same time, improving customer service levels. Inventories were reduced by $60.6 million. In addition, accounts receivable declined by $13.0 million in line with lower sales. Working capital also decreased due to a $14.5 million increase in accrued liabilities, principally driven by a $16.1 million increase in accrued interest, caused by the timing of the Birds Eye Acquisition borrowing in 2009.

Net cash used in investing activities was $109.4 million for the fiscal year ended December 25, 2011 and consisted of $117.3 million of capital expenditures, offset by $7.9 million of proceeds received for the sale of our Watsonville, California facility, which had been recorded as an asset held for sale. Capital expenditures during 2011 included approximately $29.0 million of costs related to our plant consolidation projects in Tacoma, Washington and Fulton, New York. Although not impacting our cash capital expenditures, we also acquired approximately $11.2 million of assets through capital leases during 2011. Net cash used in investing activities was $81.3 million for the twelve months ended December 26, 2010 and was related exclusively to capital expenditures.

Net cash used by financing activities for the fiscal year ended December 25, 2011 was $59.0 million and consisted of $57.5 million of term loan repayments, including a $55.0 million voluntary prepayment of the Tranche D Term Loan made in December 2011, $2.5 million of payments on capital leases, $1.6 million of share repurchases, and $0.7 million of debt acquisition costs. These outflows were partially offset by proceeds from new share issuances of $0.6 million and other financing activities of $2.7 million. Net cash used in financing activities was $134.3 million during the year ended December 26, 2010. The usage primarily related to a $27.0 million prepayment of our term loans in

accordance with the Excess Cash Flow requirements of our senior secured credit facilities, $3.1 million of normally scheduled repayments of the term loans, a $73.0 million voluntary prepayment of the Tranche D Term Loan made in December 2010, $14.3 million in repayments of

Table of Contents

bank overdrafts, $13.4 million of refinancing costs in connection with the refinancing of the Tranche C Term Loan, and $5.7 million in repayments of our notes payable and capital lease obligations, partially offset by $2.2 million of other activities, net. In August 2010, we refinanced our Tranche C Term Loan by issuing $400 million of 8.25% Senior Notes and executing a new Tranche D Term Loan in the amount of $442.3 million. Except for the refinancing costs referred to above, this refinancing did not impact net cash used in financing activities.

The net of all activities resulted in an increase in cash of $35.7 million for the fiscal year ended December 25, 2011, compared to an increase in cash of $41.4 million or the fiscal year ended December 26, 2010.

Debt

As of December 30, 2012 and September 29, 2013, our long term debt consisted of the following:

($ in millions)	**December 30, 2012**	**September 29, 2013**
Long-term debt:		
Senior Secured Credit Facility Tranche B Non Extended Term Loans due 2014	$ 243.3	$
Senior Secured Credit Facility Tranche B Extended Term Loans due 2016	637.9	
Senior Secured Credit Facility Tranche E Term Loans due 2018	398.0	
Senior Secured Credit Facility Tranche F Term Loans due 2018	448.9	
Senior Secured Credit Facility Tranche G Term Loans due 2020		1,625.9
4.875% Senior Notes due 2021		350.0
9.25% Senior Notes due 2015	465.0	
8.25% Senior Notes due 2017	400.0	
Unamortized discount on long term debt	(7.2)	(8.2)
Capital lease obligations	21.0	20.6
	2,606.9	1,988.3
Less: current portion of long-term obligations	30.4	19.4
Total long-term debt	2,567.5	$ 1,968.9

On April 17, 2012, we entered into an amended and restated credit agreement which extended a portion of our Tranche B Term Loans to 2016, allowed us to borrow on new $400 million Tranche E Term Loans and replace our existing revolving credit facility with a new $150 million revolving credit facility. We used proceeds from the Tranche E Term Loans to pay off all of our outstanding balance of $313.2 million aggregate principal amount of Tranche D Term Loans. On April 19, 2012, we redeemed all $199.0 million of our outstanding 10.625% Senior Subordinated Notes using proceeds from the Tranche E Term Loans along with available cash.

On August 30, 2012, we entered into the first amendment to the amended and restated credit agreement which allowed us to borrow on new $450 million Tranche F Term Loans. The Company used proceeds from the Tranche F Term Loans along with available cash to pay off $300 million of the aggregate principal amount of Tranche B Non Extended Term Loans and $150 million of the aggregate principal amount of 9.25% Senior Notes. For additional details regarding our debt instruments and our April and September 2012 refinancing, please refer to Note 9 Debt and Interest Expense to the audited consolidated financial statements included elsewhere in this prospectus.

On April 29, 2013, we entered into the second amendment to the amended and restated senior secured credit facility, which provided for a seven year term loan facility in the amount of $1,630.0 million (the Tranche G Term Loans) and replaced the existing revolving credit facility with a new five year $150.0 million revolving credit facility. Additionally, we issued $350.0 million aggregate principal amount of 4.875% Senior Notes (the 4.875% Senior Notes) due 2021.

Table of Contents

On October 1, 2013, we entered into the first amendment to our second amended and restated credit agreement which allowed us to, among other things, borrow under a new incremental $525.0 million term loan facility (the Tranche H Term Loans) to fund a portion of the purchase price for the acquisition of Wish-Bone. The new Tranche H Term Loans have substantially the same terms as the Tranche G Term Loans.

We meet the service requirements on our debt utilizing cash flow generated from operations. In addition to the above facilities, we have a $150.0 million revolving credit facility, which can be used to fund working capital needs and can also be used to issue up to $50.0 million of letters of credit. There were no borrowings against the revolving credit facility as of September 29, 2013 and December 30, 2012, except in respect of letters of credit as set forth below. As of September 29, 2013 and December 30, 2012, we had issued approximately $29.0 million and $33.5 million, respectively, of letters of credit under this facility, leaving approximately $121.0 million and $116.5 million, respectively, of unused capacity under the revolving credit facility.

The term loans under the senior secured credit facility mature in quarterly installments of 0.25% of their aggregate funded total principal amount. The aggregate maturities of the Tranche G Term Loans outstanding as of September 29, 2013 are $4.1 million in the remainder of 2013, $16.3 million in 2014, $16.3 million in 2015, $16.3 million in 2016, $20.4 million in 2017 and $1,552.6 million thereafter.

Under the terms of our senior secured credit facility, we are required to use 50% of our Excess Cash Flow to prepay the term loans under the senior secured credit facility (which percentage will be reduced to 25% at a total leverage ratio of between 4.50 and 5.49 and 0% at a total leverage ratio below 4.50). Excess Cash Flow is defined as consolidated net income (as defined), as adjusted for certain items, including (1) all non-cash charges and credits included in arriving at consolidated net income, (2) changes in working capital, (3) capital expenditures (to the extent they were not financed with debt), (4) the aggregate amount of principal payments on indebtedness and (5) certain other items defined in the senior secured credit facility. For the 2012 reporting year we determined that there were no amounts due under the Excess Cash Flow requirements of the senior secured credit facility. In December 2013, we will determine if amounts are due under the Excess Cash Flow requirements of the senior secured credit facility for the 2013 reporting year.

As market conditions warrant, we and our subsidiaries, affiliates or significant equity holders (including Blackstone and its affiliates) may from time to time, in our or their sole discretion, purchase, repay, redeem or retire any of our outstanding debt or equity securities (including any publicly issued debt or equity securities), in privately negotiated or open market transactions, by tender offer, exchange offer or otherwise.

For additional details regarding our debt instruments, please refer to Note 9 Debt and Interest Expense of the audited and unaudited consolidated financial statements, included elsewhere in this prospectus.

For a description of the material terms of our debt instruments, please see Description of Indebtedness.

Covenant Compliance

The following is a discussion of the financial covenants contained in our debt agreements.

Senior Secured Credit Facility

Our senior secured credit facility contains a number of covenants that, among other things, restrict, subject to certain exceptions, our ability to:

incur additional indebtedness and make guarantees;

create liens on assets;

engage in mergers or consolidations;

sell assets;

Table of Contents

- pay dividends and distributions or repurchase our capital stock;
- make investments, loans and advances, including acquisitions; and
- engage in certain transactions with affiliates.

Our senior secured credit facility also contains certain customary affirmative covenants and events of default.

On April 17, 2012, we amended and restated the credit agreement relating to our senior secured credit facilities as part of an initiative to lower our interest costs by paying off our 10.625% Senior Subordinated Notes and extending the maturity dates for a portion of our senior secured credit facilities. On August 30, 2012, we entered into an amendment to the senior secured credit facilities, which provided for the issuance of new $450 million Tranche F Term Loans, the proceeds of which were used to redeem a portion of our 9.25% Senior Notes and to prepay the initial term loans due April 2, 2014. On April 29, 2013, we entered into the second amendment to the amended and restated senior secured credit facilities, which provided for a $1,630.0 million term loan facility and replaced the existing revolving credit facility with a new $150.0 million revolving credit facility. This is discussed further in Note 9 Debt and Interest Expense to the audited consolidated financial statements included elsewhere in this prospectus. On October 1, 2013, we entered into the first amendment to our second amended and restated credit agreement which allowed us to, among other things, borrow under a new incremental $525.0 million term loan facility to fund a portion of the purchase price for the acquisition of Wish-Bone.

4.875% Senior Notes

On April 29, 2013, we issued the 4.875% Senior Notes. The 4.875% Senior Notes are general senior unsecured obligations, effectively subordinated in right of payment to all of our existing and future senior secured indebtedness, and guaranteed on a full, unconditional, joint and several basis by our wholly-owned domestic subsidiaries that guarantee our other indebtedness.

The indenture governing the 4.875% Senior Notes limits our (and most or all of our subsidiaries) ability to, subject to certain exceptions:

- incur additional debt or issue certain preferred shares;
- pay dividends on or make other distributions in respect of our capital stock or make other restricted payments;
- make certain investments;
- sell certain assets;
- create liens on certain assets to secure debt;

- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;

- enter into certain transactions with our affiliates; and

- designate our subsidiaries as unrestricted subsidiaries.

Subject to certain exceptions, the indenture governing the 4.875% Senior Notes permits us and our restricted subsidiaries to incur additional indebtedness, including secured indebtedness.

Adjusted EBITDA

The Company s metric of Adjusted EBITDA, an operating performance measure, which is used in creating targets for the bonus and equity portions of our compensation plans, is equivalent to Covenant Compliance EBITDA under our debt agreements.

Pursuant to the terms of the senior secured credit facility, we are required to maintain a ratio of Net First Lien Secured Debt to Adjusted EBITDA of no greater than 5.75 to 1.00. Net First Lien Secured Debt is defined as our aggregate consolidated secured indebtedness secured on a first lien basis, less the aggregate amount of all unrestricted cash and cash equivalents. In addition, under the credit agreement governing our senior secured credit facility and the indenture governing the 4.875% Senior Notes, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is tied to the Senior Secured Leverage Ratio (which is currently the same as the ratio of Net First Lien Secured Debt to Adjusted EBITDA described above), in the case of the senior secured credit facility, or to the ratio of Adjusted EBITDA to fixed charges for the most recently concluded four consecutive fiscal quarters in the case of the 4.875% Senior Notes. We believe that these covenants are material terms of these agreements and that information about the covenants is material to an investor s understanding of our financial performance. As of September 29, 2013, we were in compliance with all covenants and other obligations under the credit agreement governing our senior secured credit facility and the indenture governing the 4.875% Senior Notes.

Adjusted EBITDA is defined as earnings (loss) before interest expense, taxes, depreciation and amortization (EBITDA), further adjusted to exclude non-cash items, extraordinary, unusual or non-recurring items and other adjustment items permitted in calculating Adjusted EBITDA under the credit agreement governing our senior secured credit facility and the indenture governing the 4.875% Senior Notes. We believe that the inclusion of supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA is appropriate to provide additional information to investors to demonstrate compliance with our financial covenants.

EBITDA and Adjusted EBITDA do not represent net earnings or loss or cash flow from operations as those terms are defined by United States Generally Accepted Accounting Principles (GAAP) and do not necessarily indicate whether cash flows will be sufficient to fund cash needs. In particular, the definitions of Adjusted EBITDA in the credit agreement governing our senior secured credit facility and the indenture governing the 4.875% Senior Notes allow us to add back certain non-cash, extraordinary, unusual or non-recurring charges that are deducted in calculating net earnings or loss. However, these are expenses that vary greatly and are difficult to predict. While EBITDA and Adjusted EBITDA and similar measures are frequently used as measures of operations and the ability to meet debt service requirements, they are not necessarily comparable to other similarly titled captions of other companies due to the potential inconsistencies in the method of calculation.

Our ability to meet the covenants specified above in future periods will depend on events beyond our control, and we cannot assure you that we will meet those ratios. A breach of any of these covenants in the future could result in a default under, or an inability to undertake certain activities in compliance with, the credit agreement governing our senior secured credit facility and the indenture governing the 4.875% Senior Notes, at which time the lenders could elect to declare all amounts outstanding under the senior secured credit facility to be immediately due and payable. Any such acceleration would also result in a default under the indenture governing the 4.875% Senior Notes.

Table of Contents

The following table provides a reconciliation from our net earnings to EBITDA and Adjusted EBITDA.

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Net earnings	$ 22.0	$ (46.9)	$ 52.6	$ 8.9	$ 33.7
Interest expense, net	235.7	208.1	198.4	154.5	107.8
Income tax expense	7.4	22.1	32.7	3.7	35.1
Depreciation and amortization expense	78.1	88.5	98.1	68.5	57.7
EBITDA	$ 343.2	$ 271.8	$ 381.7	$ 235.6	$ 234.2
Non-cash items (a)	$ 71.5	$ 152.2	$ 0.1	$ (1.4)	$ 5.3
Acquisition, merger and other restructuring charges (b)	27.5	20.3	23.3	17.9	12.3
Other adjustment items (c)	4.7	5.5	21.0	21.0	53.4
Adjusted EBITDA	$ 446.9	$ 449.7	$ 426.1	$ 273.1	$ 305.2

(a) Non-cash items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Non-cash compensation charges (1)	$ 4.7	$ 1.1	$ 0.9	$ 0.7	$ 5.6
Unrealized losses (gains) resulting from hedging activities (2)	0.7	1.6	(1.3)	(2.1)	(0.3)
Goodwill impairment charge (3)		122.9			
Other impairment charges (4)	29.0	26.6	0.5		
Effects of adjustments related to the application of purchase accounting (5)	37.1				
Total non-cash items	$ 71.5	$ 152.2	$ 0.1	$ (1.4)	$ 5.3

(1) Represents non-cash compensation charges related to the granting of equity awards.

(2) Represents non-cash gains and losses resulting from mark-to-market adjustments of obligations under foreign exchange and commodity derivative contracts.

(3) For fiscal year 2011, represents goodwill impairments on the Frozen Breakfast ($51.7 million), Private Label ($49.7 million) and Food Service ($21.5 million) reporting units.

(4) For fiscal year 2010, represents an impairment for the *Hungry-Man* tradename ($29.0 million). For fiscal year 2011, represents tradename impairments on *Aunt Jemima* ($23.7 million), *Lender s* ($1.2 million) and *Bernstein s* ($0.4 million), as well as a plant asset impairment on the previously announced closure of the Tacoma, Washington facility ($1.3 million). For fiscal year 2012, represents tradename impairment of *Bernstein s* ($0.5 million).

(5) For fiscal year 2010, represents expense related to the write-up to fair market value of inventories acquired as a result of the Birds Eye Acquisition.

(b) Acquisition, merger and other restructuring charges are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Expenses in connection with an acquisition or other non-recurring merger costs (1)	$ 0.9	$ 8.8	$ 2.3	$ 1.6	$ 1.2
Restructuring charges, integration costs and other business optimization expenses (2)	25.5	9.5	20.0	15.3	7.4
Employee severance and recruiting (3)	1.1	2.0	1.0	1.0	3.7
Total acquisition, merger and other restructuring charges	$ 27.5	$ 20.3	$ 23.3	$ 17.9	$ 12.3

(1) For fiscal year 2010, primarily represents costs related to the Birds Eye Acquisition as well as other expenses related to due diligence investigations. For fiscal year 2011, primarily represents an $8.5 million legal settlement related to the Lehman Brothers Specialty Financing claim described in more detail in Note 12 to our audited consolidated financial statements included elsewhere in this prospectus and in Business Legal Proceedings. For fiscal year 2012 and the nine months ended September 23, 2012 and September 29, 2013, primarily represents expenses related to the IPO and due diligence investigations.

(2) For fiscal year 2010, primarily represents employee termination benefits and lease termination costs related to the closing of the Rochester, New York office and integration costs related to the Birds Eye Acquisition. For fiscal year 2011, primarily represents restructuring charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington and Fulton, New York facilities. For fiscal year 2012, primarily represents restructuring charges and restructuring-related charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington, Fulton, New York and Millsboro, Delaware facilities. For the nine months ended September 23, 2012, primarily represents restructuring and restructuring-related charges related to the closure of our Fulton, New York and Millsboro, Delaware facilities, as a result of footprint consolidation projects. For the nine months ended September 29, 2013, primarily represents restructuring and restructuring-related charges related to the closure of our Millsboro, Delaware facility, consulting and business optimization expenses related to the expansion of headquarter direct sales coverage for retail and a gain from the sale of our Tacoma, Washington location in July 2013.

(3) For fiscal year 2010, fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012 and September 29, 2013, represents severance costs paid, or to be paid, to terminated employees.

(c) Other adjustment items are comprised of the following:

($ in millions)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Management, monitoring, consulting and advisory fees (1)	$ 4.5	$ 4.6	$ 4.7	$ 3.5	$ 19.2
Bond redemption fees (2)			14.3	14.3	34.2
Other (3)	0.2	0.9	2.0	3.2	
Total other adjustments	$ 4.7	$ 5.5	$ 21.0	$ 21.0	$ 53.4

(1) For fiscal year 2010, fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012 and September 29, 2013 represents management/advisory fees and expenses paid to an affiliate of

Blackstone pursuant to the Advisory Agreement. For the nine months ending September 29, 2013, it also includes a $15.1 million expense to terminate the Blackstone advisory fee agreement. The Advisory Agreement was terminated in accordance with its terms.

(2) For fiscal year 2012 and the nine months ended September 23, 2012, represents $14.3 million of the premiums paid on the redemption of $150.0 million of 9.25% Senior Notes due 2015, the redemption of $199.0 million of 10.625% Senior Subordinated Notes due 2017 and the repurchase and retirement of $10.0 million of 9.25% Senior Notes due 2015. For the nine months ended September 29, 2013, represents the premiums paid on the redemption of $400.0 million of 8.25% Senior Notes due 2017 at a premium of $34.2 million.

(3) For fiscal year 2010, represents miscellaneous other costs. For fiscal year 2011, primarily represents a gain on the sale of the Watsonville, California property and the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product of $1.1 million, net of insurance recoveries. For fiscal year 2012 and the nine months ended September 23, 2012, primarily represents the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product of $2.0 million (after insurance recovery received in the fourth quarter of 2012) and $3.2 million (before insurance recovery), respectively.

Our covenant requirements and actual ratios for the twelve months ended September 29, 2013 are as follows:

	Covenant Requirement	Actual Ratio	Proforma Adjusted (5)
Senior Secured Credit Facility			
Net First Lien Leverage Ratio (1)	5.75 to 1.00	3.35	4.08
Total Leverage Ratio (2)	Not applicable	4.12	4.75
Senior Notes (3)			
Minimum Adjusted EBITDA to fixed charges ratio required to incur additional debt pursuant to ratio provisions (4)	2.00 to 1.00	3.57	3.57

(1) Pursuant to the terms of the senior secured credit facility, we are required to maintain a ratio of Net First Lien Secured Debt to Adjusted EBITDA of no greater than 5.75 to 1.00. Net First Lien Secured Debt is defined as our aggregate consolidated secured indebtedness secured on a first lien basis, less the aggregate amount of all unrestricted cash and cash equivalents.

(2) The Total Leverage Ratio is not a financial covenant but is used to determine the applicable rate under the senior secured credit facility. The Total Leverage Ratio is calculated by dividing consolidated total debt less the aggregate amount of all unrestricted cash and cash equivalents by Adjusted EBITDA.

(3) Our ability to incur additional debt and make certain restricted payments under the indenture governing the 4.875% Senior Notes, subject to specified exceptions, is tied to an Adjusted EBITDA to fixed charges ratio of at least 2.00 to 1.

(4) Fixed charges is defined in the indenture governing the 4.875% Senior Notes as (i) consolidated interest expense (excluding specified items) *plus* consolidated capitalized interest *less* consolidated interest income, *plus* (ii) cash dividends and distributions paid on preferred stock or disqualified stock.

(5) Proforma adjusted debt ratios, which are used to measure compliance with the covenants, include the impact of the Wish-Bone acquisition. The adjustments include the addition of the $525.0 million Tranche H Term Loan, a $72.4 million cash payment to fund the acquisition and the impact on EBITDA and interest expense.

Inflation

Historically, inflation did not have a significant effect on us as we had been successful in mitigating the effects of inflation with cost reduction and productivity programs. However inflation became more pronounced in 2011 and 2012, particularly in ingredient costs such as vegetables, flours, shortening/oils, beef, dairy, cocoa,

corn sweeteners and energy. In the first nine months of 2013, inflation was less pronounced compared to the first nine months of 2012, principally in the first six months and is expected to be less pronounced over the remainder of 2013. To the extent possible, we offset inflation with productivity programs. However, we spend approximately $1.1 billion each year on ingredients, therefore each 1% change in our weighted average ingredient costs would increase our Cost of products sold by approximately $11 million. If we experience significant inflation, price increases may be necessary in order to preserve our margins and returns. Severe increases in inflation could have an adverse impact on our business, financial condition and results of operations.

Adjusted Gross Profit

Adjusted gross profit is defined as gross profit before restructuring-related accelerated depreciation, certain non-cash items, acquisition, merger and other restructuring charges and other adjustments noted in the table below. Our management uses Adjusted gross profit as an operating performance measure. We believe that the presentation of Adjusted gross profit is useful to investors because it is consistent with our definition of Adjusted EBITDA (defined above), a measure frequently used by securities analysts, investors and other interested parties in their evaluation of the operating performance of companies in industries similar to ours. In addition, we also use targets based on Adjusted gross profit as one of the components used to evaluate our management s performance. Adjusted gross profit is not defined under GAAP, should not be considered in isolation or as substitutes for measures of our performance prepared in accordance with GAAP and is not indicative of gross profit as determined under GAAP.

The following table provides a reconciliation from our gross profit to Adjusted gross profit.

($ in thousands)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Gross profit	$ 602,328	$ 614,866	$ 584,549	$ 397,174	$ 456,672
Accelerated depreciation expense (a)	736	14,077	20,990	11,812	
Non-cash items (b)	38,173	3,046	(1,195)	(1,996)	109
Acquisition, merger and other restructuring charges (c)	4,284	9,915	16,934	13,774	3,756
Other adjustment items (d)	187	1,262	1,619	2,555	
Adjusted gross profit	$ 645,708	$ 643,166	$ 622,897	$ 423,319	$ 460,537

(a) Reflects accelerated depreciation from plant closures.

(b) Non-cash items are comprised of the following:

($ in thousands)

	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Non-cash compensation charges (1)	$ 397	$ 152	$ 113	$ 96	$ 388
Unrealized losses (gains) resulting from hedging activities (2)	700	1,608	(1,307)	(2,092)	(279)
Other impairment charges (3)		1,286			
Effects of adjustments related to the application of purchase accounting (4)	37,076				
Total non-cash items	$ 38,173	$ 3,046	$ (1,194)	$ (1,996)	$ 109

(1) Represents non-cash compensation charges related to the granting of equity awards.

Table of Contents

(2) Represents non-cash gains and losses resulting from mark-to-market obligations under derivative contracts.

(3) For fiscal year 2011, represents a plant asset impairment on the previously announced closure of the Tacoma, Washington facility of $1.3 million.

(4) For fiscal year 2010, represents expense related to the write-up to fair market value of inventories acquired as a result of the Birds Eye Acquisition.

(c) Acquisition, merger and other restructuring charges are comprised of the following:

($ in thousands)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Restructuring charges, integration costs and other business optimization expenses (1)	$ 4,097	$ 9,326	16,923	13,763	3,557
Employee severance and recruiting (2)	187	589	11	11	199
Total acquisition, merger and other restructuring charges	$ 4,284	$ 9,915	$ 16,934	$ 13,774	$ 3,756

(1) For fiscal year 2010, primarily represents integration costs related to the Birds Eye Acquisition. For fiscal year 2011, primarily represents restructuring charges, consulting and business optimization expenses related to the closings of the Tacoma, Washington and Fulton, New York facilities. For fiscal year 2012, primarily represents restructuring charges and consulting and business optimization expenses related to the closings of the Tacoma, Washington, Fulton, New York and Millsboro, Delaware facilities. For the nine months ended September 23, 2012 and September 29, 2013, primarily represents restructuring and restructuring-related charges, consulting and business optimization expenses related to closures at our Millsboro, Delaware (March, 2013) and Fulton, New York (March, 2012) facilities and a gain from the sale of our Tacoma, Washington location in July 2013.

(2) Represents severance costs paid or accrued to terminated employees.

(d) Other adjustment items are comprised of the following:

($ in thousands)	(52 weeks) Fiscal year ended December 26, 2010	(52 weeks) Fiscal year ended December 25, 2011	(53 weeks) Fiscal year ended December 30, 2012	(39 weeks) Nine Months ended September 23, 2012	(39 weeks) Nine Months ended September 29, 2013
Other (1)	$ 187	$ 1,262	$ 1,618	$ 2,555	
Total other adjustments	$ 187	$ 1,262	$ 1,618	$ 2,555	

(1) For fiscal year 2010, represents miscellaneous other costs. For fiscal year 2011 and fiscal year 2012, and the nine months ended September 23, 2012, primarily represents the cost of retrieving and destroying the product covered by the recall of *Aunt Jemima* product, net of insurance recoveries.

Contractual Commitments

Our contractual commitments consist mainly of payments related to long-term debt and related interest, operating and capital lease payments, certain take-or-pay arrangements entered into as part of the normal course of business and pension obligations.

Table of Contents

The table below provides information on our contractual commitments as of December 30, 2012:

	Total	Less Than 1 Year	1 3 Years	3 5 Years	More than 5 Years
			($ in thousands)		
Total debt at face value (1)	$ 2,593,044	$ 27,411	$ 725,597	$ 1,037,786	$ 802,250
Projected interest payments on long-term debt (2)	697,190	153,560	288,275	226,851	28,504
Operating lease obligations	73,384	13,035	18,712	13,883	27,754
Capital lease obligations	27,916	4,666	7,954	4,270	11,026
Purchase obligations (3)	735,481	592,084	76,187	11,760	55,450
Pension (4)	62,919	8,000	15,739	17,695	21,485
Total (5)	$ 4,189,934	$ 798,756	$ 1,132,464	$ 1,312,245	$ 946,469

(1) Total debt at face value includes scheduled principal repayments and excludes interest payments.

(2) The total projected interest payments on long-term debt are based upon borrowings and interest rates as of December 30, 2012, including the effect of interest rate swaps in place. The interest rate on variable rate debt is subject to changes beyond our control and may result in actual interest expense and payments differing from the amounts above.

(3) The amounts indicated in this line primarily reflect future contractual payments, including certain take-or-pay arrangements entered into as part of the normal course of business. The amounts do not include obligations related to other contractual purchase obligations that are not take-or-pay arrangements. Such contractual purchase obligations are primarily purchase orders at fair value that are part of normal operations and are reflected in historical operating cash flow trends. Purchase obligations also include trade and consumer promotion and advertising commitments. We do not believe such purchase obligations will adversely affect our liquidity position.

(4) The funding of the defined benefit pension plan is based upon our planned 2013 cash contribution. The future years contributions are based upon our expectations taking into consideration the funded status of the plan at December 30, 2012. Currently, under the Employee Retirement Income Security Act of 1974, as amended (ERISA) and IRS guidelines, our plans are 91% funded.

(5) The total excludes the liability for uncertain tax positions. We are not able to reasonably estimate the timing of the long-term payments or the amount by which the liability will increase or decrease over time. Therefore, the long-term portion of the liability is excluded from the Contractual Commitments table.

The table below provides information updated through September 29, 2013 showing the impact of our IPO and 2013 refinancing:

	Total (in thousands)	Less Than 1 Year	1-3 Years	3-5 Years	After 5 Years
Total debt at face value (1)	$ 1,975,925	$ 16,300	$ 32,600	$ 32,600	$ 1,894,425
Projected interest payments on long term debt (2)	428,067	70,960	130,386	134,497	92,224

(1) Total debt at face value includes scheduled principal repayments, excludes interest payments and excludes indebtedness incurred in connection with the Wish-Bone acquisition. A portion of the October 1, 2013 acquisition of Wish-Bone was funded through a new $525.0 million Term Loan H that will require scheduled quarterly payments of 0.25% of the original principal amount, with the balance payable in the final installment in April 2020.

(2) The total projected interest payments on long-term debt are based upon borrowings and interest rates as of September 29, 2013, including the effect of interest rate swaps in place. The interest rate on variable rate debt is subject to changes beyond our control and may result in actual interest expense and payments differing from the amounts above.

Table of Contents

Off-Balance Sheet Arrangements

As of December 31, 2012 and September 29, 2013, we did not have any off-balance sheet obligations.

Accounting Policies and Pronouncements

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States requires the use of judgment, estimates and assumptions. We make such subjective determinations after careful consideration of our historical performance, management s experience, current economic trends and events and information from outside sources. Inherent in this process is the possibility that actual results could differ from these estimates and assumptions for any particular period.

Our significant accounting policies are detailed in Note 2 to the consolidated financial statements included elsewhere in this prospectus. The following areas are the most important and require the most difficult, subjective judgments.

Trade and consumer promotion programs

We offer various sales incentive programs to customers and consumers, such as feature price discounts, in-store display incentives, cooperative advertising programs, new product introduction fees, and coupons. The mix between promotion programs, which are classified as reductions in revenue, and advertising or other marketing activities, which are classified as marketing and selling expenses, fluctuates between periods based on our overall marketing plans, and such fluctuations have an impact on revenues. The measurement and recognition of the costs for trade and consumer promotion programs involves the use of judgment related to performance and redemption estimates. Estimates are made based on historical experience and other factors and are adjusted quarterly based upon our most recent experience and new information. Typically, programs that are offered have a very short duration. Historically, the difference between actual experience compared to estimated redemptions and performance has not been significant to the quarterly or annual financial statements and actual expense has been within 1.0% of amounts accrued. However, actual expenses may differ if the level of redemption rates and performance were to vary from estimates.

Goodwill and Indefinite-lived trade names

We evaluate the carrying amount of goodwill for impairment on an annual basis, as of year end, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The goodwill impairment review consists of a two-step process. We perform quantitative testing by calculating the fair value of each reporting unit. We then compare the fair value of the reporting unit with its carrying value. If this fair value exceeds the carrying value, no further analysis or goodwill impairment charge is required. If the fair value is below the carrying value, we proceed to the next step, which is to measure the amount of the impairment loss. The impairment loss is measured as the difference between the carrying value and implied fair value of goodwill. To measure the implied fair value of goodwill we make a hypothetical allocation of the estimated fair value of the reporting unit to the tangible and intangible assets (other than goodwill) within the respective reporting unit using the same rules for determining fair value and allocation under the authoritative guidance for business combinations as we would use if it were an original purchase price allocation. If the implied fair value of the reporting unit s goodwill is less than its carrying amount the shortfall is charged to earnings.

In estimating the fair value of our reporting units we primarily use the income approach, which utilizes forecasted discounted cash flows to estimate the fair value for each reporting unit. We believe that the use of the discounted cash

flow model results in the most accurate estimate of the reporting unit s fair value since market values for our reporting units are not readily available. The income approach utilizes management s business plans and projections as the basis for expected future cash flows for five years plus a terminal year. We make

significant assumptions including projected sales growth rates and operating margins and the weighted average cost of capital. In our recent impairment tests, we forecasted cash flows for five years plus a terminal year and assumed a weighted average cost of capital of 8.5%. Our projections assume sales growth rates for the next five years and the terminal year that generally average between 1.0% and 3.0% and operating margins which increase moderately from historical levels over time as a result of planned capital improvements in our plants and manufacturing efficiency projects. These assumptions are determined based upon our expectations for each of the individual reporting units and in our judgment are consistent with other companies in the packaged food industry. In order to validate our assumptions, we also reconcile the aggregate fair value of our reporting units to the estimated fair value of the entire company using a market multiple approach.

In fiscal 2012, all reporting units tested had a fair value that exceeded their carrying value by at least 22%. We performed a sensitivity analysis on our weighted average cost of capital and we determined that a 50 basis point increase in the weighted average cost of capital would not have resulted in any of our reporting units implied fair value being less than their carrying value. Additionally, a 50 basis point decrease in the terminal growth rate used for each reporting unit would not have resulted in any of our reporting units implied fair value being less than their carrying value.

We also evaluate the carrying amount of our trade names for impairment on an annual basis, in December, or more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment test consists of a comparison of the fair value of an intangible asset with its carrying value. If the carrying value of a trade name exceeds its fair value at the time of the evaluation, we would charge the shortfall to earnings.

To estimate the fair value of our trade names we primarily use the relief from royalty method, which utilizes forecasted discounted cash flows to estimate the fair value. The utilization of the relief from royalty method requires us to make significant assumptions including sales growth rates, implied royalty rates and discount rates. As discussed under Impairment of Goodwill and Other Long-Lived Assets, in fiscal 2012, we recognized an impairment of $0.5 million to our *Bernstein s* trade name resulting from a decline in value due to reduced sales forecasts for the brand.

In the course of our testing, we identified 6 trade names which do not have a fair value that exceeded their carrying value by at least 15%. The total carrying value of these trade names as of December 30, 2012 is $228.7 million. As of December 30, 2012, a 50 basis point increase in the weighted average cost of capital for each brand would have resulted in an additional impairment of $4.5 million. A 50 basis point decrease in the terminal sales growth rate would have resulted in an additional impairment of $1.9 million.

Pension Benefits

We provide pension benefits to certain employees and retirees, all of which are frozen for future benefit accruals as of June 30, 2013. Pension benefits are no longer offered to salaried employees. All salaried pension benefits which existed are frozen. Determining the cost associated with such benefits is dependent on various actuarial assumptions, including discount rates, expected return on plan assets, compensation increases, turnover rates and mortality rates. Independent actuaries, in accordance with accounting principles generally accepted in the United States, perform the required calculations to determine pension expense. Actual results that differ from the actuarial assumptions are generally accumulated and amortized over future periods.

The discount rate is established as of our fiscal year-end measurement date. In establishing the discount rate, we review published market indices of high-quality debt securities, adjusted as appropriate for duration. In addition, independent actuaries apply high-quality bond yield curves to the expected benefit payments of the plans. The expected return on plan assets is a long-term assumption based upon historical experience and expected future

performance, considering our current and projected investment mix. This estimate is based on an estimate of future inflation, long-term projected real returns for each asset class, and a premium for active management. Within any given fiscal period, significant differences may arise between the actual return and the expected return on plan assets. The value of plan assets, used in the calculation of pension expense, is the fair

Table of Contents

market value. Gains and losses resulting from differences between actual experience and the assumptions are determined at each measurement date. If the net gain or loss exceeds 10% of the greater of plan assets or liabilities, a portion is amortized into earnings in the following year.

Net periodic pension expense was $2.1 million in fiscal 2012, $2.8 million in fiscal 2011 and $5.6 million in 2010. Significant weighted-average assumptions for all plans as of the end of the year are as follows:

	2010	**2011**	**2012**
Pension Benefits			
Discount rate	5.7%	5.4%	4.3%
Expected return on plan assets	7.8%	7.2%	7.2%

Estimated sensitivities to annual net periodic pension cost are as follows: a 50-basis-point reduction in the discount rate would increase pension expense by approximately $0.9 million; a 50-basis-point reduction in the estimated return on assets assumption would increase pension expense by approximately $0.9 million.

Net periodic pension expense is expected to be a credit of approximately $0.5 million in 2013. We expect to contribute approximately $8.0 million to our pension plans in 2013. Given the adverse impact of declining financial markets, combined with the impact that historically low interest rates have on the discount rate used to compute our pension obligation, we made contributions to our plans of $13.3 million in fiscal 2012, $15.9 million in fiscal 2011 and $13.2 million in fiscal 2010.

See also Note 10 Pension and Retirement Plans to the consolidated financial statements included elsewhere in this prospectus for additional information on pension expenses.

Insurance reserves

We are self-insured and retain liabilities for the first $350,000 of payments on each claim under our worker s compensation insurance policy. We utilize a stop loss policy issued by an insurance company to fund claims in excess of $350,000. We estimate the outstanding retained-insurance liabilities by projecting incurred losses to their ultimate liability and subtracting amounts paid-to-date to obtain the remaining liabilities. We base actuarial estimates of ultimate liability on actual incurred losses, estimates of incurred but not yet reported losses-based on historical information from both us and the industry-and the projected costs to resolve these losses. Retained-insurance liabilities may differ based on new events or circumstances that might materially impact the ultimate cost to settle these losses. Historically, such differences are not significant.

Income taxes

We record income taxes based on the amounts that are refundable or payable in the current year, and we include results of any difference between generally accepted accounting principles and U.S. tax reporting that we record as deferred tax assets or liabilities. We review our deferred tax assets for recovery. A valuation allowance is established when we believe that it is more likely than not that some portion of our deferred tax assets will not be realized. Changes in valuation allowances from period to period are included in our tax provision in the period of change. Assessment of the appropriate amount and classification of income taxes is dependent on several factors, including estimates of the timing and realization of deferred income tax assets and the timing of income tax payments. Actual collections and payments may differ from these estimates as a result of changes in tax laws as well as unanticipated future transactions impacting related income tax balances.

Equity-based compensation

Equity-based compensation expense is measured based on the estimated grant date fair value and recognized over the requisite service period for awards that we ultimately expect to vest. We estimate forfeitures at the time of grant based on our actual experience to date and revise our estimates, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Table of Contents

We use the Black-Scholes option-pricing model to value stock options granted. In terms of the assumptions used in the model, we:

- use the simplified method to estimate the number of periods to exercise date. While we had plans in place as a private company, our broader post IPO plans have not been in place for a sufficient amount of time to understand their post vesting behavior. As such, we will continue to use this methodology until such time we have sufficient history to provide a reasonable basis on which to estimate the expected term.
- base the expected volatilities on the average historical volatility of a basket of competitor companies. At such time that we have sufficient history, we will base this assumption on the volatility of our share price.
- base the expected dividend yield assumption on our expected dividend rate during the expected term of the award, and
- base the risk free rate for the expected term of the option on the U.S. Treasury yield curve in effect at the time of grant.

We estimate the fair value of non-vested shares based on the market price of the underlying share on the date of the grant.

Recently Issued Accounting Pronouncements

In February 2013, the FASB issued Accounting Standards Update No. 2013-02, Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income, (ASU 2013-02). This new guidance requires that we present either in a single note or parenthetically on the face of the financial statements, the effect of significant amounts reclassified from each component of accumulated other comprehensive income based on its source and the income statement line items affected by the reclassification. This guidance only impacts disclosures within our consolidated financial statements and notes to the consolidated financial statements and does not result in a change to the accounting treatment of Accumulated Other Comprehensive Income. We adopted this standard during the three-month period ended March 31, 2013.

In July 2013, the FASB issued Accounting Standards Update No. 2013-11, Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists, (ASU 2013-11). The update provides guidance on financial statement presentation of an unrecognized tax benefit when a NOLC, a similar tax loss, or a tax credit carryforward exists. This ASU applies to all entities with unrecognized tax benefits that also have tax loss or tax credit carryforwards in the same tax jurisdiction as of the reporting date. We will adopt this standard in December 2013. We anticipate that adoption of the standard will not have a material impact on our audited consolidated financial statements.

Quantitative and Qualitative Disclosures About Market Risk

Financial Instruments

Risk Management Strategy

We are exposed to certain risks arising from both our business operations and economic conditions. We principally manage our exposures to a wide variety of business and operational risks through management of our core business activities. We manage economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of our debt funding and the use of derivative financial instruments. The primary risks managed by using derivative instruments are interest rate risk, foreign currency exchange risk and commodity price risk. Specifically, we enter into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates, foreign exchange rates or commodity prices. Please refer to Note 11 Financial Instruments to our audited consolidated financial statements, included elsewhere in this

prospectus, for additional details regarding our derivatives and refer to Note 9 Debt and Interest Expense to the consolidated financial statements included elsewhere in this prospectus, for additional details regarding our debt instruments.

Interest Rate Risk

We manage interest rate risk based on the varying circumstances of anticipated borrowings and existing variable and fixed rate debt, including our revolving line of credit. Examples of interest rate management strategies include capping interest rates using targeted interest cost benchmarks, hedging portions of the total amount of debt, hedging a period of months and not always hedging to maturity, and at other times locking in rates to fix interests costs.

Our objectives in using interest rate derivatives are to add stability to interest expense and to manage our exposure to interest rate movements. To accomplish this objective, we primarily use interest rate swaps as part of our interest rate risk management strategy. Interest rate swaps designated as cash flow hedges in accordance with the authoritative guidance for derivative and hedge accounting involve the receipt of variable-rate amounts from a counterparty in exchange for us making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

As discussed above, our variable rate financing arrangements subject us to interest rate risk. If the benchmark LIBOR interest rate were to increase by 50 basis points our annual interest payments on our variable rate facilities would increase by approximately $8.4 million. However, we would also recognize a corresponding decrease of $3.9 million in the payments made on our interest rate swap contracts for a net impact on interest expense of $4.5 million. As of December 30, 2012, a 50 basis point decrease in the benchmark LIBOR interest rate would have increased the fair value of our interest rate swap liabilities by $2.6 million.

Foreign Currency Risk

Certain parts of our foreign operations in Canada expose us to fluctuations in foreign exchange rates. Our goal is to reduce our exposure to such foreign exchange risks on our foreign currency cash flows and fair value fluctuations on recognized foreign currency denominated assets, liabilities and unrecognized firm commitments to acceptable levels primarily through the use of foreign exchange-related derivative financial instruments. We enter into derivative financial instruments to protect the value or fix the amount of certain obligations in terms of our functional currency. As of December 30, 2012, a 10% appreciation in the U.S. dollar relative to the Canadian dollar would have decreased the fair value of our foreign exchange forward contracts by $5.0 million.

Commodity Price Risk

We purchase raw materials in quantities expected to be used in a reasonable period of time in the normal course of business. We generally enter into agreements for either spot market delivery or forward delivery. The prices paid in the forward delivery contracts are generally fixed, but may also be variable within a capped or collared price range. The outstanding purchase commitment for these commodities at any point in time typically ranges from 6 to 12 months of anticipated requirements, depending on the commodity. These contracts are considered normal purchases and sales.

In addition, we may also purchase forward derivative contracts on certain commodities to manage the price risk associated with forecasted purchases of materials used in our manufacturing process. Generally, these derivatives are not designated as hedges as they do not meet the authoritative guidance for derivative and hedge accounting but they are not speculative. From time to time, we enter into commodity forward contracts to fix the price of natural gas,

diesel fuel, corn, soybean oil and other commodity purchases at a future delivery date. Changes in the fair value of derivatives not designated in hedging relationships are recorded directly in Cost of products sold in the Consolidated Statements of Operations.

Table of Contents

As of December 30, 2012, the potential change in fair value of commodity derivative instruments, assuming a 10% adverse movement in the underlying commodity prices, would have resulted in an unrealized net loss of $1.0 million.

Although we may utilize forward purchase contracts and other instruments to mitigate the risks related to commodity price fluctuation, such strategies do not fully mitigate commodity price risk. Adverse movements in commodity prices over the terms of the contracts or instruments could decrease the economic benefits we derive from these strategies.

BUSINESS

Our Company

We are a leading manufacturer, marketer and distributor of high-quality, branded food products in North America, with annual net sales of $2.5 billion in fiscal 2012. Our brands are leaders in many of their respective categories, and we hold the #1 or #2 market share position in 10 of the 12 major product categories in which we compete. Our brand portfolio enjoys strong household penetration in the United States, where our products can be found in over 85% of U.S. households. Our products are sold through supermarkets, grocery wholesalers and distributors, mass merchandisers, super centers, convenience stores, dollar stores, drug stores and warehouse clubs in the United States and Canada, as well as in military channels and foodservice locations. Given our diverse portfolio of iconic brands with attractive market positions, our business generates significant and stable cash flows that we believe will enable us to pay regular dividends to our shareholders, reduce our debt and drive value creation through both reinvestment in our existing brands and periodic strategic acquisitions.

From fiscal 2008 through fiscal 2012, we grew our net sales and Adjusted EBITDA by approximately 59% and 91%, respectively, and expanded our Adjusted EBITDA margin by 2.9 percentage points. Over the same period, our earnings increased from a net loss of $28.6 million in 2008 to net earnings of $52.6 million in fiscal 2012. See Prospectus Summary Summary Historical Consolidated Financial Data for our definition of Adjusted EBITDA and a reconciliation of our net earnings (loss) to Adjusted EBITDA.

On December 23, 2009, we acquired all of the common stock of Birds Eye, a transaction that significantly expanded our presence in frozen foods and provided Pinnacle with critical mass in the frozen food industry in the United States. At the time of the Birds Eye Acquisition, the Birds Eye portfolio included an expanding platform of healthy, high-quality frozen vegetables and frozen meals, as well as a portfolio of primarily branded shelf-stable foods that were complimentary to our existing product offerings. In fiscal 2010, all aspects of the Birds Eye business were fully integrated with Pinnacle. On October 1, 2013, we acquired Wish-Bone, which had sales of approximately $190 million in 2012, adding a 13th major product category to our portfolio. Wish-Bone is a leading salad dressing brand, holding the #1 share position in the Italian segment of the category and the #3 position overall (based on IRI data for the 52-week period ended October 6, 2013). We expect that the acquisition of Wish-Bone will enhance our margins.

In addition to reinvestment in our brands and making periodic strategic acquisitions, we have also deployed our significant cash flows to reduce our debt. Our cash flow generation, combined with proceeds from our IPO, has enabled us to pay down approximately $1.0 billion of the $3.0 billion of debt we incurred in connection with the acquisition of the Company by affiliates of The Blackstone Group L.P. in April 2007, and the Birds Eye Acquisition in December 2009. Our October 1, 2013 acquisition of Wish-Bone added $525 million of new debt to our capital structure.

Table of Contents

Our operations are managed and reported in three operating segments: the Birds Eye Frozen Division, the Duncan Hines Grocery Division and the Specialty Foods Division. The Birds Eye Frozen Division and the Duncan Hines Grocery Division, which collectively represent our North America Retail operations, include the following brands:

Birds Eye Frozen Division	Industry Category	Market Share 52 Weeks Ended 9/29/13	Category Rank (1)
Major Brands:			
Birds Eye	Frozen vegetables	25.5%	#1
Birds Eye Voila!	Frozen complete bagged meals	27.0%	#2(2)
Van de Kamp s *Mrs. Paul s*	Frozen prepared seafood	14.8%	#2
Lender s	Frozen and refrigerated bagels	60.1%	#1
Celeste	Frozen pizza for one	7.9%	#4
Hungry-Man	Full-calorie single-serve frozen dinners and entrées	8.1%	#3
Aunt Jemima	Frozen pancakes/waffles/French toast	5.8%	#2

(1) Rank among branded manufacturers, excluding Private Label.
(2) Pinnacle is the #2 competitor and *Birds Eye Voila!* is the #1 ranked individual brand in the frozen complete bagged meals category.

Duncan Hines Grocery Division	Industry Category	Market Share 52 Weeks Ended 9/29/13	Category Rank (1)
Major Brands:			
Duncan Hines	Cake/brownie mixes and frostings	23.6%	#2
Vlasic	Shelf-stable pickles	35.0%	#1
Mrs. Butterworth s *Log Cabin*	Table syrup	21.0%	#1
Armour *Brooks* *Nalley*	Canned meat	21.0%	#2
Comstock *Wilderness*	Pie/pastry fruit fillings	38.3%	#1

(1) Rank among branded manufacturers, excluding Private Label.

In addition to our North America Retail operations, the Specialty Foods Division consists of a regional presence in snack products (including *Tim s Cascade* and *Snyder of Berlin*), as well as our Foodservice and Private Label businesses. As part of our ongoing strategic focus over the last several years, we have deemphasized certain

low-margin Foodservice businesses, particularly Foodservice pickles in fiscal 2012, and Private Label businesses for the benefit of our higher margin branded food products. We expect that this effort will be substantially completed in 2013.

Within our divisions, we actively manage our portfolio by segregating our business into Leadership Brands and Foundation Brands. Our Leadership Brands enjoy a combination of higher growth and margins, greater potential for value-added innovation and enhanced responsiveness to consumer marketing than do our Foundation Brands. As a result, we focus our investment spending and brand-building activities on our Leadership Brands. By contrast, we manage our Foundation Brands for revenue and market share stability and for cash flow generation to support investment in our Leadership Brands, reduce our debt and fund other corporate priorities. As a result, we focus spending for our Foundation Brands on brand renovation and targeted consumer and trade programs.

Our Leadership Brands are comprised of *Birds Eye*, *Birds Eye Voila!*, *Duncan Hines*, *Vlasic*, *Van de Kamp s*, *Mrs. Paul s*, *Mrs. Butterworth s* and *Log Cabin*. Historically, our Leadership Brands have received approximately 80% of our marketing investment and the majority of our innovation investment. Our *Birds Eye*

and *Birds Eye Voila!* brands combined have annual retail revenue in excess of $1 billion, and our remaining Leadership Brands collectively have annual retail revenue of approximately $900 million. In fiscal 2012, our Leadership Brands accounted for approximately 55% and 70% of our consolidated net sales and gross profit, respectively, and approximately 65% and 74% of our North America Retail net sales and gross profit, respectively. We plan to add the recently acquired Wish-Bone business to our Leadership Brand portfolio.

Competitive Strengths

We believe the following competitive strengths differentiate us from our competitors and contribute to our ongoing success:

Actively Managed Portfolio of Iconic Food Brands with Leading Market Positions

We actively manage our diverse portfolio of iconic food brands that participate in attractive product categories. Our well-recognized brand portfolio enjoys strong household penetration in the United States, where our products can be found in over 85% of U.S. households. Our brands are leaders in their respective categories, holding the #1 or #2 market share position in 10 of the 12 major product categories in which we compete.

We have prioritized our investment spending and brand-building activities behind our Leadership Brands, given their higher growth and margins, greater potential for value-added innovation and enhanced responsiveness to consumer marketing, as compared to that of our Foundation Brands. We manage our Foundation Brands for stability in sales, market share and cash flow, with a focus on ongoing quality upgrades, competitive pricing and strong merchandising and trade programs. Our brand prioritization strategy is focused on ensuring that the strong, stable cash flows from our Foundation Brands are deployed for reinvestment in marketing and on-trend innovation for our higher-margin Leadership Brands, as well as for debt reduction and other corporate priorities. From fiscal 2008 through fiscal 2012, net sales of our Leadership Brands grew at a CAGR of 2%, compared to our Foundation Brands, which were flat. Gross profit margin for our Leadership Brands was 30% of net sales in fiscal 2012, compared to 20% of net sales for our Foundation Brands in fiscal 2012.

Strong Innovation and Marketing Capabilities Focused on Leadership Brands

Since 2009, we have substantially enhanced our organizational capabilities in the areas of new product innovation and consumer marketing. We have improved our in-house innovation capabilities by augmenting and upgrading our innovation team, with the construction of a new state-of-the-art R&D facility in our Parsippany, New Jersey headquarters. This facility co-locates our sales, marketing and operations teams with our entire company-wide R&D team, and better enables us to leverage the innovation experience of senior management. Additionally, we have increased investment in consumer insights and employee innovation training. Our Renewal Rate, which we define as gross sales from products introduced within the last three years as a percentage of current year gross sales, has nearly doubled since the Birds Eye Acquisition to 9.4% in fiscal 2012, compared to 5.0% in fiscal 2009 for Pinnacle before the Birds Eye Acquisition. Gross sales represents net sales before returns, discounts, trade, slotting and coupon redemption expenses and other allowances. Recent examples of successfully launched innovations include *Duncan Hines Frosting Creations* custom-flavor frosting system, *Duncan Hines Decadent* cake mixes, *Vlasic Farmer s Garden* artisan-quality pickles, *Birds Eye Chef s Favorites* enhanced vegetable side dishes and *Birds Eye Voila!* family size complete bagged meals. We intend to continue to invest in innovation that enables us to further differentiate our brands in the marketplace.

To complement our accelerated innovation efforts, we have also focused and enhanced our marketing investments behind our Leadership Brands. We have partnered with best-in-class branded consumer advertising, digital and media

agencies to develop high impact marketing programs implemented across television, print, social and digital media. From fiscal 2008 through fiscal 2011, our consumer marketing investments behind our Leadership Brands increased at a CAGR of 6%, while investment spending declined 14% in fiscal 2012 due to our planned shift of investment spending into trade promotions during a period of heightened competitive activity and significant consumer price sensitivity. We intend to increase marketing investments behind our Leadership Brands over time, as the volume trends and promotional environment in the broader food industry normalize.

Operational Excellence Driving Continued Gross Margin Improvement

Our operational excellence program is a holistic, company-wide productivity initiative designed to generate annual productivity savings in procurement, manufacturing and logistics, as well as supply chain consolidation efforts, in the range of 3% to 4% of our annual Cost of products sold. In fiscal 2012, our operational excellence initiative drove productivity savings of 4.0%. These productivity savings, combined with selective retail price increases and our active commodity hedging program, have been instrumental in mitigating input cost inflation in periods of significant inflationary pressure, such as fiscal 2012, and driving gross margin expansion in periods of more modest inflation. We also pursue other initiatives to drive incremental improvement in our gross margin, including improving our product mix through new product innovation and low-margin SKU rationalization, increasing the effectiveness of our trade promotional spending and realizing synergies from acquisitions. Furthermore, our gross margin benefits from our diversified input cost basket in which no single commodity accounted for more than 9% of our total Cost of products sold in fiscal 2012.

In fiscal 2011, we completed two manufacturing plant consolidations designed to optimize our manufacturing footprint and reduce our supply chain costs. In fiscal 2012, we initiated the consolidation of a third manufacturing plant and terminated the use of a third party storage facility. The combined ongoing annualized benefit to Cost of products sold from these projects is estimated at approximately $28 million, with fiscal 2012 benefiting by approximately $16 million and the balance expected to be realized over the 2013-2015 time period. From fiscal 2008 through fiscal 2012, we have expanded our gross margin as percentage of net sales by 1.9 percentage points and our Adjusted gross margin as percentage of net sales by 3.4 percentage points. See Prospectus Summary Summary Historical Consolidated Financial Data for our definition of Adjusted gross profit and a reconciliation of our gross profit to Adjusted gross profit.

Strong Free Cash Flow Conversion

Our business generates an attractive Adjusted EBITDA margin and also benefits from modest capital expenditure and working capital requirements and approximately $1 billion in NOLCs, which combined have resulted in strong and stable unlevered free cash flows. Our Adjusted EBITDA margin benefits from the quality of our brand portfolio and our lean and nimble organization structure, with selling, general and administrative expenses, excluding marketing investment and one-time items, representing approximately 8.5% of net sales. Our well-maintained manufacturing facilities and strategic use of co-packers limit our maintenance capital expenditure requirements, and our significant NOLCs and other tax attributes minimize our cash taxes.

We believe our strong free cash flows will enable us to maximize shareholder value through paying a regular dividend, reducing our indebtedness, strategically deploying our capital to fund innovation and organic growth opportunities and financing value-enhancing acquisitions.

Proven M&A Expertise with Significant Opportunity

We have substantial experience in sourcing, executing and integrating value-enhancing acquisitions. We maintain a highly-disciplined approach to M&A, focusing on opportunities that add new iconic brands to our portfolio and/or allow for strong synergy realization.

On October 1, 2013, we acquired Wish-Bone, which had sales of approximately $190 million in 2012, for a purchase price of $575 million. We anticipate that Wish-Bone, excluding one-time acquisition-related expenses, will be accretive to earnings per share beginning in the fourth quarter of 2013. In December 2009, we completed the $1.3 billion purchase of Birds Eye. The Birds Eye Acquisition added approximately $1 billion in net sales, including the

Birds Eye and *Birds Eye Voila!* brands, enhanced our operating margins, and added critical scale to our frozen food business. The integration of Birds Eye was largely completed within six months of the acquisition, and the synergies we achieved exceeded our original estimates. Similarly, in 2006, we completed the acquisition of Armour from the Dial Corporation and successfully integrated the business within four months. The Armour acquisition added approximately $225 million in net sales and was immediately accretive to our operating margins.

Our strong existing platforms in the Birds Eye Frozen and Duncan Hines Grocery segments facilitate a large addressable market and broad set of potential acquisition targets. We believe our scale, management depth, integration expertise and access to capital will allow us to consider both small and large acquisitions in the future and to seamlessly integrate them to drive maximum value creation.

Experienced, Hands-On Management Team and Board of Directors

Our management team has a demonstrated history of delivering strong operating results. From fiscal 2008 through fiscal 2012, we have enhanced our business mix through active portfolio management, including focused innovation and marketing and the successful integration of a transformative, value-enhancing acquisition that dramatically increased the scale and scope of our business. Our management team, which has been strengthened with the recent addition of several highly-experienced executives, has extensive food industry experience and includes several executives who have managed significantly larger businesses and have led numerous acquisition integrations. Our management team is complimented by an experienced Board of Directors, which includes several individuals with a proven track record of successfully managing and acquiring consumer businesses.

Our Strategy

We intend to profitably grow our business and create shareholder value through the following strategic initiatives:

Drive Growth Through Focus on Leadership Brands

Our Leadership Brands are among our highest-growth and highest-margin businesses and enjoy greater potential for value-added innovation and enhanced responsiveness to consumer marketing. Our brand prioritization strategy is focused on ensuring that the strong, stable cash flows from our Foundation Brands are, among other uses, reinvested in marketing and on-trend innovation for our higher-margin Leadership Brands. We believe our formalized innovation processes, upgraded R&D capabilities, increased investments in consumer insights, and partnership with best-in-class branded consumer advertising, digital and media agencies will enable us to continue to introduce successful new products and drive brand growth through high-impact marketing programs. We believe this strategy, which will focus the majority of our consumer marketing investments and new product innovation efforts on our Leadership Brands, will drive higher-margin revenue growth across our portfolio.

Expand Margins By Leveraging Productivity and Efficient Organization Structure

We believe we are well-positioned to continue to expand our margins. Our company-wide focus on productivity, along with selective pricing actions and our active commodity hedging program, are intended to mitigate input cost inflation in periods of significant inflationary pressure and more than offset input cost inflation in periods of modest input cost inflation. In addition, our focus on improving our product mix, enhancing the effectiveness of our trade promotions, realizing synergies from acquisitions and leveraging our efficient organizational structure are expected to further drive margin expansion over time. We believe our lean, nimble structure and efficient internal processes will continue to enhance our decision-making and speed of execution. Our flat structure, which has enabled us to hold our overhead costs (i.e., selling, general and administrative expenses, excluding marketing investment and one-time items) at approximately 8.5% of net sales, allows for a high level of connectivity between senior management and our operations and customers, ensuring senior management engagement in key business decisions.

Deliver Strong Free Cash Flow Through Tight Working Capital Management, Focused Capital Spending and Minimal Cash Taxes

We believe we are well-positioned to profitably grow our business and generate strong free cash flow through our combination of attractive Adjusted EBITDA margins, modest working capital requirements, limited maintenance capital expenditures and low cash taxes that result from our approximately $1 billion in NOLCs and

other tax attributes, which we believe will reduce the majority of our federal and state cash taxes through 2015 and generate modest annual cash tax savings beyond 2015. Our well-maintained manufacturing facilities and strategic use of co-packers limit our capital expenditure requirements, and our ongoing focused management of working capital also benefits our free cash flow.

Acquire Value-Enhancing Food Brands

We intend to continue to proactively pursue value-enhancing acquisitions in the packaged food industry, utilizing a disciplined approach to identify and evaluate attractive acquisition candidates. We believe we can leverage our scale, management depth and integration expertise, along with our access to capital, to continue our track record of making value-accretive acquisitions. We believe the combination of consolidating selling, general and administrative functions, leveraging our scale in procurement, optimizing supply chain and manufacturing operations, cross-marketing brands across categories and further developing retailer relationships will continue to enable us to drive acquisition synergies in future transactions we may pursue. On October 1, 2013, we acquired Wish-Bone, a leading salad dressing brand, with a broad range of liquid and dry-mix salad dressing flavors under the Wish-Bone and Western brand names.

Return Value to Shareholders Through Debt Reduction and Regular Dividend Payments

We believe our capital structure and strong free cash flow enable us not only to invest in our Leadership Brands to drive organic growth and fund value-enhancing acquisitions, but also to continue to strengthen our balance sheet through debt reduction and to return capital to our shareholders through regular dividend payments. We have paid a quarterly cash dividend of $0.18 per share since our IPO and, on November 18, 2013, reflecting the accretion we expect from the Wish-Bone acquisition and our strong operating cash flow since the consummation of our IPO, we announced an increase in our quarterly cash dividend to $0.21 per share, beginning with our fourth quarter dividend to be paid in January 2014 to shareholders of record on December 2, 2013. See Dividend Policy.

Industry Segments

Birds Eye Frozen Division

Birds Eye is the largest brand in the $3.3 billion frozen vegetables category. Collectively, our steamed and non-steamed product offerings hold the #1 position among branded products, with a 25.5% market share. Birds Eye was founded by frozen foods inventor Clarence Birdseye in 1926 and the tradition of innovation continues today. With the launch of *Birds Eye Steamfresh* vegetables in January 2006, Birds Eye was the first company to capture a nationwide market share with a product that enables consumers to conveniently steam vegetables in microwaveable packaging. Also, in 2011, Birds Eye took *Steamfresh* to the next level with the introduction of the *Steamfresh Chef s Favorites* vegetable blends with sauces, seasonings and starches which deliver excellent taste and convenience. New government programs, such as the USDA s My Plate program, and nutrition and health professionals continue to identify increased vegetable consumption as a key to better health. We believe that enhancing the taste of vegetables and making them exceptionally convenient are keys to driving more vegetable consumption. Birds Eye has taken a leadership role in increasing vegetable consumption, with a specific focus on children. We are sponsors of the USDA s My Plate program, partners in Partnership for Healthy America, and are engaged in a breakthrough marketing effort with Nickelodeon (the number one children s television network) to encourage children to eat more vegetables. We also compete in the frozen complete bagged meals category with our *Birds Eye Voila!* brand. We are the second largest competitor in the frozen complete bagged meal category, and our *Birds Eye Voila!* brand is the #1 brand in the category, with a 27.0% market share. *Birds Eye Voila!* frozen bagged meals provide consumers with a high quality complete meal, including protein, starch, and vegetables, that they can prepare in a skillet in just minutes. In fiscal

2012, our product launches included an expansion of the very successful *Chef s Favorites* line and new on-trend vegetables, including edamame.

Table of Contents

Duncan Hines Grocery Division

Duncan Hines is the division s largest brand and includes cake mixes, ready-to-serve frostings, brownie mixes, muffin mixes, and cookie mixes. *Duncan Hines* was introduced as a national brand in 1956 when Duncan Hines, a renowned restaurant critic and gourmet, launched the brand as part of his efforts to bring restaurant-quality food to American homes. *Duncan Hines* has expanded its presence at retail over the past year through a commitment to innovation. Over the past 3 years, *Duncan Hines* has established a successful line of *Decadent* cakes, which offer premium quality products. In February 2012, we introduced an innovative line of frosting products, *Duncan Hines Frosting Creations*, which uses a patent pending frosting system to allow consumers to customize their frosting into one of 12 different flavors. *Duncan Hines* is the #2 brand with a 23.6% market share of the $1.4 billion cake/brownie mixes and frostings category.

We also offer a complete line of shelf-stable pickle products that we market and distribute nationally, primarily under the *Vlasic* brand, and regionally under the *Milwaukee s* and *Wiejske Wyroby* brands. Our *Vlasic* brand, represented by its trademark *Vlasic* stork, was introduced over 65 years ago and has the highest consumer awareness and quality ratings in the pickle category. *Vlasic* is the #1 brand in the $755 million shelf-stable pickle category and Pinnacle brands collectively hold a 35.0% market share. In fiscal 2012, our new product launches included *Vlasic Farmers Garden*, artisan-style pickles.

Specialty Foods Division

Snack Products. Our snack products primarily consist of *Tim s Cascade*, *Snyder of Berlin* and *Husman s*. These direct store delivery brands have strong local awareness and hold leading market share positions in their regional markets.

Foodservice and Private Label. We also manufacture and distribute certain products, mainly in the frozen breakfast, canned meat, and pie and pastry fruit filling categories, through foodservice channels. We also manufacture and distribute certain Private Label products in the canned meat, shelf-stable pickles and frozen prepared seafood categories. As part of our ongoing strategic focus over the last several years, we have deemphasized certain low-margin Foodservice and Private Label businesses for the benefit of our higher margin branded food products. This effort will be substantially completed in 2013.

Financial information about our business segments is discussed in greater detail in Note 14 to the audited consolidated financial statements included elsewhere in this prospectus.

Acquisitions

Reorganization of Subsidiaries

In order to simplify administrative matters and financial reporting, on September 30, 2007, Pinnacle Foods Corporation (PFC) merged with and into Pinnacle Foods Group Inc. (PFGI). As a final step to the reorganization, PFGI was converted from a Delaware corporation into a Delaware limited liability company under Delaware law on October 1, 2007 under the name Pinnacle Foods Group LLC.

Birds Eye Acquisition

On November 18, 2009, Pinnacle Foods Group LLC (PFG LLC) entered into a Stock Purchase Agreement with Birds Eye Holdings LLC and Birds Eye pursuant to which PFG LLC acquired all of the issued and outstanding common

stock of Birds Eye from Birds Eye Holdings LLC. At the closing of the Birds Eye Acquisition on December 23, 2009, PFG LLC purchased all of the outstanding shares of Birds Eye s common stock, par value $0.01 per share, for $670.0 million in cash, together with the assumption of Birds Eye s debt of $670.4 million, resulting in the total acquisition cost of $1,340.4 million.

Table of Contents

Wish-Bone Acquisition

On August 11, 2013, we entered into the asset purchase agreement with Unilever. Pursuant to the terms of the asset purchase agreement, we agreed to acquire the Wish-Bone salad dressings business, including the Wish-Bone and Western brands, from Unilever for $575.0 million, subject to a customary post-closing inventory adjustment. We consummated the acquisition on October 1, 2013. Concurrently with the closing of the acquisition of Wish-Bone, we entered into the first amendment to our second amended and restated credit agreement which allowed Pinnacle Foods Finance LLC to, among other things, borrow under a new incremental $525.0 million Tranche H Term Loan to fund a portion of the purchase price for the acquisition of Wish-Bone, the rest of which was paid in cash. See Unaudited Pro Forma Condensed Consolidated Financial Information and Description of Indebtedness.

The following chart illustrates our history:

Date	Event	Selected Brands Acquired
2001	Pinnacle Foods Holding Corporation was formed to acquire the North American business of Vlasic Foods International Inc.	*Hungry-Man* *Swanson* (1) *Vlasic* *Open Pit*
2003	Pinnacle Foods Inc. acquired Pinnacle Foods Holding Corporation	
2004	Merger of Pinnacle Foods Holding Corporation with Aurora Foods Inc. completed and surviving company renamed Pinnacle Foods Group Inc.	*Duncan Hines* *Van de Kamp s* and *Mrs. Paul s* *Log Cabin* and *Mrs. Butterworth s* *Lender s* *Celeste* *Aunt Jemima* (frozen breakfast products) (1)
2006	Pinnacle Foods Group Inc. acquired Armour business from the Dial Corporation	*Armour* (1)
2007	Pinnacle Foods Inc. acquired by affiliates of Blackstone	
2009	Birds Eye acquired by Pinnacle Foods Group LLC	*Birds Eye* *Birds Eye Steamfresh* *Birds Eye Voila!* (1) *Comstock*

		Wilderness
		Brooks
		Nalley
		Bernstein s
		Tim s Cascade
		Snyder of Berlin
2013	Pinnacle Foods Inc. acquired the Wish-Bone salad dressing business	*Wish-Bone* *Western*

(1) We manufacture and market these products under licenses granted by Campbell Soup Company (*Swanson*), the Quaker Oats Company (*Aunt Jemima*), Smithfield Foods, Inc. (*Armour*) and Voila Bakeries, Inc. (*Voila!*). See Intellectual Property.

Table of Contents

Customers

We have several large customers that account for a significant portion of our sales. Wal-Mart and its affiliates are our largest customers and represented approximately 25% of our net sales in each of the fiscal years 2012, 2011 and 2010, respectively. Cumulatively, including Wal-Mart, our top ten customers accounted for approximately 60% of net sales in fiscal year 2012, 60% of net sales in fiscal year 2011 and 61% of net sales in fiscal year 2010.

Marketing

Our marketing programs consist of consumer advertising, consumer promotions, trade promotions, direct marketing, cause related marketing and public relations. Our advertising consists of television, newspaper, magazine, digital, mobile and social advertising aimed at increasing consumer preference and usage of our brands. Consumer promotions include free trial offers, targeted coupons and on-package offers to generate trial usage and increase purchase frequency. Our trade promotions focus on obtaining retail feature and display support, achieving optimum retail product prices and securing retail shelf space. Over the long term, we continue to focus on shifting our marketing efforts toward building long-term brand equity through increased consumer marketing.

Research and Development

Our Product Development and Technical Services teams focus on new product development, product-quality improvements, productivity improvements, regulatory compliance, package development, quality assurance, consumer affairs and brand extensions for our Duncan Hines Grocery, Birds Eye Frozen and Specialty Food products. In fiscal 2012, we consolidated all of our R&D functions in our new state-of-the-art facility in our Parsippany, New Jersey headquarters and closed our Green Bay, Wisconsin location. The consolidation provides for seamless collaboration among our marketing, sales, operations and R&D functions. The relocation resulted in $3.0 million of one-time expenses in fiscal 2012. Our R&D expenditures totaled $12.0 million, $8.1 million and $9.4 million for fiscal years 2012, 2011 and 2010, respectively. Our level of R&D expenditures reflects our focus on product development in comparison to basic research.

Intellectual Property

We own a number of registered and common law trademarks in the United States, Canada and other countries, including Amazing Glazes®, Appian Way®, Birds Eye®, Bernstein s®, Brooks®, C&W®, CasaRegina®, Celeste®, Chocolate Lovers®, Comstock®, Country Kitchen®, Duncan Hines®, Erin s Gourmet Popcorn®, Farmer s Garden®, Freshlike®, Fun Frosters , Frosting Creations®, Hartford House®, Hawaiian Style Bowls®, Hearty Bowls , Hearty Hero®, Hungry-Man®, Hungry-Man Sports Grill®, Hungry-Man Steakhouse , Husman s®, It s Good to be Full®, Lender s®, Lil Griddles®, Log Cabin®, Lunch Bucket®, Magic Minis®, McKenzie s®, Milwaukee s®, Moist Deluxe®, Mrs. Butterworth s®, Mrs. Paul s®, Nalley®, Nobody Brings the Bite Like Vlasic®, Open Pit®, Ovals®, Riviera®, Satisfy Your Craving®, Signature Desserts®, Simple Mornings®, Simply Classic , Snack mms®, So Moist. So Delicious. And So Much More.®, Stackers®, Snyder of Berlin®, Steamfresh®, Taste the Juicy Crunch®, That s the Tastiest Crunch I ve Ever Heard!®, Thick N Rich®, Tim s Cascade Snacks®, Treet®, Van de Kamp s®, Vlasic®, Western®, Wilderness® and Wish-Bone®. We also have applications pending with the United States Patent and Trademark Office for a number of trademarks, including Discover the Wonder of Vegetables , Holiday Velvets , It s Always Vegetable Season , Simply Erin s , Simply Tim s and Spring Velvets . We own the trademark *Snyder of Berlin* while an unrelated third party owns the trademark Snyder of Hanover. Per a court order, the use of the trademark must include the word Snyder in combination with the words of Berlin. We protect our trademarks by obtaining registrations where appropriate and opposing any infringement in key markets. We also own a design trademark registration in the United States, Canada, and other countries on the *Vlasic* stork.

We manufacture and market certain of our frozen food products under the *Swanson* brand pursuant to two royalty-free, exclusive and perpetual trademark licenses granted by Campbell Soup Company. The licenses give us

the right to use certain *Swanson* trademarks both inside and outside of the United States in connection with the manufacture, distribution, marketing, advertising, and promotion and sale of frozen foods and beverages of any type except for frozen soup or broth. The licenses require us to obtain the prior written approval of Campbell Soup Company for the visual appearance and labeling of all packaging, advertising material, and promotions bearing the *Swanson* trademark. The licenses contain standard provisions, including those dealing with quality control and termination by Campbell Soup Company as well as assignment and consent. If we were to breach any material term of the licenses and not timely cure such breach, Campbell Soup Company could terminate the licenses.

We manufacture and market certain of our frozen breakfast products under the *Aunt Jemima* brand pursuant to a royalty-free, exclusive (as to frozen breakfast products only) and perpetual license granted by The Quaker Oats Company, a subsidiary of PepsiCo Inc. The license gives us the right to use certain *Aunt Jemima* trademarks both inside and outside the United States in connection with the manufacture and sale of waffles, pancakes, French toast, pancake batter, biscuits, muffins, strudel, croissants, and all other frozen breakfast products, excluding frozen cereal. The license requires us to obtain the approval of The Quaker Oats Company for any labels, packaging, advertising, and promotional materials bearing the *Aunt Jemima* trademark. The license contains standard provisions, including those dealing with quality control and termination by The Quaker Oats Company as well as assignment and consent. If we were to breach any material term of the license and not timely cure such breach, The Quaker Oats Company could terminate the license.

We have a license agreement granting us an exclusive, royalty bearing, perpetual license to use certain *Armour* trademarks in the United States. Under the license agreement, Smithfield Foods, Inc., as successor to ConAgra, Inc., the licensor, grants us a license for the use of various *Armour* trademarks in conjunction with shelf-stable products within the United States. The shelf-stable products must be manufactured according to approved formulas and specifications, and new specifications must be approved by the licensor, with such approval not to be unreasonably withheld or delayed. Proposed labels, packaging, advertising, and promotional materials must first be submitted to the licensor for approval, with such approval not to be unreasonably withheld or delayed. We are required to make annual royalty payments to the licensor based upon our annual net sales of the approved shelf-stable products. If we were to materially breach the license agreement, Smithfield Foods, Inc. could terminate the license. We own and maintain *Armour* registrations in many other countries.

We have an exclusive license agreement whereby we receive $0.8 million per year in royalties from the Dean Pickle and Specialty Products Company, a subsidiary of TreeHouse Foods, Inc., for the use of Nalley® and other trademarks in the production of the *Nalley s Pickle* brand.

We also manufacture and market frozen complete bagged meals under the *Voila!* trademark pursuant to a royalty-free exclusive and perpetual license granted by Voila Bakeries, Inc. This license gives us the right to use *Voila!* in the United States in connection with products containing both meat and vegetable items. The license contains standard provisions, including those dealing with quality control and termination by Voila Bakeries, Inc. as well as assignment and consent. If we were to breach any material term of the license and not timely cure such breach, Voila Bakeries, Inc. could terminate the license.

Although we own a number of patents covering manufacturing processes, we do not believe that our business depends on any one of these patents to a material extent. In 2011, we applied for a patent for our new Duncan Hines Frosting Creations products.

Sales and Distribution

We sell and distribute a majority of our products in the United States through one national broker with whom we have a long-term working relationship. In Canada, we use one national broker to sell and distribute the majority of our products. We employ other brokers for the foodservice and club channels. Through this sales broker network, our products reach all traditional classes of trade, including supermarkets, grocery wholesalers and distributors, mass merchandisers, super centers, convenience stores, drug stores, warehouse clubs,

foodservice, and other alternative channels. In 2013, we plan to expand direct sales coverage for retailer headquarters to more than 50% of our U.S. retail business, which will include building internal capabilities to best meet the needs of our customers while continuing to leverage the services of our national broker.

Due to the different demands of distribution for frozen and shelf-stable products, we maintain separate distribution systems. Our Birds Eye Frozen Division s product warehouse and distribution network consists of 14 locations. Birds Eye Frozen Division products are distributed by means of four owned and operated warehouses located at our Mattoon, Illinois, Waseca, Minnesota, Jackson, Tennessee and Darien, Wisconsin plants. In addition, we utilize eight distribution centers in the United States and two distribution centers in Canada, all of which are owned and operated by third-party logistics providers. Our Duncan Hines Grocery Division s product warehouse and distribution network consists of 13 locations. Duncan Hines Grocery Division products are distributed by means of five owned and operated warehouses located at our Millsboro, Delaware (which is scheduled to close during the first half of fiscal year 2013), St. Elmo, Illinois, Ft. Madison, Iowa, Fennville, Michigan and Imlay City, Michigan plants. In addition, we utilize seven distribution centers in the United States which are owned and operated by third-party logistics providers. We also distribute Duncan Hines Grocery products from one leased distribution center in Canada. In each third-party operated location, the provider receives, handles and stores products. Our distribution system uses a combination of common carrier trucking and inter-modal rail transport. In addition to these locations, our snack products are primarily distributed through a direct store delivery network in the Midwest, Mid-Atlantic, and Pacific Northwest, a portion of which we own and operate and a portion of which utilizes third-party providers. We believe that our sales and distribution network is scalable and has the capacity to support substantial increases in volume.

Ingredients and Packaging

We believe that the ingredients and packaging used to produce our products are readily available through multiple sources. Our ingredients typically account for approximately 55% of our annual Cost of products sold, excluding logistics and depreciation, and primarily include sugar, cucumbers, flour (wheat), vegetables, fruits, poultry, seafood, proteins, vegetable oils, shortening, meat, corn syrup and other agricultural products. Certain vegetables and fruits are purchased under dedicated acreage supply contracts from a number of growers prior to each growing season, while a smaller portion is sourced directly from third parties. Our packaging costs, primarily for aluminum, glass jars, plastic trays, corrugated fiberboard, polyfilm and plastic packaging materials, typically account for approximately 20% of our annual Cost of products sold, excluding logistics and depreciation.

Manufacturing

Owned and Operated Manufacturing Facilities. We own and operate ten manufacturing facilities for our products. See Properties below for a listing of our manufacturing facilities.

Co-Packing Arrangements. In addition to our own manufacturing facilities, we source a significant portion of our products under co-packing agreements, a common industry practice in which manufacturing is outsourced to other companies. We regularly evaluate our co-packing arrangements to ensure the most cost-effective manufacturing of our products and to utilize company-owned manufacturing facilities most effectively. Third-parties produce our *Duncan Hines* product line, as well as various other products.

Seasonality

Our sales and cash flows are affected by seasonal cyclicality. Sales of frozen foods, including frozen vegetables and frozen complete bagged meals, tend to be marginally higher during the winter months. Seafood sales peak during Lent, in advance of the Easter holiday. Sales of pickles, relishes, barbecue sauces, potato chips and salad dressings

tend to be higher in the spring and summer months, and demand for *Duncan Hines* products, *Birds Eye* vegetables and our pie and pastry fruit fillings tend to be higher around the Easter, Thanksgiving, and

Table of Contents

Christmas holidays. Since many of the raw materials we process under the *Birds Eye* and *Vlasic* brands are agricultural crops, production of these products is predominantly seasonal, occurring during and immediately following the purchase of such crops. We also increase our *Duncan Hines* inventories in advance of peak fall selling season. As a result, our inventory levels tend to be higher during August, September, and October, and thus we require more working capital during these months. We are a seasonal net user of cash in the third quarter of the calendar year.

Competition

We face competition in each of our respective product lines. Although we operate in a highly competitive industry, we believe that the strength of our brands has resulted in strong respective competitive positions. We compete with producers of similar products on the basis of, among other things, product quality, brand recognition and loyalty, price, customer service, effective consumer marketing and promotional activities, and the ability to identify and satisfy emerging consumer preferences.

Employees

We employed approximately 4,900 people as of September 29, 2013, with approximately 63% of our hourly employees unionized. Due to the seasonality of our pickle and vegetable businesses, our employment fluctuates throughout the year, and thus our average number of employees was approximately 4,400 throughout fiscal 2012. In December 2013, the collective bargaining agreement will expire for approximately 480 employees at our Darien, Wisconsin plant, and negotiations with the union began in October 2013. Our other unionized employees are covered under collective bargaining agreements expiring between April 2014 and October 2022. See Risk Factors Risks related to our business Our financial well-being could be jeopardized by unforeseen changes in our employees collective bargaining agreements or shifts in union policy.

Financial Information About Geographical Areas

For information about our geographical segments, see Note 14 to the audited consolidated financial statements included elsewhere in this prospectus.

Governmental, Legal and Regulatory Matters

Food Safety and Labeling

We are subject to extensive regulation, including, among other things, the Food, Drug and Cosmetic Act, as amended by the Food Safety Modernization Act, the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, and the rules and regulations promulgated thereunder by the U.S. Food and Drug Administration. This comprehensive and evolving regulatory program governs, among other things, the manufacturing, composition and ingredients, labeling, packaging, and safety of food, including compliance with current Good Manufacturing Practices. In addition, the Nutrition Labeling and Education Act of 1990 prescribes the format and content of certain information required to appear on the labels of food products. We are also subject to regulation by certain other governmental agencies, including the U.S. Department of Agriculture.

On January 27, 2012, we issued a voluntary recall for certain *Aunt Jemima* frozen pancakes due to potential cross contamination with soy protein which may cause an allergic reaction in people who have a soy allergy. The cost of retrieving and destroying the product covered by the recall, net of insurance recoveries, was $3.2 million, of which $1.1 million was recorded as an inventory write down in Cost of products sold in the Consolidated Statements of Operations in 2011. For the fiscal year ended December 30, 2012, the cost of retrieving and destroying the product

covered by the recall, net of insurance recoveries, was $2.1 million and was primarily recorded as a reduction of Net Sales on the Consolidated Statement of Operations. These costs are reported in the Birds Eye Frozen segment. We have insurance coverage that is designed to protect us against this type of loss. This recall did not have a material adverse effect on our financial condition, operating results or our business. We do not expect this recall to have a lasting impact on the *Aunt Jemima* brand.

Our operations and products are also subject to state and local regulation, including the registration and licensing of plants, enforcement by state health agencies of various state standards, and the registration and inspection of facilities. Compliance with federal, state and local regulation is costly and time-consuming. Enforcement actions for violations of federal, state, and local regulations may include seizure and condemnation of products, cease and desist orders, injunctions or monetary penalties. We believe that our practices are sufficient to maintain compliance with applicable government regulations, although there can be no assurances in this regard.

Federal Trade Commission

We are subject to certain regulations by the Federal Trade Commission. Advertising of our products is subject to such regulation pursuant to the Federal Trade Commission Act and the regulations promulgated thereunder.

Employee Safety Regulations

We are subject to certain health and safety regulations, including regulations issued pursuant to the Occupational Safety and Health Act. These regulations require us to comply with certain manufacturing, health, and safety standards to protect our employees from accidents.

Environmental Regulation

We are subject to a number of federal, state, and local laws and other requirements relating to the protection of the environment and the safety and health of personnel and the public. These requirements relate to a broad range of our activities, including:

- the discharge of pollutants into the air and water;
- the identification, generation, storage, handling, transportation, disposal, record-keeping, labeling and, reporting of and emergency response in connection with hazardous materials (including asbestos) associated with our operations;
- noise emissions from our facilities; and
- safety and health standards, practices, and procedures that apply to the workplace and the operation of our facilities.

In order to comply with these requirements, we may need to spend substantial amounts of money and other resources from time to time to (i) construct or acquire new equipment, (ii) acquire or amend permits to authorize facility operations, (iii) modify, upgrade, or replace existing and proposed equipment and (iv) clean up or decommission our facilities or other locations to which our wastes have been sent. For example, some of our baking facilities are required to obtain air emissions permits and to install bag filters. Many of our facilities discharge wastewater into municipal treatment works, and may be required to pre-treat the wastewater and/or to pay surcharges. Some of our facilities use and store in tanks large quantities of materials, such as sodium chloride and ammonia, that could cause environmental damage if accidentally released. We use some hazardous materials in our operations, and we generate and dispose of hazardous wastes as a conditionally exempt small quantity generator. Our capital and operating budgets

include costs and expenses associated with complying with these laws. If we do not comply with environmental requirements that apply to our operations, regulatory agencies could seek to impose civil, administrative, and/or criminal liabilities, as well as seek to curtail our operations. Under some circumstances, private parties could also seek to impose civil fines or penalties for violations of environmental laws or recover monetary damages, including those relating to property damage or personal injury.

Table of Contents

Many of our plants were in operation before current environmental laws and regulations were enacted. Our predecessors have in the past had to remediate soil and/or groundwater contamination at a number of locations, including petroleum contamination caused by leaking underground storage tanks which they removed, and we may be required to do so again in the future. We have sold a number of plants where we have ceased operations, and it is possible that future renovations or redevelopment at these facilities might reveal additional contamination that may need to be addressed. Although remediation costs in the past have not been material, future remediation costs may be . The presence of hazardous materials at our facilities or at other locations to which we have sent hazardous wastes for treatment or disposal, may expose us to potential liabilities associated with the cleanup of contaminated soil and groundwater under federal or state Superfund statutes. Under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (CERCLA), owners and operators of facilities from which there has been a release or threatened release of hazardous materials, together with those who have transported or arranged for the transportation or disposal of those materials, are liable for (i) the costs of responding to and remediating that release and (ii) the restoration of natural resources damaged by any such release. Under CERCLA and similar state statutes, liability for the entire cost of cleaning up the contaminated site can, subject to certain exceptions, be imposed upon any such party regardless of the lawfulness of the activities that led to the contamination.

In working to resolve an environmental wastewater investigation by the State of Michigan Department of Natural Resources and Environment (MDNRE) at our Birds Eye Fennville, Michigan production facility, on July 20, 2010, we and the MDNRE reached an agreement (Administrative Consent Order or ACO). Pursuant to the terms of the ACO, we have installed a new wastewater treatment system at the facility at a cost of approximately $6.2 million and are contributing the funds required to extend the City s water supply to the affected residents.

Insurance

We maintain general liability and product liability, property, worker s compensation, business interruption, director and officer and other insurance in amounts and on terms that we believe are customary for companies similarly situated. In addition, we maintain excess insurance where we reasonably believe it is cost effective.

Properties

We own and operate the following 10 manufacturing and warehouse facilities:

Facility location	Principal products	Principal segment (1)	Facility size
Darien, Wisconsin	Frozen vegetables and complete bagged meals	Birds Eye Frozen	747,900 square feet
Ft. Madison, Iowa	Canned meat	Duncan Hines Grocery	478,000 square feet
Imlay City, Michigan	Pickles, peppers, relish	Duncan Hines Grocery	461,000 square feet
Fayetteville, Arkansas	Frozen dinners and entrées	Birds Eye Frozen	390,000 square feet
Fennville, Michigan	Fruit toppings and fillings	Duncan Hines Grocery	328,000 square feet
Jackson, Tennessee	Frozen breakfast, frozen pizza, frozen prepared seafood	Birds Eye Frozen	324,300 square feet
Waseca, Minnesota	Frozen vegetables	Birds Eye Frozen	

			290,000 square feet
St. Elmo, Illinois	Syrup, barbecue sauce	Duncan Hines Grocery	252,000 square feet
Mattoon, Illinois	Bagels, frozen breakfast	Birds Eye Frozen	212,000 square feet
Berlin, Pennsylvania	Snack foods *Snyder of Berlin*	Specialty Foods	180,000 square feet

(1) We manufacture Private Label and Foodservice in the majority of our plants, the products of which reside in the Specialty Foods segment.

Our properties are 100% encumbered under our senior secured credit facility. See Description of Indebtedness.

106

We also lease a manufacturing plant, warehouse and distribution center in Algona, Washington (Snack foods Tim s Cascade). In addition, we lease warehouses in Darien, Wisconsin and Waseca, Minnesota.

We have entered into co-packing (third-party manufacturing) agreements with several manufacturers for certain of our finished products, most significantly our *Duncan Hines* product line. All of our *Duncan Hines* cake mix, brownie mix, specialty mix and frosting production equipment, including co-milling, blending and packaging equipment, is located at the contract manufacturers facilities. The most significant *Duncan Hines* co-packing agreement will expire in June 2015. We believe that our manufacturing facilities, together with our co-packing agreements, provide us with sufficient capacity to accommodate our planned internal growth. The Wish-Bone products acquired by us will continue to be manufactured by Unilever for approximately eighteen months following the consummation of the Wish-Bone acquisition (with an option to extend for an additional six months) to enable us to transition manufacturing of Wish-Bone into an existing Pinnacle facility.

In 2011, we made changes in our manufacturing footprint by consolidating our canning operations from our Tacoma, Washington facility into our Ft. Madison, Iowa facility. In 2011, we also consolidated our vegetable processing and packaging operations from our Fulton, New York facility into our Darien, Wisconsin and Waseca, Minnesota facilities. In fiscal 2012, we announced plans to further improve the efficiency of our supply chain by consolidating our *Vlasic* pickle production into one plant in Imlay City, Michigan. Our other pickle production plant, located in Millsboro, Delaware, ended production in December 2012. In January 2013, we sold our Fulton, New York facility. We are currently searching for buyers for our unutilized location in Tacoma, Washington. On March 14, 2013, we entered into an agreement to sell our Millsboro, Delaware facility for approximately $5 million, subject to completion of due diligence and customary closing conditions.

We also lease office space under operating leases (expiring) in Parsippany, New Jersey (April 2023), Cherry Hill, New Jersey (October 2021); Lewisburg, Pennsylvania (Month to Month); Fayetteville, Arkansas (Month to Month); and Mississauga, Ontario (August 2015). We are also obligated on leases for our former Mountain Lakes, New Jersey headquarters (November 2013) and Green Bay, Wisconsin, R&D location (June 2014).

Legal Proceedings

General

From time to time, we and our operations are parties to, or targets of, lawsuits, claims, investigations, and proceedings, which are being handled and defended in the ordinary course of business. Although the outcome of such items cannot be determined with certainty, our general counsel and management are of the opinion that the final outcome of these matters will not have a material effect on our financial condition, results of operations or cash flows.

Lehman Brothers Special Financing

On June 4, 2010, LBSF initiated a claim against us in LBSF s bankruptcy proceeding for an additional payment from us of $19.7 million, related to certain derivative contracts which we had earlier terminated due to LBSF s default as a result of its bankruptcy filing in 2008. On May 31, 2011, we and LBSF agreed in principle to a settlement of LBSF s June 4, 2010 claim. Under the terms of the settlement, we made a payment of $8.5 million during the third quarter of fiscal year 2011 in return for LBSF s full release of its claim.

Please also see Environmental Regulation above regarding our ACO with the MDNRE.

107

Table of Contents

MANAGEMENT

Below is a list of our executive officers and directors and their respective ages and a brief account of the business experience of each of them.

Name	Age	Position
Robert J. Gamgort	51	Chief Executive Officer and Director
Craig Steeneck	55	Executive Vice President and Chief Financial Officer
Christopher J. Boever	46	Executive Vice President and Chief Customer Officer
Mary Beth DeNooyer	43	Executive Vice President and Chief Human Resources Officer
Antonio F. Fernandez	54	Executive Vice President and Chief Supply Chain Officer
M. Kelley Maggs	61	Executive Vice President, Secretary and General Counsel
Mark L. Schiller	52	Executive Vice President and Division President Birds Eye Frozen Division
Christopher Slager	44	Executive Vice President and Division President Duncan Hines Grocery Division
John F. Kroeger	58	Senior Vice President, Deputy General Counsel and Assistant Secretary
Lynne M. Misericordia	50	Senior Vice President, Treasurer and Assistant Secretary
Roger Deromedi	60	Non-Executive Chairman of the Board and Director
Ann Fandozzi	41	Director
Jason Giordano	35	Director
Prakash A. Melwani	55	Director
Jeff Overly	55	Director
Raymond P. Silcock	63	Director

Robert J. Gamgort was appointed Chief Executive Officer effective July 13, 2009. From September 2002 to April 2009, Mr. Gamgort served as North American President for Mars Incorporated, where he managed the company s portfolio of confectionery, main meal, pet food and retail businesses in North America. Mr. Gamgort joined Mars in 1998, initially serving as Vice President of Marketing for M&M / Mars and then as General Manager of its Chocolate Unit. Prior to joining Mars, Mr. Gamgort served as President of Major League Baseball Properties. Mr. Gamgort began his career at General Foods, which later merged with and became Kraft Foods, where he served in key marketing, sales, corporate strategy, and general management roles. Mr. Gamgort holds an MBA from the Kellogg Graduate School of Management at Northwestern University and a BA in Economics from Bucknell University and studied at the London School of Economics. Mr. Gamgort serves on the Board of Trustees for Bucknell University and the Board of Directors of the Grocery Manufacturers Association.

Craig Steeneck has been Executive Vice President and Chief Financial Officer since July 2007. Mr. Steeneck oversees our financial operations, treasury, tax and information technology. From June 2005 to July 2007, Mr. Steeneck served as Executive Vice President, Supply Chain Finance and IT, where he helped redesign the supply chain to generate savings and improved financial performance. From April 2003 to June 2005, Mr. Steeneck served as Executive Vice President, Chief Financial Officer and Chief Administrative Officer of Cendant Timeshare Resort Group (now Wyndham Worldwide), playing key roles in wide-scale organization of internal processes and staff management. From March 2001 to April 2003, Mr. Steeneck served as Executive Vice President and Chief Financial Officer of Resorts Condominiums International, a subsidiary of Cendant. From October 1999 to February 2001, he was the Chief Financial Officer of International Home Foods Inc. Mr. Steeneck is also a Certified Public Accountant in the State of New Jersey and an honors graduate of the University of Rhode Island.

Christopher J. Boever joined us in December 2011 and serves as Executive Vice President and Chief Customer Officer. As Sales and Chief Customer Officer, Mr. Boever leads customer relations and sales across our entire Pinnacle Foods brand portfolio. Mr. Boever oversees the sales force and broker organization for Pinnacle s U.S. organization. From June 2007 to December 2011, Mr. Boever worked at ConAgra Foods, Inc.,

most recently serving as Senior Vice President Sales, leading the direct and broker sales organization for the Consumer Division. At ConAgra he advanced through positions of increasing responsibility including strategy, planning and operations across a portfolio of frozen, grocery, refrigerated and snack food brands. From January 1991 to June 2007, Mr. Boever worked in various headquarters and field positions at Hormel Foods. Mr. Boever holds a Bachelor of Business Administration degree from the University of Wisconsin.

Mary Beth DeNooyer was named Executive Vice President and Chief Human Resources Officer in May 2013. As Chief Human Resources Officer, Ms. DeNooyer leads all human resources responsibilities throughout the company including organizational development, recruitment and talent management, training, compensation and benefits, employee relations and diversity. From April 2011 through June 2012. Ms. DeNooyer served as Senior Vice President and Chief Human Resources Officer for the division of Sara Lee which was spun-off as Hillshire Brands. From March 2010 to June 2012. Ms. DeNooyer served as Senior Vice President, Compensation and Benefits at Sara Lee. Ms. DeNooyer held Human Resources leadership positions at The Pepsi Bottling Group from 1998 to 2010 and General Mills from 1994 to 1998. Ms. DeNooyer holds a Bachelor s Degree in Business Administration from Drexel University and a Master s Degree in Industrial and Labor Relations from Cornell University.

Antonio F. Fernandez joined us in February 2011 and serves as Executive Vice President and Chief Supply Chain Officer. In his role, Mr. Fernandez has overall corporate responsibility for the end-to-end supply chain, including procurement, manufacturing, customer service, warehousing and distribution. Additionally, he oversees Pinnacle s food quality and safety programs. Prior to joining our Company, Mr. Fernandez was most recently employed with Kraft Foods Inc. as Senior Vice President, Operations Excellence from 2010 to 2011, following the acquisition of Cadbury, plc. Mr. Fernandez worked at Cadbury from 1998 to 2010 in a series of senior management positions, the last being Chief Supply Chain Officer where he was responsible for all aspects of the confectionery company s global supply chain. Mr. Fernandez s early career includes positions in manufacturing, procurement, engineering and consulting with Procter & Gamble Co., PepsiCo, Inc. and the Canaan Group, a general management-consulting firm. He holds a Bachelor of Science degree in Chemical Engineering from Lafayette College.

M. Kelley Maggs became our Executive Vice President and General Counsel in March 2013. Previously, Mr. Maggs served as Senior Vice President, General Counsel and Secretary since Pinnacle s inception in 2001. Mr. Maggs oversees all legal and corporate secretary activities at Pinnacle. He was associated with affiliates of CDM Investor Group LLC from 1993 until 2007. Prior to his involvement with Pinnacle, Mr. Maggs held the same position with International Home Foods Inc. from November 1996 to December 2000. From 1993 to 1996, Mr. Maggs was employed with Stella Foods, Inc. as Vice President and General Counsel. Prior to that time, he was engaged in the private practice of law in Virginia and New York. Mr. Maggs is a graduate of Niagara University and received his Juris Doctor from George Mason University Law School.

Mark L. Schiller was named Executive Vice President and Division President Birds Eye Frozen Division in May 2013. In this role, Mr. Schiller manages our frozen portfolio which includes brands such as *Birds Eye* frozen vegetables, *Birds Eye Voila!* and *Hungry-Man* frozen dinners and entrées, *Van de Kamp s* and *Mrs. Paul s* frozen prepared seafood, and *Aunt Jemima* frozen breakfasts. From June 2010 to May 2013, Mr. Schiller served as Executive Vice President and Division President Duncan Hines Grocery. From March 2002 to April 2010, Mr. Schiller worked at PepsiCo as Senior Vice President of Frito Lay New Ventures, President of Quaker Foods and Snacks North America, and Senior Vice President and General Manager of Frito Lay Convenience Foods Division. From 1998 to 2002, Mr. Schiller was Chief Operating Officer and Co-President of Tutor Time Learning Systems, Inc. From 1996 to 1998, Mr. Schiller served as president of Valley Recreation Products, Inc. Mr. Schiller began his career at the Quaker Oats Company in 1985 where he progressed through a number of marketing, sales and supply chain roles. Mr. Schiller holds a Bachelor of Arts degree from Tulane University and an MBA from Columbia University Graduate School of Business.

Christopher B. Slager was named Executive Vice President and Division President Duncan Hines Grocery Division in November 2013. In this role, Mr. Slager leads our grocery portfolio which includes brands such as

Table of Contents

Duncan Hines cake/brownie mixes and frostings, *Vlasic* pickles, peppers and relish, *Wish-Bone* and *Western* salad dressings, *Log Cabin* and *Mrs. Butterworth s* syrups, *Armour* canned meats, *Brooks* and *Nalley* chili, and *Open Pit* barbecue sauces. From August 2002 through August 2013, Mr. Slager worked at Campbell Soup Company in a variety of leadership positions, including Vice President and General Manager of North America Foodservice, Vice President of Marketing for Soups and Business Director on a variety of brands. From 2001 to 2002, Mr. Slager was Director of Marketing at Aurora Foods. From 2000 to 2001, Mr. Slager was Director of Marketing at CyberCrop.com. Mr. Slager began his career in 1991 at The Procter & Gamble Company where he held brand management positions on Folgers Coffee and Jif Peanut Butter, in addition to leading new business development teams responsible for developing and launching business propositions for multiple Procter & Gamble brands. Mr. Slager holds a Bachelor of Science degree in Electrical Engineering from Tulane University and an MBA from the A.B. Freeman School of Business at Tulane University.

John F. Kroeger became our Senior Vice President and Deputy General Counsel in March 2013. Mr. Kroeger joined our Company in 2001 as our Vice President and Deputy General Counsel. In addition, Mr. Kroeger was also the Vice President of Human Resources from 2004 through 2006. Prior to Pinnacle Foods, Mr. Kroeger was the Vice President and General Counsel of Anadigics, Inc. From August 1998 until December 2000, Mr. Kroeger was Vice President and Assistant General Counsel at International Home Foods Inc. Mr. Kroeger has also held legal and general management positions with leading companies in the chemical, pharmaceutical and petroleum-refining industries. Mr. Kroeger is licensed to practice law in the States of New Jersey and Virginia. He is a graduate of the College of William and Mary with the following degrees: BA (Economics), J.D., and a Masters of Law and Taxation.

Lynne M. Misericordia has been Senior Vice President and Treasurer since Pinnacle s inception in 2001. Ms. Misericordia previously held the position of Treasurer with International Home Foods Inc. from November 1996 to December 2000. Before that, Ms. Misericordia was employed by Wyeth from August 1985 to November 1996 and held various financial positions. Ms. Misericordia received her Bachelor of Arts from Babson College.

Roger Deromedi was appointed Non-Executive Chairman of the Board in 2009, and is a Director. Previously, he was Executive Chairman of the Board since April 2, 2007. Prior thereto, Mr. Deromedi served as Chief Executive Officer of Kraft Foods Inc. from December 2003 to June 2006. Prior to that, he was co-Chief Executive Officer, Kraft Foods Inc. and President and Chief Executive Officer, Kraft Foods International since 2001. He was President and Chief Executive Officer of Kraft Foods International from 1999 to 2001 and previously held a series of increasingly responsible positions since joining General Foods, Kraft s predecessor company, in 1977. Mr. Deromedi is Vice-Chairman of the Rainforest Alliance, on the Board of Directors of the Joffrey Ballet, and on the Board of Trustees of the Field Museum of Natural History. Mr. Deromedi earned an MBA from the Stanford Graduate School of Business and a Bachelor of Arts in economics and mathematics from Vanderbilt University.

Ann Fandozzi is a Director. She is President & Chief Executive Officer of vRide, a ride sharing platform that offers commuters an economical and stress-free way to work, since June 2012. From 2007 to 2012, she served in senior management positions with Whirlpool Corporation. Her most recent role was Corporate Vice President of the Global e-business, Direct to Consumer and Sears/Kenmore units. Previously, she served at DaimlerChrysler Corporation as Global Executive Director of Family Vehicles from 2002 to 2007. Her previous experience also includes roles at Ford Motor Company, McKinsey and Company, Wharton Financial Institutions Center and Lockheed Martin. Ms. Fandozzi received her MBA from the Wharton School of the University of Pennsylvania, her M.S.E. in Systems Engineering from the University of Pennsylvania and her B.E. in Computer Engineering from the Stevens Institute of Technology.

Jason Giordano is a Director. Mr. Giordano is a Managing Director in the Private Equity Group at Blackstone. Since joining Blackstone in 2006, Mr. Giordano has been involved in the execution of the firm s investments in Pinnacle

Foods, Birds Eye Foods, Polymer Group, Inc., and Acushnet (Titleist), and in analyzing investment opportunities across various industries, including Food and Beverage, Consumer Products, Chemicals, and

Industrials. Before joining Blackstone, Mr. Giordano was an Associate at Bain Capital where he evaluated and executed global private equity investments in a wide range of industries. Prior to that, he worked in investment banking at Goldman, Sachs & Co. focused on Communications, Media, and Entertainment clients. Mr. Giordano received an AB from Dartmouth College and an MBA with High Distinction from Harvard Business School, where he graduated as a Baker Scholar. Mr. Giordano also serves on the Board of Directors of HealthMarkets, Inc. and Polymer Group, Inc.

Prakash A. Melwani is a Director. Mr. Melwani is a Senior Managing Director at Blackstone and is based in New York. He is the Chief Investment Officer of the Private Equity Group and chairs each of its Investment Committees. Since joining Blackstone in 2003, Mr. Melwani has led Blackstone s investments in Kosmos Energy, Foundation Coal, Texas Genco, Ariel Re, Pinnacle Foods, RGIS Inventory Specialists and Performance Food Group. Before joining Blackstone, Mr. Melwani was a founding partner of Vestar Capital Partners and served as its Chief Investment Officer. Prior to that, he was with the management buyout group at The First Boston Corporation and with N.M. Rothschild & Sons in Hong Kong and London. Mr. Melwani received a First Class Honors degree in Economics from Cambridge University, England, and an MBA with High Distinction from the Harvard Business School, where he graduated as a Baker Scholar and a Loeb Rhodes Fellow. Mr. Melwani serves as a Director of Acushnet Company, Kosmos Energy, Performance Food Group, Pinnacle Foods, RGIS Inventory Specialists and Blackstone strategic partner, Patria.

Jeff Overly is a Director. Mr. Overly is an Operating Partner in the Private Equity Group at Blackstone. Mr. Overly is involved in monitoring, advising, and supporting Lean Operational Excellence and Supply Chain improvement opportunities within Blackstone s portfolio company holdings. Before joining Blackstone in 2008, Mr. Overly was Vice President of Global Fixture Operations at Kohler Company where he was responsible for global manufacturing operations, including the entire supply chain from procurement to shipment of finished product through a multi-warehouse regional distribution center network. Prior to that, he served 25 years at General Motors Corporation and Delphi Corporation in numerous operations and engineering positions with global responsibilities. Mr. Overly has a BS in Industrial Management from the University of Cincinnati, and a Masters in Business from Central Michigan University.

Raymond P. Silcock is a Director. He was appointed Audit Committee Chairman effective May 2008. Mr. Silcock is the Chief Financial Officer at Diamond Foods, Inc. since June 2013. Mr. Silcock was previously the Chief Financial Officer for The Great Atlantic and Pacific Tea Company since its emergence from bankruptcy in March 2012 until February 28, 2013 and previously was the Head of Finance from December 2011 to March 2012. From December 2009 to December 2011, he was an independent management consultant with clients including The Great Atlantic and Pacific Tea Company and Palm Ventures LLC. From September 2009 to December 2009, Mr. Silcock was the Executive Vice President and Chief Financial Officer of KB Home, and prior to that served as Senior Vice President and Chief Financial Officer of UST Inc. from July 2007 to April 2009. Before joining UST, Mr. Silcock was Executive Vice President and Chief Financial Officer of Swift & Company from 2006 to 2007 when the company was acquired by JBS S.A. Prior to that, he was Executive Vice President and Chief Financial Officer of Cott Corporation from 1998 to 2005. In addition, Mr. Silcock spent 18 years with Campbell Soup Company, serving in a variety of progressively more responsible roles, culminating as Vice President, Finance for the Bakery and Confectionary Division. Mr. Silcock holds an MBA from the Wharton School of the University of Pennsylvania and is a Fellow of the Chartered Institute of Management Accountants (UK). Mr. Silcock served on the Boards of Prestige Brand Holdings Inc. from 2006 to 2009 and American Italian Pasta Company from 2006 to 2007.

Composition of the Board of Directors

Our business and affairs are managed under the direction of our Board of Directors. Our Board of Directors currently consists of Messrs. Gamgort, Deromedi, Giordano, Melwani, Overly and Silcock and Ms. Fandozzi. Our Board of Directors consists of 7 directors, 3 of whom are independent. We have a classified board of directors, with 2 directors in Class I (Messrs. Overly and Silcock), 2 directors in Class II (Mr. Giordano and

Ms. Fandozzi) and 3 directors in Class III (Messrs. Melwani, Deromedi and Gamgort). In addition, we entered into a stockholders agreement with certain affiliates of Blackstone in connection with our IPO. This agreement grants Blackstone the right to designate nominees to our Board of Directors subject to the maintenance of certain ownership requirements in us. See Certain Relationships and Related Party Transactions Stockholders Agreement.

Background and Experience of Directors

When considering whether directors and nominees have the experience, qualifications, attributes or skills, taken as a whole, to enable our Board of Directors to satisfy its oversight responsibilities effectively in light of our business and structure, the Board of Directors focused primarily on each person s background and experience as reflected in the information discussed in each of the directors individual biographies set forth above. We believe that our directors provide an appropriate mix of experience and skills relevant to the size and nature of our business. Once appointed, directors serve until they resign or are terminated by the stockholders. In particular, the members of our Board of Directors considered the following important characteristics: (i) Mr. Melwani, Mr. Giordano and Mr. Overly are representatives appointed by affiliates of Blackstone, our principal stockholder, and have significant financial, investment and operational experience from their involvement in Blackstone s investment in numerous portfolio companies and have played active roles in overseeing those businesses, (ii) Mr. Deromedi, our Non-Executive Chairman of the Board, and Mr. Silcock each have had significant executive level experience throughout their careers in leading consumer package goods companies, (iii) Mr. Gamgort, our Chief Executive Officer, previously served as North American President for Mars Incorporated, where he managed the company s North American portfolio and in addition, Mr. Gamgort served as President of Major League Baseball Properties and at Kraft Foods, where he held key marketing, sales, corporate strategy, and general management roles, and (iv) Ms. Fandozzi has extensive experience with public companies, including serving in senior management positions with a focus on sales and marketing at Whirlpool Corporation and DaimlerChrysler Corporation. Ms. Fandozzi also has an educational background in business administration and systems and computer engineering.

Board Leadership Structure

Our Board of Directors is led by Mr. Deromedi, our Non-Executive Chairman. The Chief Executive Officer position is separate from the Chairman position. We believe that the separation of the Chairman and Chief Executive Officer positions is appropriate corporate governance for us at this time.

Role of Board in Risk Oversight

The Board of Directors has extensive involvement in the oversight of risk management related to us and our business and accomplishes this oversight through the regular reporting by the Audit Committee. The Audit Committee represents the Board by periodically reviewing our accounting, reporting and financial practices, including the integrity of our financial statements, the surveillance of administrative and financial controls and our compliance with legal and regulatory requirements. Through its regular meetings with management, including the finance, legal, and internal audit functions, the Audit Committee reviews and discusses all significant areas of our business and summarizes for the Board of Directors all areas of risk and the appropriate mitigating factors. In addition, our Board receives periodic detailed operating performance reviews from management.

Controlled Company Exception

After the completion of this offering, affiliates of Blackstone will continue to beneficially own more than 50% of our common stock and voting power. As a result, (x) under the terms of the Stockholders Agreement, affiliates of Blackstone will be entitled to nominate at least 4 of the 7 members of our Board of Directors (see Certain

Relationships and Related Party Transactions Stockholders Agreement) and (y) we will be a

controlled company within the meaning of the corporate governance standards of the NYSE. Under the NYSE corporate governance standards, a company of which more than 50% of the voting power is held by an individual, group or another company is a controlled company and may elect not to comply with certain corporate governance standards, including (1) the requirement that a majority of the Board of Directors consist of independent directors, (2) the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee s purpose and responsibilities, (3) the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee s purpose and responsibilities, and (4) the requirement for an annual performance evaluation of the nominating and corporate governance and compensation committees. We are currently utilizing these exemptions and expect to continue to do so. As a result, we do not have a majority of independent directors on our Board of Directors (although our Board of Directors has determined that Messrs. Deromedi and Silcock and Ms. Fandozzi qualify as independent directors under the corporate governance standards of the NYSE); and we do not have a nominating and corporate governance committee or a compensation committee that is composed entirely of independent directors. Also, such committees are not subject to annual performance evaluations. Accordingly, you do not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE. In the event that we cease to be a controlled company, we will be required to comply with these provisions within the transition periods specified in the corporate governance rules of the NYSE.

Board Committees

The standing committees of our Board of Directors consist of an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.

Our Chief Executive Officer and other executive officers regularly report to the non-executive directors and the Audit, the Compensation and the Nomination and Corporate Governance Committees to ensure effective and efficient oversight of our activities and to assist in proper risk management and the ongoing evaluation of management controls. The vice president of internal audit reports functionally and administratively to our Chief Financial Officer and directly to the Audit Committee. We believe that the leadership structure of our Board of Directors provides appropriate risk oversight of our activities given the controlling interests held by Blackstone.

Audit Committee

The members of our Audit Committee are Messrs. Silcock (Chairman) and Overly and Ms. Fandozzi. Our Board of Directors determined that Mr. Silcock and Ms. Fandozzi qualify as independent directors under the corporate governance standards of the NYSE and the independence requirements of Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the Exchange Act). We expect a third new independent member to be placed on the Audit Committee within one year of the completion of the IPO so that all of our Audit Committee members will be independent as such term is defined in Rule 10A-3(b)(i) under the Exchange Act and under NYSE Rule 303(A). Our Board of Directors has determined that Mr. Silcock qualifies as an audit committee financial expert as such term is defined in Item 407(d)(5) of Regulation S-K.

The purpose of the Audit Committee is to prepare the audit committee report required by the SEC to be included in our proxy statement and to assist our Board of Directors in overseeing and monitoring (1) the quality and integrity of our financial statements, (2) our compliance with legal and regulatory requirements, (3) our independent registered public accounting firm s qualifications and independence, (4) the performance of our internal audit function and (5) the performance of our independent registered public accounting firm.

The Audit Committee Charter may be found on our website at www.pinnaclefoods.com under Investor Center: Corporate Governance: Audit Committee.

Compensation Committee

The members of our Compensation Committee are Messrs. Melwani (Chairman), Giordano, Deromedi and Silcock and Ms. Fandozzi.

The purpose of the Compensation Committee is to assist our Board of Directors in discharging its responsibilities relating to (1) setting our compensation program and compensation of our executive officers and directors, (2) monitoring our incentive and equity-based compensation plans and (3) preparing the compensation committee report required to be included in our proxy statement under the rules and regulations of the SEC.

The Compensation Committee charter may be found on our website at www.pinnaclefoods.com under Investor Center: Corporate Governance: Compensation Committee.

Nominating and Corporate Governance Committee

The members of our current Nominating and Corporate Governance Committee are Messrs. Deromedi, Giordano and Overly and Ms. Fandozzi (Chairman). The purpose of our Nominating and Corporate Governance Committee is to assist our Board of Directors in discharging its responsibilities relating to (1) identifying individuals qualified to become new Board members, consistent with criteria approved by the Board of Directors, subject to the stockholders agreement with Blackstone; (2) reviewing the qualifications of incumbent directors to determine whether to recommend them for reelection and selecting, or recommending that the Board select, the director nominees for the next annual meeting of stockholders; (3) identifying Board members qualified to fill vacancies on any Board committee and recommending that the Board appoint the identified member or members to the applicable committee, subject to the stockholders agreement with Blackstone; (4) reviewing and recommending to the Board of Directors corporate governance guidelines applicable to us; (5) overseeing the evaluation of the Board of Directors and management; and (6) handling such other matters that are specifically delegated to the committee by the Board of Directors from time to time.

The Nominating and Corporate Governance Committee may be found on our website at www.pinnaclefoods.com under Investor Center: Corporate Governance: Nominating and Corporate Governance Committee.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee, other than Mr. Deromedi, who was previously our Executive Chairman, are current or former officers or employees of our Company. We are parties to certain transactions with Blackstone described in Certain Relationship and Related Transactions section of this prospectus. Mr. Deromedi does not participate in Compensation Committee discussions regarding his own compensation.

Code of Ethics

Our Code of Business Conduct and Ethics applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer and may be found on our website at www.pinnaclefoods.com under Investor Center: Corporate Governance: Code of Business Conduct and Ethics. Our Code of Business Conduct and Ethics is a code of ethics, as defined in Item 406(b) of Regulation S-K. Please note that our Internet website address is provided as an inactive textual reference only. We make any legally required disclosures regarding amendments to, or waivers of, provisions of our code of ethics on our Internet website.

114

Compensation Discussion and Analysis

Compensation Program Objectives and Design

Our primary objective in establishing our comprehensive compensation program is to recruit, attract, retain and properly incent high-level talent to work for and ultimately add value to our Company for the benefit of our stockholders.

Each element of the overall comprehensive program (discussed in greater detail below) is intended to be competitive with similar elements offered both locally and nationally by other like-size employers and competitors, and the elements taken together are intended to present a comprehensive competitive program to accomplish the objectives noted above.

We designed most of the major elements of our comprehensive compensation program by soliciting initial thoughts and ideas from our senior management team, consisting of our Chief Executive Officer, Executive Vice President and Chief Financial Officer, and Executive Vice President and Chief Human Resources Officer, and in consultation with other members of our senior management. Additional input and suggested objectives were received from representatives of our major stockholder and Frederic W. Cook & Co, Inc. and Compensation Resources Inc., compensation consultants advising us on employee compensation. Major compensation elements are reviewed annually by our senior management.

After receipt of the input noted and development of proposed plans, such plans were (and in the case of annual bonus plans, are annually) presented to our Compensation Committee. The Compensation Committee consists of Directors Prakash Melwani, Jason Giordano, Roger Deromedi, Non-Executive Chairman of the Board, Raymond Silcock and Ann Fandozzi. We are parties to certain transactions with Blackstone described in Certain Relationships and Related Party Transactions. None of our directors or named executive officers participates in discussions involving his or her own compensation.

The Compensation Committee determines the terms of and ultimately adopts our comprehensive compensation program.

Our compensation program is designed to reward performance, which in turn creates value for our stockholders. Performance is reviewed annually for both our executives and our Company as a whole. Our Compensation Committee reviews and approves annual compensation elements such as bonus plan attainment, and our full Board of Directors reviews full year earnings and management performance by our executives. The Board as a whole also approves elements of our annual budgets, which include certain elements of the compensation program such as annual bonuses and annual merit base salary increases, if any, for our executives.

In short, if value is not added to our Company annually, certain elements of the compensation program are not paid or do not vest, i.e., annual bonuses, annual merit base salary increases and certain equity grants.

The compensation program is intended to reward both short-term (annual performance) and long-term company performance. Therefore, employee equity programs, which are discussed in more detail below, are key elements of the compensation program.

Elements of Compensation

For the fiscal year ended December 30, 2012, we had three principal elements which made up our compensation program. They were:

- Base salary and potential annual merit adjustment;
- Bonus plan (MIP or Management Incentive Plan) awards; and
- Employee equity plans.

Table of Contents

We also provide severance, change of control and other termination-related programs and 401(k) plan and other benefits.

The following is a brief discussion of each principal element of compensation.

(a) ***Base salary.*** Our Chief Executive Officer recommends the base salaries for his direct reports. The Chief Executive Officer s base salary is set by the Compensation Committee. Base salaries are intended to compensate the executive officers and all other salaried employees for their basic services performed for our Company on an annual basis. In setting base salaries, we take into account the employee s experience, the functions and responsibilities of the job, salaries for similar positions within the community and for competitive positions in the food industry generally and any other factor relevant to that particular job. We establish salary grades for all levels of the organization. Each grade has a minimum, a midpoint and a maximum. On average, we attempt to pay in the middle range for each job but do not confine ourselves to this practice if other factors such as experience warrant a lower or higher base salary. In determining applicable salaries, we also consult with outside consultants and recruiters, senior members of our management team who have experience at other relevant companies, Board members and stockholder employment relations personnel. Base salaries may be adjusted annually based on executive officer performance and, in certain circumstances, adjusted throughout the year to address competitive pressures or changes in job responsibilities. The Chief Executive Officer s annual base salary adjustment is approved by the Compensation Committee of the Board of Directors. Adjustments for all other executives are recommended by the Chief Executive Officer and approved by the Compensation Committee.

(b) ***Bonus plan (MIP) awards.*** We use our MIP to incent our eligible employees on an annual basis. The MIP, together with base salary and basic benefits (other than our 401(k) plan) are considered to be short-term compensation programs. MIP awards are intended to reward executives and other eligible employees for achieving annual profit and operational goals. MIP targets are equal to a pre-determined percentage of salary, with target and maximum payouts if certain business objectives are attained. Our Adjusted EBITDA target, which is derived from our operating plan for the year and approved annually by the Board of Directors, is a major component, with the balance based on achievement of company-wide objectives. See Prospectus Summary Summary Historical Consolidated Financial Data for our definition of Adjusted EBITDA and a reconciliation of our net earnings (loss) to Adjusted EBITDA. Individual performance against these goals is considered when determining individual awards.

The Adjusted EBITDA target for a 100% bonus plan payout was $445 million for the fiscal year ended December 30, 2012 and for a 75% payout target was $420 million. Actual performance was over the 75% target at $426 million for the fiscal year ended December 30, 2012, resulting in a 80% payout rate for this component of the overall plan. The overall rating on operational goals (in the areas of market share expectation, product innovation, trade spending efficiency, in-store execution, effective sales and operations planning processes, food safety, productivity, footprint consolidation and organizational development) achieved our target. The combination of the 80% payout rate for the Adjusted EBITDA target (50% of total) and the 100% score ascribed to operational goals (50% of total) resulted in a total MIP payout of 90% for 2012.

Robert J. Gamgort, our Chief Executive Officer, has compensation that also includes deferred cash incentive awards that are described further below under the section titled Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2012 Employment Agreements. The specific performance objectives for deferred cash incentive awards are the same as for the MIP as discussed in the previous paragraph. The overall attainment

evaluation is at the discretion of the Compensation Committee and for the purpose of the deferred cash award, the Compensation Committee has historically weighted the operational goals heavier than the Adjusted EBITDA target.

The full Board of Directors approves the bonus pool contained in the annual budget; the Compensation Committee approves actual payment of bonuses pursuant to the MIP and the bonuses paid to, or accrued on behalf of, the named executive officers.

(c) ***Equity programs.*** In the fiscal year ended December 31, 2012, we had two long-term equity incentive plans: the 2007 Stock Incentive Plan and the 2007 Unit Plan (the 2007 Stock Incentive Plan and the 2007 Unit Plan are collectively referred to as the 2007 Equity Plans). The 2007 Equity Plans provided executives with the opportunity to acquire a proprietary interest in our Company, thus aligning executive and long-term shareholder interests. In connection with the dissolution of Peak Holdings LLC, we terminated the 2007 Unit Plan and adopted, with stockholder approval, the Pinnacle Foods Inc. 2013 Omnibus Incentive Plan, so that we can continue to provide our named executive officers and other key service providers with equity-based long-term incentives. The equity awards are subject to service conditions, which are more fully described below, that serve as a retention tool. The equity awards are also subject to performance-based and exit event-based conditions, which further align our executive compensation with long-term profitability and long-term shareholder interests. The total percentage of equity reserved for issuance under the 2007 Equity Plans prior to the IPO was 10% of the total equity of Pinnacle Foods Inc. The 2007 Stock Incentive Plan included approximately 175 salaried employees and is authorized to issue options to purchase up to 20,000 (or 1.1 million, after giving effect to the stock split effected in connection with the IPO) shares of our common stock. Following the completion of our IPO, no further awards will be made under the 2007 Stock Incentive Plan. All options granted under the 2007 Equity Plans were required to be awarded with a strike price that was not less than the fair market value of a share of our common stock on the date of the grant. Under the 2007 Unit Plan, approximately 60 management employees were given the opportunity to invest in our Company through the purchase of Class A-2 Units in our parent company, Peak Holdings LLC, which was dissolved in connection with the IPO. In connection with the dissolution of Peak Holdings LLC, the holders of units of Peak Holdings LLC were automatically distributed the assets of Peak Holdings LLC. Because the sole asset of Peak Holdings LLC was shares of our common stock, each holder of units received shares of our common stock as described below in Conversion of Units of Peak Holdings LLC.

Vesting of Options and Class B Units

With references to grants from 2007 to 2009, generally, 25% of the options (time-vesting options) and profits interest units in Peak Holdings LLC (PIUs) (consisting of Class B-1 Units) vest ratably over five years, subject to full acceleration upon a change of control. Fifty percent of the options (the performance options) and PIUs (consisting of the Class B-2 Units) vest ratably over five years depending upon whether annual or cumulative Adjusted EBITDA targets are met. The grant agreements also provided that, if the Adjusted EBITDA target is achieved in any two consecutive fiscal years during the employee s continued employment, then that year s and all prior years performance options and Class B-2 Units vest, and if the exit options and the Class B-3 Units vest during the employee s continued employment (as described below), then all the performance options and Class B-2 Units also vest.

With reference to grants after 2009, generally, 25% of the options (time-vesting options) and PIUs (consisting of Class B-1 Units) vest ratably over five years, subject to full acceleration upon a change of control. Seventy-five percent of the options (the performance options) and PIUs (consisting of the Class B-2 Units) vest ratably over five years depending upon whether annual or cumulative Adjusted EBITDA targets are met. The grant agreements also provided that, if the Adjusted EBITDA target is achieved in any two consecutive fiscal years during the employee s continued employment, then that year s and all prior years performance options and Class B-2 Units vest, and if there is a change of control or liquidity event (defined as when Blackstone sells more than 50% of its holdings) and a certain annual internal rate of return is attained by Blackstone, then all the performance options and the Class B-2 units also vest. Prior to March 1, 2013, the annual internal rate of return target was 20%, but the Compensation Committee reduced the target for vesting purposes on that date from 20% to 12% to reflect changes in the food industry environment since the plans were adopted.

Table of Contents

In addition, with respect to certain Class B-2 Units held by our Chief Executive Officer (and, for other executives, with respect to grants of Class B-2 Units made in 2010), upon a liquidity event (or, for other executives 2010 grants, a change of control), any unvested B-2 Units scheduled to vest in the future will vest in the same proportion as any tranches related to such Class B-2 Units that have previously vested.

The Adjusted EBITDA targets that applied to awards outstanding under our equity plans for the fiscal year ended December 30, 2012 varied based on the year in which the award was originally granted: 1) for grants that were issued in 2010 and prior years, the Adjusted EBITDA target was $503 million; 2) for grants that were issued in 2011, the Adjusted EBITDA target was $460 million; and 3) for grants that were issued in 2012, the Adjusted EBITDA target was $420 million. The $503 million target for 2012 that was set in 2010 and prior years is higher because it was set at a time when prevailing market conditions in the industry were more favorable. Certain employees have equity awards that are subject to enhanced Adjusted EBITDA targets that are described further below under the section titled Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2012 Employment Agreements. Because actual Adjusted EBITDA was $426 million for the fiscal year ended December 30, 2012, targets for awards issued in 2011 and prior years were not met and awards granted under our equity plans did not vest. For awards issued in 2012, our Adjusted EBITDA was met and a portion of those awards vested. This is discussed in greater detail in Note 4 to the audited consolidated financial statements included elsewhere in this prospectus.

The final 25% of the options (the exit options) and PIUs (consisting of the Class B-3 Units) granted from 2007 to 2009 under the 2007 Equity Plans vest either on a change of control or liquidity event, if a certain annual internal rate of return is attained by Blackstone. Prior to March 1, 2013, this annual internal rate of return target was 20%, but the Compensation Committee reduced the target for vesting purposes on that date from 20% to 12% to reflect changes in the food industry environment since the plans were adopted.

On March 4, 2013, each of our named executive officers agreed to waive any Class B-2 Unit vesting based on the achievement of Adjusted EBITDA targets and, instead, the Class B-2 Units vest on the same terms as the Class B-3 Units, which is based on the internal rate of return target for the Class B-3 Units. This change eliminates all Adjusted EBITDA-based vesting applicable to our named executive officers described above.

Conversion of Units of Peak Holdings LLC

In connection with the dissolution of Peak Holdings LLC, Class A-1 and Class A-2 Units of Peak Holdings LLC (including those held by Blackstone and certain of our directors and officers) were converted into shares of our common stock. The number of shares of our common stock delivered to Blackstone and the other equity holders of Peak Holdings LLC as a result of the conversion was determined in a manner intended to replicate the economic benefit provided by the Class A-1 and Class A-2 Units based upon the valuation of us derived from the initial public offering price, and the number of shares had the same intrinsic value as the Class A-2 Units held by the equity holder prior to such conversion.

In addition, many of our executives (including each manager who invested in Class A-2 Units of Peak Holdings LLC) were awarded PIUs in the form of Class B-1, Class B-2 and Class B-3 Units. In connection with the dissolution of Peak Holdings LLC, all PIUs were converted into shares or restricted shares of our common stock. The number of shares delivered in respect of a converted PIU was determined in a manner intended to replicate the economic benefit provided by the based upon the valuation of us derived from the initial public offering price, and have the same intrinsic value as the PIU immediately prior to such conversion. Vested PIUs were converted into shares of common stock and unvested PIUs were converted into unvested restricted shares of our common stock, which are subject to vesting terms substantially similar to those applicable to the unvested PIU immediately prior to such conversion, as described above.

Table of Contents

In connection with the dissolution of Peak Holdings LLC, we terminated the 2007 Unit Plan and adopted, with stockholder approval, the Pinnacle Foods Inc. 2013 Omnibus Incentive Plan, so that we can continue to provide our named executive officers and other key service providers with equity-based long-term incentives. In connection with our IPO, we granted our named executive officers unvested stock options with an exercise price per share of $20 to acquire the following number of shares: Mr. Gamgort, 551,350; Mr. Steeneck, 208,840; Mr. Schiller, 125,310; Mr. Fernandez, 125,310, and Ms. Robling 125,310. These stock options will become fully vested and exercisable on the third anniversary of the completion of the IPO. See Compensation Arrangements Adopted in Connection with the IPO 2013 Omnibus Incentive Plan.

Fiscal 2013 Awards

On August 1, 2013, we issued 155,575 options and 66,042 unvested restricted shares to various employees (including certain of executive officers who are not named executive officers) pursuant to the 2013 Omnibus Incentive Plan. The unvested restricted shares vest in full at the end of four years while the options vest in full at the end of three years.

(d) ***Severance, change of control and other termination-related programs***. We generally have two forms of post-termination compensation the use of change of control language in employment letters or agreements and basic severance plan provisions. Each of these two forms of compensation is necessary in our opinion to help attract and retain top quality executives. In addition, we believe that we benefit from such plans as they help to ensure continuity of management. Without these plans, and in the event of a possible or actual change in control, certain executives may feel the need to find other employment before they were forced to leave after a change of control event. With such plans in place, we believe that there will be more stability with our senior executives, allowing for more efficient operation of our Company and the creation of additional value for our Company and our stockholders. At present, we have only one type of change of control provision in our existing employment agreements and letter agreements with our various members of management. This provision essentially provides that, unless the applicable executive is retained in his or her job following a change in control with the same or similar duties, responsibilities, reporting relationship, compensation and location of job, the executive s employment will be deemed to have been terminated, and the executive will be eligible to receive severance benefits.

Further, we maintain a severance plan which is similar to competitor companies of equal size, pursuant to which eligible executives and employees may receive severance benefits whether or not a change in control has occurred. The severance plan provides a severance benefit determined based upon the employee s total years of service with our Company, with minimums of four weeks pay for new hires and a minimum of 16 weeks pay for executives at higher levels, paid in installments. All executives of our Company who are not eligible for severance benefits in connection with a change of control or otherwise covered by individual severance benefit agreements are eligible for the benefits of the severance plan.

New cash severance arrangements

On March 1, 2013, the Compensation Committee of the Board of Directors approved changes in the cash benefits paid under its severance plan and/or individual employment agreements, as applicable. As a result of these changes, cash severance benefits for our Chief Executive Officer increased from 1.5 times the sum of the Chief Executive Officer s annual base salary and target annual bonus (total annual target compensation) to two times the sum of the Chief Executive Officer s total annual target compensation, and for certain Executive Vice Presidents, including all those listed in the Summary Compensation Table, cash severance benefits increased from a range of between one year of base salary and one-and-one-half times the executive s total annual target compensation, to one-and-one-half times the

executive s total annual target compensation. For other Executive Vice Presidents and Senior Vice Presidents, cash severance benefits amount to the executive s total annual target compensation and for Vice Presidents, cash severance benefits amount to one times salary. In addition,

the covenants in the severance plan and individual employment agreements related to non-competition and non-solicitation were extended to match the term of the severance benefits. All other aspects of the current severance plan and/or individual employment agreements remain the same.

(e) ***401(k) plan and other benefits.*** We provide various other benefits and compensation-related programs to executives and other salaried employees, which allow us to provide a full and comprehensive compensation package. This full package of compensation elements is important to our objectives to attract, retain and incent high-quality employees. We do not sponsor a defined benefit pension plan for salaried employees. The elements of our compensation program not otherwise discussed above are:

(i) A 401(k) plan wherein our Company matches up to 50% of employee contributions, up to a maximum company contribution of 3% of the employee s pay (up to the Internal Revenue Code annual covered compensation limit). The Pinnacle Foods Supplemental Savings Plan which was approved by the Compensation Committee of the Board of Directors on September 11, 2012 to become effective in 2013. The Plan was adopted for the purposes of allowing all company employees, regardless of compensation level, the opportunity to receive the same 3% match on total compensation (base salary plus bonus);

(ii) Medical and dental insurance for which we pay approximately 70% of the premiums;

(iii) Life and Accidental Death and Dismemberment insurance paid for by us; and

(iv) Long-term Disability and Short-Term Disability insurance paid for by us.

In establishing and providing the plans noted above, we use outside 401(k) plan and benefits consultants for medical and 401(k) plan design. Each of the outside consultants provides not less than annual advice about the plan designs for similar manufacturing companies across the United States and in the communities where we are located. As with other elements of compensation, we strive to provide competitive benefits to attract high quality executives. Based on our general perception of the market and while we have not identified specific companies, we believe that the benefits noted in this section generally are competitive with all similarly situated manufacturers and competitors with exceptions made where we believe necessary based on the communities where we are located.

(f) ***Executive compensation as a package of compensation elements.*** In summary, we have developed various elements of compensation for our executives that we believe are consistent with standard industry practices and with the view that each element complements the rest of the elements of the compensation program. Most importantly, we provide a total program that allows us to attain the objectives set forth above. While we do not have a fixed policy that an incoming executive must receive a certain salary, a certain bonus amount, a certain amount of equity, etc., each of the elements is critical to providing a competitive compensation package to executives. Therefore, although no predetermined amount is set, we are careful to give adequate weight to short-term compensation vs. long-term compensation, and no one decision is made with regard to one element of compensation without considering the impact upon the other elements and

ultimately the objectives we wish to achieve.

Table of Contents

Summary Compensation Table

The following table provides summary information concerning compensation paid or accrued by us to or on behalf of our named executive officers for 2012, 2011 and 2010 for services rendered to us during the respective fiscal years.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Equity Awards (a) ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation (b) ($)	Total ($)
Robert J. Gamgort	2012	893,750				1,760,000(c)	8,178	2,661,928
Chief Executive Officer and	2011	875,000				475,000(c)	7,890	1,357,890
Director	2010	868,942		1,457,044		1,515,000(c)	7,890	3,848,876
Craig Steeneck	2012	532,410				470,695	8,178	1,011,283
Executive Vice President and	2011	521,701				89,172	8,178	619,051
Chief Financial Officer	2010	509,850		478,780		347,429	8,178	1,344,237
Antonio F. Fernandez (d)	2012	433,035				399,985	5,757	838,777
Executive Vice President and	2011	384,135	300,000(f)	1,162,485		66,232	8,083	1,920,935
Chief Supply Chain Officer	2010							
Mark L. Schiller (e)	2012	437,561				286,440	8,178	732,179
Executive Vice President and	2011	427,803		95,985		72,882	8,178	604,848
Division President Duncan Hines Grocery Division	2010	245,192		1,294,000		205,870	339,809	2,084,871
Sara Genster Robling (g)	2012	399,817				230,940	8,898	639,655
Executive Vice President and	2011	390,079				66,595	8,898	465,572
Division President Birds Eye Frozen Division	2010	374,096		388,200		274,890	8,178	1,045,364

(a) Equity Awards were valued in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 718 (ASC Topic 718), the authoritative guidance for stock compensation, and represent the aggregate grant date fair value for the Class B-1, Class B-2 and Class B-3 Units granted during the applicable fiscal year. The assumptions used in the valuation are discussed in Note 4 to the audited consolidated financial statements included elsewhere in this prospectus.

(b)

All Other Compensation for 2012, 2011 and 2010 includes contributions made by the Company to 401(k) accounts and group life insurance. For Mr. Schiller it also includes moving expenses (relocation and partial loss on home sale expenses) of $332,185 in 2010.

(c) For Mr. Gamgort, 2012 includes $810,000 awarded under the regular Management Incentive Plan and $950,000 annual deferred cash incentive award based upon the Board of Directors evaluation of attainment of specific 2012 performance objectives. For 2011, includes $175,000 awarded under the regular Management Incentive Plan and $300,000 annual deferred cash incentive award based upon the Board of Directors evaluation of attainment of specific 2011 performance objectives. For 2010, includes $735,000 awarded under the regular Management Incentive Plan and $780,000 annual deferred cash incentive award based upon the Board of Directors evaluation of attainment of specific 2010 performance objectives.

(d) Mr. Fernandez was hired as Executive Vice President and Chief Supply Chain Officer on February 7, 2011 and the amount reported as Salary and Non-Equity Incentive Plan Compensation in 2011 for Mr. Fernandez reflects the portion of his annual base salary and MIP earned in 2011 from such date.

(e) Mr. Schiller was hired by the Company on June 7, 2010 and serves as Executive Vice President and Division President Duncan Hines Grocery Division and the amount reported as Salary and Non-Equity Incentive Plan Compensation in 2010 for Mr. Schiller reflects the portion of his annual base salary and MIP earned in 2010 from such date.

(f) Represents a sign-on bonus to compensate for forfeited benefits at previous employer.

(g) Ms. Robling stepped down from her position as the Executive Vice President and Division President Birds Eye Frozen Division on June 30, 2013.

Table of Contents

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2012

Employment Agreements

Pinnacle Foods Inc. entered into substantially similar employment agreements with each of Robert J. Gamgort and Craig Steeneck that govern the terms of each executive s employment. Mr. Gamgort entered into an employment agreement for an initial term of five years commencing on July 13, 2009. Mr. Gamgort s employment agreement was amended on March 8, 2011. Mr. Steeneck entered into an employment agreement which is for an initial term of five years commencing on April 2, 2007, which was supplemented on June 11, 2007 and then modified on February 27, 2009. The initial term of the contracts for each of Mr. Gamgort and Mr. Steeneck will be automatically extended for an additional one-year period on each anniversary date after the initial term, unless one of the parties provides the other 60 days prior written notice before the expiration that the term shall not be extended. The agreements are terminable by either party at any time, provided that an executive must give no less than 30 days notice prior to a resignation.

The amended employment agreement for Mr. Gamgort (a) sets forth his annual base salary, which will be subject to discretionary annual increases upon review by the Board of Directors, and (b) states that he will be eligible to earn an annual bonus award at a target of 100% of the base salary, and up to a maximum of 200% of the base salary, based upon the achievement of an annual Adjusted EBITDA target and other performance objectives established annually by the Board. In addition, he will be eligible to receive an annual deferred cash incentive award with a target of $1 million per year beginning with the 2010 fiscal year, that is contingent on satisfaction of specified performance objectives established by the Board (although the Board may, at its sole discretion, award pro-rata portions of any deferred award up to $1 million if the performance objectives are not satisfied in full, and under the terms of the employment agreement, the award for the 2009 fiscal year was prorated and was not subject to performance criteria). Each deferred award is generally payable without interest on the third anniversary of the date the Board determines the relevant performance criteria for such award have been achieved, but payment is subject to acceleration upon a change in control of us or upon Mr. Gamgort s death or termination of employment due to disability. Upon specified terminations of employment, Mr. Gamgort is entitled to a prorated portion of the deferred award eligible to be earned in the year of termination. If Mr. Gamgort resigns from his employment with us other than due to a constructive termination, his outstanding and unpaid deferred cash awards are subject to forfeiture on a prorated basis, and will continue to be paid on the original payment dates. The amended employment agreement for Mr. Gamgort also provides for a transaction incentive award in the event of a qualified public offering or a change of control (each term as defined in Mr. Gamgort s employment agreement) that occurs during Mr. Gamgort s employment. The value of such transaction incentive award will be $3 million, or if the ratio of the value of Class A-1 Units of Peak Holdings LLC held by certain affiliates of Blackstone at the time of such qualified offering or change of control, as compared to the value of such affiliates cumulative invested capital in respect of such Class A-1 Units exceeds a specified threshold, $4 million. In the case of a change of control, the transaction award will be payable in cash, and in the case of a qualified public offering, the transaction incentive award will be payable in shares (based on the price at which the shares were sold in the public offering), in each case on the first anniversary of the change of control or qualified public offering, as applicable. The IPO constituted a qualified public offering. As a result, using the initial public offering price of $20 per share, on April 3, 2013, Mr. Gamgort became entitled to 200,000 shares of our common stock, which will be issued on April 3, 2014, subject to Mr. Gamgort s continued service through that date.

We have an employment agreement with Mr. Steeneck that sets forth his annual base salary, which will be subject to discretionary annual increases upon review by the Board of Directors, and states that Mr. Steeneck will be eligible to earn an annual bonus as a percentage of salary with respect to each fiscal year (with a target percentage of 85% of base salary, and a maximum bonus of not less than 170% of base salary), based upon the extent to which annual performance targets established by the Board of Directors are achieved. The annual bonus, if any, shall be paid within

two and one-half months after the end of the applicable fiscal year.

Pursuant to each employment agreement listed above, if an executive s employment terminates for any reason, the executive is entitled to receive (i) any base salary and unused vacation accrued through the date of termination; (ii) any annual bonus earned, but unpaid, as of the date of termination, (iii) reimbursement of any unreimbursed business expenses properly incurred by the executive; and (iv) such employee benefits, if any, as to which the executive may be entitled under our employee benefit plans (the payments and benefits described in (i) through (iv) being accrued rights). If an executive s employment is terminated by us without cause (as defined below) (other than by reason of death or disability) or if the executive resigns as a result of a constructive termination (as defined below) (each a qualifying termination), the executive is entitled to (i) the accrued rights; (ii) a pro rata portion of a target annual bonus based upon the percentage of the fiscal year that shall have elapsed through the date of the executive s termination of employment; (iii) subject to compliance with certain confidentiality, non-competition and non-solicitation covenants contained in his employment agreement and execution of a general release of claims on our behalf, an amount equal to the product of (x) one-and-one half in the case of Mr. Gamgort or one in the case of Mr. Steeneck (however, as disclosed earlier in the Severance, change of control and other termination-related programs subsection of the Elements of Compensation section of this Compensation Discussion and Analysis, under the new cash severance arrangements effective March 1, 2013, Mr. Gamgort s multiplier will be two and the multiplier of certain Executive Vice Presidents, including all those listed in the Summary Compensation Table, will be one-and-one-half) and (y) the sum of (A) the executive s base salary and (B) the executive s target annual bonus amount, which shall be payable to the executive in equal installments in accordance with our normal payroll practices; (iv) continued coverage under our group health plans until the earlier of (A) eighteen months in the case of Mr. Gamgort and one year in the case of Mr. Steeneck from the executive s date of termination of employment with us and (B) the date the executive is or becomes eligible for comparable coverage under health, life and disability plans of another employer; and, in the case of Mr. Gamgort, and (v) the applicable payments under the terms of the annual deferred cash incentive award and the transaction incentive award.

For purposes of these agreements, cause is defined as (A) the executive s continued failure substantially to perform his material duties under executive s employment (other than as a result of total or partial incapacity due to physical or mental illness) following notice by us to the executive of such failure and 30 days within which to cure; (B) theft or embezzlement of our property; (C) any act on the part of executive that constitutes a felony under the laws of the United States or any state thereof (provided, that if an executive is terminated for any action described in this clause (C) and the executive is never indicted in respect of such action, then the burden of establishing that such action occurred will be on us in respect of any proceeding related thereto between the parties and the standard of proof will be clear and convincing evidence (and if we fail to meet that standard, we will reimburse the executive for his reasonable legal fees in connection with that proceeding)); (D) the executive s willful material misconduct in connection with his duties to us or any act or omission which is materially injurious to our financial condition or business reputation or any of our subsidiaries or affiliates; (E) the executive s breach of the provisions of the non-competition clause of these agreements; or, solely in the case of Mr. Steeneck, (F) dishonesty in the performance of manager s duties resulting in material harm to us. No act will be deemed to be willful if conducted in good faith with a reasonable belief that the conduct was in our best interests.

For purposes of these agreements, constructive termination is defined as (A) our failure to pay or cause to be paid the executive s base salary or annual bonus (if any) when due; (B) a reduction in the executive s base salary or target bonus opportunity percentage of base salary (excluding any change in value of equity incentives or a reduction in base salary affecting substantially all similarly situated executives by the same percentage of base salary); (C) any substantial and sustained diminution in the executive s duties, authority or responsibilities as of the date of the agreement; (D) a relocation of the executive s primary work location more than 50 miles without his prior written consent; (E) the failure to assign the executive s employment agreement to a successor, and the failure of such successor to assume that employment agreement, in any public offering or change of control (each as defined in the Securityholders Agreement, dated April 2, 2007, described under Certain Relationships and Related Party Transactions Securityholders

Agreement); (F) a Company notice to the executive of our election not to extend the employment term; or, solely in the case of Mr. Gamgort, (G) a failure to elect or reelect or the removal as a member of the Board of Directors; provided, that none of these events will

constitute constructive termination unless we fail to cure the event within 30 days after notice is given by the executive specifying in reasonable detail the event which constitutes constructive termination; provided, further, that constructive termination will cease to exist for an event on the 60th day following the later of its occurrence or the executive s knowledge thereof, unless the executive has given us notice thereof prior to such date.

In the event of an executive s termination of employment that is not a qualifying termination or a termination due to death or disability, he will only be entitled to the accrued rights (as defined above); and, in the case of any termination of Mr. Gamgort s employment upon his death or while he is disabled, by us without cause, or by Mr. Gamgort as a result of his constructive termination, Mr. Gamgort will be entitled to receive the applicable payments under the terms of the annual deferred cash incentive award and the transaction incentive award.

For information with respect to potential payments to the named executive officers pursuant to their employment agreements upon termination or change of control, see the tables set forth below under Potential Payments Upon Termination or Change in Control.

Each of the agreements also contains non-competition provisions that limit the executive s ability to engage in activity competing with our Company for 18 months, in the case of Mr. Gamgort, or one year, in the case of Mr. Steeneck, after termination of employment. Termination payments are contingent on the executive s compliance with all non-competition provisions. Under the new severance programs, non-competition provisions will be the same time periods as the severance benefits, 2 years for Mr. Gamgort and 1 ½ years for Mr. Steeneck.

Other Change of Control and Severance Agreements

Mr. Fernandez and Mr. Schiller have entered into, and, during her tenure at the company, Ms. Robling had entered into, severance agreements that are different from our general policy. Under Mr. Fernandez s agreement, if his employment is terminated by us without cause, then he would be entitled to a cash payment equal to his then current salary and target bonus for up to 18 months (12 months of severance benefits, plus up to six additional months should he not be employed after the initial 12 months). Under Mr. Schiller s agreement, if his employment is terminated by us without cause or by Mr. Schiller following his constructive termination (as defined in his agreement), then he will be entitled to (i) 12 months of his then current base salary and target bonus, paid in equal installments over 12 months, (ii) 12 months of healthcare benefits for Mr. Schiller and his spouse and eligible dependents, (iii) a prorated bonus, at target, for the year in which such termination occurs and (iv) up to one year of outplacement services. Under Ms. Robling s agreement, if her employment had been terminated by us without cause (as defined), then she would be entitled to a cash payment equal to her then current salary for up to 12 months (nine months guaranteed plus up to three additional months should she not be employed after the initial nine months).

As disclosed earlier in the Severance, change of control and other termination-related programs subsection of the Elements of Compensation section of this Compensation Discussion and Analysis, under the new severance program effective March 1, 2013, severance benefits for certain Executive Vice Presidents, including Mr. Fernandez, Mr. Schiller and Ms. Robling, will amount to one-and-one-half times salary and target bonus with non-competition provisions for the same time periods.

In connection with her departure, on July 1, 2013, Ms. Robling forfeited 79,014 unvested shares of Pinnacle Foods stock.

Table of Contents

Grants of Plan-Based Awards in Fiscal 2012

The following table provides supplemental information relating to grants of plan-based awards in fiscal 2012 to help explain information provided above in our Summary Compensation Table.

Name	Award	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Threshold ($)	Target ($)	Maximum ($)	Estimated Future Payout Under Equity Incentive Plan Awards Target ($)	All Other Stock Awards: Number of Units (#)	Grant Date Fair Value of Stock Awards ($)
Robert J. Gamgort	MIP	2012	225,000	900,000	1,800,000			
	Deferred Cash Incentive Award	2012		1,000,000	1,000,000			
Craig Steeneck	MIP	2012	113,695	454,778	909,556			
Antonio F. Fernandez	MIP	2012	92,589	370,357	740,714			
Mark L. Schiller	MIP	2012	93,608	374,432	748,864			
Sara Genster Robling	MIP	2012	85,534	342,134	684,267			

Outstanding Equity Awards at 2012 Fiscal Year End

The following table provides information regarding outstanding awards made to our named executive officers as of our most recent fiscal year end. In connection with dissolution of Peak Holdings LLC, the assets of Peak Holdings LLC were automatically distributed to the holders of units, including PIUs. Because the sole asset of Peak Holdings LLC was shares of our common stock, each holder of units received shares of our common stock subject to the same vesting conditions as the converted PIUs.

	Stock Awards			
Name	Number of Shares or Units of Stock That Have Not Vested (#) (a)	Market Value of Shares or Units of Stock That Have Not Vested (h) ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (b)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (h) ($)
Robert J. Gamgort	309.5(c)	1,322,891	1,575.3(c)	4,235,804

Craig Steeneck	27.8(d)	87,778	480.5(d)	1,181,645
Antonio F. Fernandez	109(e)	254,948	408.8(e)	956,054
Mark L. Schiller	84(f)	258,289	333.8(f)	1,027,894
Sara Genster Robling	52.5(g)	211,940	255.0(g)	706,991

(a) Represents Class B-1 PIUs, which vest ratably over five years.

(b) Represents Class B-2 PIUs, which vest ratably over five years depending on whether annual or cumulative Adjusted EBITDA targets are met and Class B-3 PIUs, which vest either on a change of control or liquidity event if certain internal rates of return are met. See Equity programs under Elements of Compensation which further describes the vesting provisions of the Class B-2 and B-3 PIUs.

(c) Includes 225 Class B-1 PIUs which vest in equal installments on July 29 of 2013 and 2014 and 84.5 Class B-1 PIUs which vested in equal installments on June 17 of 2013, 2014 and 2015, in each case assuming Mr. Gamgort s continued employment through the applicable vesting date. Number of unearned and unvested units includes 1,012.8 Class B-2 PIUs and 562.5 Class B-3 PIUs.

(d) Includes 27.8 Class B-1 PIUs which vest in equal installments on June 17 of 2013, 2014, and 2015, in each case assuming Mr. Steeneck s continued employment through the applicable vesting date. Number of unearned and unvested units includes 111 Class B-2 PIUs and 369.5 Class B-3 PIUs.

(e) Includes 109 Class B-1 PIUs which vest in equal installments on May 24 of 2013, 2014, 2015, and 2016, in each case assuming Mr. Fernandez s continued employment through the applicable vesting date. Number of unearned and unvested units includes 408.8 Class B-2 PIUs.

Table of Contents

(f) Includes 75 Class B-1 PIUs which vest in equal installments on June 17 of 2013, 2014, and 2015, and 9 Class B-1 PIUs which vest in equal installments on June 16 of 2013, 2014, 2015, and 2016, in each case assuming Mr. Schiller s continued employment through the applicable vesting date. Number of unearned and unvested units includes 333.8 B-2 PIUs.

(g) Includes 30 Class B-1 PIUs which vest in equal installments on April 2 of 2013 and 2014, and 22.5 Class B-1 PIUs which vest in equal installments on June 16 of 2013, 2014, and 2015, in each case assuming Ms. Robling s continued employment through the applicable vesting date. Number of unearned and unvested shares includes 180 Class B-2 PIUs and 75 Class B-3 PIUs. Ms. Robling stepped down from the Company on June 30, 2013 as the Company s Executive Vice President and Division President Birds Eye Frozen Division. In connection with her departure, on July 1, 2013, Ms. Robling forfeited 79,014 unvested shares of Pinnacle Foods stock and 125,310 options were cancelled.

(h) The value ascribed to the Class B-1 and B-2 PIUs is based on the appreciation in the value of our business from and after the date of grant through December 30, 2012, the date of the Company s most recent valuation. The value of our business had not appreciated to a level that would have created value in the Class B-3 PIUs as of December 30, 2012, the date of the Company s most recent valuation. Therefore, we believe the market value of the Class B-3 PIUs was zero on that date.

Option Exercises and Stock Vested in Fiscal 2012

The following table provides information regarding the amounts received by our named executive officers upon exercise of options or similar instruments or the vesting of stock or similar instruments during our most recent fiscal year.

	Stock Awards	
Name	Number of Shares Acquired on Vesting (a) (#)	Value Received on Vesting (a) ($)
Robert J. Gamgort	140.7	358,512
Craig Steeneck	47.8	122,182
Antonio F. Fernandez	27.3	13,671
Mark L. Schiller	27.3	34,277
Sara Genster Robling	22.5	52,769

(a) During fiscal 2012, a portion of the Class B-1 Units vested. Value realized on vesting is based on the appreciation in the value of our business from and after the date of grant through December 25, 2011, the date of the Company s most recent valuation prior to the applicable vesting dates.

Nonqualified Deferred Compensation for Fiscal 2012

The following table provides information regarding the annual deferred cash incentive awards awarded to Mr. Gamgort. The deferred cash incentive awards awarded to Mr. Gamgort are the only defined contribution or other plan that provides for the deferral of compensation on a basis that is not tax-qualified. The material terms of Mr. Gamgort s deferred cash incentive awards are described above in the section titled Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2012 Employment Agreements.

Name	**Executive Contributions in Last Fiscal Year ($)**	**Registrant Contributions in Last Fiscal Year ($) (1)**	**Aggregate Earnings (Losses) in Last Fiscal Year ($) (2)**	**Aggregate Withdrawals/ Distributions ($) (3)**	**Aggregate Balance at Last Fiscal Year End ($) (4)**
Robert J. Gamgort		950,000			2,488,333
Craig Steeneck					
Antonio F. Fernandez					
Mark L. Schiller					
Sara Genster Robling					

Table of Contents

(1) Represents Mr. Gamgort s annual deferred cash incentive award with respect to fiscal 2012. This amount is also reported as compensation to Mr. Gamgort with respect to fiscal 2012 in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table (see footnote (c) to the Summary Compensation Table).

(2) No interest accrues on Mr. Gamgort s deferred cash incentive awards.

(3) No deferred cash incentive payments were made to Mr. Gamgort in fiscal 2012.

(4) Includes previously earned annual deferred cash incentive awards with respect to fiscal 2009 ($458,333), fiscal 2010 ($780,000) and fiscal 2011 ($300,000). All these amounts have been previously reported as compensation to Mr. Gamgort in the Summary Compensation Table for previous years.

Pension Benefits for Fiscal 2012

None of our named executive officers are currently in a defined benefit plan sponsored by us or our subsidiaries or affiliates.

Potential Payments Upon Termination or Change in Control

The following tables show the estimated amount of potential cash severance payable to each of the named executive officers, as well as the estimated value of continuing benefits, based on compensation and benefit levels in effect on December 28, 2012 (the last business day of our fiscal year), assuming the executive s employment terminated effective December 28, 2012 in accordance with their respective employment agreements described earlier. Due to the numerous factors involved in estimating these amounts, the actual value of benefits and amounts to be paid can only be determined upon an executive s termination of employment.

In the tables below, the value of the accelerated PIU vesting reflects the value of the Class B-1 PIUs and, with respect to Mr. Gamgort (and other executives with respect to grants made in 2010), the Class B-2 PIUs that would have vested in the same proportion as any tranche related to such Class B-2 PIUs that has previously vested, and is based on the appreciation in the value of our business from and after the applicable date of grant through December 30, 2012, the date of the Company s most recent valuation. See Equity Programs under Elements of Compensation which describes the accelerated PIU vesting provisions. Amounts reported assume that neither the unvested Class B-3 PIUs nor Class B-2 PIUs that do not vest proportionately would have vested upon a change of control since the value of our business had not appreciated to a level that would have created value in the Class B-3 PIUs as of December 30, 2012, the date of the Company s most recent valuation. The value of the health and welfare benefits in the tables below was estimated at $1,000 per month.

You should read this section together with the subsection above entitled Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2012 Employment Agreements, which includes, among other things, definitions of the terms cause and constructive termination used in the tables below with respect to Messrs. Gamgort and Steeneck. The term change of control is defined in the applicable employment agreement or severance agreement for each such executive officer. Mr. Gamgort s severance amounts include $1 million in connection with his deferred cash incentive awards. Upon a change of control, disability or death, all previously

awarded deferred cash incentive awards are also payable.

Table of Contents

All employees have life insurance benefits which are payable upon death. The benefit under the life insurance policy for each of the named executive officers is $500,000.

Robert J. Gamgort	Voluntary Termination	Involuntary Termination Without Cause	Termination For Cause	Constructive Termination	Change in Control	Disability	Death
Cash Severance		$ 3,700,000		$ 3,700,000			
Acceleration of Stock Vesting					$ 2,803,509		
Vested Stock Awards		4,140,380		4,140,380			
Health and Welfare Benefits		18,000		18,000			
Transaction Incentive Award					3,000,000(1)		
Accelerated Payment of Deferred Cash Incentive Awards (2)					2,488,333	2,488,333	2,488,333
Total		$ 7,858,380		$ 7,858,380	$ 8,291,842	2,488,333	2,488,333

(1) Mr. Gamgort may receive an additional $1 million in cash if a specified ratio is met (as described in the subsection above entitled Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards for 2012 Employment Agreements).

(2) Represents accelerated payment of all previously earned deferred cash incentive awards, which amount is reported in the Aggregate Balance at Last Fiscal Year End Column of the Non-Qualified Deferred Compensation Table above. Mr. Gamgort s deferred cash incentive award earned with respect to fiscal 2012 has been reported as compensation to Mr. Gamgort with respect to fiscal 2012 in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table and all his other previously earned deferred cash incentive awards have been reported as compensation in the Summary Compensation Table for previous years.

Craig Steeneck	Voluntary Termination	Involuntary Termination Without Cause	Termination For Cause	Constructive Termination	Change in Control	Disability	Death
Cash Severance		$ 989,811		$ 989,811			
Acceleration of Stock Vesting					$ 158,001		
Vested Stock Awards		2,729,392		2,729,392			
Health and Welfare Benefits		12,000		12,000			
Total		$ 3,731,203		$ 3,731,203	$ 158,001		

Antonio F. Fernandez	Voluntary Termination	Involuntary Termination Without Cause	Termination For Cause	Constructive Termination	Change in Control	Disability	Death
Cash Severance		$ 1,209,106					
Acceleration of Stock Vesting					$ 254,948		
Vested Stock Awards		63,737					
Health and Welfare Benefits		18,000					
Total		$ 1,290,843			$ 254,948		

128

Table of Contents

Mark L. Schiller	Voluntary Termination	Involuntary Termination Without Cause	Termination For Cause	Constructive Termination	Change in Control	Disability	Death
Cash Severance		$ 814,940		$ 814,940			
Acceleration of Stock Vesting					$ 448,080		
Vested Stock Awards		400,660		400,600			
Health and Welfare Benefits		12,000		12,000			
Outplacement Services		15,000		15,000			
Total		$ 1,242,600		$ 1,242,600	$ 448,080		

Sara Genster Robling	Voluntary Termination	Involuntary Termination Without Cause	Termination For Cause	Constructive Termination	Change in Control	Disability	Death
Cash Severance		$ 402,510					
Acceleration of Stock Vesting					$ 268,877		
Vested Stock Awards		611,308					
Health and Welfare Benefits		12,000					
Total		$ 1,025,818			$ 268,877		

On March 1, 2013, the Compensation Committee of the Board of Directors approved changes in the cash benefits paid under the severance plan. As a result of these changes, cash severance benefits for Mr. Gamgort will increase from 1.5 times the sum of his annual base salary and target annual bonus (total annual target compensation) to two times the sum of his total annual target compensation. For Messrs. Steeneck, Fernandez and Schiller and Ms. Robling cash severance benefits will increase from a range of between one year of base salary and one-and-one-half times the executive s total annual target compensation, to one-and-one-half times the executive s total annual target compensation. If the new cash severance benefits had been in effect as of December 28, 2012, the following amounts would have been reported as cash severance in the tables above: Mr. Gamgort ($4,600,000); Mr. Steeneck ($1,484,717); Mr. Fernandez ($1,209,106); Mr. Schiller ($1,222,410); and Ms. Robling ($1,116,965).

Departure of Ms. Robling

Ms. Robling stepped down from the Company on June 30, 2013 as the Company s Executive Vice President and Division President Birds Eye Frozen Division after a transition period to pursue new opportunities that provide greater time flexibility. In connection with her departure, on July 1, 2013, Ms. Robling forfeited 79,014 unvested shares of Pinnacle Foods stock and 125,310 options were cancelled.

Compensation of Directors

Our directors who are also our employees or employees of Blackstone receive no additional compensation for their services as directors. Mr. Deromedi s compensation is discussed below under Director Service Agreement. Mr. Silcock and Ms. Fandozzi, who are not employees of the Company nor of Blackstone, received (1) an annual retainer of $30,000 to be paid annually in arrears on April 2, (2) for Mr. Silcock, an annual payment of $10,000 for serving as Chairman of the Audit Committee and (3) an annual equity grant with an assumed terminal value of approximately

$50,000. Vesting of directors equity grants is the same as for the named executive officers described in subsection Equity programs under section Elements of Compensation above.

Table of Contents

The table below sets forth information regarding director compensation, except for Mr. Gamgort, which is detailed in the Summary Compensation Table, for the fiscal year ended December 30, 2012.

Name	Fees Earned or Paid in Cash ($)	Equity Awards (a) ($)	Option Awards (a) ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)	Total Number of Outstanding Equity Awards
Roger Deromedi	$ 162,750	$	$	$ 98,449(c)	$	$ 261,199	1,075
Raymond P. Silcock	40,000	2,358(b)				42,358	63
Ann Fandozzi	30,000	2,358(b)				32,358	18
Jason Giordano							
Prakash A. Melwani							
Jeff Overly							

(a) Equity Awards which were valued in accordance with ASC Topic 718, the authoritative guidance for stock compensation, represent grant date fair value for the Class B-1 and Class B-2 Units granted during 2012. The assumptions used in the valuation are discussed in Note 4 to our audited consolidated financial statements included elsewhere in this prospectus.

(b) Represents 18 Class B-1 Units, each valued at a grant date fair value of $131.

(c) Represents the annual bonus awarded to Mr. Deromedi pursuant to the terms of his director service agreement, which amount was calculated in a manner consistent with the MIP for our named executive officers.

Our directors who are also our employees or employees of Blackstone do not receive any additional compensation for their services as directors. Our other directors currently receive annual fees as follows:

- $80,000 in cash, paid quarterly in arrears;
- $100,000 in restricted stock units, to be granted at the annual shareholder meeting and which restricted stock units will vest at the earlier of (x) the first anniversary of the date of grant and (y) the next annual shareholder meeting;
- additional $100,000 in cash and $20,000 in restricted stock units for the Non-Executive Chairman of the Board of Directors; and
- additional $15,000 for chairperson of each of the audit committee, compensation committee or nominating and corporate governance committee.

Director Service Agreement

In connection with the Blackstone Transaction, on April 2, 2007, we entered into a director service agreement with Roger Deromedi that governs the terms of his services as our Non-Executive Chairman.

On March 1, 2013, Mr. Deromedi and the Company agreed that the director services agreement would expire upon the completion of the IPO. As a result, Mr. Deromedi no longer has contractual rights to severance or specified compensation levels. In addition, Mr. Deromedi is no longer eligible for an annual bonus and is not subject to non-competition provisions.

In connection with our IPO, we granted Mr. Deromedi unvested stock options with an exercise price per share of $20 to acquire 167,080 shares of our common stock. These stock options will become fully vested and exercisable on the third anniversary of the completion of the IPO.

Compensation Arrangements Adopted in connection with the IPO

2013 Omnibus Incentive Plan

Our Compensation Committee retained Frederic W. Cook & Co., Inc., an independent compensation consulting firm, to advise on executive compensation in connection with the IPO. In connection with the IPO,

our Board adopted, with the approval of our stockholders, a new incentive plan (the 2013 Omnibus Incentive Plan) pursuant to which a total of 11,300,000 shares of our common stock is reserved for issuance under (1) equity awards granted as a result of the conversion of unvested PIUs into restricted common stock of Pinnacle Foods, Inc., (2) stock options and other equity awards granted in connection with the completion of the IPO, and (3) awards granted by us under the 2013 Omnibus Incentive Plan following the completion of the IPO in accordance with its terms. No further awards are currently made under the 2007 Equity Plans. The following description of the 2013 Omnibus Incentive Plan is not complete and is qualified by reference to the full text of the 2013 Omnibus Incentive Plan, which has been filed as an exhibit to the registration statement of which this prospectus forms a part.

Purpose. The purpose of the 2013 Omnibus Incentive Plan is to provide a means through which to attract and retain key personnel and to provide a means whereby our directors, officers, employees, consultants and advisors (and prospective directors, officers, employees, consultants and advisors) can acquire and maintain an equity interest in us, or be paid incentive compensation, including incentive compensation measured by reference to the value of our common stock, thereby strengthening their commitment to the welfare of the Company and its affiliates and aligning their interests with those of our stockholders.

Shares Subject to the Plan. The 2013 Omnibus Incentive Plan provides that the total number of shares of common stock that may be issued under the 2013 Omnibus Incentive Plan is 11,300,000. Of this amount, the maximum number of shares for which incentive stock options may be granted is 11,300,000; the maximum number of shares for which options or SARs may be granted to any individual participant during any single fiscal year is 1,500,000; the maximum number of shares for which performance compensation awards denominated in shares may be granted to any individual participant in respect of a single fiscal year is 500,000 (or if any such awards are settled in cash, the maximum amount may not exceed the fair market value of such shares on the last day of the performance period to which such award relates); the maximum number of shares granted to any non-employee director in a single fiscal year (other than shares subject to awards made in connection with the IPO and described in this prospectus), taken together with any cash fees paid during the calendar year, shall not exceed $500,000 in total value; and the maximum amount that may be paid to any individual for a single fiscal year under a performance compensation award denominated in cash is $5,000,000. In the event any award (other than a substitute award described below) expires or is cancelled, forfeited, terminated, settled in cash or otherwise settled without delivery of the full number of shares subject to such award, the undelivered shares may be granted again under the 2013 Omnibus Incentive Plan, unless the shares are surrendered after the termination of the 2013 Omnibus Incentive Plan, and only if stockholder approval is not required under the then-applicable rules of the exchange on which the shares of common stock are listed. Awards may, in the sole discretion of the Committee, be granted in assumption of, or in substitution for, outstanding awards previously granted by an entity directly or indirectly acquired by the Company, and such substitute awards shall not be counted against the total number of shares that may be issued under the 2013 Omnibus Incentive Plan, except that substitute awards intended to qualify as incentive stock options shall count against the limit on incentive stock options described above.

Administration. The 2013 Omnibus Incentive Plan will be administered by the compensation committee of our Board or such other committee of our Board to which it has delegated power, or if no such committee or subcommittee thereof exists, the Board (for purposes of the 2013 Omnibus Incentive Plan, the Committee). The Committee has the sole and plenary authority to establish the terms and conditions of any award consistent with the provisions of the 2013 Omnibus Incentive Plan. The Committee is authorized to interpret, administer, reconcile any inconsistency in, correct any defect in and/or supply any omission in the 2013 Omnibus Incentive Plan and any instrument or agreement relating to, or any award granted under, the 2013 Omnibus Incentive Plan; establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Committee deems appropriate for the proper administration of the 2013 Omnibus Incentive Plan; and to make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the 2013 Omnibus Incentive Plan. Except to

the extent prohibited by applicable law or the applicable rules and regulations of any securities exchange or inter-dealer quotation system on which the securities of the Company

are listed or traded, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it in accordance with the terms of the 2013 Omnibus Incentive Plan. Any such allocation or delegation may be revoked by the Committee at any time. Unless otherwise expressly provided in the 2013 Omnibus Incentive Plan, all designations, determinations, interpretations, and other decisions under or with respect to the 2013 Omnibus Incentive Plan or any award or any documents evidencing awards granted pursuant to the 2013 Omnibus Incentive Plan are within the sole discretion of the Committee, may be made at any time and are final, conclusive and binding upon all persons or entities, including, without limitation, us, any holder or beneficiary of any award, and any of our stockholders.

Limitations. No award may be granted under the 2013 Omnibus Incentive Plan after the tenth anniversary of the effective date (as defined therein), but awards theretofore granted may extend beyond that date.

Options. The Committee may grant non-qualified stock options and incentive stock options, subject to the terms and conditions as determined by the Committee; provided that all stock options granted under the 2013 Omnibus Incentive Plan are required to have a per share exercise price that is not less than 100% of the fair market value of our common stock underlying such stock options on the date an option is granted (other than in the case of options granted in substitution of previously granted awards), and all stock options that are intended to qualify as incentive stock options must be granted pursuant to an award agreement expressly stating that the option is intended to qualify as an incentive stock option, and will be subject to the terms and conditions that comply with the rules as may be prescribed by Section 422 of the Code. The maximum term for stock options granted under the 2013 Omnibus Incentive Plan will be ten years from the initial date of grant, or with respect to any stock options intended to qualify as incentive stock options, such shorter period as prescribed by Section 422 of the Code. However, if a non-qualified stock option would expire at a time when trading of shares of common stock is prohibited by the Company s insider trading policy (or Company-imposed blackout period), the term will automatically be extended to the 30th day following the end of such period. The purchase price for the shares as to which a stock option is exercised may be paid to us, to the extent permitted by law (i) in cash or its equivalent at the time the stock option is exercised, (ii) in shares having a fair market value equal to the aggregate exercise price for the shares being purchased and satisfying any requirements that may be imposed by the Committee, or (iii) by such other method as the Committee may permit in its sole discretion, including without limitation (A) in other property having a fair market value on the date of exercise equal to the purchase price; (B) if there is a public market for the shares at such time, through the delivery of irrevocable instructions to a broker to sell the shares being acquired upon the exercise of the stock option and to deliver to us the amount of the proceeds of such sale equal to the aggregate exercise price for the shares being purchased, or (C) to the extent the Committee provides in the award agreement or otherwise, through a net exercise procedure.

Stock Appreciation Rights. The Committee may grant stock appreciation rights independent of or in connection with a stock option, subject to terms and conditions as determined by the Committee. The strike price per share of a stock appreciation right is determined by the Committee but in no event may such amount be less than the fair market value of a share on the date the stock appreciation right is granted (other than in the case of stock appreciation rights granted in substitution of previously granted awards). Generally, each stock appreciation right will entitle the participant upon exercise to an amount equal to the product of (i) the excess of (A) the fair market value on the exercise date of one share of common stock, over (B) the strike price per share, times (ii) the numbers of shares of common stock covered by the stock appreciation right. The Committee may in its sole discretion substitute, without the consent of the holder or beneficiary of such stock appreciation rights, stock appreciation rights settled in shares of Common Stock (or settled in shares or cash in the sole discretion of the Committee) for nonqualified stock options.

Restricted Stock and Restricted Stock Units. The Committee may grant shares of restricted stock, subject to terms and conditions as determined by the Committee. As to restricted stock, the holder will generally have the rights and

privileges of a stockholder, including without limitation the right to vote such restricted stock and receive dividends, with respect to such restricted stock, except, that if the lapsing of restrictions with respect to

such restricted stock is contingent on satisfaction of performance conditions other than or in addition to the passage of time, any dividends payable on such shares of restricted stock will be retained, and delivered without interest to the holder of such shares when the restrictions on such shares lapse. The Committee may also grant restricted stock units, representing the right to receive, upon the expiration of the appropriate restricted period one share of common stock for each such outstanding restricted stock unit, or, in the discretion of the Committee, the cash value thereof (or any combination thereof). To the extent provided in the applicable award agreement, the holder of outstanding restricted stock units will be entitled to be credited with dividend equivalent payments (upon the payment by us of dividends on shares of common stock) either in cash or, at the sole discretion of the Committee, in shares of common stock having a value equal to the amount of such dividends (and interest may, at the sole discretion of the Committee, be credited on the amount of cash dividend equivalents at a rate and subject to such terms as determined by the Committee), which will be payable at the same time as the underlying restricted stock units are settled following the release of restrictions on such restricted stock units.

Other Stock-Based Awards. The Committee may issue unrestricted common stock, rights to receive grants of awards at a future date, or other awards denominated in shares of common stock (including, without limitation, performance shares or performance units), under the 2013 Omnibus Incentive Plan, including performance-based awards.

Performance Compensation Awards. The Committee may also designate any award as a performance compensation award intended to qualify as performance-based compensation under section 162(m) of the Code. The Committee also has the authority to make an award of a cash bonus to any participant and designate such awards as a performance compensation award under the 2013 Omnibus Incentive Plan. The Committee has sole discretion to select the length of any applicable performance periods, the types of performance compensation awards to be issued, the applicable performance criteria and performance goals, and the kinds and/or levels of performance goals that are to apply. The performance criteria that will be used to establish the performance goals may be based on the attainment of specific levels of performance of the Company (and/or one or more Affiliates, divisions or operational and/or business units, product lines, brands, business segments, administrative departments, or any combination of the foregoing) and are limited to the following: (i) net earnings or net income (before or after taxes); (ii) basic or diluted earnings per share (before or after taxes); (iii) net revenue or net revenue growth; (iv) gross revenue or gross revenue growth, gross profit or gross profit growth; (v) net operating profit (before or after taxes); (vi) return measures (including, but not limited to, return on investment, assets, capital, employed capital, invested capital, equity, or sales); (vii) cash flow measures (including, but not limited to, operating cash flow, free cash flow, and cash flow return on capital), which may but are not required to be measured on a per share basis; (viii) earnings before or after taxes, interest, depreciation and/or amortization (including EBIT and EBITDA); (ix) gross or net operating margins; (x) productivity ratios; (xi) share price (including, but not limited to, growth measures and total stockholder return); (xii) expense targets or cost reduction goals, general and administrative expense savings; (xiii) operating efficiency; (xiv) objective measures of customer satisfaction; (xv) working capital targets; (xvi) measures of economic value added or other value creation metrics; (xvii) inventory control; (xviii) enterprise value; (xix) sales; (xx) stockholder return; (xxi) client retention; (xxii) competitive market metrics; (xxiii) employee retention; (xxiv) timely completion of new product rollouts; (xxv) timely launch of new facilities; (xxvi) objective measures of personal targets, goals or completion of projects (including but not limited to succession and hiring projects, completion of specific acquisitions, reorganizations or other corporate transactions or capital-raising transactions, expansions of specific business operations and meeting divisional or project budgets); (xxvii) system-wide revenues; (xxviii) royalty income; (xxix) comparisons of continuing operations to other operations; (xxx) market share; (xxxi) cost of capital, debt leverage year-end cash position or book value; (xxxii) strategic objectives, development of new product lines and related revenue, sales and margin targets, co-branding or international operations; or (xxxiii) any combination of the foregoing. Any one or more of the performance criteria may be stated as a percentage of another performance criteria, or used on an absolute or relative basis to measure performance of the Company as a whole or any divisions or operational and/or business units, product lines, brands, business segments, administrative departments of the Company or any combination

thereof, as the Committee may deem appropriate, or any of the above performance criteria may be compared to the performance of a selected group of

comparison companies, or a published or special index that the Committee, in its sole discretion, deems appropriate, or as compared to various stock market indices. Unless otherwise determined by the Committee at the time a performance compensation award is granted, the Committee shall, during the first 90 days of a performance period (or, within any other maximum period allowed under Section 162(m) of the Code), or at any time thereafter to the extent the exercise of such authority at such time would not cause the performance compensation awards granted to any participant for such performance period to fail to qualify as performance-based compensation under Section 162(m) of the Code, specify adjustments or modifications to be made to the calculation of a performance goal for such performance period, based on and in order to appropriately reflect the following events: (i) asset write-downs; (ii) litigation or claim judgments or settlements; (iii) the effect of changes in tax laws, accounting principles, or other laws or regulatory rules affecting reported results; (iv) any reorganization and restructuring programs; (v) extraordinary nonrecurring items as described in Accounting Standards Codification Topic 225-20 (or any successor pronouncement thereto) and/or in management s discussion and analysis of financial condition and results of operations appearing in the Company s annual report to stockholders for the applicable year; (vi) acquisitions or divestitures; (vii) any other specific, unusual or nonrecurring events, or objectively determinable category thereof; (viii) foreign exchange gains and losses; (ix) discontinued operations and nonrecurring charges; and (x) a change in the Company s fiscal year.

Following the completion of a performance period, the Committee will review and certify in writing whether, and to what extent, the performance goals for the performance period have been achieved and, if so, calculate and certify in writing that amount of the performance compensation awards earned for the period based upon the performance formula. Unless otherwise provided in the applicable award agreement, the Committee does not have the discretion to (A) grant or provide payment in respect of performance compensation awards for a performance period if the performance goals for such performance period have not been attained; or (B) increase a performance compensation award above the applicable limitations set forth in the 2013 Omnibus Incentive Plan.

Effect of Certain Events on 2013 Omnibus Incentive Plan and Awards. In the event of (a) any dividend (other than regular cash dividends) or other distribution (whether in the form of cash, shares of common stock, other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, split-off, spin-off, combination, repurchase or exchange of shares of common stock or other securities of the Company, issuance of warrants or other rights to acquire shares of Common Stock or other securities of the Company, or other similar corporate transaction or event (including, without limitation, a change in control, as defined in the 2013 Omnibus Incentive Plan) that affects the shares of common stock, or (b) unusual or nonrecurring events (including, without limitation, a change in control) affecting the Company, any affiliate, or the financial statements of the Company or any affiliate, or changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange or inter-dealer quotation system, accounting principles or law, such that in either case an adjustment is determined by the Committee in its sole discretion to be necessary or appropriate, then the Committee must make any such adjustments in such manner as it may deem equitable, including without limitation, any or all of: (i) adjusting any or all of (A) the share limits applicable under the 2013 Omnibus Incentive Plan with respect to the number of awards which may be granted hereunder, (B) the number of shares of common stock or other securities of the Company which may be delivered in respect of awards or with respect to which awards may be granted under the 2013 Omnibus Incentive Plan and (C) the terms of any outstanding award, including, without limitation, (1) the number of shares of common stock subject to outstanding awards or to which outstanding awards relate, (2) the exercise price or strike price with respect to any award or (3) any applicable performance measures; (ii) providing for a substitution or assumption of awards, accelerating the exercisability of, lapse of restrictions on, or termination of, awards or providing for a period of time for participants to exercise outstanding awards prior to the occurrence of such event; and (iii) cancelling any one or more outstanding awards and causing to be paid to the holders holding vested awards (including any awards that would vest as a result of the occurrence of such event but for such cancellation) the value of such awards, if any, as determined by the Committee (which if applicable may be

based upon the price per share of common stock received or to be received by other stockholders of the Company in such event). For the avoidance of doubt, the Committee may cancel stock options and stock appreciation rights

for no consideration if the fair market value of the shares subject to such options or stock appreciation rights is less than or equal to the aggregate exercise price or strike price of such stock options or stock appreciation rights.

Nontransferability of Awards. An award will not be transferable or assignable by a participant otherwise than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against the Company or any affiliate. However, the Committee may, in its sole discretion, permit awards (other than incentive stock options) to be transferred, including transfer to a participant s family members, any trust established for the benefit of participant or such participant s family members, any partnership or limited liability company of which participant, or participant and participant s family members, are the sole member(s), or to a beneficiary to whom donations are eligible to be treated as charitable contributions for federal tax purposes.

Amendment and Termination. The Board may amend, alter, suspend, discontinue, or terminate the 2013 Omnibus Incentive Plan or any portion thereof at any time; provided, that no such amendment, alteration, suspension, discontinuation or termination may be made without stockholder approval if (i) such approval is necessary to comply with any regulatory requirement applicable to the 2013 Omnibus Incentive Plan or for changes in GAAP to new accounting standards, (ii) it would materially increase the number of securities which may be issued under the 2013 Omnibus Incentive Plan (except for adjustments in connection with certain corporate events), or (iii) it would materially modify the requirements for participation in the 2013 Omnibus Incentive Plan; provided, further, that any such amendment, alteration, suspension, discontinuance or termination that would materially and adversely affect the rights of any participant or any holder or beneficiary of any award without such individual s consent.

Dividends and Dividend Equivalents. The Committee in its sole discretion may provide part of an award with dividends or dividend equivalents, on such terms and conditions as may be determined by the Committee in its sole discretion; provided, that no dividends or dividend equivalents shall be payable in respect of outstanding (i) Options or SARs or (ii) unearned performance compensation awards or other unearned awards subject to performance conditions (other than or in addition to the passage of time) (although dividends and dividend equivalents may be accumulated in respect of unearned awards and paid within 15 days after such awards are earned and become earned, payable or distributable).

Clawback/Forfeiture. An award agreement may provide that the Committee may in its sole discretion cancel such award if the participant, without the consent of the Company, while employed by or providing services to the Company or any Affiliate or after termination of such employment or service, violates a non-competition, non-solicitation or non-disclosure covenant or agreement or otherwise has engaged in or engages in detrimental activity that is in conflict with or adverse to the interest of the Company or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion. The Committee may also provide in an award agreement that if the participant otherwise has engaged in or engages in any activity referred to in the preceding sentence, the participant will forfeit any gain realized on the vesting or exercise of such Award, and must repay the gain to the Company. The Committee may also provide in an award agreement that if the participant receives any amount in excess of what the participant should have received under the terms of the award for any reason (including without limitation by reason of a financial restatement, mistake in calculations or other administrative error), then the participant shall be required to repay any such excess amount to the Company. Without limiting the foregoing, all awards shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with applicable law.

Table of Contents

PRINCIPAL AND SELLING STOCKHOLDERS

The following table and accompanying footnotes set forth information with respect to the beneficial ownership of our common stock, as of November 19, 2013, by (1) each individual or entity known by us to beneficially own more than 5% of our outstanding common stock, (2) each of our named executive officers, (3) each of our directors, (4) all of our directors and our executive officers as a group and (5) each other stockholder selling shares in this offering.

A person is a beneficial owner of a security if that person has or shares voting power, which includes the power to vote or to direct the voting of the security, or investment power, which includes the power to dispose of or to direct the disposition of the security or has the right to acquire such powers within 60 days.

To our knowledge, unless otherwise noted in the footnotes to the following table, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to their beneficially owned common stock.

Securities subject to option grants that have vested or will vest within 60 days are deemed outstanding for calculating the percentage ownership of the person holding the options, but are not deemed outstanding for calculating the percentage ownership of any other person. Percentage computations are based on 117,193,169 shares of our common stock beneficially outstanding as of November 19, 2013.

Except as otherwise indicated in the footnotes below, the address of each beneficial owner is c/o Pinnacle Foods Inc., 399 Jefferson Road, Parsippany, New Jersey 07054.

					Common Stock Beneficially Owned After this Offering			
	Common Stock Beneficially Owned Prior to this Offering				Assuming the Underwriters Option is not Exercised		Assuming the Underwriters Option is Exercised in Full	
Name of Beneficial Owner	**Number**	**%**	**Common Stock Offered**	**Common Stock Offered Subject to Underwriters Option**	**Number**	**%**	**Number**	**%**
Blackstone Funds (1)	79,524,145	67.9%	17,000,000	2,550,000	62,524,145	53.4%	59,974,145	51.2%
Robert J. Gamgort (2)	964,915	*			964,915	*	964,915	*
Craig Steeneck	397,697	*			397,697	*	397,697	*
Antonio F. Fernandez	125,900	*			125,900	*	125,900	*
Mark L. Schiller	144,421	*			144,421	*	144,421	*
Roger Deromedi (3)	798,231	*			798,231	*	798,231	*
Jason Giordano (4)								
Prakash A. Melwani (4)								
Jeff Overly (4)								
Raymond P. Silcock	85,989	*			85,989	*	85,989	*
Ann Fandozzi	3,954	*			3,954	*	3,954	*
Sara Genster Robling (5)	61,693	*			61,693	*	61,693	*
Directors and Executive Officers as a Group (sixteen persons)	2,890,904	2.5%			2,890,904	2.5%	2,890,904	2.5%

* Less than 1%.

(1) Includes 44,445,073 shares of our common stock owned by Blackstone Capital Partners V L.P. (BCP V), 2,627,010 shares of our common stock owned by Blackstone Capital Partners V-AC L.P. (BCP V-AC), 1,388,957 shares of our common stock owned by Blackstone Family Investment Partnership V-SMD L.P. (Family-SMD), 286,787 shares of our common stock owned by Blackstone Family Investment Partnership V L.P. (Family), 107,473 shares of our common stock owned by Blackstone Participation Partnership V L.P. (Participation) and 30,668,845 shares of our common stock owned by BCPV Pinnacle Holdings LLC (BCPV Pinnacle) (collectively, the Blackstone Funds). The general partner of BCP V

and BCP V-AC is Blackstone Management Associates V L.L.C. BMA V L.L.C. is the sole member of Blackstone Management Associates V L.L.C. BCP V Side-by-Side GP L.L.C. is the general partner of Family and Participation. Blackstone Holdings III L.P. is the managing member and majority in interest owner of BMA V L.L.C. and the sole member of BCP V Side-by-Side GP L.L.C. BCPV Pinnacle is wholly owned and managed by its members, Blackstone Capital Partners (Cayman) V L.P. (BCP V Cayman), Blackstone Capital Partners (Cayman) V-A L.P. (BCP V Cayman-A), Blackstone Capital Partners (Cayman) V-AC L.P. (BCP V-AC Cayman), Blackstone Family Investment Partnership (Cayman) V L.P. (Family Cayman), Blackstone Family Investment Partnership (Cayman) V-SMD L.P. (Family Cayman SMD) and Blackstone Participation Partnership (Cayman) V L.P (Participation Cayman) (collectively, the Blackstone Cayman Funds). Blackstone Management Associates (Cayman) V, L.P. is the general partner of BCP V Cayman, BCP V Cayman-A and BCP V-AC Cayman. BCP V GP L.L.C. is a general partner and majority in interest owner of Blackstone Management Associates (Cayman) V, L.P. and the general partner of Family Cayman and Participation Cayman. Blackstone Holdings III L.P. is the sole member of BCP V GP L.L.C. The general partner of Blackstone Holdings III L.P. is Blackstone Holdings III GP L.P. The general partner of Blackstone Holdings III GP L.P. is Blackstone Holdings III GP Management L.L.C. The sole member of Blackstone Holdings III GP Management L.L.C. is The Blackstone Group L.P. The general partner of The Blackstone Group L.P. is Blackstone Group Management L.L.C. Blackstone Group Management L.L.C. is wholly owned by Blackstone s senior managing directors and controlled by its founder, Stephen A. Schwarzman. The general partner of each of Family-SMD and Family Cayman SMD is Blackstone Family GP L.L.C., which is controlled by its founder Mr. Schwarzman. Each of such Blackstone entities and Mr. Schwarzman may be deemed to beneficially own the shares beneficially owned by the Blackstone Funds and the Blackstone Cayman Funds directly or indirectly controlled by it or him, but each (other than the Blackstone Funds and the Blackstone Cayman Funds to the extent of their direct holdings) disclaims beneficial ownership of such shares. The address for each of the Blackstone Funds, Blackstone Management Associates V L.L.C., BMA V. L.L.C., BCP V Side-by-Side GP L.L.C., Blackstone Holdings III L.P., Blackstone Holdings III GP L.P., Blackstone Holdings III GP Management L.L.C., The Blackstone Group L.P., Blackstone Group Management L.L.C., Blackstone Family GP L.L.C., the Blackstone Cayman Funds, Blackstone Management Associates (Cayman) V, L.P. and BCP V GP L.L.C. is c/o The Blackstone Group L.P., 345 Park Avenue, New York, New York, 10154.

(2) Excludes 200,000 shares of our common stock that Mr. Gamgort is entitled to receive on April 3, 2014, subject to Mr. Gamgort s continued service through that date.

(3) Shares of our common stock are held in a revocable trust for the benefit of Mr. Deromedi.

(4) Messrs. Melwani, Giordano and Overly are each employees of Blackstone, but each disclaims beneficial ownership of the shares beneficially owned by Blackstone.

(5) Ms. Robling stepped down from the Company on June 30, 2013 as the Company s Executive Vice President and Division President Birds Eye Frozen Division after a transition period to pursue new opportunities that provide greater time flexibility.

Table of Contents

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Securityholders Agreement

We were party to a securityholders agreement (the Securityholders Agreement) with Peak Holdings LLC and certain of our employees, which restricted transfers of our common stock and provided customary tag and drag rights with respect to certain sales of our common stock. On April 3, 2013 and in connection with our IPO, we entered into a termination agreement (the Securityholders Agreement Termination Agreement) with Peak Holdings LLC and certain of our employees pursuant to which the Securityholders Agreement was terminated.

Stockholders Agreement

In connection with the IPO, we entered into a stockholders agreement with certain affiliates of Blackstone. This agreement grants affiliates of Blackstone the right to nominate to our Board of Directors a number of designees equal to: (i) at least a majority of the total number of directors comprising our Board of Directors at such time as long as affiliates of Blackstone beneficially own at least 50% of the shares of our common stock entitled to vote generally in the election of our directors; (ii) at least 40% of the total number of directors comprising our Board of Directors at such time as long as affiliates of Blackstone beneficially own at least 40% but less than 50% of the shares of our common stock entitled to vote generally in the election of our directors; (iii) at least 30% of the total number of directors comprising our Board of Directors at such time as long as affiliates of Blackstone beneficially own at least 30% but less than 40% of the shares of our common stock entitled to vote generally in the election of our directors; (iv) at least 20% of the total number of directors comprising our Board of Directors at such time as long as affiliates of Blackstone beneficially own at least 20% but less 30% of the shares of our common stock entitled to vote generally in the election of our directors; and (v) at least 10% of the total number of directors comprising our Board of Directors at such time as long as affiliates of Blackstone beneficially own at least 5% but less than 20% of the shares of our common stock entitled to vote generally in the election of our directors. For purposes of calculating the number of directors that affiliates of Blackstone are entitled to nominate pursuant to the formula outlined above, any fractional amounts would be rounded up to the nearest whole number and the calculation would be made on a pro forma basis, taking into account any increase in the size of our Board of Directors (e.g., one and one quarter (1 1/4) directors shall equate to two directors). In addition, in the event a vacancy on the Board of Directors is created by the death, disability, retirement or resignation of a Blackstone director designee, affiliates of Blackstone shall, to the fullest extent permitted by law, have the right to have the vacancy filled by a new Blackstone director-designee.

Registration Rights Agreement

In connection with the IPO, we entered into a registration rights agreement with certain affiliates of Blackstone and certain members of management. This agreement provides to Blackstone an unlimited number of demand registrations and to both Blackstone and members of management party thereto customary piggyback registration rights. The registration rights agreement also provides that we will pay certain expenses relating to such registrations and indemnify Blackstone and the members of management party thereto against certain liabilities which may arise under the Securities Act of 1933, as amended.

Advisory Agreement

Pinnacle Foods Finance LLC and Blackstone Management Partners L.L.C. (BMP) were party to a transaction and advisory fee agreement (the Advisory Agreement) pursuant to which BMP or its affiliates provided certain strategic and structuring advice and assistance to Pinnacle Foods Finance LLC and certain monitoring, advisory and consulting services to Pinnacle Foods Finance LLC. On April 3, 2013, Pinnacle Foods Finance LLC and BMP terminated the

Advisory Agreement in accordance with its terms. In connection with the termination, we paid a termination fee equal to approximately $15.1 million.

Table of Contents

Supplier Costs

Graham Packaging Company, Inc. (Graham Packaging), which was formerly controlled by affiliates of Blackstone, supplies packaging for some of our products. Purchases from Graham Packaging were $7.8 million for the fiscal year ended December 25, 2011 and $6.6 million for the fiscal year ended December 26, 2010. On September 8, 2011, Graham Packaging announced the completion of its acquisition by Reynolds Group Holdings Limited, and thus ceased to be a related party.

Customer Purchases

Performance Food Group Company, which is controlled by affiliates of Blackstone, is a foodservice supplier that purchases products from us. Sales to Performance Food Group Company were $3.1 million in the nine months ended September 29, 2013, $5.7 million for the fiscal year ended December 30, 2012, $4.8 million for the fiscal year ended December 25, 2011 and $5.9 million for the fiscal year ended December 26, 2010. As of September 29, 2013, December 30, 2012 and December 25, 2011, amounts due from Performance Food Group Company were $0.01 million, $0.07 million and $0.1 million, respectively and were recorded on the Accounts receivable, net of allowances line in the Consolidated Balance Sheets.

Debt and Interest Expense

As of September 29, 2013, December 30, 2012 and December 25, 2011, interest accrued on debt to related parties was $0.3 million, $0.2 million and $0.4 million, respectively and was recorded on the Accrued liabilities line in the Consolidated Balance Sheets. As of September 29, 2013, $48.0 million of our senior secured term loan was owed to affiliates of Blackstone . As of December 30, 2012, $63.1 million of our senior secured term loan was owed to affiliates of Blackstone. Related party interest for affiliates of Blackstone for the nine months ended September 29, 2013 was $1.3 million. Related party interest for affiliates of Blackstone for the fiscal year ended December 30, 2012 was $3.3 million. As of December 25, 2011, $122.0 million of our senior secured term loan was owed to affiliates of Blackstone. Related party interest for affiliates of Blackstone for the fiscal year ended December 25, 2011 was $6.2 million. As of December 26, 2010, $125.7 million of our senior secured term loan was owed to affiliates of Blackstone. Related party interest for affiliates of Blackstone for the fiscal year ended December 26, 2010 was $5.0 million.

Other transactions

We have engaged Blackstone Advisory Partners L.P., an affiliate of Blackstone, to provide certain financial consulting services in connection with this offering. We have agreed to pay Blackstone Advisory Partners L.P., only upon successful completion of this offering, a fee of approximately $750,000.

In connection with our April 2013 IPO, Blackstone Advisory Partners L.P. acted as an underwriter and received fees and commissions of approximately $2.0 million.

Equity Investment by Chairman and Executive Officers

At the time of our acquisition by Blackstone, our senior management invested $7.0 million to acquire equity interests in Peak Holdings LLC, in the form of Class A-2 Units of Peak Holdings LLC. In addition, each was awarded non-voting profits interest units in Peak Holdings LLC under our equity incentive plans described in Management Compensation Discussion and Analysis Elements of Compensation, subject to future vesting conditions.

In connection with the capital contributions at the time of the Birds Eye Acquisition on December 23, 2009, certain members of the Board of Directors and senior management invested $3.1 million to acquire equity interests in Peak Holdings LLC in the form of Class A-2 Units of Peak Holdings LLC. To fund these purchases,

certain members of management signed 30 day notes receivable at a market interest rate. The total of the notes receivable were $0.6 million and were fully paid in January 2010. Total equity investments by the non-executive Chairman, current and former Directors and senior management as of December 30, 2012 were $11.4 million.

Peak Holdings LLC was dissolved in connection with the IPO, and holders of Class A-2 Units of Peak Holdings LLC received shares of our common stock in connection with such dissolution.

Related Persons Transaction Policy

Our Board of Directors recognizes the fact that transactions with related persons present a heightened risk of conflicts of interests and/or improper valuation (or the perception thereof). Our Board of Directors has adopted a written policy on transactions with related persons that is in conformity with the requirements upon issuers having publicly-held common stock that is listed on the NYSE. Under the policy:

- any related person transaction, and any material amendment or modification to a related person transaction, must be reviewed and approved or ratified by a committee of the Board of Directors composed solely of independent directors who are disinterested or by the disinterested members of the Board of Directors; and

- any employment relationship or transaction involving an executive officer and any related compensation must be approved by the compensation committee of the Board of Directors or recommended by the compensation committee to the Board of Directors for its approval.

In connection with the review and approval or ratification of a related person transaction:

- management must disclose to the committee or disinterested directors, as applicable, the name of the related person and the basis on which the person is a related person, the material terms of the related person transaction, including the approximate dollar value of the amount involved in the transaction, and all the material facts as to the related person s direct or indirect interest in, or relationship to, the related person transaction;

- management must advise the committee or disinterested directors, as applicable, as to whether the related person transaction complies with the terms of our agreements governing our material outstanding indebtedness that limit or restrict our ability to enter into a related person transaction;

- management must advise the committee or disinterested directors, as applicable, as to whether the related person transaction will be required to be disclosed in our applicable filings under the Securities Act or the Exchange Act, and related rules, and, to the extent required to be disclosed, management must ensure that the related person transaction is disclosed in accordance with such Acts and related rules; and

- management must advise the committee or disinterested directors, as applicable, as to whether the related person transaction constitutes a personal loan for purposes of Section 402 of the Sarbanes-Oxley Act of

2002.

In addition, the related person transaction policy provides that the committee or disinterested directors, as applicable, in connection with any approval or ratification of a related person transaction involving a non-employee director or director nominee, should consider whether such transaction would compromise the director or director nominee s status as an independent, outside, or non-employee director, as applicable, under the rules and regulations of the SEC, the NYSE and Internal Revenue Code.

DESCRIPTION OF INDEBTEDNESS

Senior Secured Credit Agreement

In connection with the Blackstone Transaction, we entered into senior secured credit facilities with Lehman Commercial Paper Inc., as administrative agent, collateral agent and swing line lender, Lehman Brothers Inc., as joint lead arranger and joint bookrunner, Goldman Sachs Credit Partners L.P., as syndication agent, joint lead arranger and joint bookrunner, and the other agents and lenders from time to time party thereto. Subsequent to the Blackstone Transaction, Barclays Bank PLC became the joint lead arranger and joint bookrunner. In connection with the Birds Eye Acquisition, we entered into an amendment of our senior secured credit facilities with Barclays Bank PLC, as administrative agent and collateral agent, Barclays Capital Inc., the investment banking division of Barclays Bank PLC, as joint lead arranger and joint bookrunner, Banc of America Securities LLC, as joint lead arranger and joint bookrunner, Credit Suisse Securities (USA) LLC, as joint lead arranger and joint bookrunner, HSBC Securities (USA) Inc., as joint bookrunner, Macquarie Capital (USA) Inc., as joint bookrunner, and the lenders from time to time party thereto. In August 2010, we entered into an amendment of our senior secured credit facilities with Barclays Bank PLC, as sole and exclusive administrative agent and sole collateral agent and Barclays Capital Inc., the investment banking division of Barclays Bank PLC, Banc of America Securities LLC and Credit Suisse Securities (USA) LLC as joint lead arrangers and joint bookrunners.

In April 2012, we entered into an amended and restated credit agreement governing our senior secured credit facilities. In August 2012, we entered into an amendment of our amended and restated senior secured credit facilities with Barclays Bank PLC, as administrative agent and Barclays Bank PLC, Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated as joint lead arrangers and joint bookrunners. On April 29, 2013, we entered into the second amendment to the amended and restated senior secured credit facilities (as so amended, the senior secured credit facility), which provided for a seven year term loan facility in the amount of $1,630.0 million (the Tranche G Term Loans) and replaced the existing revolving credit facility with a new five year $150.0 million revolving credit facility (the revolving credit facility). The Tranche G Term Loans mature on April 29, 2020 and the revolving credit facility matures on April 29, 2018. On October 1, 2013, we entered into the first amendment to our second amended and restated credit agreement which allowed us to, among other things, borrow under a new incremental $525.0 million term loan facility (the Tranche H Term Loans; and together with the Tranche G Term Loans, the Term Loans) to fund a portion of the purchase price for the acquisition of Wish-Bone. The Tranche H Term Loans have substantially the same terms as the Tranche G Term Loans.

Pinnacle Foods Finance LLC, which is referred to in this section as the Borrower, is the borrower under the senior secured credit facility. The revolving credit facility includes borrowing capacity available for letters of credit and for short-term borrowings referred to as swing line borrowings. In addition, the senior secured credit facility also provide us with the option to raise incremental credit facilities, refinance the loans with debt incurred outside the credit agreement and extend the maturity date of the revolving loans and term loans, in each case, subject to certain limitations.

Interest Rate and Fees

Pinnacle Foods Finance LLC s borrowings under the senior secured credit facility, bear interest at a floating rate and are maintained as base rate loans or as eurocurrency rate loans. Base rate loans bear interest at the base rate plus the applicable base rate margin, as described in the senior secured credit facility. The base rate is defined as the highest of (i) the administrative agent s prime rate, (ii) the federal funds effective rate plus 1/2 of 1% and (iii) the eurocurrency rate that would be payable on such day for a eurocurrency rate loan with a one-month interest period plus 1%. Eurocurrency rate loans bear interest at the adjusted eurocurrency rate plus the applicable eurocurrency rate margin, as

described in the senior secured credit facility. The eurocurrency rate is determined by reference to the British Bankers Association (BBA) LIBOR rate for the interest period relevant to such borrowing. With respect to Term Loans, the eurocurrency rate shall be no less than 0.75% per annum and the base rate shall be no less than 1.75% per annum. The interest rate margin for Term Loans under the senior

141

secured credit facility is initially 1.50%, in the case of the base rate loans and 2.50%, in the case of eurocurrency rate loans. Following October 29, 2013, the margin is subject to one 25 basis point step down upon achievement by the Company of a total net leverage ratio of less than 4.25:1.0.

The total combined amount of the senior secured credit facility loans that were owed to affiliates of Blackstone as of September 29, 2013 and December 30, 2012, was $48.0 million and $63.1 million, respectively. As of September 29, 2013 and December 30, 2012 there were no borrowings outstanding under the revolving credit facility, except in respect of letters of credit as set forth below, however, the eurocurrency rate would have been 2.68% and 3.71% as of such dates. For the nine months ended September 29, 2013, the weighted average interest rate on the term loan components of the senior secured credit facility was 3.63%. For the nine months ended September 23, 2012, the weighted average interest rate on the term loan components of the senior secured credit facility was 3.63%. As of September 29, 2013 and December 30, 2012 the eurocurrency interest rate on the term loan facilities was 3.25% and 4.08%, respectively.

Pinnacle Foods Finance LLC pays a fee for all outstanding letters of credit drawn against the revolving credit facility at an annual rate equivalent to the applicable eurocurrency rate margin then in effect under the revolving credit facility, plus the fronting fee payable in respect of the applicable letter of credit. The fronting fee is equal to 0.125% per annum of the daily maximum amount then available to be drawn under such letter of credit. The fronting fees are computed on a quarterly basis in arrears. Total letters of credit issued under the revolving credit facility cannot exceed $50.0 million. As of September 29, 2013 and December 30, 2012, Pinnacle Foods Finance LLC had utilized $29.0 million and $33.5 million, respectively of the revolving credit facility for letters of credit. As of September 29, 2013 and December 30, 2012, respectively, there was $121.0 million and $116.5 million of borrowing capacity under the revolving credit facility, of which $21.0 million and $16.5 million was available to be used for letters of credit

Prepayments

Under the terms of the senior secured credit facility, Pinnacle Foods Finance LLC is required to use 50% of its Excess Cash Flow to prepay the term loans under the senior secured credit facility (which percentage will be reduced to 25% at a total leverage ratio of 4.50 to 5.49 and to 0% at a total leverage ratio below 4.50). As of September 29, 2013, Pinnacle Foods Finance LLC had a total leverage ratio of 4.75 (proforma adjusted for the Wish-Bone acquisition in compliance with the terms of the senior secured credit facility. See Note 9 to the consolidated financial statements included elsewhere in this prospectus and Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources for further details). Excess Cash Flow is defined as consolidated net income (as defined), as adjusted for certain items, including (1) all non-cash charges and credits included in arriving at consolidated net income, (2) changes in working capital, (3) capital expenditures (to the extent they were not financed with debt), (4) the aggregate amount of principal payments on indebtedness and (5) certain other items defined in the senior secured credit facility. For the 2012 reporting year Pinnacle Foods Finance LLC determined that there were no amounts due under the Excess Cash Flow requirements of the senior secured credit facility. In December 2013, Pinnacle Foods Finance LLC will determine if amounts are due under the Excess Cash Flow requirements of the senior secured credit facility for the 2013 reporting year.

The term loans under the senior secured credit facility mature in quarterly installments of 0.25% of their aggregate funded total principal amount. The aggregate maturities of the Tranche G Term Loans outstanding as of September 29, 2013 are $4.1 million in the remainder of 2013, $16.3 million in 2014, $16.3 million in 2015, $16.3 million in 2016, $20.4 million in 2017 and $1,552.6 million thereafter.

Guarantee

The obligations under the senior secured credit facility are unconditionally and irrevocably guaranteed by Peak Finance Holdings LLC, any subsidiary of Peak Finance Holdings LLC that directly or indirectly owns 100% of the issued and outstanding equity interests of Pinnacle Foods Finance LLC, subject to certain exceptions, each of Pinnacle Foods Finance LLC s direct or indirect material domestic subsidiaries (collectively,

the Guarantors) and by us effective with the April 2013 refinancing. In addition, subject to certain exceptions, the senior secured credit facility is collateralized by first priority or equivalent security interests in (i) all the capital stock of, or other equity interests in, each direct or indirect domestic subsidiary of Pinnacle Foods Finance LLC and 65% of the capital stock of, or other equity interests in, each direct foreign subsidiary of Pinnacle Foods Finance LLC, or any of its material domestic wholly-owned subsidiaries and (ii) certain tangible and intangible assets of Pinnacle Foods Finance LLC and those of the Guarantors (subject to certain exceptions and qualifications).

Certain Covenants and Events of Default

The senior secured credit facility contain a number of significant affirmative and negative covenants and events of default. Such covenants, among other things, restrict, subject to certain exceptions, the ability of the borrower and its restricted subsidiaries to:

- incur additional indebtedness, make guarantees and enter into hedging arrangements;
- create liens on assets;
- enter into sale and leaseback transactions;
- engage in mergers or consolidations;
- sell assets;
- pay dividends and distributions or repurchase our capital stock;
- make investments, loans and advances, including acquisitions; and
- engage in certain transactions with affiliates.

Pursuant to the terms of the senior secured credit facility, Pinnacle Foods Finance LLC is required to maintain a ratio of net first lien secured debt to adjusted EBITDA of no greater than 5.75 to 1.00. Net first lien secured debt is defined as aggregate consolidated secured first lien indebtedness, less the aggregate amount of all unrestricted cash and cash equivalents. In addition, under the credit agreement governing our senior secured credit facility and the indenture governing the 4.875% Senior Notes, Pinnacle Foods Finance LLC s ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is tied to the senior secured leverage ratio (which is currently the same as the ratio of net first lien secured debt to adjusted EBITDA above), in the case of the senior secured credit facility, or to the ratio of adjusted EBITDA to fixed charges for the most recently concluded four consecutive fiscal quarters, in the case of the 4.875% Senior Notes. The senior secured credit facility also permits restricted payments up to an aggregate amount of (together with certain other amounts) the greater of $50 million and 2% of Pinnacle Foods Finance LLC s consolidated total assets, so long as no default has occurred and is continuing

and its pro forma senior secured leverage ratio would be no greater than 4.25 to 1.00.

Indenture

General

On April 29, 2013, our indirect wholly-owned subsidiary, Pinnacle Foods Finance LLC, which is referred to in this section as the Issuer, closed an offering of $350.0 million aggregate principal amount of the 4.875% Senior Notes. The 4.875% Senior Notes were co-issued with the Issuer s wholly-owned subsidiary, Pinnacle Foods Finance Corp., which is referred to as the Co-Issuer, and together with the Issuer as the Issuers, and are guaranteed by us and all of our existing and future domestic subsidiaries that guarantee the new senior secured credit facility. The 4.875% Senior Notes were issued under the indenture dated April 29, 2013 (the Indenture), among the Issuers, the guarantors party thereto and Wilmington Trust, National Association, as trustee. Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse Securities

Table of Contents

(USA) LLC, Goldman, Sachs & Co., Morgan Stanley & Co. LLC UBS Securities LLC, Macquarie Capital (USA) Inc. and Blackstone Advisory Partners L.P. acted as joint book-running managers in this offering. The net proceeds from the offering of the 4.875% Senior Notes, together with a portion of the proceeds from borrowings under the Tranche G Term Loans, were used to redeem all $400.0 million aggregate principal amount of the Issuers 8.25% Senior Notes due 2017 and to pay related premiums, fees and expenses.

The 4.875% Senior Notes

The 4.875% Senior Notes are senior unsecured obligations and:

- rank senior in right of payment to all existing and future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the 4.875% Senior Notes;
- rank equally in right of payment to all existing and future senior debt and other obligations that are not, by their terms, expressly subordinated in right of payment to the 4.875% Senior Notes (including the senior secured credit facility, as described above);
- are effectively subordinated in right of payment to all existing and future secured debt (including obligations under the senior secured credit facility), to the extent of the value of the assets securing such debt; and
- are structurally subordinated to all obligations of each of the Issuers subsidiaries that is not a guarantor of the 4.875% Senior Notes.

Covenants

The Indenture contains covenants limiting the Issuers ability and the ability of their restricted subsidiaries to:

- incur additional debt or issue certain preferred shares;
- pay dividends on, repurchase or make distributions in respect of their capital stock or make other restricted payments;
- make certain investments;
- sell certain assets;
- create liens;

- consolidate, merge, sell or otherwise dispose of all or substantially all of their assets;
- enter into certain transactions with their affiliates; and
- designate their subsidiaries as unrestricted subsidiaries.

These covenants are subject to a number of important limitations and exceptions. During any period in which the 4.875% Senior Notes have investment grade ratings from both Moody s Investors Service, Inc. and Standard & Poor s and no default has occurred and is continuing under the Indenture, we will not be subject to many of the covenants.

Optional Redemption

At any time prior to May 1, 2016, the Issuers may redeem some or all of the 4.875% Senior Notes for cash at a redemption price equal to 100% of their principal amount plus an applicable make-whole premium plus accrued and unpaid interest to the redemption date. At any time on or after May 1, 2016, the Issuers may redeem some or all of the 4.875% Senior Notes at the redemption prices described in the Indenture plus accrued and unpaid interest to the redemption date.

Table of Contents

At any time prior to May 1, 2016, the Issuers may redeem up to 35% of the 4.875% Senior Notes, in each case with proceeds that the Issuers or one of their direct or indirect parent companies raises in one or more equity offerings at a redemption price of 104.875% of their principal amount, plus accrued and unpaid interest to the redemption date, so long as, in each such case, at least 50% of the aggregate principal amount of the 4.875% Senior Notes originally issued remain outstanding.

Mandatory Redemption

The Issuers are not required to make any mandatory redemption or sinking fund payments with respect to the 4.875% Senior Notes.

Change of Control Offer

Upon the occurrence of a change of control, the Issuers will be required to offer to repurchase the 4.875% Senior Notes at 101% of their principal amount, plus accrued and unpaid interest to the repurchase date.

As of September 29, 2013, we were in compliance with all covenants and other obligations under the credit agreement governing our senior secured credit facility and the indenture governing the 4.875% Senior Notes.

Table of Contents

DESCRIPTION OF CAPITAL STOCK

The following is a description of the material terms of, and is qualified in its entirety by, our amended and restated certificate of incorporation and amended and restated bylaws, copies of which are filed as exhibits to the registration statement of which this prospectus is a part.

Our purpose is to engage in any lawful act or activity for which corporations may now or hereafter be organized under the General Corporation Law of the State of Delaware (the DGCL). Our authorized capital stock consists of 500,000,000 shares of common stock, par value $0.01 per share and 50,000,000 shares of preferred stock, par value $0.01 per share. No shares of preferred stock have been issued or are currently outstanding. Unless our Board of Directors determines otherwise, we issue all shares of our capital stock in uncertificated form.

Common Stock

Holders of our common stock are entitled to one vote for each share held of record on all matters to which stockholders are entitled to vote generally, including the election or removal of directors. The holders of our common stock do not have cumulative voting rights in the election of directors.

Upon our liquidation, dissolution or winding up and after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, if any, the holders of our common stock will be entitled to receive pro rata our remaining assets available for distribution. Holders of our common stock do not have preemptive, subscription, redemption or conversion rights. The common stock will not be subject to further calls or assessment by us. There will be no redemption or sinking fund provisions applicable to the common stock. All shares of our common stock that will be outstanding at the time of the completion of the offering will be fully paid and non-assessable. The rights, powers, preferences and privileges of holders of our common stock will be subject to those of the holders of any shares of our preferred stock we may authorize and issue in the future.

Preferred Stock

Our amended and restated certificate of incorporation authorizes our Board of Directors to establish one or more series of preferred stock (including convertible preferred stock). Unless required by law or by the NYSE, the authorized shares of preferred stock will be available for issuance without further action by you. Our Board of Directors may determine, with respect to any series of preferred stock, the powers (including voting powers), preferences and relative participations, optional or other special rights, and the qualifications, limitations or restrictions thereof, of that series, including, without limitation:

- the designation of the series;

- the number of shares of the series, which our Board may, except where otherwise provided in the preferred stock designation, increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares then outstanding);

- whether dividends, if any, will be cumulative or non-cumulative and the dividend rate of the series;

the dates at which dividends, if any, will be payable;

the redemption rights and price or prices, if any, for shares of the series;

the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;

the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of our Company;

- whether the shares of the series will be convertible into shares of any other class or series, or any other security, of our Company or any other corporation, and, if so, the specification of the other class or series or other security, the conversion price or prices or rate or rates, any rate adjustments, the date or dates as of which the shares will be convertible and all other terms and conditions upon which the conversion may be made;

- restrictions on the issuance of shares of the same series or of any other class or series; and

- the voting rights, if any, of the holders of the series.

We could issue a series of preferred stock that could, depending on the terms of the series, impede or discourage an acquisition attempt or other transaction that some, or a majority, of you might believe to be in your best interests or in which you might receive a premium for your common stock over the market price of the common stock. Additionally, the issuance of preferred stock may adversely affect the holders of our common stock by restricting dividends on the common stock, diluting the voting power of the common stock or subordinating the liquidation rights of the common stock. As a result of these or other factors, the issuance of preferred stock could have an adverse impact on the market price of our common stock.

Dividends

The DGCL permits a corporation to declare and pay dividends out of surplus or, if there is no surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. Surplus is defined as the excess of the net assets of the corporation over the amount determined to be the capital of the corporation by the Board of Directors. The capital of the corporation is typically calculated to be (and cannot be less than) the aggregate par value of all issued shares of capital stock. Net assets equals the fair value of the total assets minus total liabilities. The DGCL also provides that dividends may not be paid out of net profits if, after the payment of the dividend, capital is less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets.

Declaration and payment of any dividend will be subject to the discretion of our Board of Directors. The time and amount of dividends will be dependent upon our financial condition, operations, cash requirements and availability, debt repayment obligations, capital expenditure needs and restrictions in our debt instruments, industry trends, the provisions of Delaware law affecting the payment of distributions to stockholders and any other factors our Board of Directors may consider relevant.

Anti-Takeover Effects of Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws and Certain Provisions of Delaware Law

Our amended and restated certificate of incorporation, amended and restated bylaws and the DGCL, which are summarized in the following paragraphs, contain provisions that are intended to enhance the likelihood of continuity and stability in the composition of our Board of Directors. These provisions are intended to avoid costly takeover battles, reduce our vulnerability to a hostile change of control and enhance the ability of our Board of Directors to maximize stockholder value in connection with any unsolicited offer to acquire us. However, these provisions may have an anti-takeover effect and may delay, deter or prevent a merger or acquisition of our Company by means of a tender offer, a proxy contest or other takeover attempt that a stockholder might consider in its best interest, including those attempts that might result in a premium over the prevailing market price for the shares of common stock held by stockholders.

Authorized but Unissued Capital Stock

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the NYSE, which would apply if and so long as our common stock remains listed on the NYSE, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding

Table of Contents

voting power or then outstanding number of shares of common stock. These additional shares may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

Our Board of Directors may generally issue preferred shares on terms calculated to discourage, delay or prevent a change of control of our Company or the removal of our management. Moreover, our authorized but unissued shares of preferred stock will be available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans.

One of the effects of the existence of unissued and unreserved common stock or preferred stock may be to enable our Board of Directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our Company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive our stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

Classified Board of Directors

Our amended and restated certificate of incorporation provides that our Board of Directors will be divided into three classes of directors, with the classes to be as nearly equal in number as possible, and with the directors serving three-year terms. As a result, approximately one-third of our Board of Directors are elected each year. The classification of directors will have the effect of making it more difficult for stockholders to change the composition of our Board of Directors. Our amended and restated certificate of incorporation and amended and restated bylaws provide that, subject to any rights of holders of preferred stock to elect additional directors under specified circumstances, the number of directors are fixed from time to time exclusively pursuant to a resolution adopted by the Board of Directors.

Business Combinations

We have opted out of Section 203 of the DGCL; however, our amended and restated certificate of incorporation contains similar provisions providing that we may not engage in certain business combinations with any interested stockholder for a three-year period following the time that the stockholder became an interested stockholder, unless:

- prior to such time, our Board of Directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to that time, the business combination is approved by our Board of Directors and by the affirmative vote of holders of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an interested stockholder is a person who, together

with that person s affiliates and associates, owns, or within the previous three years owned, 15% or more of our voting stock. For purposes of this section only, voting stock has the meaning given to it in Section 203 of the DGCL.

Under certain circumstances, this provision will make it more difficult for a person who would be an interested stockholder to effect various business combinations with a corporation for a three-year period. This provision may encourage companies interested in acquiring our Company to negotiate in advance with our Board of

148

Directors because the stockholder approval requirement would be avoided if our Board of Directors approves either the business combination or the transaction which results in the stockholder becoming an interested stockholder. These provisions also may have the effect of preventing changes in our Board of Directors and may make it more difficult to accomplish transactions which stockholders may otherwise deem to be in their best interests.

Our restated certificate of incorporation provides that Blackstone and its affiliates and any of their respective direct or indirect transferees and any group as to which such persons are a party do not constitute interested stockholders for purposes of this provision.

Removal of Directors; Vacancies

Under the DGCL, unless otherwise provided in our amended and restated certificate of incorporation, directors serving on a classified board may be removed by the stockholders only for cause. Our amended and restated certificate of incorporation provides that directors may be removed with or without cause upon the affirmative vote of a majority in voting power of all outstanding shares of stock entitled to vote thereon, voting together as a single class; provided, however, at any time when Blackstone and its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, directors may only be removed for cause, and only by the affirmative vote of holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class. In addition, our amended and restated certificate of incorporation also provides that, subject to the rights granted to one or more series of preferred stock then outstanding or the rights granted under the stockholders agreement with affiliates of Blackstone, any vacancies on our Board of Directors are filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum, by a sole remaining director or by the stockholders; provided, however, at any time when Blackstone and its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, any newly created directorship on the Board of Directors that results from an increase in the number of directors and any vacancy occurring in the Board of Directors may only be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director (and not by stockholders).

No Cumulative Voting

Under Delaware law, the right to vote cumulatively does not exist unless the certificate of incorporation specifically authorizes cumulative voting. Our amended and restated certificate of incorporation does not authorize cumulative voting. Therefore, stockholders holding a majority in voting power of the shares of our stock entitled to vote generally in the election of directors are able to elect all our directors.

Special Stockholder Meetings

Our amended and restated certificate of incorporation provides that special meetings of our stockholders may be called at any time only by or at the direction of the Board of Directors or the chairman of the Board of Directors; provided, however, at any time when Blackstone and its affiliates beneficially own, in the aggregate, at least 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, special meetings of our stockholders shall also be called by the Board of Directors or the chairman of the Board of Directors at the request of Blackstone and its affiliates. Our amended and restated bylaws prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management of our Company.

Requirements for Advance Notification of Director Nominations and Stockholder Proposals

Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the Board of Directors or a committee of the Board of Directors. In order for any matter to be properly brought

Table of Contents

before a meeting, a stockholder will have to comply with advance notice requirements and provide us with certain information. Generally, to be timely, a stockholder s notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the immediately preceding annual meeting of stockholders. Our amended and restated bylaws also specify requirements as to the form and content of a stockholder s notice. Our amended and restated bylaws allow the chairman of the meeting at a meeting of the stockholders to adopt rules and regulations for the conduct of meetings which may have the effect of precluding the conduct of certain business at a meeting if the rules and regulations are not followed. These provisions do not apply to Blackstone and its affiliates so long as the stockholders agreement with affiliates of Blackstone remains in effect. See Certain Relationships and Related Party Transactions Stockholders Agreement. These provisions may also defer, delay or discourage a potential acquirer from conducting a solicitation of proxies to elect the acquirer s own slate of directors or otherwise attempting to influence or obtain control of our Company.

Stockholder Action by Written Consent

Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of our stock entitled to vote thereon were present and voted, unless our amended and restated certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation precludes stockholder action by written consent at any time when Blackstone and its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors.

Supermajority Provisions

Our amended and restated certificate of incorporation and amended and restated bylaws provide that the Board of Directors is expressly authorized to make, alter, amend, change, add to, rescind or repeal, in whole or in part, our bylaws without a stockholder vote in any matter not inconsistent with the laws of the State of Delaware or our amended and restated certificate of incorporation. For as long as Blackstone and its affiliates beneficially own, in the aggregate, at least 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of our bylaws by our stockholders requires the affirmative vote of a majority in voting power of the outstanding shares of our stock present in person or represented by proxy and entitled to vote on such amendment, alteration, rescission or repeal. At any time when Blackstone and its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of our bylaws by our stockholders requires the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class.

The DGCL provides generally that the affirmative vote of a majority of the outstanding shares entitled to vote thereon, voting together as a single class, is required to amend a corporation s certificate of incorporation, unless the certificate of incorporation requires a greater percentage.

Our amended and restated certificate of incorporation provides that at any time when Blackstone and its affiliates beneficially own, in the aggregate, less than 40% in voting power of the stock of the Company entitled to vote generally in the election of directors, the following provisions in our amended and restated certificate of incorporation may be amended, altered, repealed or rescinded only by the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class:

the provision requiring a 66 2/3% supermajority vote for stockholders to amend our bylaws;

the provisions providing for a classified Board of Directors (the election and term of our directors);

the provisions regarding resignation and removal of directors;

- the provisions regarding competition and corporate opportunities;
- the provisions regarding entering into business combinations with interested stockholders;
- the provisions regarding stockholder action by written consent;
- the provisions regarding calling special meetings of stockholders;
- the provisions regarding filling vacancies on our Board of Directors and newly created directorships;
- the provisions eliminating monetary damages for breaches of fiduciary duty by a director; and
- the amendment provision requiring that the above provisions be amended only with a 66 2/3% supermajority vote.

The combination of the classification of our Board of Directors, the lack of cumulative voting and the supermajority voting requirements make it more difficult for our existing stockholders to replace our Board of Directors as well as for another party to obtain control of us by replacing our Board of Directors. Because our Board of Directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management.

These provisions may have the effect of deterring hostile takeovers, delaying, or preventing changes in control of our management or our Company, such as a merger, reorganization or tender offer. These provisions are intended to enhance the likelihood of continued stability in the composition of our Board of Directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of us. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions are also intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our shares that could result from actual or rumored takeover attempts. Such provisions may also have the effect of preventing changes in management.

Dissenters Rights of Appraisal and Payment

Under the DGCL, with certain exceptions, our stockholders have appraisal rights in connection with a merger or consolidation of us. Pursuant to the DGCL, stockholders who properly request and perfect appraisal rights in connection with such merger or consolidation will have the right to receive payment of the fair value of their shares as determined by the Delaware Court of Chancery.

Stockholders Derivative Actions

Under the DGCL, any of our stockholders may bring an action in our name to procure a judgment in our favor, also known as a derivative action, provided that the stockholder bringing the action is a holder of our shares at the time of the transaction to which the action relates or such stockholder s stock thereafter devolved by operation of law.

Exclusive Forum

Our amended and restated certificate of incorporation provides that unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for any (i) derivative action or proceeding brought on behalf of our Company, (ii) action asserting a claim of breach of a fiduciary duty owed by any director or officer of our Company to the Company or the Company s stockholders, creditors or other constituents, (iii) action asserting a claim against the Company or any director or officer of the Company arising pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or our amended and restated bylaws, or (iv) action asserting a claim against the Company or any director or officer of the Company governed by the internal affairs doctrine, in

each such case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of our Company shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation. However, the enforceability of similar forum provisions in other companies certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be unenforceable.

Conflicts of Interest

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our amended and restated certificate of incorporation, to the maximum extent permitted from time to time by Delaware law, renounces any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities that are from time to time presented to our officers, directors or stockholders or their respective affiliates, other than those officers, directors, stockholders or affiliates who are our or our subsidiaries employees. Our amended and restated certificate of incorporation provides that, to the fullest extent permitted by law, each of Blackstone or any of its affiliates or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or his or her affiliates has no duty to refrain from (i) engaging in a corporate opportunity in the same or similar lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that Blackstone or any non-employee director acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or himself or its or his affiliates or for us or our affiliates, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves or offer it to another person or entity. Our amended and restated certificate of incorporation does not renounce our interest in any business opportunity that is expressly offered to a non-employee director solely in his or her capacity as a director or officer of the Company. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our amended and restated certificate of incorporation, we have sufficient financial resources to undertake the opportunity and the opportunity would be in line with our business.

Limitations on Liability and Indemnification of Officers and Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors fiduciary duties, subject to certain exceptions. Our amended and restated certificate of incorporation includes a provision that eliminates the personal liability of directors for monetary damages for any breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL. The effect of these provisions is to eliminate the rights of us and our stockholders, through stockholders derivative suits on our behalf, to recover monetary damages from a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior. However, exculpation does not apply to any director if the director has acted in bad faith, knowingly or intentionally violated the law, authorized illegal dividends or redemptions or derived an improper benefit from his or her actions as a director.

Our amended and restated bylaws provide that we must generally indemnify, and advance expenses to, our directors and officers to the fullest extent authorized by the DGCL. We also are expressly authorized to carry directors and officers liability insurance providing indemnification for our directors, officers and certain employees for some liabilities. We believe that these indemnification and advancement provisions and insurance are useful to attract and

retain qualified directors and executive officers.

The limitation of liability, indemnification and advancement provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions also may have the effect of reducing

Table of Contents

the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Listing

Our common stock is listed on the NYSE under the symbol PF.

SHARES ELIGIBLE FOR FUTURE SALE

General

As of November 19, 2013, we had 117,193,169 shares of common stock outstanding, of which 34,778,119 were freely tradable on the NYSE. After giving effect to this offering, approximately 44.2% (or approximately 46.4% if the underwriters exercise in full their option to purchase additional shares from the selling stockholders) of the shares of common stock will be freely tradable without registration under the Securities Act and without restriction by persons other than our affiliates (as defined under Rule 144). In addition, options to purchase an aggregate of approximately 2,648,740 shares of our common stock will be outstanding as of the closing of this offering. Of these options, 146,777 will have vested at or prior to the closing of this offering, 2,321,141 will vest over the next 4 years and 180,822 will vest subject to performance conditions. The 65,415,049 (or 62,865,049, if the underwriters exercise in full their option to purchase additional shares from the selling stockholders) shares of common stock held by Blackstone, certain of our directors and officers and other existing stockholders after this offering will be restricted securities under the meaning of Rule 144 and may not be sold in the absence of registration under the Securities Act, unless an exemption from registration is available, including the exemptions pursuant to Rule 144 under the Securities Act. In addition, 7,273,305 shares of common stock will be authorized and reserved for issuance in relation to potential future awards under the 2013 Omnibus Incentive Plan.

Rule 144

In general, under Rule 144, as currently in effect, a person (or persons whose shares are aggregated) who is not deemed to be or have been one of our affiliates for purposes of the Securities Act at any time during 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than an affiliate, is entitled to sell such shares without registration, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of a prior owner other than an affiliate, then such person is entitled to sell such shares without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates, who have met the six month holding period for beneficial ownership of restricted shares of our common stock, are entitled to sell within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which is approximately 1,171,932 shares; or

- the average reported weekly trading volume of our common stock on the NYSE during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us. The sale of these shares, or the perception that sales will be made, could adversely affect the price of our common stock after this offering because a great supply of shares would be, or would be perceived to be, available for sale in the public market.

Lock-Up Agreements

In connection with this offering, we, our directors, certain of our executive officers and the selling stockholders have agreed with the underwriters, subject to certain exceptions, not to offer or sell, dispose of or hedge, directly or indirectly, any common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 90 days from the date of this prospectus, except with the prior written consent of the representatives of the underwriters.

The 90-day restricted period described in the preceding paragraph will be automatically extended if:

- during the last 17 days of the 90-day restricted period we issue an earnings release or announce material news or a material event; or
- prior to the expiration of the 90-day restricted period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 90-day restricted period,

in which case the restrictions described in this paragraph will continue to apply until the expiration of the 18-day period beginning on (and including) the issuance of the earnings release or the announcement of the material news or material event. See Underwriting (Conflicts of Interest).

Registration Rights

Pursuant to a Registration Rights Agreement, we have granted Blackstone the right to cause us, in certain instances, at our expense, to file registration statements under the Securities Act covering resales of our common stock held by them and we have granted Blackstone and certain members of management piggyback registration rights providing them the right to have us include the shares of our common stock they own in any registration by the Company. Following completion of this offering, the shares covered by registration rights would represent approximately 55.8% of our outstanding common stock (or 53.6%, if the underwriters exercise in full their option to purchase additional shares from the selling stockholders). These shares also may be sold under Rule 144 under the Securities Act, depending on their holding period and subject to restrictions in the case of shares held by persons deemed to be our affiliates.

For a description of rights some holders of common stock have to require us to register the shares of common stock they own, see Certain Relationships and Related Party Transactions Registration Rights Agreement.

Table of Contents

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following is a summary of certain material United States federal income tax consequences to a non-U.S. holder (as defined below) of the purchase, ownership and disposition of our common stock as of the date hereof. Except where noted, this summary deals only with common stock that is held as a capital asset (within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code)).

A non-U.S. holder means a beneficial owner of our common stock (other than an entity treated as a partnership for United States federal income tax purposes) that is not for United States federal income tax purposes any of the following:

- an individual citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This summary is based upon provisions of the Code, and Treasury regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those summarized below. This summary does not address all aspects of United States federal income taxes and does not deal with foreign, state, local or other tax considerations that may be relevant to non-U.S. holders in light of their particular circumstances. In addition, it does not represent a detailed description of the United States federal income tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws (including if you are a United States expatriate, controlled foreign corporation, passive foreign investment company or a partnership or other pass-through entity for United States federal income tax purposes). We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

If an entity treated as a partnership for United States federal income tax purposes holds our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner level. If you are a partner of a partnership holding our common stock, you should consult your tax advisors.

If you are considering the purchase of our common stock, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the ownership of the common stock, as well as the consequences to you arising under the laws of any other taxing jurisdiction.

Dividends

Dividends paid to a non-U.S. holder of our common stock generally will be subject to withholding of United States federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business by the non-U.S. holder within the United States (and, if required by an applicable income tax treaty, are attributable to a United States permanent establishment or a fixed base) are not subject to the withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to United States federal

Table of Contents

income tax on a net income basis in the same manner as if the non-U.S. holder were a United States person as defined under the Code. Any such effectively connected dividends received by a foreign corporation may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A non-U.S. holder of our common stock who wishes to claim the benefit of an applicable treaty rate for dividends will be required (a) to complete Internal Revenue Service (IRS) Form W-8BEN (or other applicable form) and certify under penalty of perjury that such holder is not a United States person as defined under the Code and is eligible for treaty benefits of a reduced withholding rate on dividends or (b) if our common stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable United States Treasury regulations. Special certification and other requirements apply to certain non-U.S. holders that are pass-through entities rather than corporations or individuals. This certification must be provided to the applicable withholding agent prior to the payment of dividends and may be required to be updated periodically.

A non-U.S. holder of our common stock eligible for a reduced rate of United States withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Gain on Disposition of Common Stock

A non-U.S. holder generally will not be subject to United States federal income tax on any gain realized on the taxable disposition of our common stock unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment or a fixed base of the non-U.S. holder);
- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition and certain other conditions are met; or
- we are or have been a United States real property holding corporation for United States federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition of our common stock and the non-U.S. holder s holding period for our common stock.

An individual non-U.S. holder described in the first bullet point immediately above will be subject to tax on the net gain derived from the sale or other taxable disposition under regular graduated United States federal income tax rates. An individual non-U.S. holder described in the second bullet point immediately above will be subject to a flat 30% tax on the gain derived from the sale or other taxable disposition, which may be offset by United States source capital losses, even though the individual is not considered a resident of the United States. If a non-U.S. holder that is a foreign corporation falls under the first bullet point immediately above, it will be subject to tax on its net gain in the same manner as if it were a United States person as defined under the Code and, in addition, may be subject to the branch profits tax equal to 30% of its effectively connected earnings and profits or at such lower rate as may be specified by an applicable income tax treaty.

We believe we are not and do not anticipate becoming a United States real property holding corporation for U.S. federal income tax purposes.

Information Reporting and Backup Withholding

We must report annually to the IRS and to each non-U.S. holder the amount of dividends paid to such holder and the tax withheld with respect to such dividends, regardless of whether withholding was required. Copies of the information returns reporting such dividends and withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty or other applicable agreements.

A non-U.S. holder will be subject to backup withholding for dividends paid to such holder unless such holder certifies under penalty of perjury (generally on IRS Form W-8BEN) that it is not a United States person as defined under the Code (and the payor does not have actual knowledge or reason to know that such holder is a United States person), or such holder otherwise establishes an exemption.

Payment of the proceeds of a sale of our common stock by or through a United States office of a broker is subject to both backup withholding and information reporting unless the beneficial owner certifies under penalty of perjury (generally on IRS Form W-8BEN) that it is not a United States person as defined under the Code (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person), or such owner otherwise establishes an exemption. In general, backup withholding and information reporting will not apply to the payment of the proceeds of a sale of our common stock by or through a foreign office of a broker. If, however, such broker is, for United States federal income tax purposes, (1) a United States person, (2) a controlled foreign corporation, (3) a foreign person that derives 50% or more of its gross income for a certain period from the conduct of a trade or business in the United States, (4) a foreign partnership in which one or more United States persons, in the aggregate, own more than 50% of the income or capital interests in the partnership or (5) a foreign partnership engaged in a trade or business in the United States, then such payments will be subject to information reporting, but not backup withholding, unless such broker has documentary evidence in its records that the beneficial owner is a non-U.S. holder and certain other conditions are met, or the beneficial owner otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a non-U.S. holder s United States federal income tax liability provided the required information is timely furnished to the IRS.

Additional Withholding Requirements

Under legislation enacted in 2010 and administrative guidance, a 30% United States federal withholding tax may apply to dividends paid after June 30, 2014, and the gross proceeds from a disposition of our common stock occurring after December 31, 2016, in each case paid to (i) a foreign financial institution (as specifically defined in the legislation), whether such foreign financial institution is the beneficial owner or an intermediary, unless such foreign financial institution agrees to verify, report and disclose its United States account holders (as specifically defined in the legislation) and meets certain other specified requirements or (ii) a non-financial foreign entity, whether such non-financial foreign entity is the beneficial owner or an intermediary, unless such entity provides a certification that the beneficial owner of the payment does not have any substantial United States owners or provides the name, address and taxpayer identification number of each such substantial United States owner and certain other specified requirements are met. In certain cases, the relevant foreign financial institution or non-financial foreign entity may qualify for an exemption from, or be deemed to be in compliance with, these rules. You should consult your own tax advisor regarding this legislation and whether it may be relevant to your ownership and disposition of our common stock.

Table of Contents

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of our common stock by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (ERISA), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (Similar Laws), and entities whose underlying assets are considered to include plan assets of such plans, accounts and arrangements (each, a Plan).

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (each, an ERISA Plan) and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice for a fee or other compensation to such an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in our common stock using a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary s duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Representation

Accordingly, by acceptance of the common stock, each buyer and subsequent transferee of the common stock will be deemed to have represented and warranted that either (A) no portion of the assets used by such buyer or transferee to acquire the common stock constitutes assets of any Plan or (B) the purchase of the common stock by such buyer or transferee will not constitute a non-exempt prohibited transaction under ERISA or the Code or a similar violation of any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the common stock on behalf of, or with the assets of, any Plan, consult with their counsel regarding the matters described herein.

Table of Contents

UNDERWRITING

Barclays Capital Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives of each of the underwriters named below. In addition, Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Deutsche Bank Securities Inc., Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co. and Morgan Stanley & Co. LLC are acting as joint bookrunning managers for this offering. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, the selling stockholders have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from the selling stockholders, the number of shares of common stock set forth opposite its name below.

Underwriter	Number of Shares
Barclays Capital Inc.	3,676,250
Merrill Lynch, Pierce, Fenner & Smith Incorporated	3,676,250
Deutsche Bank Securities Inc.	2,040,000
Credit Suisse Securities (USA) LLC	1,445,000
Goldman, Sachs & Co.	1,445,000
Morgan Stanley & Co. LLC	1,445,000
Piper Jaffray & Co.	935,000
Macquarie Capital (USA) Inc.	722,500
Stifel, Nicolaus & Company, Incorporated	680,000
Stephens Inc.	340,000
BMO Capital Markets Corp.	255,000
C.L. King & Associates, Inc.	170,000
Janney Montgomery Scott LLC	170,000
Total	17,000,000

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated.

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised the selling stockholders that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $0.601875 per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

Table of Contents

The following table shows the public offering price, underwriting discount and proceeds before expenses to the selling stockholders. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares from the selling stockholders.

	Per Share	Without Option	With Option
Public offering price	$ 26.75	$ 454,750,000	$ 522,962,500
Underwriting discounts	$ 1.003125	$ 17,053,125	$ 19,611,093.75
Proceeds to selling stockholders, before expenses	$ 25.746875	$ 437,696,875	$ 503,351,406.25

The expenses of the offering, not including the underwriting discounts, are estimated at $684,000 and are payable by us. We have agreed to reimburse the underwriters for expenses relating to clearing of this offering with the Financial Regulatory Authority in an amount up to $25,000.

Option to Purchase Additional Shares

The selling stockholders have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to 2,550,000 additional shares at the public offering price, less the underwriting discount. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter s initial amount reflected in the above table.

No Sales of Similar Securities

We, certain of our executive officers, all of our directors and the selling stockholders have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 90 days after the date of this prospectus without first obtaining the written consent of Barclays Capital Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly:

offer, pledge, sell or contract to sell any common stock,

sell any option or contract to purchase any common stock,

purchase any option or contract to sell any common stock,

grant any option, right or warrant for the sale of any common stock,

lend or otherwise dispose of or transfer any common stock,

- request or demand that we file a registration statement related to the common stock, or

- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for or repayable with common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition. In the event that either (x) during the last 17 days of the 90-day lock-up period referred to above, we issue an earnings release or announce material news or a material event or (y) prior to the expiration of the 90-day lock-up period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 90-day lock-up period, the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on (and including) the issuance of the earnings release or the announcement of the material news or material event. Certain of our executive officers have entered into Rule 10b5-1 plans prior to this offering. Sales under such plans will be permitted during the 90-day lock-up period.

Our common stock is listed on the NYSE under the symbol PF.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. Covered short sales are sales made in an amount not greater than the underwriters option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. Naked short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the NYSE in the over-the-counter market or otherwise.

None of us, the selling stockholders or any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Distribution

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail.

Conflicts of Interest

Affiliates of Blackstone Advisory Partners L.P. own in excess of 10% of our issued and outstanding common stock and, as selling stockholders in this offering, will receive in excess of 5% of the net proceeds of this offering. Because Blackstone Advisory Partners L.P. is acting as a financial adviser in this offering and its affiliates own in excess of 10% of our issued and outstanding common stock and will receive more than 5% of the net proceeds of this offering, Blackstone Advisory Partners L.P. is deemed to have a conflict of interest under FINRA Rule 5121. Accordingly, this

offering will be conducted in compliance with Rule 5121. Pursuant to Rule 5121, the appointment of a qualified independent underwriter is not necessary in connection with this offering as a bona fide public market, as defined in Rule 5121, exists for our common stock. Blackstone

162

Advisory Partners L.P. will not confirm any sales to any account over which it exercises discretionary authority without the specific written approval of the account holder. See Use of Proceeds and Certain Relationships and Related Party Transactions for additional information.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financial and brokerage activities. Some of the underwriters and their respective affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. Specifically, affiliates of Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co., Morgan Stanley & Co. LLC and Macquarie Capital (USA) Inc. are acting as lenders and/or agents under our senior secured credit facilities.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We have engaged Blackstone Advisory Partners L.P., a FINRA member and an affiliate of Blackstone, to provide certain financial consulting services in connection with this offering. We have agreed to pay Blackstone Advisory Partners L.P., only upon successful completion of this offering, a fee of approximately $750,000. Blackstone Advisory Partners L.P. s services include advice with respect to selection of underwriters for this offering, deal structuring, fee and economics recommendations, distribution and investor outreach strategy recommendations and preparation of presentation materials. The underwriters have agreed to reimburse us for the fees we have agreed to pay Blackstone Advisory Partners L.P.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date), no offer of shares may be made to the public in that Relevant Member State other than:

A. to any legal entity which is a qualified investor as defined in the Prospectus Directive;

B. to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives; or

C. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of shares shall require us or the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed that (A) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive, and (B) in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, the shares acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors as defined in the Prospectus Directive, or in circumstances in which the prior consent of the representatives have been given to the offer or resale. In the case of any shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives have been obtained to each such proposed offer or resale.

We, our representatives and their affiliates will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

This prospectus has been prepared on the basis that any offer of shares in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of shares. Accordingly any person making or intending to make an offer in that Relevant Member State of shares which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for us or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of shares in circumstances in which an obligation arises for us or the underwriters to publish a prospectus for such offer.

For the purpose of the above provisions, the expression an offer to the public in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

Notice to Prospective Investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are qualified investors (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the Order) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (SIX) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the

Table of Contents

Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, us or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (CISA). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (DFSA). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission (ASIC), in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the Corporations Act), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the common stock may only be made to persons (the Exempt Investors) who are sophisticated investors (within the meaning of section 708(8) of the Corporations Act), professional investors (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the common stock without disclosure to investors under Chapter 6D of the Corporations Act.

The common stock applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring common stock must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in Hong Kong

The common stock have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to professional investors as defined in the Securities and Futures Ordinance (Cap.

165

571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a prospectus as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the common stock has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to common stock which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The common stock have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, Japanese Person shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of common stock may not be circulated or distributed, nor may the common stock be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the common stock pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Table of Contents

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York. Certain legal matters relating to this offering will be passed upon for the underwriters by Latham & Watkins LLP, New York, New York. An investment vehicle comprised of selected partners of Simpson Thacher & Bartlett LLP, members of their families, related persons and others owns an interest representing less than 1% of the capital commitments of funds affiliated with Blackstone.

Table of Contents

EXPERTS

The consolidated financial statements included in this prospectus and the related financial statement schedule included elsewhere in the registration statement, and the effectiveness of Pinnacle Foods Inc. s internal control over financial reporting, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports appearing herein. Such financial statements and financial statement schedule are included in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

INDEPENDENT ACCOUNTANTS

The audited historical special purpose combined financial statements of the Wish-Bone and Western Salad Dressing business as of December 31, 2012 and for the years ended December 31, 2012 and 2011 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock offered by this prospectus. This prospectus is a part of the registration statement and does not contain all of the information set forth in the registration statement and its exhibits and schedules, portions of which have been omitted as permitted by the rules and regulations of the SEC. For further information about us and our common stock, you should refer to the registration statement and its exhibits and schedules. Statements in this prospectus about the contents of any contract, agreement or other document are not necessarily complete and in each instance that a copy of such contract, agreement or document has been filed as an exhibit to the registration statement, we refer you to the copy that we have filed as an exhibit.

We file annual, quarterly and special reports and other information with the SEC. Pinnacle Foods Finance LLC s filings with the SEC are available to the public on the SEC s website at http://www.sec.gov. Those filings are also available to the public on, or accessible through, our corporate web site under the heading Investors, at http://www.pinnaclefoods.com. The information we file with the SEC or contained on or accessible through our corporate web site or any other web site that we may maintain is not part of this prospectus or the registration statement of which this prospectus is a part. You may also read and copy, at SEC prescribed rates, any document we file with the SEC, including the registration statement (and its exhibits) of which this prospectus is a part, at the SEC s Public Reference Room located at 100 F Street, N.E., Washington D.C. 20549. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room.

We make available to our common stockholders annual reports containing consolidated financial statements audited by an independent registered public accounting firm.

Table of Contents

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page Number
Audited Consolidated Financial Statements of Pinnacle Foods Inc. and Subsidiaries	
Management s Report on Internal Control over Financial Reporting	F-2
Report of Independent Registered Public Accounting Firm (Deloitte & Touche LLP)	F-3
Report of Independent Registered Public Accounting Firm (Deloitte & Touche LLP)	F-4
Consolidated Statements of Operations for the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010	F-5
Consolidated Statements of Comprehensive Earnings (Loss) for the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010	F-6
Consolidated Balance Sheets at December 30, 2012 and December 25, 2011	F-7
Consolidated Statements of Cash Flows for the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010	F-8
Consolidated Statements of Shareholders Equity	F-9
Notes to Consolidated Financial Statements	F-10
Unaudited Consolidated Financial Statements of Pinnacle Foods Inc. and Subsidiaries	
Consolidated Statements of Operations for the three and nine months ended September 29, 2013 and September 23, 2012	F-65
Consolidated Statements of Comprehensive Earnings for the three and nine months ended September 29, 2013 and September 23, 2012	F-66
Consolidated Balance Sheets at September 29, 2013 and December 30, 2012	F-67
Consolidated Statements of Cash Flows for the nine months ended September 29, 2013 and September 23, 2012	F-68
Consolidated Statements of Shareholders Equity	F-69
Notes to Consolidated Financial Statements	F-70
Financial Statements of certain assets of the Wish-Bone and Western salad dressing businesses	
Independent Auditor s Report	F-112
Special Purpose Combined Statements of Assets Acquired as of September 30, 2013 (unaudited) and December 31, 2012	F-113
Special Purpose Combined Statements of Revenues and Direct Expenses for the nine months ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended December 31, 2012 and December 31, 2011	F-114
Notes to Special Purpose Combined Financial Statements	F-115

Table of Contents

Management s Report on Internal Control over Financial Reporting

The management of Pinnacle Foods Inc. and subsidiaries (the Company) is responsible for establishing and maintaining adequate internal control over financial reporting. The Company s internal control system was designed to provide reasonable assurance to the Company s management and board of directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Management assessed the effectiveness of the Company s internal control over financial reporting as of December 30, 2012. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on this assessment, management believes that, as of December 30, 2012, the Company s internal control over financial reporting is effective based on those criteria.

/s/ Robert J. Gamgort
Robert J. Gamgort

Chief Executive Officer

/s/ Craig Steeneck
Craig Steeneck

Executive Vice President and

Chief Financial Officer

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of

Pinnacle Foods Inc.

Parsippany, New Jersey

We have audited the accompanying consolidated balance sheets of Pinnacle Foods Inc. and subsidiaries (the Company) as of December 30, 2012 and December 25, 2011, and the related consolidated statements of operations, comprehensive earnings (loss), shareholders equity, and cash flows for each of the three years in the period ended December 30, 2012. Our audits also included the financial statement schedule listed in the Index at Item 16. These financial statements and financial statement schedule are the responsibility of the Company s management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Pinnacle Foods Inc. and subsidiaries as of December 30, 2012 and December 25, 2011, and the results of their operations and their cash flows for each of the three years in the period ended December 30, 2012, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company s internal control over financial reporting as of December 30, 2012, based on the criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 5, 2013 expressed an unqualified opinion on the Company s internal control over financial reporting.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey

March 5, 2013 (except for Note 17, as to which

the date is November 26, 2013 and Note 18, as to which the date is March 12, 2013)

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of

Pinnacle Foods Inc.

Parsippany, New Jersey

We have audited the internal control over financial reporting of Pinnacle Foods Inc. and subsidiaries (the Company) as of December 30, 2012, based on criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in *Management s Annual Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed by, or under the supervision of, the company s principal executive and principal financial officers, or persons performing similar functions, and effected by the company s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 30, 2012, based on the criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 30, 2012 of the Company and our report dated March 5, 2013 (except for Note 17, as to which the date is November 26, 2013 and Note 18, as to which the date is March 12, 2013) expressed an unqualified opinion on those financial statements.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey

March 5, 2013

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(thousands of dollars)

	Fiscal year		
	December 30, 2012 53 weeks	December 25, 2011 52 weeks	December 26, 2010 52 weeks
Net sales	$ 2,478,485	$ 2,469,562	$ 2,436,703
Cost of products sold	1,893,936	1,854,696	1,834,375
Gross profit	584,549	614,866	602,328
Operating expenses			
Marketing and selling expenses	169,736	171,641	172,344
Administrative expenses	89,414	80,460	109,950
Research and development expenses	12,031	8,021	9,387
Goodwill impairment charge		122,900	
Other expense (income), net	29,774	48,578	45,495
Total operating expenses	300,955	431,600	337,176
Earnings before interest and taxes	283,594	183,266	265,152
Interest expense	198,484	208,319	236,004
Interest income	110	242	288
Earnings (loss) before income taxes	85,220	(24,811)	29,436
Provision for income taxes	32,701	22,103	7,399
Net earnings (loss)	$ 52,519	$ (46,914)	$ 22,037
Net earnings (loss) per share			
Basic	$ 0.65	$ (0.58)	$ 0.32
Diluted	$ 0.61	$ (0.58)	$ 0.30

See accompanying Notes to Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)

(thousands of dollars)

	Fiscal year		
	December 30, 2012 53 weeks	December 25, 2011 52 weeks	December 26, 2010 52 weeks
Net earnings (loss)	$ 52,519	$ (46,914)	$ 22,037
Other comprehensive (loss) earnings			
Swaps mark to market adjustments	2,533	21,738	(3,428)
Amortization of deferred mark-to-market adjustment on terminated swaps	445	2,119	3,296
Foreign currency translation	275	285	367
Loss on pension actuarial assumptions	(17,765)	(28,169)	(4,098)
Tax benefit (provision) on other comprehensive earnings	5,395	1,123	(2,078)
Total other comprehensive loss net of tax	(9,117)	(2,904)	(5,941)
Total comprehensive earnings (loss)	$ 43,402	$ (49,818)	$ 16,096

See accompanying Notes to Consolidated Financial Statements

F-6

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(thousands of dollars)

	December 30, 2012	December 25, 2011
Current assets:		
Cash and cash equivalents	$ 92,281	$ 151,031
Accounts receivable, net of allowances of $5,149 and $5,440, respectively	143,884	159,981
Inventories	358,051	335,812
Other current assets	11,862	7,549
Deferred tax assets	99,199	71,109
Total current assets	705,277	725,482
Plant assets, net of accumulated depreciation of $244,694 and $205,281, respectively	493,666	501,283
Tradenames	1,603,992	1,604,512
Other assets, net	155,558	178,849
Goodwill	1,441,495	1,441,495
Total assets	$ 4,399,988	$ 4,451,621
Current liabilities:		
Short-term borrowings	$ 2,139	$ 1,708
Current portion of long-term obligations	30,419	15,661
Accounts payable	137,326	152,869
Accrued trade marketing expense	44,571	35,125
Accrued liabilities	119,269	128,785
Total current liabilities	333,724	334,148
Long-term debt (includes $63,097 and $121,992 owed to related parties, respectively)	2,576,386	2,738,650
Pension and other postretirement benefits	100,918	93,406
Other long-term liabilities	28,705	22,099
Deferred tax liabilities	471,529	417,966
Total liabilities	3,511,262	3,606,269
Commitments and contingencies (Note 12)		
Shareholders equity:		
Pinnacle common stock: par value $.01 per share, 200,000,000 shares authorized, issued and outstanding 81,210,672 and 81,272,593, respectively	812	813
Additional paid-in-capital	696,512	696,539
Retained earnings	252,955	200,436
Accumulated other comprehensive loss	(61,553)	(52,436)
Total Shareholders equity	888,726	845,352
Total liabilities and shareholders equity	$ 4,399,988	$ 4,451,621

See accompanying Notes to Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(thousands of dollars)

	Fiscal year		
	December 30, 2012 53 weeks	December 25, 2011 52 weeks	December 26, 2010 52 weeks
Cash flows from operating activities			
Net earnings (loss)	$ 52,519	$ (46,914)	$ 22,037
Non-cash charges (credits) to net earnings (loss)			
Depreciation and amortization	98,123	88,476	78,049
Goodwill and intangible asset impairment charge	520	148,200	29,000
Plant asset impairment charge		1,286	
Amortization of discount on term loan	994	1,205	2,157
Amortization of debt acquisition costs	8,585	11,062	13,541
Call premium on note redemptions	14,255		
Refinancing costs and write off of debt issuance costs	17,482		17,281
Amortization of deferred mark-to-market adjustment on terminated swaps	444	2,119	3,295
Change in value of financial instruments	(1,185)	1,617	1,043
Equity-based compensation charge	850	1,151	4,727
Pension expense, net of contributions	(10,391)	(13,543)	(8,096)
Other long-term liabilities	2,799	113	(1,398)
Other long-term assets		169	447
Deferred income taxes	30,929	20,524	4,382
Changes in working capital			
Accounts receivable	16,259	(10,952)	12,958
Inventories	(22,027)	(5,785)	60,578
Accrued trade marketing expense	9,383	(12,111)	(1,899)
Accounts payable	(16,333)	38,201	(548)
Accrued liabilities	(1,432)	(23,490)	14,424
Other current assets	1,079	2,884	5,000
Net cash provided by operating activities	202,853	204,212	256,978
Cash flows from investing activities			
Capital expenditures	(78,279)	(117,306)	(81,272)
Proceeds from sale of plant assets	570	7,900	
Net cash used in investing activities	(77,709)	(109,406)	(81,272)
Cash flows from financing activities			
Proceeds from bond offerings			400,000
Proceeds from bank term loans	842,625		442,300
Repayments of long-term obligations	(632,025)	(57,547)	(946,558)
Repurchase of notes	(373,255)		
Proceeds from short-term borrowings	4,294	3,070	3,409
Repayments of short-term borrowings	(3,864)	(2,954)	(3,049)
Borrowings under revolving credit facility	40,000		
Repayments of revolving credit facility	(40,000)		
Repayment of capital lease obligations	(3,511)	(2,543)	(2,658)
Equity contributions		558	626
Repurchases of equity	(877)	(1,624)	(1,282)
Collection of notes receivable from officers			565
Debt acquisition costs	(17,498)	(721)	(13,370)
Change in bank overdrafts			(14,304)
Other financing		2,730	

Net cash used in financing activities	(184,111)	(59,031)	(134,321)
Effect of exchange rate changes on cash	217	(30)	27
Net change in cash and cash equivalents	(58,750)	35,745	41,412
Cash and cash equivalents beginning of period	151,031	115,286	73,874
Cash and cash equivalents end of period	$ 92,281	$ 151,031	$ 115,286
Supplemental disclosures of cash flow information:			
Interest paid	$ 179,427	$ 196,339	$ 179,766
Interest received	110	241	271
Income taxes paid (refunded)	1,981	(1,954)	6,998
Non-cash investing and financing activities:			
New capital leases	1,548	11,240	13,587

See accompanying Notes to Consolidated Financial Statements

F-8

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDER S EQUITY

(thousands of dollars, except share amounts)

	Common Stock		Additional Paid In Capital	Notes Receivable from Officers	Retained earnings	Accumulated Other Comprehensive Loss	Total Shareholders Equity
	Shares	Amount					
Balance, December 27, 2009	49,647,260	$ 496	$ 692,700	$ (565)	$ 225,313	$ (43,591)	$ 874,353
Equity contributions							
Share issuance	31,774,830	318	(318)				
Shares purchased	62,188		626				626
Shares repurchased	(127,605)		(1,282)				(1,282)
Equity related compensation			4,727				4,727
Notes receivable from officers				565			565
Comprehensive earnings					22,037	(5,941)	16,096
Balance, December 26, 2010	81,356,673	$ 814	$ 696,453	$	$ 247,350	$ (49,532)	$ 895,085
Equity contributions							
Shares purchased	44,794		558				558
Shares repurchased	(128,874)	(1)	(1,623)				(1,624)
Equity related compensation			1,151				1,151
Comprehensive earnings					(46,914)	(2,904)	(49,818)
Balance, December 25, 2011	81,272,593	$ 813	$ 696,539	$	$ 200,436	$ (52,436)	$ 845,352
Equity contributions							
Shares repurchased	(61,921)	(1)	(877)				(878)
Equity related compensation			850				850
Comprehensive earnings					52,519	(9,117)	43,402
Balance, December 30, 2012	81,210,672	$ 812	$ 696,512	$	$ 252,955	$ (61,553)	$ 888,726

See accompanying Notes to Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(thousands of dollars, except share amounts and where noted in millions)

1. Summary of Business Activities

Business Overview

Pinnacle Foods Inc. (hereafter referred to as Pinnacle or the Company), formerly known as Crunch Holding Corp., is a holding company whose sole asset is 100% ownership of Peak Finance Holdings LLC (PFH). PFH is a holding company whose sole asset is 100% ownership of Pinnacle Foods Finance LLC (PFF).

PFF is a leading manufacturer, marketer and distributor of high quality, branded convenience food products, the products and operations of which are managed and reported in three operating segments: (i) Birds Eye Frozen, (ii) Duncan Hines Grocery and (iii) Specialty Foods. The Company s United States retail frozen vegetables (Birds Eye), frozen complete bagged meals (Birds Eye Voila!), frozen seafood (Van de Kamp s, Mrs. Paul s), full-calorie single-serve frozen dinners and entrées (Hungry-Man), frozen breakfast (Aunt Jemima), frozen and refrigerated bagels (Lender s), and frozen pizza for one (Celeste) are reported in the Birds Eye Frozen Division. The Company s baking mixes and frostings (Duncan Hines), shelf-stable pickles (Vlasic), table syrups (Mrs. Butterworth s and Log Cabin), canned meat (Armour, Nalley, Brooks), pie and pastry fillings (Comstock, Wilderness), barbecue sauces (Open Pit), salad dressing (Bernstein s) and all Canadian operations are reported in the Duncan Hines Grocery Division. The Specialty Foods Division consists of snack products (Tim s Cascade and Snyder of Berlin) and the Company s food service and private label businesses.

History and Current Ownership

Since 2001, the Company and its predecessors have been involved in several business combinations to acquire certain assets and liabilities related to the brands discussed above.

On December 23, 2009, Pinnacle Foods Group LLC (PFG LLC), an entity wholly owned by PFF, purchased Birds Eye Foods, Inc. (the Birds Eye Acquisition).

2. Summary of Significant Accounting Policies

Consolidation. The Consolidated Financial Statements include the accounts of Pinnacle Foods Inc. and its wholly-owned subsidiaries. The results of companies acquired during the year are included in the Consolidated Financial Statements from the effective date of the acquisition. Intercompany transactions have been eliminated in consolidation.

During the third quarter of 2011, PFF entered into a transaction with U.S. Bancorp Community Development Corporation and Iowa Community Development LC in connection with our participation in the federal government s New Markets Tax Credit Program. Under the terms of the transaction, PFF received proceeds of $2.7 million, which was used to expand the Ft. Madison, Iowa manufacturing facility. PFF must maintain its status as a qualified entity for a period of seven years from the closing date in order to earn the $2.7 million benefit received. The assets acquired with the proceeds of the transaction, as well as certain other assets of PFF are pledged to secure PFF s continued qualification under the New Markets Tax Credit Program. The $2.7 million is recorded in Other long-term liabilities on the Consolidated Balance Sheet.

The transaction resulted in the creation of two new entities, ICD XIII LLC and Pinnacle Foods Investment Fund LLC. Pinnacle has no legal equity interest in these entities. However, since the primary purpose of this transaction is to facilitate benefits for PFF under the New Markets Tax Credit Program and PFF provides a guaranty of its status as a qualified entity, the consolidation analysis determined that PFF is the primary beneficiary and the two new entities should be, and are, consolidated in our Consolidated Financial Statements.

Table of Contents

Foreign Currency Translation. Foreign-currency-denominated assets and liabilities are translated into U.S. dollars at exchange rates existing at the respective balance sheet dates. Translation adjustments resulting from fluctuations in exchange rates are recorded as a separate component of Accumulated other comprehensive loss within shareholder s equity. The Company translates the results of operations of its foreign subsidiary at the average exchange rates during the respective periods. Gains and losses resulting from foreign currency transactions are included in Cost of products sold on the Consolidated Statements of Operations and were a $344 loss in the year ended December 30, 2012, $1,537 loss in the year ended December 25, 2011 and a $3,388 loss in the year ended December 26, 2010. These amounts include the mark to market and realized gains and losses on our foreign currency swaps as discussed in Note 11 to our Consolidated Financial Statements.

Fiscal Year. The Company s fiscal year ends on the last Sunday in December resulting in a fifty-three-week fiscal year for 2012 and fifty-two-week fiscal years for 2011 and 2010.

Cash and Cash Equivalents. The Company considers investments in all highly liquid debt instruments with an initial maturity of three months or less to be cash equivalents. Cash equivalents are measured at fair value and are Level 1 assets.

Inventories. Substantially all inventories are valued at the lower of average cost or net realizable value. The type of costs included in inventory are ingredients, containers, packaging, other raw materials, direct manufacturing labor and fully absorbed manufacturing overheads. When necessary, the Company provides allowances to adjust the carrying value of its inventories to the lower of cost or net realizable value, including any costs to sell or dispose and consideration for obsolescence, excessive inventory levels, product deterioration and other factors in evaluating net realizable value.

Plant Assets. Plant assets are stated at historical cost, and depreciation is computed using the straight-line method over the lives of the assets. Buildings and machinery and equipment are depreciated over periods not exceeding 45 years and 15 years, respectively. The weighted average estimated remaining useful lives are approximately 12 years for buildings and 6 years for machinery and equipment. When assets are retired, sold, or otherwise disposed of, their gross carrying value and related accumulated depreciation are removed from the accounts and included in determining gain or loss on such disposals. Costs of assets acquired in a business combination are based on the estimated fair value at the date of acquisition.

Goodwill and Indefinite-lived Intangible Assets. The Company evaluates the carrying amount of goodwill and indefinite-lived tradenames for impairment on at least an annual basis and when events occur or circumstances change that an impairment might exist. The Company performs goodwill impairment testing for each business which constitutes a component of the Company s operating segments, known as reporting units. The Company performs quantitative testing by calculating the fair value of each reporting unit. The Company compares the fair value of these reporting units with their carrying values inclusive of goodwill. If the carrying amount of the reporting unit exceeds its fair value, the Company compares the implied fair value of the reporting unit s goodwill to its carrying amount and any shortfall is charged to earnings. In estimating the implied fair value of the goodwill, the Company estimates the fair value of the reporting unit s tangible and intangible assets (other than goodwill). In estimating the fair value of our reporting units, the Company primarily uses the income approach, which utilizes forecasted discounted cash flows to estimate the fair value for each reporting unit. The income approach utilizes management s business plans and projections as the basis for expected future cash flows for five years plus a terminal year. It requires significant assumptions including projected sales growth rates and operating margins and the weighted average cost of capital. In the most recent impairment tests, the Company forecasted cash flows for five years plus a terminal year and assumed a weighted average cost of capital of 8.5%. These projections assume sales growth rates for the next five years and the terminal year that generally average between 1.0% and 3.0% and operating margins which increase moderately from historical levels over time as a result of planned capital improvements in our plants and manufacturing efficiency projects. These assumptions are determined based upon management s expectations for each of the individual reporting units.

For indefinite-lived tradename intangible assets, the Company determines recoverability by comparing the carrying value to its fair value estimated based on discounted cash flows attributable to the tradename and charges the shortfall, if any, to earnings. In estimating the fair value of trade names, the Company primarily uses the relief from royalty method. The relief from royalty method involves discounted cash flow techniques, which require management to make significant assumptions regarding the weighted average cost of capital, and sales growth trends.

Assumptions underlying fair value estimates referred to above are subject to risks and uncertainties. These measurements would be considered level 3 under the fair value hierarchy as described in Note 3 to the Consolidated Financial Statements. For more information on goodwill and indefinite-lived intangible assets, please refer to Note 7 to the Consolidated Financial Statements.

Valuation of Long-Lived Assets. The carrying value of long-lived assets held and used, other than goodwill and indefinite-lived intangibles, is evaluated at the asset group level when events or changes in circumstances indicate the carrying value may not be recoverable. The carrying value of a long-lived asset group is considered impaired when the total projected undiscounted cash flows from such asset group are less than the carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset group. Fair market value is determined primarily using the projected cash flows from the asset group discounted at a rate commensurate with the risk involved. Losses on long-lived asset groups held for sale, other than goodwill, are determined in a similar manner, except that fair market values are reduced for disposal costs.

Revenue Recognition and Trade Marketing. Revenue from product sales is recognized upon shipment to the customers as terms are free on board (FOB) shipping point, at which point title and risk of loss is transferred and the selling price is fixed or determinable. This completes the revenue-earning process specifically that an arrangement exists, delivery has occurred, ownership has transferred, the price is fixed and collectability is reasonably assured. A provision for payment discounts and product return allowances, which is estimated based upon the Company s historical performance, management s experience and current economic trends, is recorded as a reduction of sales in the same period that the revenue is recognized.

Trade promotions, consisting primarily of customer pricing allowances and merchandising funds, and consumer coupons are offered through various programs to customers and consumers. Sales are recorded net of estimated trade promotion spending, which is recognized as incurred at the time of sale. Certain retailers require the payment of slotting fees in order to obtain space for the Company s products on the retailer s store shelves. The fees are recognized as reductions of revenue on the date a liability to the retailer is created. These amounts are included in the determination of net sales. Accruals for expected payouts under these programs are included as accrued trade marketing expense in the Consolidated Balance Sheet. Coupon redemption costs are also recognized as reductions of net sales when the coupons are issued. Estimates of trade promotion expense and coupon redemption costs are based upon programs offered, timing of those offers, estimated redemption/usage rates from historical performance, management s experience and current economic trends.

Trade marketing expense is comprised of amounts paid to retailers for programs designed to promote our products. These costs include standard introductory allowances for new products (slotting fees). They also include the cost of in-store product displays, feature pricing in retailers advertisements and other temporary price reductions. These programs are offered to our customers both in fixed and variable (rate per case) amounts. The ultimate cost of these programs depends on retailer performance and is the subject of significant management estimates. The Company records as expense the estimated ultimate cost of the program in the period during which the program occurs. In accordance with the authoritative guidance for revenue recognition, these trade marketing expenses are classified in the Consolidated Statements of Operations as a reduction of net sales. Also, in accordance with the guidance, coupon redemption costs are also recognized as reductions of net sales when issued.

Advertising. Advertising costs include the cost of working media (advertising on television, radio or in print), the cost of producing advertising, and the cost of coupon insertion and distribution. Working media and

coupon insertion and distribution costs are expensed in the period the advertising is run or the coupons are distributed. The cost of producing advertising is expensed as of the first date the advertisement takes place. Advertising included in the Company s marketing and selling expenses were $37,260 for fiscal year ended December 30, 2012, $50,106 for fiscal year ended December 25, 2011 and $40,725 for fiscal year ended December 26, 2010.

Shipping and Handling Costs. In accordance with the authoritative guidance for revenue recognition, costs related to shipping and handling of products shipped to customers are classified as Cost of products sold.

Stock Based Compensation. Grant-date fair value of stock options is estimated using the Black-Scholes option-pricing model. Compensation expense is reduced based on estimated forfeitures with adjustments to actual expense recorded at the time of vesting. Forfeitures are estimated based on historical experience. The majority of our equity options have a five-year vesting period. For those options that have a performance condition, compensation expense is based upon the number of shares expected to vest after assessing the probability that the performance criteria will be met. We recognize compensation cost for awards over the vesting period, adjusted for any changes in our probability assessment.

Insurance reserves . The Company is self-insured under its worker s compensation insurance policy. The Company utilizes a stop loss policy issued by an insurance company to fund claims in excess of $250. The Company estimates the outstanding retained-insurance liabilities by projecting incurred losses to their ultimate liability and subtracting amounts paid-to-date to obtain the remaining liabilities. The Company bases actuarial estimates of ultimate liability on actual incurred losses, estimates of incurred but not yet reported losses and the projected costs to resolve these losses.

Income Taxes. Income taxes are accounted for in accordance with the authoritative guidance for accounting for income taxes under which deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities, using enacted tax rates in effect for the year in which the differences are expected to reverse. The Company continually reviews its deferred tax assets for recovery. A valuation allowance is established when the Company believes that it is more likely than not that some portion of its deferred tax assets will not be realized. Changes in valuation allowances from period to period are included in the Company s tax provision in the period of change.

Financial Instruments. The Company uses financial instruments to manage its exposure to movements in interest rates, certain commodity prices and foreign currencies. The use of these financial instruments modifies the exposure of these risks with the intent to reduce the risk or cost to the Company. The Company does not use derivatives for trading purposes and is not a party to leveraged derivatives. The authoritative guidance for derivative and hedge accounting requires that all derivatives be recognized as either assets or liabilities at fair value. Changes in the fair value of derivatives not designated as hedging instruments are recognized in earnings. The cash flows associated with the financial instruments are included in the cash flow from operating activities.

Deferred financing costs. Deferred financing costs are amortized over the life of the related debt using the effective interest rate method. If debt is prepaid or retired early, the related unamortized deferred financing costs are written off in the period the debt is retired.

Capitalized Internal Use Software Costs. The Company capitalizes the cost of internal-use software that has a useful life in excess of one year. These costs consist of payments made to third parties and the salaries of employees working on such software development. Subsequent additions, modifications or upgrades to internal-use software are capitalized only to the extent that they allow the software to perform a task it previously did not perform. Capitalized internal use software costs are amortized using the straight-line method over their estimated useful lives, generally 2 $^{1}/_{2}$ to 3 years. The Company amortized $4,723 for fiscal year ended December 30, 2012, $4,221 for fiscal year ended December 25, 2011 and $5,030 for fiscal year ended December 26, 2010. Additionally, as of December 30, 2012 and December 25, 2011, the net book value of capitalized internal use software totaled $11,276 and $9,503, respectively and is included in Plant assets, net on the Consolidated Balance Sheets.

Accumulated other comprehensive loss. Accumulated other comprehensive loss includes loss on financial instruments, foreign currency translation adjustments, net gains or (losses) on pension actuarial assumptions and the related tax provisions or benefits that are currently presented as a component of shareholder s equity. The components of Accumulated other comprehensive loss at year end were as follows:

	December 30, 2012	December 25, 2011
Swaps mark to market adjustments	(2,878)	(5,856)
Foreign currency translation	(369)	(644)
Loss on pension actuarial assumptions	(69,374)	(51,608)
Tax benefit	11,068	5,672
Accumulated other comprehensive loss	(61,553)	(52,436)

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

In February 2013, the FASB issued Accounting Standards Update No. 2013-02, Comprehensive Income (Topic 220): *Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income,* (ASU 2013-02). This new guidance requires that we present either in a single note or parenthetically on the face of the financial statements, the effect of significant amounts reclassified from each component of accumulated other comprehensive income based on its source and the income statement line items affected by the reclassification. This guidance only impacts disclosures within our consolidated financial statements and notes to the consolidated financial statements and does not result in a change to the accounting treatment of Accumulated Other Comprehensive Income. We will be required to adopt this guidance beginning with our March 31, 2013 interim reporting on Form 10-Q.

In July 2012, the FASB issued Accounting Standards Update No. 2012-02, *Intangibles Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment,* (ASU 2012-02). In accordance with the amendments in ASU 2012-02, an entity has the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount. If the entity determines that it is more likely than not that the fair value of the indefinite-lived intangible asset is less than the carrying value, the entity will be required to perform the quantitative test. The amendments in ASU 2012-02 are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. However, early adoption is permitted. We are in the process of evaluating this guidance; however, do not expect it will have a material effect on the consolidated financial statements upon adoption.

In June 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2011-05, *Comprehensive Income (Topic 220): Presentation of Comprehensive Income,* (ASU 2011-05). ASU 2011-05 eliminates the option to report other comprehensive income and its components in the statement of changes in equity. ASU 2011-05 requires that all non-owner changes in stockholders equity be presented in either a single continuous statement of comprehensive income or in two separate but consecutive statements. This guidance became effective in the first quarter of 2012. Upon adoption of this guidance we have decided to present comprehensive income in a separate but consecutive statement. See the Consolidated Statements of Comprehensive Earnings as part of our financial statements for the new presentation.

3. Fair Value Measurements

The authoritative guidance for financial assets and liabilities discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow),

Table of Contents

and the cost approach (cost to replace the service capacity of an asset or replacement cost). The guidance utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that reflect the Company s assumptions.

The Company s financial assets and liabilities subject to recurring fair value measurements and the required disclosures are as follows:

	Fair Value as of December 30, 2012	Fair Value Measurements Using Fair Value Hierarchy			Fair Value as of December 25, 2011	Fair Value Measurements Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets								
Interest rate derivatives	$	$	$	$	$ 1,335	$	$ 1,335	$
Foreign currency derivatives	638		638		931		931	
Commodity derivatives	525		525		142		142	
Total assets at fair value	$ 1,163	$	$ 1,163	$	$ 2,408	$	$ 2,408	$
Liabilities								
Interest rate derivatives	$ 3,807	$	$ 3,807	$	$ 7,836	$	$ 7,836	$
Commodity derivatives	682		682		1,615		1,615	
Total liabilities at fair value	$ 4,489	$	$ 4,489	$	$ 9,451	$	$ 9,451	$

The Company manages economic risks, including interest rate, liquidity and credit risk, primarily by managing the amount, sources and duration of its debt funding and the use of derivative financial instruments. The primary risks managed by using derivative instruments are interest rate risk, foreign currency exchange risk and commodity price risk.

The valuations of these instruments are determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate, commodity, and foreign exchange forward curves. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash payments (or receipts) and the discounted expected variable cash receipts (or payments). The variable cash receipts (or payments) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves. To comply with the provisions of the authoritative guidance for fair value disclosure, the Company incorporates credit valuation adjustments to appropriately reflect both its own non-performance risk and the respective counterparty s non-performance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of non-performance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees. The Company had no fair value measurements associated with financial assets and liabilities based upon significant unobservable inputs (Level 3) as of December 30, 2012 or December 25, 2011.

In addition to the instruments named above, the Company also makes fair value measurements in connection with its annual goodwill and trade name impairment testing. These measurements would fall into Level 3 of the fair value hierarchy.

Table of Contents

In December 2011, the Company adopted the provisions of the Financial Accounting Standards Board s (FASB) Accounting Standards Update No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements,* (ASU 2011-04). For purposes of calculating fair value of financial instruments, we manage the portfolio of financial assets and financial liabilities on the basis of the Company s net exposure to credit risk. The Company has elected to apply the portfolio exception in ASU 2011-04 with respect to measuring counterparty credit risk for all of its derivative transactions subject to master netting arrangements on a net basis by counterparty portfolio.

4. Shareholder s Equity, and Equity-Based Compensation Expense and Earnings Per Share

Shareholder s Equity

In connection with the capital contributions at the time of the Birds Eye Acquisition on December 23, 2009, certain members of the Board of Directors and management purchased ownership units of Peak Holdings. To fund these purchases, certain members of management signed 30 day notes receivable at a market interest rate. The total of the notes receivable were $565 and were fully paid in January 2010.

Equity-based Compensation

The Company has two long-term incentive programs: The 2007 Stock Incentive Plan and the 2007 Unit Plan. Equity-based compensation expense recognized during the period is based on the value of the portion of equity-based payment awards that is ultimately expected to vest during the period. As equity-based compensation expense recognized in the Consolidated Statements of Operations is based on awards ultimately expected to vest, it has been reduced for estimated forfeitures. The authoritative guidance for equity compensation requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

The Company currently uses the Black-Scholes option-pricing model as its method of valuation for equity-based awards. Since the underlying equity is not publicly traded, the determination of fair value of equity-based payment awards on the date of grant using an option-pricing model is based upon estimates of enterprise value as well as assumptions regarding a number of highly complex and subjective variables. The estimated enterprise value is based upon forecasted cash flows for five years plus a terminal year and an assumed discount rate. The other variables used to determine fair value of equity-based payment awards include, but are not limited to, the expected stock price volatility of a group of industry comparable companies over the term of the awards, and actual and projected employee equity option exercise behaviors.

The fair value of the options granted during the fiscal year ended December 30, 2012 was estimated on the date of the grant using the Black-Scholes model with the following weighted average assumptions:

	Fiscal year ended		
	December 30, 2012	December 25, 2011	December 26, 2010
Risk-free interest rate	0.34%	0.64%	1.52%
Expected time to option exercise	3.50 years	1.93 years	2.93 years
Expected volatility of Pinnacle Foods Inc. stock	40%	55%	70%
Expected dividend yield on Pinnacle Foods Inc. stock	2% 4%	0%	0%

Volatility was based on the average volatility of a group of publicly traded food companies. The Company estimates the annual forfeiture rates to be 7.6% for the 2007 Stock Incentive Plan and 6.4% for the 2007 Unit Plan.

The expected dividend yield for fiscal 2012 was based on the fact that the annual dividend yields in the food industry typically range between 2% and 4%, and that following the IPO, PF plans on paying a dividend in line with that range.

Table of Contents

Expense Information

The following table summarizes equity-based compensation expense related to employee equity options and employee equity units under the authoritative guidance for equity compensation which was allocated as follows:

	Fiscal year ended		
	December 30, 2012	December 25, 2011	December 26, 2010
Cost of products sold	$ 113	$ 152	$ 394
Marketing and selling expenses	342	463	1,936
Administrative expenses	370	502	2,184
Research and development expenses	25	34	213
Pre-Tax Equity-Based Compensation Expense	850	1,151	4,727
Income Tax Benefit	30	33	141
Net Equity-Based Compensation Expense	$ 820	$ 1,118	$ 4,586

As of December 30, 2012, cumulative unrecognized equity compensation expense of the unvested portion of shares and units for the Company s two long-term incentive programs was $9,108. The weighted average period over which vesting will occur is approximately 7.0 years for the 2007 Stock Incentive Plan and 7.1 years for the 2007 Unit Plan. The Company did not meet the Management EBITDA target in 2012 or in 2011 for awards issued in 2011 and prior and, as a result, the Performance Options and units did not vest. For grants made in 2012, the Company did meet the Management EBITDA target. The Company met the 2010 and 2009 Management EBITDA targets and as a result all previously issued Performance Options and units vested during 2010, thus resulting in an additional $1.7 million in equity-based compensation expense for the year. Options and units under the plans have a termination date of 10 years from the date of issuance.

2007 Stock Incentive Plan

Pinnacle Foods Inc., adopted an equity option plan (the 2007 Stock Incentive Plan) providing for the issuance of up to 1,104,888 shares of Pinnacle Foods Inc. s common stock. Pursuant to the option plan, certain officers, employees, managers, directors and other persons are eligible to receive grants of nonqualified stock options, as permitted by applicable law. For options granted from 2007 to 2009, generally 25% of the options will vest ratably over five years (Time-Vested Options), subject to full acceleration upon a change of control. Fifty percent of the options vest ratably over five years if annual or cumulative Management EBITDA targets, as defined, are met (Performance Options). The final 25% of the options vest either on a change of control or liquidity event (defined as when Blackstone sells more than 50% of its holdings), if a 12% annual internal rate of return is attained by Blackstone (Exit Options). In addition, the plan was also revised to provide that if the EBITDA target is achieved in any two consecutive fiscal years (excluding 2007 and 2008) during the employee s continued employment, then that year s and all prior years Performance Options will vest and become exercisable, and if the Exit Options vest and become exercisable during the employee s continued employment, then all the Performance Options will also vest and become exercisable. Subsequent to 2009, the Company awarded options in the form of Time Vested Options (25%) and Performance Options (75%) to certain employees. The options have the same vesting provisions as stated above, including the provisions that if there is a change of control or liquidity event and if a 12% annual internal rate of return is attained by Blackstone, then all the Performance Options will also vest and become exercisable. Prior to March 1, 2013, this annual internal rate of return target was 20% but the Compensation Committee of the Board of Directors reduced the target for vesting purposes on that date from 20% to 12% to reflect changes in the food industry environment since the plan was adopted.

Table of Contents

The following table summarizes the equity option transactions under the 2007 Stock Incentive Plan:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Fair Value at Grant Date	Weighted Average Remaining Life	Aggregate Intrinsic Value (000 s)
Outstanding, December 25, 2011	463,887	$ 9.28	$ 3.98	6.96	939
Granted	42,207	16.98	4.07		
Exercised	(11,104)	8.62	3.99		
Forfeitures	(58,504)	9.82	3.47		
Outstanding, December 30, 2012	436,486	$ 9.99	$ 3.97	6.22	1,642
Exercisable, December 30, 2012	186,781	$ 9.00	$ 4.04	5.19	$ 3,407

2007 Unit Plan

Peak Holdings, the parent of Pinnacle Foods Inc., adopted an equity plan (the 2007 Unit Plan) providing for the issuance of profit interest units (PIUs) in Peak Holdings. Certain employees have been given the opportunity to invest in Peak Holdings through the purchase of Peak Holding s Class A-2 Units. In addition, from 2007 to 2009, each manager who so invested was awarded profit interests in Peak Holdings in the form of Class B-1, Class B-2 and Class B-3 Units. Generally 25% of the PIUs will vest ratably over five years (Class B-1 Units), subject to full acceleration upon a change of control. Fifty percent of the PIUs vest ratably over five years depending on whether annual or cumulative EBITDA targets are met (Class B-2 Units). The plan also provides that, if the Adjusted EBITDA target is achieved in any two consecutive fiscal years during the employee s continued employment, then that year s and all prior years Class B-2 Units will vest, and if there is a change of control or liquidity event (defined as when Blackstone sells more than 50% of its holdings) and a certain annual internal rate of return is attained by Blackstone, then all the Class B-2 units will also vest, and if the Class B-3 Units vest during the employee s continued employment (as described below), then all the Class B-2 Units will also vest. The final 25% of the PIUs granted vest either on a change of control or liquidity event, if a 12% annual internal rate of return is attained by Blackstone (Class B-3 Units). Subsequent to 2009, the Company awarded PIUs to certain employees in the form of Class B-1 Units (25%) and Class B-2 Units (75%). The Class B-1 Units and Class B-2 Units have the same vesting provisions as stated above, including the provisions that if there is a change of control or liquidity event and if a 12% annual internal rate of return is attained by Blackstone, then all the Class B-2 units will also vest and become exercisable. Prior to March 1, 2013, this annual internal rate of return target was 20% but the Compensation Committee of the Board of Directors reduced the target for vesting purposes on that date from 20% to 12% to reflect changes in the food industry environment since the plan was adopted.

The PIUs align the interest of management and the members by providing certain members of management an interest in the overall return earned by Blackstone upon the exit of their investment. The intrinsic value of the PIU s is based upon the enterprise value of the Company. The following table summarizes the activities under the 2007 Unit Plan:

	Number of Units	Weighted Average Fair Value at Grant Date	Weighted Average Remaining Life	Aggregate Intrinsic Value (000 s)
Outstanding, December 25, 2011	10,738	$ 2,227.82	6.91	10,607
Granted	1,131	131.00		
Exercised	(184)	2,334.81		
Forfeitures	(632)	2,430.18		
Outstanding, December 30, 2012	11,053	$ 1,999.93	6.23	19,276
Vested, December 30, 2012	4,489	$ 2,198.68	4.95	$ 41,485

F-18

Table of Contents

Earnings Per Share

Basic earnings (loss) per common share is computed by dividing net earnings or loss for common shareholders by the weighted-average number of common shares outstanding during the period. Diluted earnings per common share are calculated by dividing net earnings by weighted-average common shares outstanding during the period plus dilutive potential common shares, which are determined as follows:

	2012	2011	2010
Weighted-average common shares	81,230,630	81,315,848	68,434,982
Effect of dilutive securities:			
Warrants	5,192,974		5,192,974
Options to purchase common stock	70,942		10,239
Dilutive potential common shares	86,494,546	81,315,848	73,638,195

Dilutive potential common shares are calculated in accordance with the treasury stock method, which assumes that proceeds from the exercise of all warrants and options are used to repurchase common stock at market value. The amount of shares remaining after the proceeds are exhausted represents the potentially dilutive effect of the securities. Basic loss per share excludes potentially dilutive securities.

In 2011, 5,192,974 warrants and 29,823 options to purchase common stock were not included in the computation of diluted net earnings per share as their effect would have been antidilutive.

5. Other Expense (Income), net

	Fiscal year		
	December 30, 2012	December 25, 2011	December 26, 2010
Other expense (income), net consists of:			
Amortization of intangibles/other assets	$ 15,828	$ 16,175	$ 17,170
Tradename impairment charges	520	25,300	29,000
Redemption premium on the early extinguishment of debt	14,255		
Lehman Brothers Specialty Financing settlement		8,500	
Gain on sale of the Watsonville, CA facility		(391)	
Royalty income and other	(829)	(1,006)	(675)
Total other expense (income), net	$ 29,774	$ 48,578	$ 45,495

Tradename impairment charges. In fiscal 2012, the Company recorded a tradename impairments of $0.5 million on *Bernstein s*. In fiscal 2011, the Company recorded tradename impairments of $23.7 million on *Aunt Jemima* breakfast, $1.2 million on *Lender s* and $0.4 million on *Bernstein s*. In fiscal 2010, the Company recorded an impairment of $29.0 million on the *Hungry-Man* tradename.

Redemption premium on the early extinguishment of debt. On April 19, 2012, as part of a debt refinancing (the April 2012 Refinancing) the Company redeemed all $199.0 million of its outstanding 10.625% Senior Subordinated Notes at a redemption price of 105.313% of the aggregate principal amount. In addition, on June 5, 2012, the Company repurchased and retired $10.0 million of 9.25% Senior Notes at a price of 102.125% of the aggregate principal amount. On September 20, 2012, as part of a debt refinancing (the September 2012 Refinancing) the Company redeemed $150.0 million of its outstanding 9.25% Senior Subordinated Notes at a redemption price of 102.313% of the aggregate principal amount. For more information on debt refinancing see Note 9 to the Consolidated Financial Statements for Debt and Interest Expense.

Table of Contents

Lehman Brothers Specialty Financing settlement. On June 4, 2010, Lehman Brothers Special Financing (LBSF) initiated a claim against the Company in LBSF s bankruptcy proceeding for an additional payment from the Company of $19.7 million, related to certain derivatives contracts which the Company had earlier terminated due to LBSF s default as a result of its bankruptcy filing in 2008. On May 31, 2011, the Company and LBSF agreed to a settlement of LBSF s June 4, 2010 claim. Under the terms of the settlement, the Company made payment of $8.5 million during the third quarter of 2011 in return for LBSF s full release of its claim.

Sale of the Watsonville, CA facility. On June 24, 2011, the Company completed the sale of its Watsonville, CA facility which had been recorded as an asset held for sale. The proceeds of the sale were $7.9 million and resulted in a $0.4 million gain recorded in Other Expense (Income), net in the fiscal year ended December 25, 2011.

6. Balance Sheet Information

Accounts Receivable. Customer accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for cash discounts, returns and bad debts is the Company s best estimate of the amount of uncollectible amounts in its existing accounts receivable. The Company determines the allowance based on historical discounts taken and write-off experience. The Company reviews its allowance for doubtful accounts quarterly. Account balances are charged off against the allowance when the Company concludes it is probable the receivable will not be recovered. The Company does not have any off-balance sheet credit exposure related to its customers. Accounts receivable are as follows:

	December 30, 2012	December 25, 2011
Customers	$ 137,950	$ 154,949
Allowances for cash discounts, bad debts and returns	(5,149)	(5,440)
Subtotal	132,801	149,509
Other receivables	11,083	10,472
Total	$ 143,884	$ 159,981

Following are the changes in the allowance for cash discounts, bad debts, and returns:

	Beginning Balance	Revenue Reductions	Deductions	Ending Balance
Fiscal 2012	$ 5,440	$ 90,598	$ (90,889)	$ 5,149
Fiscal 2011	5,214	86,158	(85,932)	5,440
Fiscal 2010	3,826	84,618	(83,230)	5,214

Inventories. Inventories are as follows:

	December 30, 2012	December 25, 2011
Raw materials, containers and supplies	$ 50,919	$ 66,247
Finished product	307,132	269,565
Total	$ 358,051	$ 335,812

The Company has various purchase commitments for raw materials, containers, supplies and certain finished products incident to the ordinary course of business. Such commitments are not at prices in excess of current market.

Table of Contents

Other Current Assets. Other Current Assets are as follows:

	December 30, 2012	December 25, 2011
Prepaid expenses	$ 5,954	$ 6,540
Prepaid income taxes	578	1,009
Assets held for sale	5,330	
Total	$ 11,862	$ 7,549

Assets held for sale include our closed plants in Tacoma, Washington, Fulton, New York and Millsboro, Delaware.

Plant Assets. Plant assets are as follows:

	December 30, 2012	December 25, 2011
Land	$ 14,061	$ 18,001
Buildings	178,300	163,397
Machinery and equipment	513,339	474,556
Projects in progress	32,660	50,610
Subtotal	738,360	706,564
Accumulated depreciation	(244,694)	(205,281)
Total	$ 493,666	$ 501,283

Depreciation was $82,295, $72,299 and $60,879 during the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, respectively. As of December 30, 2012 and December 25, 2011, Plant Assets included assets under capital lease with a book value of $22,030 and $17,614 (net of accumulated depreciation of $8,246 and $5,257), respectively.

Accrued Liabilities. Accrued liabilities are as follows:

	December 30, 2012	December 25, 2011
Employee compensation and benefits	$ 53,373	$ 50,891
Interest payable	28,116	36,840
Consumer coupons	3,346	3,170
Accrued restructuring charges (see note 8)	10,480	4,076
Accrued financial instrument contracts (see note 11)	682	9,451
Other	23,272	24,357
Total	$ 119,269	$ 128,785

Other Long-Term Liabilities. Other long-term liabilities are as follows:

	December 30, 2012	December 25, 2011
Employee compensation and benefits	$ 9,340	$ 9,589
Long-term rent liability and deferred rent allowances	10,217	6,594
Liability for uncertain tax positions	1,614	1,788
Accrued financial instrument contracts (see note 11)	3,807	
Other	3,727	4,128
Total	$ 28,705	$ 22,099

Table of Contents

7. Goodwill, Tradenames and Other Assets

Goodwill

Goodwill by segment is as follows:

	Birds Eye Frozen	Duncan Hines Grocery	Specialty Foods	Total
Balance, December 26, 2010	$ 578,769	$ 740,465	$ 245,161	$ 1,564,395
Impairments	(51,700)		(71,200)	(122,900)
Balance, December 25, 2011	$ 527,069	$ 740,465	$ 173,961	$ 1,441,495
Balance, December 30, 2012	$ 527,069	$ 740,465	$ 173,961	$ 1,441,495

The authoritative guidance for business combinations requires that all business combinations be accounted for at fair value under the acquisition method of accounting. The authoritative guidance for goodwill provides that goodwill will not be amortized, but will be tested for impairment on an annual basis or more often when events indicate. The Company completed its annual testing as of December 30, 2012, resulting in no impairment. As a result of the testing in 2011, the Company recognized goodwill impairments of $122.9 million in our Frozen Breakfast, Private label, and Foodservice reporting units. The impairment of $51.7 million in our Frozen Breakfast reporting unit was driven by our strategic decision, during our annual planning cycle which occurs during the fourth quarter each year, to discontinue substantial portions of our low margin products on a prospective basis, and the aggressive re-entry of a key competitor into the market. This impairment is reported in the Birds Eye Frozen segment. The impairments of $49.7 million and $21.5 million in our Private Label and Foodservice reporting units, respectively, were driven by the loss of a large customer account during the fourth quarter of 2011, compressed operating margins resulting from higher ingredient costs, as well as our strategic decision to discontinue various lower margin products during our annual planning cycle which occurs during the fourth quarter each year. These charges are reported in the Specialty Foods Segment. All goodwill impairments are recorded in the Goodwill impairment charge line in the Consolidated Statements of Operations.

Tradenames

Tradenames by segment are as follows:

	Birds Eye Frozen	Duncan Hines Grocery	Specialty Foods	Total
Balance, December 26, 2010	$ 821,580	$ 772,232	$ 36,000	$ 1,629,812
Impairments	(24,900)	(400)		(25,300)
Balance, December 25, 2011	$ 796,680	$ 771,832	$ 36,000	$ 1,604,512
Impairments		(520)		(520)
Balance, December 30, 2012	$ 796,680	$ 771,312	$ 36,000	$ 1,603,992

The authoritative guidance for indefinite-lived assets provides that indefinite-lived assets will not be amortized, but will be tested for impairment on an annual basis or more often when events indicate. As a result of its annual testing of indefinite-lived assets as of December 30, 2012, the Company recorded impairment charges totaling $0.5 million for its *Bernstein s* tradename which is reported in the Duncan Hines Grocery segment In December 2011, the Company recorded an impairment charge of $23.7 million for its Aunt Jemima breakfast tradename and $1.2 million of its Lender s tradename all of which is reported in the Birds Eye Frozen segment. In December 2011, the Company also recorded an impairment charge of $0.4 million for its Bernstein s tradename which is reported in the Duncan Hines Grocery segment. All impairment charges were the result of the Company s reassessment of the longterm sales projections for its branded products during our annual planning cycle which occurs during the fourth quarter each year. These costs were recorded in Other expense (income), net on the Consolidated Statements of

Operations.

Table of Contents

Other Assets

	December 30, 2012			
	Weighted Avg Life	Gross Carrying Amount	Accumulated Amortization	Net
Amortizable intangibles				
Recipes	10	$ 52,810	$ (30,365)	$ 22,445
Customer relationships Distributors	36	125,746	(28,791)	96,955
Customer relationships Foodservice	7	36,143	(31,882)	4,261
Customer relationships Private Label	7	9,214	(8,533)	681
License	7	4,875	(2,250)	2,625
Total amortizable intangibles		$ 228,788	$ (101,821)	$ 126,967
Deferred financing costs		59,486	(35,306)	24,180
Other (1)		4,411		4,411
Total other assets, net				$ 155,558

Amortizable intangibles by segment	
Birds Eye Frozen	$ 69,581
Duncan Hines Grocery	48,806
Specialty Foods	8,580
	$ 126,967

	December 25, 2011			
	Weighted Avg Life	Gross Carrying Amount	Accumulated Amortization	Net
Amortizable intangibles				
Recipes	10	$ 52,810	$ (25,084)	$ 27,726
Customer relationships Distributors	36	125,746	(22,947)	102,799
Customer relationships Foodservice	7	36,143	(28,472)	7,671
Customer relationships Private Label	7	9,214	(7,989)	1,225
License	7	4,875	(1,500)	3,375
Total amortizable intangibles		$ 228,788	$ (85,992)	$ 142,796
Deferred financing costs		77,112	(46,228)	30,884
Financial instruments (see note 11)		1,335		1,335
Other (1)		3,834		3,834
Total other assets, net				$ 178,849

Amortizable intangibles by segment	
Birds Eye Frozen	$ 76,054
Duncan Hines Grocery	53,948
Specialty Foods	12,794
	$ 142,796

(1) As of December 30, 2012 and December 25, 2011, Other consists of security deposits.

Amortization of intangible assets was $15,828, $16,175 and $17,170 during the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, respectively. Estimated amortization expense for each of the next five years and thereafter is as follows: 2013 $15,500; 2014 $12,200; 2015 $10,900; 2016 $10,300; 2017 $5,700 and thereafter $72,400.

Table of Contents

Deferred Financing Costs

All deferred financing costs, which relate to the Senior Secured Credit Facility and Senior Notes are amortized into interest expense over the life of the related debt facility using the effective interest method. On April 17, 2012, as part the April 2012 Refinancing, the Company expensed financing costs of $7,526 and wrote off deferred financing costs of $5,450. On August 30, 2012, as part of the September 2012 Refinancing, The Company wrote off deferred financing costs of $2,641. The Company capitalized costs of $9,972 for the fiscal year ended December 30, 2012. These costs primarily consisted of arrangement and legal fees. In addition, amortization of deferred financing costs was $8,585, $11,062 and $13,541 during the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, respectively. For more information on debt refinancings, see Note 9 to the Consolidated Financial Statements for Debt and Interest Expense.

The following summarizes deferred financing cost activity:

	Gross Carrying Amount	Accumulated Amortization	Net
Balance, December 25, 2011	$ 77,112	$ (46,228)	$ 30,884
2012 Additions	9,972		9,972
Amortization		(8,585)	(8,585)
Write Off	(27,598)	19,507	(8,091)
Balance, December 30, 2012	$ 59,486	$ (35,306)	$ 24,180

8. Restructuring Charges

Pickle supply chain improvements

On May 25, 2012, the Company announced plans to further improve the efficiency of its supply chain by consolidating its *Vlasic* pickle production into one plant in Imlay City, Michigan. The Company s decision to focus on its branded *Vlasic* business and de-emphasize its lower-margin, un-branded pickle business was the catalyst for this consolidation.

Millsboro, Delaware plant closure related charges

The Company s pickle production plant, located in Millsboro, Delaware ended production at year-end 2012. The Company recorded employee termination costs of $1,726 in the fiscal year ended December 30, 2012. The Company recorded asset retirement obligation charges of $750 in the fiscal year ended December 30, 2012. In addition, the Company recorded accelerated depreciation charges of $16,547 in the fiscal year ended December 30, 2012. All restructuring charges related to the consolidation of the Company s pickle production are recorded in the Duncan Hines Grocery segment and in the Cost of products sold line in the Consolidated Statements of Operations.

Exit lower-margin un-branded business charge

As a result of exiting the lower-margin un-branded pickle business, the Company terminated the use of a third party ingredients storage facility in the third quarter of 2012. In doing so, the Company recorded contract termination and other fees of $6,483 in the fiscal year ended December 30, 2012. In addition, the Company recorded accelerated depreciation charges at its Imlay City, Michigan plant for assets used in the lower-margin un-branded pickle business. These charges were $1,587 in the fiscal year ended December 30, 2012. All restructuring charges related to exiting the lower-margin un-branded pickle business are recorded in the Specialty foods segment and in the Cost of products sold line in the Consolidated Statements of Operations.

Table of Contents

Green Bay, Wisconsin Research Facility

On May 15, 2012, the Company announced plans to relocate the Birds Eye Frozen Division Research and Development team from Green Bay, Wisconsin to its new facility at its Parsippany, New Jersey headquarters. The Company believes that the relocation will allow for seamless collaboration between marketing, sales, procurement and R&D that will drive superior brand innovation, marketing and productivity. We closed our Green Bay, Wisconsin research facility in December 2012. The Company recorded employee termination costs of $960 in the fiscal year ended December 30, 2012. The Company recorded facility shutdown costs of $958 in the fiscal year ended December 30, 2012. In addition, the Company recorded accelerated depreciation charges of $878 in the fiscal year ended December 30, 2012. All restructuring charges related to the closure of the Green Bay, Wisconsin research facility are recorded in the Birds Eye Frozen segment and in the Research and development line in the Consolidated Statements of Operations.

Fulton, New York Plant

On April 15, 2011, the Company announced plans to consolidate the Birds Eye Frozen segment s Fulton, New York plant operations into its Darien, Wisconsin and Waseca, Minnesota facilities in order to locate vegetable processing closer to the crop-growing region and thus reduce the related freight costs. In connection with this project, the Company made significant capital investments in its Darien, Wisconsin and Waseca, Minnesota plants. The Company recorded termination costs of $1,680 in the fiscal year ended December 25, 2011. In addition, the Company recorded accelerated depreciation costs of $2,550 and $9,295 in the fiscal years ended December 30, 2012 and December 25, 2011, respectively. All restructuring charges related to the closure of the Fulton, New York plant are recorded in the Birds Eye Frozen segment and in the Cost of products sold line in the Consolidated Statements of Operations. Severance payments were substantially completed in the third quarter of 2012. The Fulton facility was sold in January 2013.

Tacoma, Washington Plant

On December 3, 2010, in an effort to improve its supply chain operations, the Company announced the closure of the Tacoma, Washington plant and the consolidation of production into its Fort Madison, Iowa plant. The Company recorded termination costs of $30 and $1,533 in the fiscal years ended and December 25, 2011 and December 26, 2010, respectively. In addition to termination benefits, the Company recorded asset retirement obligations of $1,026 at Tacoma in the fiscal year ended December 26, 2010, which were capitalized and depreciated over the remaining useful life of the plant. In the fiscal year ended December 25, 2011, the Company recorded additional asset retirement obligation expenses of $523, which were expensed immediately. The Company recorded asset impairment charges of $1,286 in the fiscal year ended December 25, 2011 upon ceasing use of the facility at the end of the second quarter of 2011. The Company recorded accelerated depreciation costs of $307 and $4,782 in the fiscal years ended December 30, 2012 and December 25, 2011, respectively. All restructuring charges related to the closure of the Tacoma, Washington plant are recorded in the Duncan Hines Grocery segment and in the Cost of products sold line in the Consolidated Statements of Operations. Severance payments were substantially completed in the second quarter of 2012.

Rochester, New York Office

The Rochester, New York office was the former headquarters of Birds Eye Foods, Inc., which was acquired by the Company on December 23, 2009. In connection with the consolidation of activities into the Company s New Jersey offices, the Rochester office was closed in December 2010. Notification letters under the Worker Adjustment and Retraining Notification Act of 1988 were issued in the first quarter of 2010. Activities related to the closure of the Rochester office began in the second quarter of 2010 and resulted in the elimination of approximately 200 positions. In addition, the Company recognized lease termination costs in 2010 due to the discontinuation of use of the Birds Eye Foods corporate headquarters.

Table of Contents

The total cost of termination benefits recorded in the Administrative expenses line on the Consolidated Statements of Operations for the fiscal year ended December 26, 2010 was $11,393 and was recorded in the segments as follows: $8,052 in the Birds Eye Frozen segment, $2,076 in the Duncan Hines Grocery segment and $1,265 in the Specialty Foods segment.

In addition to the termination benefits, the Company recorded net lease termination costs of $1,206 for the fiscal year ended December 26, 2010 related to vacating the Birds Eye Foods Corporate headquarters prior to the expiration of the lease.

The following table summarizes total restructuring charges accrued as of December 30, 2012.

Description	Balance, December 26, 2010	Expense	Other increases	Payments	Balance, December 25, 2011
Facility shutdowns	$ 1,851	$ 523	$	$ (1,173)	$ 1,201
Employee severance	6,096	1,710		(4,931)	2,875
Total	$ 7,947	$ 2,233	$	$ (6,104)	$ 4,076

Description	Balance, December 25, 2011	Expense	Other increases	Payments	Balance, December 30, 2012
Facility shutdowns	$ 1,201	$ 958	$ 776(1)	$ (139)	$ 2,796
Contract termination and other fees		6,483		(650)	5,833
Employee severance	2,875	2,687		(3,711)	1,851
Total	$ 4,076	$ 10,128	$ 776	$ (4,500)	$ 10,480

(1) Consists of asset retirement obligations primarily at the Millsboro, Delaware plant.

9. Debt and Interest Expense

	December 30, 2012	December 25, 2011
Short-term borrowings		
Notes payable	$ 2,139	$ 1,708
Total short-term borrowings	$ 2,139	$ 1,708
Long-term debt		
Senior Secured Credit Facility Tranche B Non Extended Term Loans due 2014	$ 243,264	$ 1,196,875
Senior Secured Credit Facility Tranche B Extended Term Loans due 2016	637,906	
Senior Secured Credit Facility Tranche D Term Loans due 2014		313,194
Senior Secured Credit Facility Tranche E Term Loans due 2018	398,000	
Senior Secured Credit Facility Tranche F Term Loans due 2018	448,875	
9.25% Senior Notes due 2015	465,000	625,000
8.25% Senior Notes due 2017	400,000	400,000
10.625% Senior Subordinated Notes due 2017		199,000
Unamortized discount on long term debt	(7,230)	(2,712)
Capital lease obligations	20,990	22,954

	2,606,805	2,754,311
Less: current portion of long-term obligations	30,419	15,661
Total long-term debt	$ 2,576,386	$ 2,738,650

Interest expense		Fiscal year	
	December 30, 2012	December 25, 2011	December 26, 2010
Interest expense, third party	$ 158,557	$ 165,611	$ 179,209
Related party interest expense (Note 13)	3,330	6,172	4,996
Amortization of debt acquisition costs (Note 7)	8,585	11,062	13,541
Write-off of debt acquisition costs (Note 7)	8,091		11,633
Write-off of loan discount	1,864		5,648
Financing costs (Note 7)	7,526		
Amortization of deferred mark-to-market adjustment on terminated swaps (Note 11)	444	2,119	3,295
Interest rate swap losses (Note 11)	10,087	23,355	17,682
Total interest expense	$ 198,484	$ 208,319	$ 236,004

Senior Secured Credit Facility

On August 30, 2012, as part of the September 2012 Refinancing, PFF, an indirect subsiary of the Company, entered into the first amendment to the amended and restated Senior Secured Credit Facility (as amended, the Senior Secured Credit Facility), which provided for incremental term loans in the amount of $450.0 million (the Tranche F Term Loans). PFF used proceeds from the Tranche F Term Loans to pay off $300.0 million of the aggregate principle amount of Tranche B Non Extended Term Loans due 2014.

On September 20, 2012 PFF redeemed $150.0 million aggregate principle amount of its 9.25% Senior Notes due 2015 using proceeds from the Tranche F Term Loans. This is explained in greater detail under the section titled, *Senior Notes and Senior Subordinated Notes.*

In connection with the refinancing, the Company incurred deferred financing fees which are explained in detail in Note 7 to the Consolidated Financial Statements, Goodwill, Tradenames and Other Assets. Also, the Company incurred $3.4 million of original issue discount on its new Tranche F Term Loans.

The stated maturity date of the Tranche F Term Loans is October 17, 2018. However, the maturity date would be accelerated as follows:

- if more than $150.0 million of the 9.25% Senior Notes are outstanding on December 31, 2014, then the maturity date of the Tranche F Term Loans would be December 31, 2014; or

- if more than $150.0 million of the 8.25% Senior Notes are outstanding on June 2, 2017, then the maturity date of the Tranche F Term Loans would be June 2, 2017.

On April 17, 2012, as part of the April 2012 Refinancing, PFF entered into an amendment and restatement of the Senior Secured Credit Facility. The Senior Secured Credit Facility provides for (i) an extension of the maturity date of a portion of the existing term loan B facility (the Tranche B Extended Term Loans) in the initial amount of $641.1 million, while a portion of the existing term loan B facility (the Tranche B Non Extended Term Loans) in the initial amount of $550.0 million retained their original terms, (ii) the issuance of a new term loan E facility (the Tranche E Term Loans) in the initial amount of $400.0 million, and (iii) the replacement of the existing revolving credit facility with a new $150.0 million revolving credit facility (the Revolving Credit Facility). The Senior Secured Credit Facility, as well as the indentures covering the various notes referenced below, subject the Company to various financial and non-financial covenants. The Company used proceeds from the Tranche E Term Loans to pay off all of its outstanding balance of $313.2 million aggregate principal amount of Tranche D Term Loans.

On April 19, 2012, PFF redeemed all $199.0 million aggregate principal amount of its outstanding 10.625% Senior Subordinated Notes using proceeds from the Tranche E Term Loans along with available cash. This is explained in greater detail under the section titled, *Senior Notes and Senior Subordinated Notes.*

Table of Contents

In connection with the refinancing, the Company incurred deferred financing fees which are explained in detail in Note 7 to the Consolidated Financial Statements, Goodwill, Tradenames and Other Assets. Also, the Company incurred $4.0 million of original issue discount on its new Tranche E Term Loans.

The stated maturity dates are: April 2, 2014 for the Tranche B Non Extended Term Loans, October 2, 2016 for the Tranche B Extended Term Loans, October 17, 2018 for the Tranche E Term Loans, and April 17, 2017 for the Revolving Credit Facility.

However, the maturity dates would be accelerated as follows:

- if more than $150.0 million of the Tranche B Non Extended Term Loans are outstanding on January 3, 2014, the Revolving Credit Facility would expire January 3, 2014;
- if more than $150.0 million of the 9.25% Senior Notes are outstanding on December 31, 2014, then the maturity dates of the Tranche B Extended Term Loans, the Tranche E Term Loans and the Revolving Credit Facility would be December 31, 2014;
- if more than $150.0 million of the Tranche B Extended Term Loans are outstanding on July 3, 2016, the Revolving Credit Facility would expire July 3, 2016; or
- if more than $150.0 million of the 8.25% Senior Notes are outstanding on June 2, 2017, then the maturity dates of the Tranche E Term Loans and the Revolving Credit Facility would be June 2, 2017.

There were no borrowings outstanding under the Revolving Credit Facility as of December 30, 2012 and December 25, 2011.

The total combined amount of the Senior Secured Credit Facility Loans that were owed to affiliates of Blackstone as of December 30, 2012 and December 25, 2011, was $63,097 and $121,992, respectively.

The Company s borrowings under the Senior Secured Credit Facility, bear interest at a floating rate and are maintained as base rate loans or as Eurocurrency rate loans. Base rate loans bear interest at the base rate plus the applicable base rate margin, as defined in the Senior Secured Credit Facility. The base rate is defined as the highest of (i) the prime rate (ii) the Federal Reserve reported overnight funds rate plus 1/2 of 1% and the Eurocurrency rate that would be payable on such day for a Eurocurrency rate loan with a one-month interest period plus 1.0%. Eurocurrency rate loans bear interest at the adjusted Eurocurrency rate, as described in the Senior Secured Credit Facility, plus the applicable Eurocurrency rate margin. With respect to Tranche E Term Loans and Tranche F Term Loans, the Eurocurrency rate shall be no less than 1.25% per annum and the base rate shall be no less than 2.25% per annum.

The applicable margins with respect to the Company s Senior Secured Credit Facility vary from time to time in accordance with the terms thereof and agreed upon pricing grids based on the Company s leverage ratio as defined in the credit agreement. The applicable margins with respect to the Senior Secured Credit Facility as of December 30, 2012 were:

Applicable Margin (per annum)

Revolving Credit Facility and Letters of Credit			Tranche B Non Extended Term Loans		Tranche B Extended Term Loans	
Eurocurrency Rate	Base Rate	Commitment Fees Rate	Eurocurrency Rate	Base Rate	Eurocurrency Rate	Base Rate
3.50%	2.50%	0.50%	2.50%	1.50%	3.50%	2.50%

Tranche E Term Loans		Tranche F Term Loans	
Eurocurrency Rate	Base Rate	Eurocurrency Rate	Base Rate
3.50%	2.50%	3.50%	2.50%

Table of Contents

The obligations under the Senior Secured Credit Facility are unconditionally and irrevocably guaranteed by each of PFF s direct or indirect material wholly-owned domestic subsidiaries (collectively, the Guarantors). In addition, the Senior Secured Credit Facility is collateralized by first priority or equivalent security interests in (i) all the capital stock of, or other equity interests in, each direct or indirect domestic subsidiary of PFF and 65% of the capital stock of, or other equity interests in, each material direct foreign subsidiary of PFF, or any of its domestic subsidiaries and (ii) certain tangible and intangible assets of PFF and those of the Guarantors (subject to certain exceptions and qualifications).

A commitment fee of 0.50% per annum based on current leverage ratios is applied to the unused portion of the Revolving Credit Facility. There were revolver borrowings made during fiscal 2012, however, there were no revolver borrowings outstanding as of December 30, 2012 or during fiscal 2011 and fiscal 2010. As of December 30, 2012 and December 25, 2011, the Eurocurrency interest rate on the revolving credit facility would have been 3.71% and 2.79%, respectively. For the fiscal year ending December 30, 2012, the weighted average interest rate on the revolving credit facility calculated on the base rate was 3.72%.

For the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, the weighted average interest rate on the term loan components of the Senior Credit Facility were 3.76%, 3.51% and 4.44%, respectively. As of December 30, 2012 and December 25, 2011 the Eurocurrency interest rate on the term loan facilities was 4.08% and 3.46%, respectively.

The Company pays a fee for all outstanding letters of credit drawn against the Revolving Credit Facility at an annual rate equivalent to the Applicable Margin then in effect with respect to Eurodollar loans under the Revolving Credit Facility, less the fronting fee payable in respect of the applicable letter of credit. The fronting fee is equal to 0.125% per annum of the daily maximum amount then available to be drawn under such letter of credit. The fronting fees are computed on a quarterly basis in arrears. Total letters of credit issued under the Revolving Credit Facility cannot exceed $50,000. As of December 30, 2012 and December 25, 2011, the Company had utilized $33,453 and $33,568, respectively of the Revolving Credit Facility for letters of credit. As of December 30, 2012 and December 25, 2011, there were no borrowings under the Revolving Credit Facility. As of December 30, 2012 and December 25, 2011, respectively, there was $116,547 and $116,432 of borrowing capacity under the Revolving Credit Facility, of which $16,547 and $16,432 was available to be used for letters of credit.

Under the terms of the Senior Secured Credit Facility, the Company is required to use 50% of its Excess Cash Flow to prepay the Senior Secured Credit Facility loans (which percentage will be reduced to 25% at a total leverage ratio of 4.50 to 5.49 and to 0% at a total leverage ratio below 4.50). Excess Cash Flow is defined as consolidated net income (as defined), as adjusted for certain items, including (1) all non-cash charges and credits included in arriving at consolidated net income, (2) changes in working capital, (3) capital expenditures (to the extent they were not financed with debt), (4) the aggregate amount of principal payments on indebtedness and (5) certain other items defined in the Senior Secured Credit Facility. In December 2011, the Company made voluntary prepayments on its Senior Secured Credit Facility of $55.0 million. As a result of this prepayment, no payment was due under the Excess Cash Flow requirements of Senior Secured Credit Facility for the 2011 reporting year. For the 2012 reporting year the Company determined that there are no amounts due under the Excess Cash Flow requirements of the Senior Secured Credit Facility.

The Senior Secured Credit Facility loans mature in quarterly 0.25% installments. The aggregate maturities of the Tranche B Non Extended Term Loans outstanding as of December 30, 2012 are $12.5 million in 2013 and $230.8 million in 2014. The aggregate maturities of the Tranche B Extended Term Loans outstanding as of December 30, 2012 are $6.4 million in 2013, $6.4 million in 2014, $6.4 million in 2015 and $618.6 million in 2016. The aggregate maturities of the Tranche E Term Loans outstanding as of December 30, 2012 are $4.0 million in 2013, $4.0 million in 2014, $4.0 million in 2015, $4.0 million in 2016, $5.0 million in 2017 and $377.0 million thereafter. The aggregate maturities of the Tranche F Term Loans outstanding as of December 30, 2012 are $4.5 million in 2013, $4.5 million in 2014, $4.5 million in 2015, $4.5 million in 2016, $5.6 million in 2017 and $425.3 million thereafter.

Pursuant to the terms of the Senior Secured Credit Facility, the Company is required to maintain a ratio of Net First Lien Secured Debt to Adjusted EBITDA of no greater than 5.25 to 1.00. Net First Lien Secured Debt is defined as aggregate consolidated secured indebtedness, less the aggregate amount of all unrestricted cash and cash equivalents. In addition, under the Senior Secured Credit Facility and the indentures governing the Senior Notes, the Company s ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is tied to the Senior Secured Leverage Ratio (which is currently the same as the Net First Lien Secured Debt Ratio above), in the case of the Senior Secured Credit Facility, or to the ratio of Adjusted EBITDA to fixed charges for the most recently concluded four consecutive fiscal quarters, in the case of the Senior Notes. The Senior Secured Credit Facility also permits restricted payments up to an aggregate amount of (together with certain other amounts) the greater of $50 million and 2% of the Company s consolidated total assets, so long as no default has occurred and is continuing and its senior secured leverage ratio would be no greater than 4.25 to 1.00. As of December 30, 2012 the Company is in compliance with all covenants and other obligations under the Senior Secured Credit Facility and the Senior Notes.

Senior Notes and Senior Subordinated Notes

On April 2, 2007, PFF issued in the initial aggregate principal amounts of $325.0 million of 9.25% Senior Notes (the Senior Notes) due 2015, and $250.0 million of 10.625% Senior Subordinated Notes (the Senior Subordinated Notes) due 2017. On December 23, 2009, as part of the Birds Eye Foods Acquisition, PFF issued an additional $300.0 million of 9.25% Senior Notes due 2015 (the Additional Senior Notes). The Senior Notes and the Additional Senior Notes are collectively referred to herein as the 9.25% Senior Notes. On August 17, 2010, PFF issued $400.0 million of 8.25% Senior Notes due 2017 (the 8.25% Senior Notes).

The 9.25% Senior Notes and the 8.25% Senior Notes are general unsecured obligations of PFF, effectively subordinated in right of payment to all existing and future senior secured indebtedness of PFF and guaranteed on a full, unconditional, joint and several basis by PFF s wholly-owned domestic subsidiaries that guarantee other indebtedness of PFF.

On April 19, 2012, PFF redeemed all $199.0 million aggregate principal amount of its outstanding 10.625% Senior Subordinated Notes at a redemption price equal to 105.313% of the aggregate principal amount plus accrued and unpaid interest to the redemption date. The total redemption price was approximately $210.6 million, including accrued interest of $1.0 million. The premium of $10.6 million was recorded in Other expense (income) during the second quarter. The redemption was effected in accordance with the indenture governing the Senior Subordinated Notes pursuant to a notice dated March 20, 2012. PFF funded the redemption price for the Senior Subordinated Notes with the net proceeds of $82.8 million from the Tranche E Term Loans along with $127.8 million of available cash.

On September 20, 2012, PFF redeemed $150.0 million aggregate principal amount of its outstanding 9.25% Senior Notes at a redemption price equal to 102.313% of the aggregate principal amount plus accrued and unpaid interest to the redemption date. The total redemption price was approximately $160.0 million, including accrued interest of $6.5 million. The premium of $3.5 million was recorded in Other expense (income) during the third quarter of 2012. The redemption was effected in accordance with the indenture governing the Senior Subordinated Notes pursuant to a notice dated August 21, 2012. PFF funded the redemption price for the Senior Subordinated Notes fully with the net proceeds from the Tranche F Term Loans.

PFF may redeem some or all of the 8.25% Senior Notes at any time prior to September 1, 2013 at a price equal to 100% of the principal amount of notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest to, the redemption date, subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date. The Applicable Premium is defined as the greater of (1) 1.0% of the principal amount of such note and (2) the excess, if any, of (a) the present value at such redemption date of (i) the redemption price of such 8.25% Senior Note at September 1, 2013, plus (ii) all required interest payments due on such 8.25% Senior Note through September 1, 2013 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the treasury rate plus 50 basis points over (b) the principal amount of such note.

Table of Contents

PFF currently may redeem the 9.25% Senior Notes, and in the future may redeem the 8.25% Senior Notes or the Senior Subordinated Notes, at the redemption prices listed below, if redeemed during the twelve-month periods of each of the years indicated below:

9.25% Senior Notes		8.25% Senior Notes	
Year	Percentage	Year	Percentage
April 1, 2012	102.313%	September 1, 2013	106.188%
April 1, 2013 and thereafter	100.000%	September 1, 2014	104.125%
		September 1, 2015	102.063%
		September 1, 2016 and thereafter	100.000%

In addition, until September 1, 2013, PFF may redeem up to 35% of the aggregate principal amount of the 8.25% Senior Notes at a redemption price equal to 108.25% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, subject to the right of holders of the 8.25% Senior Notes of record on the relevant record date to receive interest due on the relevant interest payment date, with the net cash proceeds received by PFF from one or more equity offerings; provided that (i) at least 50% of the aggregate principal amount of the 8.25% Senior Notes originally issued under the indenture remains outstanding immediately after the occurrence of each such redemption and (ii) each such redemption occurs within 90 days of the date of closing of each such equity offering.

As market conditions warrant, the Company and its subsidiaries, affiliates or significant equity holders (including Blackstone and its affiliates) may from time to time, in its or their sole discretion, purchase, repay, redeem or retire any of the Company s outstanding debt or equity securities (including any publicly issued debt or equity securities), in privately negotiated or open market transactions, by tender offer, exchange offer or otherwise.

The estimated fair value of the Company s long-term debt, including the current portion, as of December 30, 2012, is as follows:

	December 30, 2012	
Issue	Face Value	Fair Value
Senior Secured Credit Facility Tranche B Non Extended Term Loans	$ 243,264	$ 244,480
Senior Secured Credit Facility Tranche B Extended Term Loans	637,906	641,095
Senior Secured Credit Facility Tranche E Term Loans	398,000	400,985
Senior Secured Credit Facility Tranche F Term Loans	448,875	452,242
9.25% Senior Notes	465,000	471,975
8.25% Senior Notes	400,000	427,000
	$ 2,593,045	$ 2,637,777

The estimated fair value of the Company s long-term debt, including the current portion, as of December 25, 2011, is as follows:

	December 25, 2011	
Issue	Face Value	Fair Value
Senior Secured Credit Facility Tranche B Term Loans	$ 1,196,875	$ 1,169,945
Senior Secured Credit Facility Tranche D Term Loans	313,194	313,977
9.25% Senior Notes	625,000	642,188
8.25% Senior Notes	400,000	416,000
10.625% Senior Subordinated Notes	199,000	209,448
	$ 2,734,069	$ 2,751,558

Table of Contents

The estimated fair values of the Company s long-term debt are classified as Level 2 in the fair value hierarchy. The fair value is based on the quoted market price for such notes and borrowing rates currently available to the Company for loans with similar terms and maturities.

10. Pension and Retirement Plans

The Company accounts for pension and retirement plans in accordance with the authoritative guidance for retirement benefit compensation. This guidance requires recognition of the funded status of a benefit plan in the statement of financial position. The guidance also requires recognition in accumulated other comprehensive earnings of certain gains and losses that arise during the period but are deferred under pension accounting rules.

The Company uses a measurement date for the pension benefit plans that coincides with its year end.

The Company has two defined benefit plans (Pinnacle Foods Pension Plan and the Birds Eye Foods Pension Plan), which only cover union employees at our manufacturing locations and both of which are frozen for future benefit accruals as of December 30, 2012, two qualified 401(k) plans, two non-qualified 40l(k) plans and participates in a multi-employer defined benefit plan.

With reference to the two non-qualified 401(k) plans, one is the Birds Eye Foods non-qualified 401 (k) plan which was closed to new contributions on April 1, 2010. The second plan is the Pinnacle Foods Supplemental Savings Plan which was approved by the Compensation Committee of the Board of Directors on September 11, 2012 to become effective in 2013 and was adopted for the purpose of allowing all Company employees, regardless of compensation level, the opportunity to receive the same 3% match on total compensation (base salary plus bonus).

During fiscal 2012, the Company changed investment managers for the Pinnacle Foods Pension Plan and the Birds Eye Pension Plan to Mercer Investment Management, Inc. Funds under the control of the previous investment managers were liquidated successfully and invested in Mercer common and collective trust funds.

<u>**Pinnacle Foods Pension Plan**</u>

The Company maintains a non-contributory defined benefit pension plan (the Pinnacle Foods Pension Plan) that covers eligible union employees and provides benefits generally based on years of service and employees compensation. The Pinnacle Foods Pension Plan is funded in conformity with the funding requirements of applicable government regulations. Plan assets consist principally of cash equivalents, equity and fixed income common collective trusts. Plan assets do not include any of the Company s own equity or debt securities.

We recorded a curtailment gain of $3,310 in the fiscal year ending December 30, 2012 which decreased Accrued pension benefits and Accumulated other comprehensive income that was the result of a new collective bargaining agreement at our Fayetteville, Arkansas plant and the closure of our Millsboro, Delaware plant. In 2010, pension benefits at our Imlay City, Michigan location were frozen and this resulted in a curtailment gain of $2,646 that was recognized in accumulated other comprehensive income during the second quarter of 2010 and a related $992 curtailment loss that was recognized in Cost of products sold. As of December 30, 2012, the Pinnacle Foods Pension Plan is frozen.

Table of Contents

The following table reconciles the changes in our benefit obligation:

	Pinnacle Foods Pension Plan Pension Benefits		
	Fiscal year ended		
	December 30, 2012	December 25, 2011	December 26, 2010
Change in Benefit Obligation			
Net benefit obligation at beginning of the period	$ 91,660	$ 83,814	$ 78,740
Service cost	786	893	1,228
Interest cost	4,081	4,263	4,558
Actuarial loss	9,460	7,388	6,173
Gross benefits paid	(4,922)	(4,698)	(4,239)
Curtailment gain	(3,310)		(2,646)
Net benefit obligation at end of the period	**97,755**	**91,660**	**83,814**
Change in Plan Assets			
Fair value of plan assets at beginning of the period	57,802	55,226	45,948
Employer contributions	4,141	6,829	8,881
Actual return on plan assets	7,209	445	4,636
Gross benefits paid	(4,922)	(4,698)	(4,239)
Fair value of plan assets at end of the period	**64,230**	**57,802**	**55,226**
Funded status at end of the year	**$ (33,525)**	**$ (33,858)**	**$ (28,588)**
Amounts recognized in the Consolidated Balance Sheets			
Accrued pension benefits	$ (33,525)	$ (33,858)	$ (28,588)
Net amount recognized at end of the period	**$ (33,525)**	**$ (33,858)**	**$ (28,588)**
Amounts recognized in Accumulated Other Comprehensive Loss			
Net loss / (gain)	$ 32,283	$ 30,802	$ 20,339
Prior service cost		345	386
Net amount recognized at end of the period	**$ 32,283**	**$ 31,147**	**$ 20,725**
Accumulated benefit obligation	**97,755**	**88,196**	**79,753**
Weighted average assumptions			
Discount rate	3.98%	4.59%	5.45%
Expected return on plan assets	7.00%	7.50%	7.50%
Rate of compensation increase	N/A	3.00%	3.00%

Table of Contents

The following represents the components of net periodic cost:

Pension Benefits	Pinnacle Foods Pension Plan Fiscal year December 30, 2012	December 25, 2011	December 26, 2010
Service cost	$ 786	$ 893	$ 1,228
Interest cost	4,081	4,263	4,558
Expected return on assets	(4,463)	(4,244)	(3,611)
Amortization of:			
prior service cost	42	42	77
actuarial loss	1,923	724	819
Curtailment loss	303		992
Net periodic cost	$ 2,672	$ 1,678	$ 4,063
Weighted average assumptions:			
Discount rate	4.43%	5.45%	5.87%
Expected return on plan assets	7.50%	7.50%	7.50%
Rate of compensation increase	3.00%	3.00%	3.00%

The discount rate used to calculate the present value of the projected benefit obligation is set based on long-term high quality bonds that match the expected benefit payments. The projected return of plan assets assumption is based on projected long-term market returns for the various asset classes in which the plans are invested, weighted by the target asset allocations. The rate of compensation increase represents the long-term assumption for expected increases to salaries for pay-related plans.

Plan Assets

The Company s pension plan weighted-average asset allocations at December 30, 2012 and December 25, 2011, by asset category, are as follows:

	December 30, 2012	December 25, 2011
Asset category		
Equity securities	60%	59%
Debt securities	40%	36%
Cash	0%	5%
Total	100%	100%

The Company adopted a new investment policy in fiscal 2012 for the Pinnacle Pension Plan. The Plan s investments in equity or debt securities are based on a glide path strategy where the investment in debt securities increases as the Plan s funded status becomes smaller. Based on the current funded status, the policy is to invest approximately 60% of plan assets in equity securities and 40% in fixed income securities. Periodically, the plan assets are rebalanced to maintain these allocation percentages and the investment policy is reviewed. Within each investment category, assets are allocated to various investment styles. Professional managers manage all assets and a consultant is engaged to assist in evaluating these activities. The expected long-term rate of return on assets was determined by assessing the rates of return on each targeted asset class, return premiums generated by portfolio management and by comparison of rates utilized by other companies.

Table of Contents

The following table summarizes the Pinnacle Foods Pension Plan s investments measured at fair value on a recurring basis:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that reflect the Company s assumptions.

	Fair Value as of December 30, 2012	Fair Value Measurements Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Short-term investments:				
Short-term Investment Fund	$ 259	$	$ 259	$
Equity Common/collective trusts:				
Small/ Mid Capitalization Fund	5,273		5,273	
Large Capitalization Equity Fund	19,647		19,647	
International Fund	13,715		13,715	
Fixed Income Common/collective trusts:				
Fixed Income Fund	25,336		25,336	
Total assets at fair value	$ 64,230	$	$ 64,230	$

	Fair Value as of December 25, 2011	Fair Value Measurements Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Short-term investments:				
Short-term Investment Fund	$ 2,827	$ 2,827	$	$
Equity Common/collective trusts:				
Small Capitalization Fund	1,142		1,142	
Large Capitalization Equity Fund	7,883		7,883	
International Fund	9,436		9,436	
Growth Fund	5,652		5,652	
U.S. Value Fund	9,646		9,646	
Fixed Income Common/collective trusts:				
Fixed Income Fund	20,832		20,832	
Total assets at fair value	$ 57,418	$ 2,827	$ 54,591	$

The plan had $64,230 and $54,591 of investments in common and collective trusts which are reported at fair value and categorized as level 2 in the above tables as of December 30, 2012 and December 25, 2011, respectively. The plan has concluded that net asset value (NAV) reported by the underlying funds approximates fair market value of these investments. The investments are redeemable with the fund at NAV under the original terms of the agreements of trust and/or subscription and adoption agreements and the operations of the underlying funds. However, it is possible that a portion of any redemption may be withheld to secure the payment of compensation or expenses due or to become due in accordance with the agreements of trust.

As of December 25, 2011, total assets at fair value of $57,418 do not include a $384 receivable from broker that is included in total assets of the plan of $57,802.

Table of Contents

Cash Flows

Contributions. The Company made contributions to the Pinnacle Foods Pension Plan totaling $4.1 million in fiscal 2012, $6.8 million in fiscal 2011 and $8.9 million in fiscal 2010. In fiscal 2013, the Company expects to make contributions of approximately $3.0 million.

Birds Eye Foods Pension Plan

The Company s Birds Eye Foods Pension Plan (the Birds Eye Foods Pension Plan) consists of hourly and salaried employees and has primarily non-contributory defined-benefit schedules. Benefits for the salaried employees have been frozen since the plan was acquired.

The Company acquired an Excess Benefit Retirement Plan from Birds Eye Foods (EBRP), which serves to provide employees with the same retirement benefit they would have received from Birds Eye s retirement plan under the career average base pay formula. Benefits for this plan are frozen. Also, the Company maintains a non-qualified Supplemental Executive Retirement Plan (SERP) which provides additional retirement benefits to two prior executives of Birds Eye Foods who retired prior to November 4, 1994. Expenses and liabilities for the EBRP and the SERP plan are grouped with those of the Birds Eye Pension Plan in all disclosures listed herein.

The benefits for these plans are based primarily on years of service and employees pay near retirement. The Company s funding policy is consistent with the funding requirements of Federal laws and regulations. Plan assets consist principally of cash equivalents, equity and fixed income common collective trusts. Plan assets do not include any of the Company s own equity or debt securities.

In fiscal 2012, various pension plan benefits for certain locations were frozen resulting in an plan curtailment of $806 which decreased Accrued pension benefits and Accumulated other comprehensive income. In connection with the plant closure of our Tacoma, Washington location in 2011 we recorded a plan curtailment which decreased Accrued pension benefits and Accumulated other comprehensive income by $4,975. In 2010, the pension plan benefits for certain locations were frozen. The curtailment gain recorded in Cost of products sold during the fiscal year ended December 26, 2010 was $588. As of December 30, 2012, the Birds Eye Foods Pension Plan is frozen.

The following table reconciles the changes in our benefit obligation:

	Birds Eye Foods Pension Plan Pension Benefits Fiscal year ended		
	December 30, 2012	December 25, 2011	December 26, 2010
Change in Benefit Obligation			
Net benefit obligation at beginning of the period	$ 175,057	$ 155,854	$ 148,890
Service cost	102	537	2,086
Interest cost	7,439	8,200	8,221
Participant contributions		22	14
Actuarial loss	24,561	27,567	7,564
Gross benefits paid	(11,818)	(12,148)	(10,333)
Curtailment gain	(806)	(4,975)	(588)
Net benefit obligation at end of the period	**194,535**	**175,057**	**155,854**

F-36

Table of Contents

	Birds Eye Foods Pension Plan Pension Benefits Fiscal year ended		
	December 30, 2012	December 25, 2011	December 26, 2010
Change in Plan Assets			
Fair value of plan assets at beginning of the period	118,666	108,446	101,710
Employer contributions	8,373	9,471	4,741
Participant contributions		22	14
Actual return on plan assets	14,714	12,875	12,314
Gross benefits paid	(11,818)	(12,148)	(10,333)
Fair value of plan assets at end of the period	**129,935**	**118,666**	**108,446**
Funded status at end of the year	**$ (64,600)**	**$ (56,391)**	**$ (47,408)**
Amounts recognized in the Consolidated Balance Sheets			
Accrued pension benefits	$ (64,179)	$ (55,892)	$ (46,953)
Accrued pension benefits (part of accrued liabilities)	(421)	(499)	(455)
Net amount recognized at end of the period	**$ (64,600)**	**$ (56,391)**	**$ (47,408)**
Amounts recognized in Accumulated Other Comprehensive Loss			
Net loss	$ 37,955	$ 20,797	$ 3,455
Net amount recognized at end of the period	**$ 37,955**	**$ 20,797**	**$ 3,455**
Accumulated benefit obligation	**194,536**	**174,399**	**152,202**
Weighted average assumptions			
Discount rate	3.83%	4.51%	5.27%
Expected return on plan assets	7.00%	7.00%	7.00%
Rate of compensation increase	N/A	3.00%	3.00%

The following represents the components of net periodic (benefit) cost:

Pension Benefits	Birds Eye Foods Pension Plan Fiscal year		
	December 30, 2012	December 25, 2011	December 26, 2010
Service cost	$ 102	$ 537	$ 2,086
Interest cost	7,439	8,200	8,221
Expected return on assets	(8,574)	(7,634)	(8,205)
Amortization of actuarial loss	489	9	
Curtailment gain			(588)
Net periodic (benefit) cost	$ (544)	$ 1,112	$ 1,514
Weighted average assumptions:			
Discount rate	4.17%	5.31%	5.67%
Expected return on plan assets	7.00%	7.00%	8.00%
Rate of compensation increase (1)	1.78%	3.00%	3.80%

(1) In fiscal 2012, this represents 3% for the seven months when the employees earned service credits.

Table of Contents

To develop the expected long-term rate of return on assets assumption, the Company considered the current level of expected returns on risk-free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption.

Plan Assets

The following table sets forth the weighted-average asset allocations of the Company s pension plans by asset category:

	December 30, 2012	December 25, 2011
Asset category		
Equity securities	60%	39%
Debt securities	40%	59%
Cash	0%	2%
Total	100%	100%

The Company adopted a new investment policy in fiscal 2012 for the Birds Eye Pension Plan. The Plan s investments in equity or debt securities is based on a glide path strategy where the investment in debt securities increases as the Plan s funded status becomes smaller. Based on the current funded status, the policy is to invest approximately 60% of plan assets in equity securities and 40% in fixed income securities. Periodically, the plan assets are rebalanced to maintain these allocation percentages and the investment policy is reviewed. Within each investment category, assets are allocated to various investment styles. Professional managers manage all assets and a consultant is engaged to assist in evaluating these activities. The expected long-term rate of return on assets was determined by assessing the rates of return on each targeted asset class, return premiums generated by portfolio management and by comparison of rates utilized by other companies.

The following table summarizes the Birds Eye Food Pension Plan s investments measured at fair value on a recurring basis:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that reflect the Company s assumptions.

	Fair Value as of December 30, 2012	Fair Value Measurements Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Short-term investments:				
Short-term Investment Fund	$ 525	$	$ 525	$
Equity Common/collective trusts:				
Small/ Mid Capitalization Fund	10,697		10,697	
Large Capitalization Equity Fund	40,661		40,661	
International Fund	26,579		26,579	
Fixed Income Common/collective trusts:				
Fixed Income Fund	51,474		51,474	

Total assets at fair value	$	129,936	$		$ 129,936	$

F-38

Table of Contents

	Fair Value as of December 25, 2011	Fair Value Measurements Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Short-term investments:				
Short-term Investment Fund	$ 2,593	$ 2,593	$	$
Equity Common/collective trusts:				
Extended Index Fund	8,755		8,755	
Collective S&P 500 Index Fund	29,352		29,352	
Equity Mutual Funds:				
Euro Pacific Growth Fund	8,300	8,300		
Fixed Income Mutual Funds:				
Fixed Income Fund	69,838	69,838		
Debt Securities				
Total assets at fair value	$ 118,838	$ 80,731	$ 38,107	$

The plan had $129,936 and $38,107 of investments in common and collective trusts which are reported at fair value and categorized as level 2 in the above tables as of December 30, 2012 and December 25, 2011, respectively. The plan has concluded that net asset value (NAV) reported by the underlying funds approximates fair market value of these investments. The investments are redeemable with the fund at NAV under the original terms of the agreements of trust and/or subscription and adoption agreements and the operations of the underlying funds. However, it is possible that a portion of any redemption may be withheld to secure the payment of compensation or expenses due or to become due in accordance with the agreements of trust.

As of December 25, 2011, total assets at fair value of $118,838 do not include certain broker payables of $172 that are included in total assets of the plan of $118,666.

Cash Flows

Contributions. The Company made contributions to the Birds Eye Pension Plan totaling $8.4 million in fiscal 2012, $9.5 million in fiscal 2011 and $4.7 million in fiscal 2010. In fiscal 2013, the Company expects to make contributions of approximately $5.0 million.

Estimated Future Benefit Payments for all Plans

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

	Pinnacle Foods Pension Plan ($)	Birds Eye Foods Pension Plan ($)
2013	4,398	9,382
2014	4,200	9,755
2015	3,972	9,551
2016	4,015	9,739
2017	4,012	10,065
2018-2022	21,274	54,973

Savings Plans

Employees participate in 401(k) plans. Pinnacle matches 50% of employee contributions up to five percent of compensation for union employees after one year of continuous service and six percent of compensation for salaried employees and it is our current intent to continue the match at these levels. Employer contributions made by the Company relating to this plan were $4,228 for fiscal 2012, $4,249 for fiscal 2011 and $4,269 for fiscal 2010.

Table of Contents

In addition, the Company acquired a Non-Qualified 401(k) Plan from Birds Eye Foods. Under the Non-Qualified 401(k) Plan, the Company allocates matching contributions for the benefit of highly compensated employees as defined under Section 414(q) of the Internal Revenue Code. The plan ceased accepting future contributions on April 1, 2010.

Multi-employer Plan

The Company contributes to the United Food and Commercial Workers International Union Industry Pension Fund (EIN 51-6055922) (the UFCW Plan) under the terms of the collective-bargaining agreement with its Fort Madison employees. In September 2012, the collective bargaining agreement expired for 450 of our union employees in Fort Madison, Iowa. On February 14, 2013 a new collective bargaining agreement, effective through September 2016, was ratified by our Fort Madison union employees.

For the fiscal years ended December 30, 2012 and December 25, 2011 contributions to the UFCW Plan were $744 and $642, respectively. The contributions to this plan are paid monthly based upon the number of employees. They represent less than 5% of the total contributions received by this plan during the most recent plan year.

The risks of participating in multi-employer plans are different from single-employer plans in the following aspects: (a) assets contributed to a multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the multi-employer plan, the unfunded obligations of the plan may be borne by the remaining participating employers and (c) if the Company chooses to stop participating in the plan, the Company may be required to pay a withdraw liability based on the underfunded status of the plan.

The UFCW Plan received a Pension Protection Act green zone status for the plan year ending June 30, 2012. The zone status is based on information the Company received from the plan and is certified by the plan s actuary. Among other factors, plans in the green zone are at least 80 percent funded. The UFCW Plan did not utilize any extended amortization provisions that effect its placement in the green zone. The UFCW Plan has never been required to implement a funding improvement plan nor is one pending at this time.

11. Financial Instruments

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its debt funding and the use of derivative financial instruments. The primary risks managed by using derivative instruments are interest rate risk, foreign currency exchange risk and commodity price risk. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates, foreign exchange rates or commodity prices.

The Company manages interest rate risk based on the varying circumstances of anticipated borrowings and existing variable and fixed rate debt, including the Company s revolving credit facility. Examples of interest rate management strategies include capping interest rates using targeted interest cost benchmarks, hedging portions of the total amount of debt, or hedging a period of months and not always hedging to maturity, and at other times locking in rates to fix interests costs.

Certain parts of the Company s foreign operations in Canada expose the Company to fluctuations in foreign exchange rates. The Company s goal is to reduce its exposure to such foreign exchange risks on its foreign currency cash flows and fair value fluctuations on recognized foreign currency denominated assets, liabilities and

unrecognized firm commitments to acceptable levels primarily through the use of foreign exchange-related derivative financial instruments. The Company enters into derivative financial instruments to protect the value or fix the amount of certain obligations in terms of its functional currency. The Company does not enter into these transactions for non-hedging purposes.

The Company purchases raw materials in quantities expected to be used in a reasonable period of time in the normal course of business. The Company generally enters into agreements for either spot market delivery or forward delivery. The prices paid in the forward delivery contracts are generally fixed, but may also be variable within a capped or collared price range. Forward derivative contracts on certain commodities are entered into to manage the price risk associated with forecasted purchases of materials used in the Company s manufacturing process.

Cash Flow Hedges of Interest Rate Risk

The Company s objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. During the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010 such derivatives were used to hedge the variable cash flows associated with existing variable-rate debt.

As of December 30, 2012, the Company had the following interest rate swaps that were designated as cash flow hedges of interest rate risk:

Product	Number of Instruments	Notional Amount	Fixed Rate Range	Index	Trade Dates	Maturity Dates
Interest Rate Swaps	2	$ 900,000	0.58%	USD-LIBOR-BBA	Aug 2011	Apr 2014

The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges is recorded in Accumulated other comprehensive loss (AOCL) in the Consolidated Balance Sheets and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The ineffective portion of the change in fair value of the derivatives is recognized directly in earnings. Amounts reported in AOCL related to derivatives will be reclassified to Interest expense as interest payments are made on the Company s variable-rate debt. During the next twelve months, the Company estimates that an additional $2,908 will be reclassified as an increase to Interest expense.

Cash Flow Hedges of Foreign Exchange Risk

The Company s operations in Canada expose the Company to changes in the U.S. Dollar Canadian Dollar (USD-CAD) foreign exchange rate. From time to time, the Company s Canadian subsidiary purchases inventory denominated in U.S. Dollars (USD), a currency other than its functional currency. The subsidiary sells that inventory in Canadian dollars. The subsidiary uses currency forward and collar agreements to manage its exposure to fluctuations in the USD-CAD exchange rate. Currency forward agreements involve fixing the USD-CAD exchange rate for delivery of a specified amount of foreign currency on a specified date. Currency collar agreements involve the sale of Canadian Dollar (CAD) currency in exchange for receiving U.S. dollars if exchange rates rise above an agreed upon rate and purchase of USD currency in exchange for paying CAD currency if exchange rates fall below an agreed upon rate at specified dates.

Table of Contents

As of December 30, 2012, the Company had the following foreign currency exchange contracts (in aggregate) that were designated as cash flow hedges of foreign exchange risk:

Product	Number of Instruments	Notional Sold in Aggregate in (CAD)	Notional Purchased in Aggregate in (USD)	USD to CAD Exchange Rates	Trade Date	Maturity Dates
CAD Forward	12	$ 45,550	$ 46,136	0.982 0.993	Sep 2012	Feb 2013 Dec 2013

The effective portion of changes in the fair value of derivatives designated that qualify as cash flow hedges of foreign exchange risk is recorded in AOCL in the Consolidated Balance Sheets and subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The ineffective portions of the change in fair value of the derivative, as well as amounts excluded from the assessment of hedge effectiveness, are recognized directly in Cost of products sold in the Consolidated Statements of Operations.

Non-designated Hedges of Commodity Risk

Derivatives not designated as hedges are not speculative and are used to manage the Company s exposure to commodity price risk but do not meet the authoritative guidance for hedge accounting. From time to time, the Company enters into commodity forward contracts to fix the price of natural gas, diesel fuel, corn, wheat and soybean oil purchases and other commodities at a future delivery date. Changes in the fair value of derivatives not designated in hedging relationships are recorded directly in Cost of products sold in the Consolidated Statements of Operations.

As of December 30, 2012, the Company had the following derivative instruments that were not designated in qualifying hedging relationships:

Commodity Contracts	Number of Instruments	Notional Amount	Price/Index	Trade Dates	Maturity Dates
Diesel Fuel Contracts	4	8,712,304 Gallons	$ 3.64 $4.09 per Gallon	Sep 2011 June 2012	Jan 2013 June 2013
Corn Contracts	2	765,000 Bushels	$ 7.82 $7.85 per Bushel	Sep 2012	Feb 2013 Apr 2013

The table below presents the fair value of the Company s derivative financial instruments as well as their classification in the Consolidated Balance Sheets as of December 30, 2012 and December 25, 2011.

	Tabular Disclosure of Fair Values of Derivative Instruments			
	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value as of December 30, 2012	Balance Sheet Location	Fair Value as of December 30, 2012
Derivatives designated as hedging instruments				
Interest Rate Contracts		$	Other long-term liabilities	$ 3,807
Foreign Exchange Contracts	Other current assets	605		
	Other assets, net	33		
Total derivatives designated as hedging instruments		$ 638		$ 3,807
Derivatives not designated as hedging instruments				
Commodity Contracts	Other current assets	525	Accrued liabilities	682
Total derivatives not designated as hedging instruments		$ 525		$ 682

Table of Contents

	Balance Sheet Location	Fair Value as of December 25, 2011	Balance Sheet Location	Fair Value as of December 25, 2011
Derivatives designated as hedging instruments				
Interest Rate Contracts	Other assets, net	$ 1,335	Accrued liabilities	$ 7,836
Foreign Exchange Contracts	Other current assets	931		
Total derivatives designated as hedging instruments		$ 2,266		$ 7,836
Derivatives not designated as hedging instruments				
Commodity Contracts	Other current assets	$ 142	Accrued liabilities	$ 1,615
Total derivatives not designated as hedging instruments		$ 142		$ 1,615

Table of Contents

The table below presents the effect of the Company s derivative financial instruments in the Consolidated Statements of Operations and Accumulated other comprehensive loss (AOCL) for the fiscal years ended December 30, 2012 and December 25, 2011.

Tabular Disclosure of the Effect of Derivative Instruments

Gain/(Loss)

Derivatives in Cash Flow Hedging Relationships	Recognized in AOCL on Derivative (Effective Portion)	Effective portion reclassified from AOCL to:	Reclassified from AOCL into Earnings (Effective Portion)	Ineffective portion recognized in Earnings in:	Recognized in Earnings on Derivative (Ineffective Portion)
Interest Rate Contracts	$ (7,028)	Interest expense	$ (10,290)	Interest expense	$ (241)
Foreign Exchange Contracts	(289)	Cost of products sold	(4)	Cost of products sold	(8)
Fiscal year ended December 30, 2012	$ (7,317)		$ (10,294)		$ (249)
Interest Rate Contracts	$ (3,364)	Interest expense	$ (25,465)	Interest expense	$ (9)
Foreign Exchange Contracts	(24)	Cost of products sold	(1,781)	Cost of products sold	274
Fiscal year ended December 25, 2011	$ (3,388)		$ (27,246)		$ 265
Interest Rate Contracts	$ (22,773)	Interest expense	$ (20,409)	Interest expense	$ (568)
Foreign Exchange Contracts	(1,792)	Cost of products sold	(3,214)	Cost of products sold	(238)
Fiscal year ended December 26, 2010	$ (24,565)		$ (23,623)		$ (806)

Derivatives Not Designated as Hedging Instruments	Recognized in Earnings in:	Recognized in Earnings on Derivative
Commodity Contracts	Cost of products sold	$ (97)
Fiscal year ended December 30, 2012		$ (97)
Commodity Contracts	Cost of products sold	$ (1,337)
Fiscal year ended December 25, 2011		$ (1,337)
Commodity Contracts	Cost of products sold	$ (1,215)
Fiscal year ended December 26, 2010		$ (1,215)

Table of Contents

Credit risk-related Contingent Features

The Company has agreements with certain counterparties that contain a provision whereby the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company s default on the indebtedness. As of December 30, 2012, the Company has not posted any collateral related to these agreements. If the Company had breached this provision at December 30, 2012, it could have been required to settle its obligations under the agreements at their termination value, which differs from the recorded fair value. The table below summarizes the aggregate fair values of those derivatives that contain credit risk-related contingent features as of December 30, 2012 and December 25, 2011.

December 30, 2012

Asset/(Liability) Counterparty	Contract Type	Termination Value	Performance Risk Adjustment	Accrued Interest	Fair Value (excluding interest)
Barclays	Interest Rate Contracts	$ (2,063)	$ 31	$ (128)	$ (1,904)
	Foreign Exchange Contracts				
	Commodity Contracts	(158)			(158)
Credit Suisse	Interest Rate Contracts	(2,063)	32	(128)	(1,903)
	Foreign Exchange Contracts	636	3		639
Total		$ (3,648)	$ 66	$ (256)	$ (3,326)

December 25, 2011

Asset/(Liability) Counterparty	Contract Type	Termination Value	Performance Risk Adjustment	Accrued Interest	Fair Value (excluding interest)
Barclays	Interest Rate Contracts	$ (7,766)	$ 65	$ (1,600)	$ (6,101)
	Foreign Exchange Contracts	754	1		755
	Commodity Contracts	(1,473)			(1,473)
Credit Suisse	Interest Rate Contracts	(784)	38	(346)	(400)
	Foreign Exchange Contracts	176			176
Total		$ (9,093)	$ 104	$ (1,946)	$ (7,043)

12. Commitments and Contingencies

General

From time to time, the Company and its operations are parties to, or targets of, lawsuits, claims, investigations, and proceedings, which are being handled and defended in the ordinary course of business. Although the outcome of such items cannot be determined with certainty, the Company s general counsel and management are of the opinion that the final outcome of these matters will not have a material effect on the Company s financial condition, results of operations or cash flows.

Lehman Brothers Special Financing

On June 4, 2010, Lehman Brothers Special Financing (LBSF) initiated a claim against the Company in LBSF s bankruptcy proceeding for an additional payment from the Company of $19.7 million, related to certain

Table of Contents

derivative contracts which the Company had earlier terminated due to LBSF s default as a result of its bankruptcy filing in 2008. On May 31, 2011, the Company and LBSF agreed to a settlement of LBSF s June 4, 2010 claim. Under the terms of the settlement, the Company made a payment of $8.5 million during the third quarter of 2011 in return for LBSF s full release of its claim.

Product Recall

On January 27, 2012, the Company issued a voluntary recall for certain *Aunt Jemima* frozen pancakes due to potential cross contamination with soy protein which may cause an allergic reaction in people who have a soy allergy. The cost impact of this recall net of insurance recoveries was $3.2 million, of which $1.1 million was recorded as an inventory write down in Cost of products sold in the Consolidated Statements of Operations in 2011. For the fiscal year ended December 30, 2012 costs pertaining to the recall, net of insurance recoveries, was $2.1 million and was primarily recorded as a reduction of Net Sales on the Consolidated Statement of Operations. These costs are reported in the Birds Eye Frozen segment. As of December 30, 2012, the reserves related to the recall remaining on the Company s Consolidated Balance Sheets is $0.1 million in Accounts receivable reserves.

We have insurance coverage that is designed to protect us against this type of losses. This recall did not have a material adverse effect on our financial condition, operating results or our business. We do not expect this recall to have a lasting impact on the *Aunt Jemima* brand.

Minimum Contractual Payments

As of December 30, 2012, the Company had entered into non-cancellable lease and purchase contracts, with terms in excess of one year, requiring the following minimum payments:

Description	2013	2014	2015	2016	2017	Thereafter
Operating leases	$ 13,035	$ 10,599	$ 8,113	$ 7,009	$ 6,874	$ 27,754
Capital leases	4,666	4,230	3,724	3,063	1,206	11,026
Purchase Commitments (1)	592,084	59,095	17,092	6,010	5,750	55,450

(1) The amounts indicated in this line primarily reflect future contractual payments, including certain take-or-pay arrangements entered into as part of the normal course of business. The amounts do not include obligations related to other contractual purchase obligations that are not take-or-pay arrangements. Such contractual purchase obligations are primarily purchase orders at fair value that are part of normal operations and are reflected in historical operating cash flow trends. Purchase obligations also include trade and consumer promotion and advertising commitments.

Rent expense under our operating leases was $13,861, $11,313 and $12,336 during the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, respectively.

13. Related Party Transactions

At the closing of its acquisition by Blackstone, the Company entered into an advisory agreement with an affiliate of Blackstone pursuant to which such entity or its affiliates provide certain strategic and structuring advice and assistance to the Company. In addition, under this agreement, affiliates of Blackstone provide certain monitoring, advisory and consulting services to the Company for an aggregate annual management fee equal to the greater of $2,500 or 1.0% of Covenant Compliance EBITDA (as defined in the credit agreement governing the Company s Senior Secured Credit Facility). Affiliates of Blackstone also receive reimbursement for out-of-pocket expenses. Expenses relating to the management fee were $4,650, $4,600 and $4,500 in the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, respectively. Management fee expenses were recorded in administrative expenses in the Consolidated Statements of Operations. The Company reimbursed Blackstone for out-of-pocket expenses totaling $160 and $55 in the fiscal years ended December 30, 2012 and December 26, 2010. There were no out-of-pocket expenses reimbursed to Blackstone in the fiscal year ended December 25, 2011.

Table of Contents

Supplier Costs

Graham Packaging, which was formerly controlled by affiliates of Blackstone, supplies packaging for some of the Company s products. Purchases from Graham Packaging were $7,813 and $6,601 in the fiscal years ended December 25, 2011 and December 26, 2010, respectively. On September 8, 2011, Graham Packaging announced the completion of its acquisition by Reynolds Group Holdings Limited, and thus ceased to be a related party.

Customer Purchases

Performance Food Group Company, which is controlled by affiliates of Blackstone, is a foodservice supplier that purchases products from the Company. Sales to Performance Food Group Company were $5,672, $4,768 and $5,885 in the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, respectively. As of December 30, 2012 and December 25, 2011 amounts due from Performance Food Group Company were $68 and $113, respectively and were recorded on the Accounts receivable, net of allowances line in the Consolidated Balance Sheets.

Interest Expense

For the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, fees and interest expense recognized in the Consolidated Statements of Operations for debt to affiliates of Blackstone Advisors L.P. totaled $3,330, $6,172 and $4,996, respectively. As of December 30, 2012 and December 25, 2011, interest accrued on debt to related parties was $173 and $410, respectively and was recorded on the Accrued liabilities line in the Consolidated Balance Sheets.

14. Segments

The Company is a leading producer, marketer and distributor of high quality, branded food products in North America. The Company manages the business in three operating segments: Birds Eye Frozen, Duncan Hines Grocery and Specialty Foods.

The Birds Eye Frozen Division manages its Leadership Brands in the United States retail frozen vegetables (*Birds Eye*), frozen complete bagged meals (*Birds Eye Voila!*), and frozen prepared seafood (*Van de Kamp s and Mrs. Paul s*) categories, as well as its Foundation Brands in the full-calorie single-serve frozen dinners and entrées (*Hungry-Man*), frozen pancakes / waffles / French toast (*Aunt Jemima*), frozen and refrigerated bagels (*Lender s*) and frozen pizza for one (*Celeste*) categories.

The Duncan Hines Grocery Division manages its Leadership Brands in the cake / brownie mixes and frostings (*Duncan Hines*), shelf-stable pickles (*Vlasic*), and table syrups (*Mrs. Butterworth s* and *Log Cabin*) categories, and its Foundation Brands in the canned meat (*Armour, Nalley, Brooks*), pie and pastry fruit fillings (*Comstock, Wilderness*), barbecue sauces (*Open Pit*) and salad dressing (*Bernstein s*) categories as well as all Canadian operations. We refer to the sum of the Birds Eye Frozen segment and the Duncan Hines Grocery segment as the North American retail businesses.

The Specialty Foods Division consists of snack products (*Tim s Cascade* and *Snyder of Berlin*) and the foodservice and private label businesses.

Table of Contents

Segment performance is evaluated by the Company s Chief Operating Decision Maker and is based on earnings before interest and taxes. Transfers between segments and geographic areas are recorded at cost plus markup or at market. Identifiable assets are those assets, including goodwill, which are identified with the operations in each segment or geographic region. Corporate assets consist of prepaid and deferred tax assets. Unallocated corporate expenses consist of corporate overhead such as executive management and finance and legal functions.

		Fiscal year	
SEGMENT INFORMATION	December 30, 2012 53 weeks	December 25, 2011 52 weeks	December 26, 2010 52 weeks
Net sales			
Birds Eye Frozen	$ 1,103,093	$ 1,100,751	$ 1,065,860
Duncan Hines Grocery	978,615	966,068	958,045
Specialty Foods	396,777	402,743	412,798
Total	$ 2,478,485	$ 2,469,562	$ 2,436,703
Earnings (loss) before interest and taxes			
Birds Eye Frozen	$ 178,184	$ 97,155	$ 114,459
Duncan Hines Grocery	120,746	157,316	158,819
Specialty Foods	23,503	(40,317)	27,098
Unallocated corporate expenses	(38,839)	(30,888)	(35,224)
Total	$ 283,594	$ 183,266	$ 265,152
Depreciation and amortization			
Birds Eye Frozen	$ 38,667	$ 42,130	$ 34,149
Duncan Hines Grocery	41,400	29,268	24,177
Specialty Foods	18,056	17,078	19,723
Total	$ 98,123	$ 88,476	$ 78,049
Capital expenditures*			
Birds Eye Frozen	$ 41,885	$ 80,884	$ 48,291
Duncan Hines Grocery	25,729	31,171	35,315
Specialty Foods	12,213	16,491	11,253
Total	$ 79,827	$ 128,546	$ 94,859
GEOGRAPHIC INFORMATION			
Net sales			
United States	$ 2,454,737	$ 2,442,540	$ 2,409,548
Canada	84,708	84,832	82,870
Intercompany	(60,960)	(57,810)	(55,715)
Total	$ 2,478,485	$ 2,469,562	$ 2,436,703

* Includes new capital leases.

Table of Contents

SEGMENT INFORMATION	December 30, 2012	December 25, 2011
Total assets		
Birds Eye Frozen	$ 1,978,668	$ 2,028,104
Duncan Hines Grocery	1,965,002	1,978,813
Specialty Foods	356,722	372,786
Corporate	99,596	71,918
Total	$ 4,399,988	$ 4,451,621
GEOGRAPHIC INFORMATION		
Long-lived assets		
United States	$ 493,640	$ 501,245
Canada	26	38
Total	$ 493,666	$ 501,283

15. Taxes on Earnings

The components of the provision (benefit) for income taxes are as follows:

Provision (benefit) for income taxes		Fiscal year ended	
	December 30, 2012	December 25, 2011	December 26, 2010
Current			
Federal	$ (635)	$ (1,186)	$ 215
State	1,940	2,339	2,065
Non-U.S.	467	426	737
	1,772	1,579	3,017
Deferred			
Federal	28,433	23,911	9,318
State	2,520	(3,377)	(4,936)
Non-U.S.	(24)	(10)	
	30,929	20,524	4,382
Provision (benefit) for income taxes	$ 32,701	$ 22,103	$ 7,399
Earnings (loss) before income taxes			
United States	83,677	$ (26,558)	$ 27,253
Non-U.S.	1,543	1,747	2,183
Total	$ 85,220	$ (24,811)	$ 29,436

Table of Contents

The effective tax rate differs from the federal statutory income tax rate as explained below:

Effective Income Tax Rate		Fiscal year ended	
	December 30, 2012	December 25, 2011	December 26, 2010
Federal statutory income tax rate	35.0%	35.0%	35.0%
State income taxes (net of federal benefit)	3.4%	8.4%	(3.7)%
Tax effect resulting from international activities	0.4%	(0.5)%	1.8%
Change in deferred tax valuation allowance	%	(8.0)%	%
Non-deductible expenses	0.8%	(1.5)%	6.8%
Goodwill and other long-lived intangibles impairment		(141.4)%	
Tax credits	0.2%	1.2%	(2.0)%
Uncertain tax positions	(1.5)%	15.9%	2.6%
Out of period adjustment		%	(14.4)%
Other	0.1%	1.8%	(1.0)%
Effective income tax rate	38.4%	(89.1)%	25.1%

Deferred Tax Assets and Liabilities	December 30, 2012	December 25, 2011
Accrued liabilities	$ 18,298	$ 11,468
Inventories	12,173	15,447
Benefits and compensation	18,645	19,135
Hedges	1,362	3,933
Assets held for sale	3,738	
Net operating loss carryforwards	326,667	338,718
Federal & state tax credits	10,529	12,101
Postretirement benefits	37,881	33,160
Alternative minimum tax	1,901	1,901
Other	2,815	1,398
Subtotal	434,009	437,261
Valuation allowance	(13,354)	(14,202)
Total net deferred tax assets	420,655	423,059
Other intangible assets	(697,043)	(677,393)
Partnership interest	(8,902)	(8,885)
Plant assets	(82,992)	(80,767)
Unremitted earnings	(2,560)	(2,240)
Other	(1,488)	(631)
Total deferred tax liabilities	(792,985)	(769,916)
Net deferred tax asset (liability)	$ (372,330)	$ (346,857)
Amounts recognized in the Consolidated Balance Sheets		
Current net deferred tax assets	99,199	$ 71,109
Long-term net deferred tax liability	(471,529)	(417,966)
Net deferred tax liability	$ (372,330)	$ (346,857)

Pursuant to a tax sharing agreement among Pinnacle Foods, Inc (PF), and other members of the PF affiliated group, each member is liable for its share of the federal income tax liability of the consolidated group.

Income taxes are accounted for in accordance with the authoritative guidance for accounting for income taxes under which deferred tax assets and liabilities are determined based on the difference between the financial

statement basis and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. For the fiscal years ended December 30, 2012 and December 25, 2011, the Company recorded a $0.7 million charge and $2.6 million benefit, respectively, to the state income tax provision reflecting a change in the effective tax rate as a result of changes to our manufacturing footprint and state legislative changes enacted during the respective fiscal years. For the year ended December 26, 2010, the Company recorded a $2.2 million benefit to the state income tax provision reflecting a change in the effective tax rate as a result of restructuring following the Birds Eye integration.

The authoritative guidance for accounting for income taxes requires that a valuation allowance be established when it is more likely than not that all or a portion of deferred tax assets will not be realized. The Company regularly evaluates its deferred tax assets for future realization. A review of all available positive and negative evidence must be considered, including a company s performance, the market environment in which the company operates, the utilization of past tax credits, length of carryback and carryforward periods, and existing contracts or sales backlog that will result in future profits. Based on a review of both the positive and negative evidence, it was determined that the Company had sufficient positive evidence to outweigh any negative evidence and support that it was more likely that not that substantially all of the deferred tax assets would be realized.

The Company recognizes investment tax credits under the flow through method. For the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, a net charge of $1.3 million, and net benefits of $1.2 million and $0.1 million, respectively, were recorded in the Provision for income taxes line of the Consolidated Statements of Operations.

For the fiscal year ended December 26, 2010, the Company recorded an out of period adjustment of $4.2 million to correct errors related to the reversal of the Company s income tax valuation allowance as of December 27, 2009. Since this adjustment was not material to prior years financial statements, the Company recorded the adjustment in the financial statements for the fiscal year ended December 26, 2010.

PF, is a loss corporation as defined by Internal Revenue Code Section 382. Section 382 places an annual limitation on PF s ability to utilize a portion of our Net Operating Loss Carryovers (NOLCs) and other attributes to reduce future taxable income. As of December 30, 2012, PF has federal NOLCs of $1,099.0 million, of which $237.2 million of the carryovers exceed the estimated available Section 382 limitation. PF reduced its deferred tax assets for this limitation. Of the remaining $861.8 million of NOLCs, $636.1 million are subject to the various Section 382 limitations which will limit the amount of NOLCs that can be utilized in any given year. It is expected that PF s annual Section 382 limitation going forward will approximate $17.0 million to $23.0 million, adjusted for certain built in gain recognition items (as defined in Section 382) and pending resolution of certain tax matters. Approximately $225 million of the NOLCs are not subject to Section 382 limitations. PF s NOLCs and certain other tax attributes generated prior to December 23, 2009 may not be utilized to offset Birds Eye income from recognized built in gains that existed at the acquisition date, through December 2014, pursuant to Internal Revenue Code Section 384.

PF s federal NOLCs have expiration periods from 2017 through 2031. PF and its subsidiaries also have state tax NOLCs that are limited and vary in amount by jurisdiction. State net operating losses are approximately $592.0 million with expiration periods beginning in 2013 through 2032. State tax credits total $9.3 million of which $3.4 million expire on or before 2028. The remaining $5.9 million of state credits do not expire, except upon the occurrence of specific events. The Company s foreign net operating losses of $0.9 million expire on or before December 2021.

As of December 30, 2012 our valuation allowance for state NOLCs and credits is $12.5 million and the foreign valuation allowance is $0.9 million.

Table of Contents

Following are the changes in the deferred tax valuation allowance:

	Beginning Balance	Additions	Acquisitions	Deductions	Ending Balance
Fiscal year ended December 30, 2012	$ 14,202	$ 474	$	$ (1,322)	$ 13,354
Fiscal year ended December 25, 2011	8,284	6,187		(269)	14,202
Fiscal year ended December 26, 2010	14,792		(5,721)	(787)	8,284

A reconciliation of the beginning and ending amount of gross unrecognized tax positions is as follows:

	Fiscal year ended		
	December 30, 2012	December 25, 2011	December 26, 2010
Gross unrecognized tax positions at beginning of year	$ 9,764	$ 13,515	$ 3,410
Increase for tax positions related to prior periods	199	646	9,722
Decrease for tax positions related to prior periods	(509)	(4,133)	
Increase for tax positions related to the current period	679	558	630
Decrease related to settlement with tax authorities	(1,580)	(822)	(163)
Reductions due to lapse of applicable statutes of limitations	(46)		(84)
Gross unrecognized tax positions at end of year	$ 8,507	$ 9,764	$ 13,515

The Company s liability for unrecognized tax positions as of December 30, 2012 was $8,507, reflecting a net decrease of $1,257 principally for settlement of uncertainties related to federal and foreign tax matters. A benefit of $1,435 was recognized in the provision for income taxes resulting from the settlement of tax examinations. The amount that, if recognized, would impact the effective tax rate as of December 30, 2012 was $1,986. From time to time, various taxing authorities may audit the Company s tax returns. It is reasonably possible that a decrease in the uncertain tax positions of approximately $699 may occur within the next twelve months due to the lapse of certain statute of limitations or resolution of uncertainties.

The Company recorded interest and penalties associated with uncertain tax positions as a benefit of $157 and $743, and a charge of $266 to the provision for income taxes for the fiscal years ended December 30, 2012, December 25, 2011 and December 26, 2010, respectively. The Company s liability includes accrued interest and penalties of $332 and $489 as of December 30, 2012 and December 25, 2011, respectively.

The Company files income tax returns with the U.S. federal government and various state and international jurisdictions. With few exceptions, as noted below, the Company s 1999 and subsequent federal and state tax years remain open by statute, principally relating to NOLCs. With limited exception for certain states, Federal and state tax years for pre-acquisition periods (2009 and earlier) of Birds Eye Food Inc. are either closed by statute or by completed tax examinations. International jurisdictions remain open for the fiscal 2006, fiscal 2010 and subsequent periods. As a matter of course, from time to time various taxing authorities may audit the Company s tax returns and the ultimate resolution of such audits could result in adjustments to amounts recognized by the Company. Audits of the Company s federal income tax returns were completed in 2012 by the Canada Revenue Agency for the fiscal years ended December 28, 2008 and December 27, 2009, and the IRS for the fiscal years ended December 27, 2009 and December 26, 2010, respectively. The Company is currently under audit by various state tax jurisdictions. At this time, an estimate of the range of reasonably possible outcomes cannot be made. We do not anticipate these possible outcomes will have a significant impact on the results of operations, our financial position or our cash flows.

Table of Contents

16. Quarterly Results (Unaudited)

Summarized quarterly financial data is presented below

	Quarter Ended				
	March 2012	June 2012	September 2012	December 2012	Fiscal 2012
Net sales	$ 616,925	$ 588,595	$ 567,905	$ 705,060	$ 2,478,485
Cost of products sold	481,248	456,439	438,564	517,685	1,893,936
Gross profit	135,677	132,156	129,341	187,375	584,549
Net earnings (loss)	9,539	(10,560)	9,878	43,662	52,519
Net earnings per share					
Basic	$ 0.12	(0.13)	0.12	0.54	0.65
Weighted average shares outstanding basic	81,267	82,235	81,218	80,202	81,231
Diluted	$ 0.11	(0.13)	0.11	0.51	0.61
Weighted average shares outstanding diluted	86,492	87,559	86,445	85,482	86,495

	Quarter Ended				
	March 2011	June 2011	September 2011	December 2011	Fiscal 2011
Net sales	$ 606,311	$ 602,023	$ 574,746	$ 686,482	$ 2,469,562
Cost of products sold	452,916	460,346	440,496	500,938	1,854,696
Gross profit	153,395	141,677	134,250	185,544	614,866
Net earnings (loss)	20,252	7,581	12,777	(87,524)	(46,914)
Net earnings per share					
Basic	$ 0.25	0.09	0.16	(1.08)	(0.58)
Weighted average shares outstanding basic	81,357	81,338	81,296	81,273	81,316
Diluted	0.23	0.09	0.15	(1.08)	(0.58)
Weighted average shares outstanding diluted	86,621	86,582	86,489	81,273	81,316

Net earnings during fiscal 2012 and fiscal 2011 were affected by the following charges (credits):

	Quarter Ended				
	March 2012	June 2012	September 2012	December 2012	Fiscal 2012
Cost of products sold					
Restructuring charges (see note 8)	$ 2,152	$ 3,537	$ 14,078	$ 9,432	$ 29,199
Restructuring related expenses (a)	1,327	1,513	2,082	3,074	7,996
Aunt Jemima product recall (b)	3,722	(500)		(1,150)	2,072
Research and development expenses					
Restructuring charges (see note 8)		914	465	1,417	2,796
Other expense (income), net					
Tradename Impairment charges (c)				520	520
Redemption premium on the early extinguishment of debt (see Note 5)		10,785	3,470		14,255

Table of Contents

	Quarter Ended				
	March 2011	June 2011	September 2011	December 2011	Fiscal 2011
Cost of products sold					
Restructuring charges (see note 8)	$ 2,865	$ 7,567	$ 3,280	$ 3,884	$ 17,596
Aunt Jemima product recall (b)				1,145	1,145
Goodwill impairment charge					
Impairment charges (c)				122,900	122,900
Other expense (income), net					
Tradename Impairment charges (d)				25,300	25,300
Lehman Brothers Specialty Financing settlement (see Note 5)		8,500			8,500
Interest expense					
Amortization of deferred mark-to-market on terminated swap (see Note 11)	705	507	473	434	2,119

(a) Restructuring related expenses include plant enhancement expenses, removal and transfer of equipment and consulting and engineering costs for restructuring projects.

(b) On January 27, 2012 we issued a voluntary recall for certain *Aunt Jemima* frozen pancakes due to potential cross contamination with soy protein which may cause allergic reaction for people who have a soy allergy (See Note 12 for additional information).

(c) Goodwill impairment charges consist of the following:

Fourth quarter 2011 Goodwill Impairment charges of $51,700, $49,700 and $21,500 on the Frozen Breakfast, Private Label and Foodservice reporting units, respectively.

(d) Tradename impairment charges consist of the following:

Fourth quarter 2012 $520 on *Bernstein s.*

Fourth quarter 2011 $23,700, $1,200 and $400 on the *Aunt Jemima* breakfast, *Lender s* and *Bernstein s* tradenames, respectively.

17. Guarantor and Nonguarantor Statements

On April 29, 2013, Pinnacle Foods Finance (PFF) issued 4.875% Senior Notes. The 4.875% Senior Notes are general senior unsecured obligations of PFF, effectively subordinated in right of payment to all existing and future senior secured indebtedness of PFF and guaranteed on a full, unconditional, joint and several basis by the Company and PFF s 100% owned domestic subsidiaries that guarantee other indebtedness of the Company.

The following condensed consolidating financial information presents:

(1)(a) Condensed consolidating balance sheets as of December 30, 2012 and December 25, 2011.

(b) The related condensed consolidating statements of operations and comprehensive earnings for the Company, PFF, all guarantor subsidiaries and the non-guarantor subsidiaries for the following:

i. Fiscal year ended December 30, 2012

ii. Fiscal year ended December 25, 2011; and

iii. Fiscal year ended December 26, 2010.

(c) The related condensed consolidating statements of cash flows for the Company, PFF, all guarantor subsidiaries and the non-guarantor subsidiaries for the following:

i. Fiscal year ended December 30, 2012

Table of Contents

ii. Fiscal year ended December 25, 2011; and

iii. Fiscal year ended December 26, 2010.

(2) Elimination entries necessary to consolidate the Company, PFF, with its guarantor subsidiaries and non-guarantor subsidiaries. Investments in subsidiaries are accounted for by the parent using the equity method of accounting. The guarantor subsidiaries are presented on a combined basis. The principal elimination entries eliminate investments in subsidiaries and intercompany balances and transactions and include a reclassification entry of net non-current deferred tax assets to non-current deferred tax liabilities.

Table of Contents

Pinnacle Foods Inc.

Condensed Consolidating Balance Sheet

December 30, 2012

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Current assets:						
Cash and cash equivalents	$	$	$ 83,123	$ 9,158	$	$ 92,281
Accounts receivable, net			135,791	8,093		143,884
Intercompany accounts receivable			73,769		(73,769)	
Inventories, net			350,922	7,129		358,051
Other current assets		1,130	10,546	186		11,862
Deferred tax assets			100,245	74	(1,120)	99,199
Total current assets		1,130	754,396	24,640	(74,889)	705,277
Plant assets, net			493,640	26		493,666
Investment in subsidiaries	888,726	1,840,632	11,222		(2,740,580)	
Intercompany note receivable		1,469,135	7,270	9,800	(1,486,205)	
Tradenames			1,603,992			1,603,992
Other assets, net		23,691	131,707	160		155,558
Deferred tax assets		239,347			(239,347)	
Goodwill			1,441,495			1,441,495
Total assets	$ 888,726	$ 3,573,935	$ 4,443,722	$ 34,626	$ (4,541,021)	$ 4,399,988
Current liabilities:						
Short-term borrowings	$	$	$ 2,139	$	$	$ 2,139
Current portion of long-term obligations		27,411	3,008			30,419
Accounts payable		37	136,220	1,069		137,326
Intercompany accounts payable		65,888		7,881	(73,769)	
Accrued trade marketing expense			41,396	3,175		44,571
Accrued liabilities		29,662	90,000	727	(1,120)	119,269
Total current liabilities		122,998	272,763	12,852	(74,889)	333,724
Long-term debt		2,558,404	17,982			2,576,386
Intercompany note payable			1,478,593	7,612	(1,486,205)	
Pension and other postretirement benefits			100,918			100,918
Other long-term liabilities		3,807	22,168	2,730		28,705
Deferred tax liabilities			710,666	210	(239,347)	471,529
Total liabilities		2,685,209	2,603,090	23,404	(1,800,441)	3,511,262
Commitments and contingencies (Note 12)						
Shareholder s equity:						
Pinnacle Common Stock	$ 812	$	$	$	$	812
Additional paid-in-capital	696,512	697,324	1,284,155	2,324	(1,983,803)	696,512
Retained earnings	252,955	252,955	608,788	8,842	(870,585)	252,955
Accumulated other comprehensive loss	(61,553)	(61,553)	(52,311)	56	113,808	(61,553)
Total shareholders equity	888,726	888,726	1,840,632	11,222	(2,740,580)	888,726

Total liabilities and shareholders equity	$ 888,726	$ 3,573,935	$ 4,443,722	$ 34,626	$ (4,541,021)	$ 4,399,988

Table of Contents

Pinnacle Foods Inc.

Condensed Consolidating Balance Sheet

December 25, 2011

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Current assets:						
Cash and cash equivalents	$	$	$ 150,493	$ 538	$	$ 151,031
Accounts receivable, net			152,041	7,940		159,981
Intercompany accounts receivable		129,142		947	(130,089)	
Inventories, net			330,136	5,676		335,812
Other current assets		1,072	6,189	288		7,549
Deferred tax assets		1,563	69,575	(29)		71,109
Total current assets		131,777	708,434	15,360	(130,089)	725,482
Plant assets, net			501,245	38		501,283
Investment in subsidiaries	845,352	1,726,711	10,438		(2,582,501)	
Intercompany note receivable		1,541,341	7,270	9,800	(1,558,411)	
Tradenames			1,604,512			1,604,512
Other assets, net		31,604	147,057	188		178,849
Deferred tax assets		191,289			(191,289)	
Goodwill			1,441,495			1,441,495
Total assets	$ 845,352	$ 3,622,722	$ 4,420,451	$ 25,386	$ (4,462,290)	$ 4,451,621
Current liabilities:						
Short-term borrowings	$	$	$ 1,708	$	$	$ 1,708
Current portion of long-term obligations		12,500	3,161			15,661
Accounts payable			151,693	1,176		152,869
Intercompany accounts payable			130,089		(130,089)	
Accrued trade marketing expense			32,020	3,105		35,125
Accrued liabilities		46,012	82,312	461		128,785
Total current liabilities		58,512	400,983	4,742	(130,089)	334,148
Long-term debt		2,718,858	19,792			2,738,650
Intercompany note payable			1,551,141	7,270	(1,558,411)	
Pension and other postretirement benefits			93,406			93,406
Other long-term liabilities			19,369	2,730		22,099
Deferred tax liabilities			609,049	206	(191,289)	417,966
Total liabilities		2,777,370	2,693,740	14,948	(1,879,789)	3,606,269
Commitments and contingencies (Note 12)						
Shareholder s equity:						
Pinnacle Common Stock	$ 813	$	$	$	$	813
Additional paid-in-capital	696,539	697,352	1,284,155	2,324	(1,983,831)	696,539
Retained earnings	200,436	200,436	483,821	8,011	(692,268)	200,436
Accumulated other comprehensive loss	(52,436)	(52,436)	(41,265)	103	93,598	(52,436)
Total shareholders equity	845,352	845,352	1,726,711	10,438	(2,582,501)	845,352

Total liabilities and shareholders equity	$ 845,352	$ 3,622,722	$ 4,420,451	$ 25,386	$ (4,462,290)	$ 4,451,621

Pinnacle Foods Inc.

Condensed Consolidating Statement of Operations and Comprehensive Earnings (Loss)

For the fiscal year ended December 30, 2012

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net sales	$	$	$ 2,454,737	$ 84,708	$ (60,960)	$ 2,478,485
Cost of products sold		120	1,880,692	73,090	(59,966)	1,893,936
Gross profit		(120)	574,045	11,618	(994)	584,549
Operating expenses						
Marketing and selling expenses		342	163,567	5,827		169,736
Administrative expenses		3,415	82,643	3,356		89,414
Research and development expenses		25	12,006			12,031
Intercompany royalties				77	(77)	
Intercompany technical service fees				917	(917)	
Other expense (income), net		14,255	15,519			29,774
Equity in (earnings) loss of investees	(52,519)	(124,967)	(831)		178,317	
Total operating expenses	(52,519)	(106,930)	272,904	10,177	177,323	300,955
Earnings (loss) before interest and taxes	52,519	106,810	301,141	1,441	(178,317)	283,594
Intercompany interest (income) expense		(95,285)	95,162	123		
Interest expense		196,240	2,200	44		198,484
Interest income			110			110
Earnings (loss) before income taxes	52,519	5,855	203,889	1,274	(178,317)	85,220
Provision (benefit) for income taxes		(46,664)	78,922	443		32,701
Net earnings (loss)	$ 52,519	$ 52,519	$ 124,967	$ 831	$ (178,317)	$ 52,519
Total comprehensive earnings	$ 43,402	$ 43,402	$ 113,923	$ 787	$ (158,112)	$ 43,402

Table of Contents

Pinnacle Foods Inc.

Condensed Consolidating Statement of Operations and Comprehensive Earnings (Loss)

For the fiscal year ended December 25, 2011

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net sales	$	$	$ 2,442,540	$ 84,832	$ (57,810)	$ 2,469,562
Cost of products sold		(148)	1,839,000	72,716	(56,872)	1,854,696
Gross profit		148	603,540	12,116	(938)	614,866
Operating expenses						
Marketing and selling expenses		463	165,172	6,006		171,641
Administrative expenses		3,463	73,522	3,475		80,460
Research and development expenses		34	7,987			8,021
Intercompany royalties				70	(70)	
Intercompany technical service fees				868	(868)	
Goodwill impairment charge			122,900			122,900
Other expense (income), net			48,578			48,578
Equity in (earnings) loss of investees	46,914	(12,566)	(1,227)		(33,121)	
Total operating expenses	46,914	(8,606)	416,932	10,419	(34,059)	431,600
Earnings before interest and taxes	(46,914)	8,754	186,608	1,697	33,121	183,266
Intercompany interest (income) expense		(111,919)	111,874	45		
Interest expense		206,581	1,726	12		208,319
Interest income			241	1		242
Earnings (loss) before income taxes	(46,914)	(85,908)	73,249	1,641	33,121	(24,811)
Provision (benefit) for income taxes		(38,994)	60,683	414		22,103
Net earnings (loss)	$ (46,914)	$ (46,914)	$ 12,566	$ 1,227	$ 33,121	$ (46,914)
Total comprehensive earnings (loss)	$ (49,818)	$ (49,818)	$ (3,446)	$ 2,663	$ 50,601	$ (49,818)

Table of Contents

Pinnacle Foods Inc.

Condensed Consolidating Statement of Operations and Comprehensive Earnings (Loss)

For the fiscal year ended December 26, 2010

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net sales	$	$	$ 2,409,548	$ 82,870	$ (55,715)	$ 2,436,703
Cost of products sold		624	1,817,475	71,197	(54,921)	1,834,375
Gross profit		(624)	592,073	11,673	(794)	602,328
Operating expenses						
Marketing and selling expenses		1,902	164,712	5,730		172,344
Administrative expenses		5,199	101,786	2,965		109,950
Research and development expenses		210	9,177			9,387
Intercompany royalties				83	(83)	
Intercompany technical service fees				711	(711)	
Other expense (income), net			45,495			45,495
Equity in earnings of investees	(22,037)	(92,447)	(1,447)		115,931	
Total operating expenses	(22,037)	(85,136)	319,723	9,489	115,137	337,176
Earnings before interest and taxes	22,037	84,512	272,350	2,184	(115,931)	265,152
Intercompany interest (income) expense		(121,371)	121,371			
Interest expense		234,759	1,245			236,004
Interest income		20	268			288
Earnings (loss) before income taxes	22,037	(28,856)	150,002	2,184	(115,931)	29,436
Provision (benefit) for income taxes		(50,893)	57,555	737		7,399
Net earnings	$ 22,037	$ 22,037	$ 92,447	$ 1,447	$ (115,931)	$ 22,037
Total comprehensive earnings	$ 16,096	$ 16,096	$ 89,334	$ 3,113	$ (108,543)	$ 16,096

Table of Contents

Pinnacle Foods Inc.

Condensed Consolidating Statement of Cash Flows

For the fiscal year ended December 30, 2012

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Cash flows from operating activities						
Net cash provided by (used in) operating activities	$	$ (87,051)	$ 281,501	$ 8,403	$	$ 202,853
Cash flows from investing activities						
Intercompany accounts receivable/payable		100,589			(100,589)	
Repayments of intercompany loans		167,492			(167,492)	
Capital expenditures			(78,279)			(78,279)
Sale of plant assets			570			570
Net cash (used in) provided by investing activities		268,081	(77,709)		(268,081)	(77,709)
Cash flows from financing activities						
Proceeds from bank term loans		842,625				842,625
Repayments of long-term obligations		(632,025)				(632,025)
Repurchase of notes		(373,255)				(373,255)
Proceeds from short-term borrowing			4,294			4,294
Repayments of short-term borrowing			(3,864)			(3,864)
Borrowings under revolving credit facility		40,000				40,000
Repayments of revolving credit facility		(40,000)				(40,000)
Intercompany accounts receivable/payable			(100,589)		100,589	
Repayments of intercompany loans			(167,492)		167,492	
Repayment of capital lease obligations			(3,511)			(3,511)
Parent reduction in investment in subsidiary	877	(877)				
Repurchases of equity	(877)					(877)
Debt acquisition costs		(17,498)				(17,498)
Net cash (used in) provided by financing activities		(181,030)	(271,162)		268,081	(184,111)
Effect of exchange rate changes on cash				217		217
Net change in cash and cash equivalents			(67,370)	8,620		(58,750)
Cash and cash equivalents beginning of period			150,493	538		151,031
Cash and cash equivalents end of period	$	$	$ 83,123	$ 9,158	$	$ 92,281
Supplemental disclosures of cash flow information:						
Interest paid	$	$ 177,296	$ 2,131	$	$	$ 179,427
Interest received		1	109			110
Income taxes paid			1,638	343		1,981
Non-cash investing and financing activities:						
New capital leases			1,548			1,548

Table of Contents

Pinnacle Foods Inc.

Condensed Consolidating Statement of Cash Flows

For the fiscal year ended December 25, 2011

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Cash flows from operating activities						
Net cash provided by (used in) operating activities	$	$ (90,347)	$ 299,953	$ (5,394)	$	$ 204,212
Cash flows from investing activities						
Intercompany accounts receivable/payable		(291,525)			291,525	
Intercompany loans			(7,270)	(9,800)	17,070	
Repayments of intercompany loans		440,552			(440,552)	
Capital expenditures			(117,306)			(117,306)
Sale of plant assets held for sale			7,900			7,900
Net cash (used in) provided by investing activities		149,027	(116,676)	(9,800)	(131,957)	(109,406)
Cash flows from financing activities						
Repayments of long-term obligations		(57,547)				(57,547)
Proceeds from short-term borrowing			3,070			3,070
Repayments of short-term borrowing			(2,954)			(2,954)
Intercompany accounts receivable/payable			291,525		(291,525)	
Proceeds from Intercompany loans			9,800	7,270	(17,070)	
Repayments of intercompany loans			(440,552)		440,552	
Repayment of capital lease obligations			(2,543)			(2,543)
Debt acquisition costs		(67)	(454)	(200)		(721)
Equity contributions		558				558
Parent reduction in investment in subsidiary	1,624	(1,624)				
Repurchases of equity	(1,624)					(1,624)
Other Financing				2,730		2,730
Net cash (used in) provided by financing activities		(58,680)	(142,108)	9,800	131,957	(59,031)
Effect of exchange rate changes on cash				(30)		(30)
Net change in cash and cash equivalents			41,169	(5,424)		35,745
Cash and cash equivalents beginning of period			109,324	5,962		115,286
Cash and cash equivalents end of period	$	$	$ 150,493	$ 538	$	$ 151,031
Supplemental disclosures of cash flow information:						
Interest paid	$	$ 194,644	$ 1,695	$	$	$ 196,339
Interest received			240	1		241
Income taxes paid (refunded)			(2,849)	895		(1,954)
Non-cash investing and financing activities:						

New capital leases	11,240	11,240

Table of Contents

Pinnacle Foods Finance LLC

Condensed Consolidating Statement of Cash Flows

For the fiscal year ended December 26, 2010

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Cash flows from operating activities						
Net cash provided by (used in) operating activities	$	$ (58,465)	$ 315,133	$ 310	$	$ 256,978
Cash flows from investing activities						
Intercompany accounts receivable/payable		16,986			(16,986)	
Repayments of intercompany loans		159,198			(159,198)	
Capital expenditures			(81,272)			(81,272)
Net cash (used in) provided by investing activities		176,184	(81,272)		(176,184)	(81,272)
Cash flows from financing activities						
Proceeds from bond offering		400,000				400,000
Proceeds from bank term loans		442,300				442,300
Repayments of long-term obligations		(946,558)				(946,558)
Proceeds from short-term borrowing			3,409			3,409
Repayments of short-term borrowing			(3,049)			(3,049)
Intercompany accounts receivable/payable			(16,986)		16,986	
Repayments of intercompany loans			(159,198)		159,198	
Repayment of capital lease obligations			(2,658)			(2,658)
Equity contributions		626				626
Parent reduction in investment in subsidiary	1,282	(1,282)				
Repurchases of equity	(1,282)					(1,282)
Repayment of notes receivable from officers		565				565
Debt acquisition costs		(13,370)				(13,370)
Changes in bank overdrafts			(14,304)			(14,304)
Net cash (used in) provided by financing activities		(117,719)	(192,786)		176,184	(134,321)
Effect of exchange rate changes on cash				27		27
Net change in cash and cash equivalents			41,075	337		41,412
Cash and cash equivalents beginning of period			68,249	5,625		73,874
Cash and cash equivalents end of period	$	$	$ 109,324	$ 5,962	$	$ 115,286
Supplemental disclosures of cash flow information:						
Interest paid	$	$ 178,530	$ 1,236	$	$	$ 179,766
Interest received		20	251			271
Income taxes paid			6,989	9		6,998
Non-cash investing and financing activities:						
New capital leases			13,587			13,587

Table of Contents

18. Stock Split

On March 12, 2013, the Company s board of directors authorized a 55.2444 for 1 split of the common stock. The split became effective on the date of approval. The Company retained the current par value of $0.01 per share for all shares of common stock. All references to numbers of common shares and per-share data in the accompanying financial statements have been adjusted to reflect the stock split on a retroactive basis. Stockholders equity reflects the stock split by reclassifying from Additional paid-in capital to Common stock an amount equal to the par value of the additional shares arising from the split.

On March 12, 2013, immediately prior to the stock split described above, 2,679,353 of additional shares were issued through the exercise of the warrant agreement described in Note 1. Immediately thereafter, the warrant agreement was terminated.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(thousands, except per share amounts)

	Three months ended		Nine months ended	
	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Net sales	$ 572,455	$ 567,905	$ 1,754,480	$ 1,773,425
Cost of products sold	415,052	438,564	1,297,808	1,376,251
Gross profit	157,403	129,341	456,672	397,174
Operating expenses				
Marketing and selling expenses	40,866	38,336	134,002	130,540
Administrative expenses	25,304	21,349	93,189	66,089
Research and development expenses	2,709	2,677	7,825	8,211
Other expense (income), net	3,606	7,084	45,096	25,280
Total operating expenses	72,485	69,446	280,112	230,120
Earnings before interest and taxes	84,918	59,895	176,560	167,054
Interest expense	19,595	44,462	107,878	154,601
Interest income	23	4	68	105
Earnings before income taxes	65,346	15,437	68,750	12,558
Provision for income taxes	24,661	5,559	35,108	3,701
Net earnings	$ 40,685	$ 9,878	$ 33,642	$ 8,857
Net earnings per share				
Basic	$ 0.35	$ 0.12	$ 0.32	$ 0.11
Weighted average shares outstanding basic	115,590,396	81,218,162	103,921,211	81,237,056
Diluted	$ 0.35	$ 0.11	$ 0.32	$ 0.10
Weighted average shares outstanding diluted	116,347,508	86,444,890	105,978,368	86,460,856
Dividends declared	$ 0.18	$	$ 0.36	$

See accompanying Notes to Unaudited Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (unaudited)

(thousands of dollars)

	Three months ended		Nine months ended	
	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Net earnings	$ 40,685	$ 9,878	$ 33,642	$ 8,857
Other comprehensive earnings (loss)				
Foreign currency translation	179	118	(4)	341
Net gain (loss) on financial instrument contracts	(4,709)	(2,622)	25,627	(8,168)
Loss on pension actuarial assumption adjustments				(76)
Reclassifications into earnings:				
Financial instrument contracts	(439)	1,174	2,825	8,854
Amortization of deferred mark-to-market adjustment on terminated swaps				445
Loss on pension actuarial assumption adjustments	353		1,072	
Tax benefit (provision) on other comprehensive earnings	1,663	393	(2,481)	(792)
Total other comprehensive (loss) earnings net of tax	(2,953)	(937)	27,039	604
Total comprehensive earnings	$ 37,732	$ 8,941	$ 60,681	$ 9,461

See accompanying Notes to Unaudited Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (unaudited)

(thousands of dollars, except share and per share amounts)

	September 29, 2013	December 30, 2012
Current assets:		
Cash and cash equivalents	$ 110,403	$ 92,281
Accounts receivable, net of allowances of $5,707 and $5,149, respectively	168,916	143,884
Inventories	394,328	358,051
Other current assets	7,266	11,862
Deferred tax assets	121,181	99,199
Total current assets	802,094	705,277
Plant assets, net of accumulated depreciation of $283,426 and $244,694, respectively	512,351	493,666
Tradenames	1,603,992	1,603,992
Other assets, net	161,423	155,558
Goodwill	1,441,495	1,441,495
Total assets	$ 4,521,355	$ 4,399,988
Current liabilities:		
Short-term borrowings	$ 1,065	$ 2,139
Current portion of long-term obligations	19,436	30,419
Accounts payable	180,055	137,326
Accrued trade marketing expense	38,920	44,571
Accrued liabilities	106,675	119,269
Dividends payable	21,354	
Total current liabilities	367,505	333,724
Long-term debt (includes $48,004 and $63,097 owed to related parties, respectively)	1,968,907	2,576,386
Pension and other postretirement benefits	93,090	100,918
Other long-term liabilities	24,802	28,705
Deferred tax liabilities	530,148	471,529
Total liabilities	2,984,452	3,511,262
Commitments and contingencies (Note 12)		
Shareholders equity:		
Pinnacle preferred stock: $.01 per share, 50,000,000 shares authorized, none issued		
Pinnacle common stock: par value $.01 per share, 200,000,000 shares authorized; issued and outstanding 117,220,795 and 81,210,672, respectively	1,172	812
Additional paid-in-capital	1,325,835	696,512
Retained earnings	244,410	252,955
Accumulated other comprehensive loss	(34,514)	(61,553)
Total shareholders equity	1,536,903	888,726
Total liabilities and shareholders equity	$ 4,521,355	$ 4,399,988

See accompanying Notes to Unaudited Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(thousands of dollars)

	Nine months ended	
	September 29, 2013	September 23, 2012
Cash flows from operating activities		
Net earnings	$ 33,642	$ 8,857
Non-cash charges (credits) to net earnings		
Depreciation and amortization	57,683	68,542
Amortization of discount on term loan	720	669
Amortization of debt acquisition costs	3,378	6,745
Call premium on note redemptions	34,180	14,255
Refinancing costs and write off of debt issuance costs	19,668	17,482
Amortization of deferred mark-to-market adjustment on terminated swaps		444
Change in value of financial instruments	(192)	(2,002)
Equity-based compensation charge	5,616	725
Pension expense, net of contributions	(6,756)	(8,924)
Gain on sale of assets held for sale	(3,627)	
Other long-term liabilities	(494)	3,210
Other long-term assets		(601)
Deferred income taxes	33,226	2,637
Changes in working capital		
Accounts receivable	(25,275)	(5,974)
Inventories	(36,160)	(66,822)
Accrued trade marketing expense	(5,556)	3,853
Accounts payable	41,746	14,198
Accrued liabilities	(10,464)	4,340
Other current assets	392	750
Net cash provided by operating activities	141,727	62,384
Cash flows from investing activities		
Capital expenditures	(62,722)	(49,796)
Proceeds from sale of plant assets	6,853	570
Net cash used in investing activities	(55,869)	(49,226)
Cash flows from financing activities		
Net proceeds from issuance of common stock	624,258	
Repurchases of equity	(191)	(846)
Dividends paid	(20,831)	
Proceeds from bank term loans	1,625,925	842,625
Proceeds from notes offerings	350,000	
Repayments of long-term obligations	(1,732,071)	(625,172)
Repurchase of notes	(899,180)	(373,255)
Proceeds from short-term borrowings	2,408	1,216
Repayments of short-term borrowings	(3,481)	(2,364)
Borrowings under revolving credit facility		5,000
Repayments of revolving credit facility		(5,000)
Repayment of capital lease obligations	(2,320)	(2,803)
Debt acquisition costs	(12,491)	(17,414)

Change in bank overdrafts				19,327
Net cash used in financing activities		(67,974)		(158,686)
Effect of exchange rate changes on cash		238		388
Net change in cash and cash equivalents		18,122		(145,140)
Cash and cash equivalents beginning of period		92,281		151,031
Cash and cash equivalents end of period	$	110,403	$	5,891
Supplemental disclosures of cash flow information:				
Interest paid	$	91,577	$	138,622
Interest received		69		105
Income taxes paid		2,998		1,933
Non-cash investing and financing activities:				
New capital leases		2,030		1,549
Dividends payable		21,354		

See accompanying Notes to Unaudited Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS EQUITY (unaudited)

(thousands of dollars, except share and per share amounts)

	Common Stock		Additional Paid In Capital	Retained earnings	Accumulated Other Comprehensive Loss	Total Shareholders Equity
	Shares	Amount				
Balance, December 25, 2011	81,272,578	$ 813	$ 696,539	$ 200,436	$ (52,436)	$ 845,352
Equity contributions:						
Shares repurchased	(60,714)	(1)	(845)			(846)
Equity related compensation			725			725
Comprehensive earnings				8,857	604	9,461
Balance, September 23, 2012	81,211,864	$ 812	$ 696,419	$ 209,293	$ (51,832)	$ 854,692
Balance, December 30, 2012	81,210,672	$ 812	$ 696,512	$ 252,955	$ (61,553)	$ 888,726
Equity contributions:						
Share issuance	36,153,849	361	623,897			624,258
Shares repurchased	(8,319)		(191)			(191)
Shares forfeited	(135,407)	(1)	1			
Equity related compensation			5,616			5,616
Dividends ($0.36 per share)*				(42,187)		(42,187)
Comprehensive earnings				33,642	27,039	60,681
Balance, September 29, 2013	117,220,795	$ 1,172	$ 1,325,835	$ 244,410	$ (34,514)	$ 1,536,903

* $0.18 per share quarterly, declared May 2013 and September 2013

See accompanying Notes to Unaudited Consolidated Financial Statements

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

1. Summary of Business Activities

Business Overview

Pinnacle Foods Inc. (hereafter referred to as Pinnacle or the Company), formerly known as Crunch Holding Corp., is a holding company whose sole asset is 100% ownership of Peak Finance Holdings LLC (PFH). PFH is a holding company whose sole asset is 100% ownership of Pinnacle Foods Finance LLC (Pinnacle Foods Finance). The Company is majority owned by affiliates of The Blackstone Group L.P. (Blackstone). In October 2013, approximately 30.7 million shares previously owned by certain Blackstone Funds were transferred to BCPV Pinnacle Holdings LLC. The transfer of these shares did not result in any change in beneficial ownership for any of the Blackstone Funds.

The Company is a leading manufacturer, marketer and distributor of high quality, branded convenience food products, the products and operations of which are managed and reported in three operating segments: (i) Birds Eye Frozen, (ii) Duncan Hines Grocery and (iii) Specialty Foods. The Company s United States retail frozen vegetables (*Birds Eye*), frozen complete bagged meals (*Birds Eye Voila!*), frozen seafood (*Van de Kamp s, Mrs. Paul s*), full-calorie single-serve frozen dinners and entrées (*Hungry-Man*), frozen breakfast (*Aunt Jemima*), frozen and refrigerated bagels (*Lender s*), and frozen pizza for one (*Celeste*) are reported in the Birds Eye Frozen Division. The Company s baking mixes and frostings (*Duncan Hines*), shelf-stable pickles (*Vlasic*), table syrups (*Mrs. Butterworth s* and *Log Cabin*), canned meat (*Armour, Nalley* and *Brooks*), pie and pastry fillings (*Comstock* and *Wilderness*), barbecue sauces (*Open Pit*), salad dressing (*Bernstein s*) and all Canadian operations are reported in the Duncan Hines Grocery Division. The Specialty Foods Division consists of snack products (*Tim s Cascade* and *Snyder of Berlin*) and the Company s food service and private label businesses.

Significant transactions affecting comparability

The results of operations in the nine months ended September 29, 2013 and September 23, 2012 are impacted by our April 2013 initial public offering (the IPO) and the April 2013 and 2012 refinancings which significantly affected Administrative expenses, Other expense, Interest expense and Provision for income taxes. See Management s Discussion and Analysis (pages 50-78).

History and Current Ownership

Since 2001, the Company and its predecessors have been involved in several business combinations to acquire certain assets and liabilities related to the brands discussed above.

On December 23, 2009, Pinnacle Foods Group LLC (PFG LLC), an entity wholly owned by Pinnacle Foods Finance, purchased Birds Eye Foods, Inc. (the Birds Eye Acquisition).

On March 12, 2013, the Company s board of directors authorized a 55.2444 for 1 split of the common stock. The split became effective on the date of approval. The Company retained the par value of $0.01 per share for all shares of common stock. All references to numbers of common shares and per-share data in the accompanying financial statements have been adjusted to reflect the stock split on a retroactive basis. Shareholders equity reflects the stock split by reclassifying from Additional paid-in capital to Common stock an amount equal to the par value of the additional shares arising from the split.

On March 28, 2013, the U.S. Securities and Exchange Commission (SEC) declared effective the Company s registration statement on Form S-1 related to the IPO. The Company s common stock began trading on the New York Stock Exchange (NYSE), under the ticker symbol PF, on March 28, 2013. In connection with the IPO,

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

2,618,307 additional shares were issued through the exercise of a warrant agreement by Peak Holdings LLC (Peak Holdings) which was the majority owner of Pinnacle Foods Finance prior to the IPO. Immediately thereafter, the warrant agreement was terminated and Peak Holdings was liquidated. On April 3, 2013, the IPO closed in which the Company issued and sold 33,350,000 shares of common stock for cash consideration of $20.00 per share ($18.80 per share net of underwriting discounts). None of Blackstone, Directors or management of the Company sold any shares as part of the IPO. The Company received approximately $623.9 million in net proceeds ($667.0 million of gross proceeds net of $43.1 million of underwriting discounts and other fees) from the offering, which were used to pay down debt. See Note 9 of the Consolidated Financial Statements Debt and Interest Expense for further details.

2. Interim Financial Statements

In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting primarily of normal recurring adjustments) necessary for a fair statement of the Company s financial position as of September 29, 2013, the results of operations for the three and nine months ended September 29, 2013 and September 23, 2012, and the cash flows for the nine months ended September 29, 2013 and September 23, 2012. The results of operations are not necessarily indicative of the results to be expected for the full fiscal year. The accompanying unaudited consolidated financial statements and notes thereto should be read in conjunction with the audited consolidated financial statements and notes thereto for the fiscal year ended December 30, 2012.

3. Fair Value Measurements

The authoritative guidance for financial assets and liabilities discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow), and the cost approach (cost to replace the service capacity of an asset or replacement cost). The guidance utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1:	Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2:	Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
Level 3:	Unobservable inputs that reflect the Company s assumptions.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The Company s financial assets and liabilities subject to recurring fair value measurements and the required disclosures are as follows:

	Fair Value as of September 29, 2013	Fair Value Measurements Using Fair Value Hierarchy			Fair Value as of December 30, 2012	Fair Value Measurements Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets								
Interest rate derivatives	$ 25,065	$	$ 25,065	$	$	$	$	$
Foreign currency derivatives	573		573		638		638	
Commodity derivatives	133		133		525		525	
Total assets at fair value	$ 25,771	$	$ 25,771	$	$ 1,163	$	$ 1,163	$
Liabilities								
Interest rate derivatives	$ 1,342	$	$ 1,342	$	$ 3,807	$	$ 3,807	$
Commodity derivatives					682		682	
Total liabilities at fair value	$ 1,342	$	$ 1,342	$	$ 4,489	$	$ 4,489	$

The Company manages economic risks, including interest rate, liquidity and credit risk, primarily by managing the amount, sources and duration of its debt funding and the use of derivative financial instruments. The primary risks managed by using derivative instruments are interest rate risk, foreign currency exchange risk and commodity price risk.

The valuations of these instruments are determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate, commodity, and foreign exchange forward curves. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash payments (or receipts) and the discounted expected variable cash receipts (or payments). The variable cash receipts (or payments) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves. To comply with the provisions of the authoritative guidance for fair value disclosure, the Company incorporates credit valuation adjustments to appropriately reflect both its own non-performance risk and the respective counterparty s non-performance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of non-performance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees. The Company had no fair value measurements based upon significant unobservable inputs (Level 3) as of September 29, 2013 or December 30, 2012.

In addition to the instruments named above, the Company also makes fair value measurements in connection with its annual goodwill and trade name impairment testing. These measurements would fall into Level 3 of the fair value hierarchy.

In December 2011, the Company adopted the provisions of the Financial Accounting Standards Board s (FASB) Accounting Standards Update No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements,* (ASU 2011-04). For purposes of calculating fair value of financial instruments, we manage the portfolio of financial assets and financial liabilities on the basis of the Company s net exposure to credit risk. The Company has elected to apply the portfolio exception in ASU 2011-04 with respect to measuring counterparty credit risk for all of its derivative transactions subject to master netting arrangements on a net basis by counterparty portfolio.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

4. Other Expense (Income), net

	Three months ended		Nine months ended	
	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Other expense (income), net consists of:				
Amortization of intangibles/other assets	$ 3,872	$ 3,879	$ 11,616	$ 11,647
Redemption premiums on the early extinguishment of debt		3,470	34,180	14,255
Royalty income and other	(266)	(265)	(700)	(622)
Total other expense (income), net	$ 3,606	$ 7,084	$ 45,096	$ 25,280

Redemption premium on the early extinguishment of debt. On May 10, 2013, as part of a debt refinancing (the April 2013 Refinancing) the Company redeemed all $400.0 million of its outstanding 8.25% Senior Notes at a redemption price of 108.5% of the aggregate principal amount at a premium of $34.2 million. On April 19, 2012, as part of a debt refinancing (the April 2012 Refinancing) the Company redeemed all $199.0 million of its outstanding 10.625% Senior Subordinated Notes at a redemption price of 105.313% of the aggregate principal amount at a premium of $10.6 million. On June 5, 2012, the Company repurchased and retired $10.0 million of 9.25% Senior Notes at a price of 102.125% of the aggregate principal amount at a premium of $0.2 million. On September 20, 2012, as part of a debt refinancing (the September 2012 Refinancing) the Company redeemed $150.0 million of its outstanding 9.25% Senior Subordinated Notes at a redemption price of 102.313% of the aggregate principal amount at a premium of $3.5 million.

5. Shareholder s Equity, Equity-Based Compensation Expense and Earnings Per Share

Equity-based Compensation

The Company has two long-term incentive programs: The 2007 Stock Incentive Plan and the 2013 Omnibus Incentive Plan. Prior to March 28, 2013, Peak Finance Holdings LLC (Peak Holdings), the former parent of the Company also had the 2007 Unit Plan, which was terminated in connection with the Company s recent IPO. Equity-based compensation expense recognized during the period is based on the value of the portion of equity-based payment awards that is ultimately expected to vest during the period. As equity-based compensation expense recognized in the Consolidated Statements of Operations is based on awards ultimately expected to vest, it has been reduced for estimated forfeitures. The authoritative guidance for equity compensation requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

The Company currently uses the Black-Scholes option-pricing model as its method of valuation for equity-based awards. Prior to March 28, 2013, since the underlying equity was not publicly traded, the determination of fair value of equity-based payment awards on the date of grant using an option-pricing model was based upon estimates of enterprise value as well as assumptions regarding a number of highly complex and subjective variables. The estimated enterprise value was based upon forecasted cash flows for five years plus a terminal year and an assumed discount rate. The other variables used to determine fair value of equity-based payment awards include, but are not limited to, the expected stock price volatility of a group of industry comparable companies over the term of the awards, and actual and projected employee equity option exercise behaviors.

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The fair value of the options granted during the nine months ended September 29, 2013 and September 23, 2012, respectively, was estimated on the date of the grant using the Black-Scholes model with the following weighted average assumptions:

	September 29, 2013	*	September 23, 2012
Risk-free interest rate	1.16%		0.64%
Expected time to option exercise	6.50 years		1.93 years
Expected volatility of Pinnacle Foods Inc. stock	35%		55%
Expected dividend yield on Pinnacle Foods Inc. stock	3.55%		0%

* all of the options issued in the first half of 2013 were valued using an IPO price of $20.00 a share. No dividend was in effect in 2012. Volatility was based on the average volatility of a group of publicly traded food companies. The Company estimates the annual forfeiture rates to be approximately 10% under its long-term incentive plans.

Expense Information

The following table summarizes equity-based compensation expense related to employee equity options and employee equity units under the authoritative guidance for equity compensation which was allocated as follows:

	Three months ended		Nine months ended	
	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Cost of products sold	$ 81	$ 16	$ 389	$ 96
Marketing and selling expenses	56	51	991	291
Administrative expenses	2,069	54	4,082	316
Research and development expenses	85	3	154	22
Pre-tax equity-based compensation expense	2,291	124	5,616	725
Income tax benefit	(698)	(39)	(1,378)	(53)
Net equity-based compensation expense	$ 1,593	$ 85	$ 4,238	$ 672

As of September 29, 2013, cumulative unrecognized equity compensation expense of the unvested portion of shares for the Company s two long-term incentive programs was $43,029. The weighted average period over which vesting will occur is approximately 5.5 years for the 2007 Stock Incentive Plan and 2.5 years for the 2013 Omnibus Plan. Options under the plans have a termination date of 10 years from the date of issuance.

2007 Stock Incentive Plan

The Company adopted an equity option plan (the 2007 Stock Incentive Plan) providing for the issuance of up to 1,104,888 shares of the Company s common stock. Pursuant to the 2007 Stock Incentive Plan, certain officers, employees, managers, directors and other persons were eligible to receive grants of nonqualified stock options, as permitted by applicable law. For options granted from 2007 to 2009, generally 25% of

the options will vest ratably over five years (Time-Vested Options), subject to full acceleration upon a change of control. Fifty percent of the options vest ratably over five years if annual or cumulative Management EBITDA targets, as defined, are met (Performance Options). The final 25% of the options vest either on a change of control or liquidity event, if a 12% annual internal rate of return is attained by Blackstone. In addition, the plan was also revised to provide that if the EBITDA target is achieved in any two consecutive fiscal years (excluding 2007 and

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

2008) during the employee s continued employment, then that year s and all prior years performance options will vest and become exercisable, and if the exit options vest and become exercisable during the employee s continued employment, then all the performance options will also vest and become exercisable. Subsequent to 2009, the Company awarded options in the form of Time Vested Options (25%) and Performance Options (75%) to certain employees. The options have the same vesting provisions as stated above, including the provisions that if there is a change of control or liquidity event and if a 12% annual internal rate of return is attained by Blackstone, then all the Performance Options will also vest and become exercisable. Prior to March 1, 2013, this annual internal rate of return target was 20%, but the Compensation Committee of the Board of Directors reduced the target for vesting purposes on that date from 20% to 12% to reflect changes in the food industry environment since the plan was adopted. Subsequent to the adoption of the 2013 Omnibus Incentive Plan (as further described below), there will be no more grants under this plan.

The following table summarizes the equity option transactions under the 2007 Stock Incentive Plan:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Fair Value at Grant Date	Weighted Average Remaining Life	Aggregate Intrinsic Value (000 s)
Outstanding, December 30, 2012	436,486	$ 9.99	$ 3.97	6.22	$ 1,642
Granted					
Exercised	(43,053)	8.94	4.98		
Forfeitures	(30,918)	10.61	6.93		
Outstanding, September 29, 2013	362,515	10.06	$ 5.89	5.58	5,803
Exercisable, September 29, 2013	156,848	$ 9.20	$ 4.06	4.80	$ 2,645

2007 Unit Plan

Peak Holdings, the former parent of Pinnacle Foods Inc., adopted an equity plan (the 2007 Unit Plan) providing for the issuance of profit interest units (PIUs) in Peak Holdings. Certain employees had been given the opportunity to invest in Peak Holdings through the purchase of Peak Holding s Class A-2 Units. In addition, from 2007 to 2009, each manager who so invested was awarded profit interests in Peak Holdings in the form of Class B-1, Class B-2 and Class B-3 Units. Generally 25% of the PIUs vested ratably over five years (Class B-1 Units), subject to full acceleration upon a change of control. Fifty percent of the PIUs vested ratably over five years depending on whether annual or cumulative EBITDA targets were met (Class B-2 Units). The plan also provides that, if the Adjusted EBITDA target was achieved in any two consecutive fiscal years during the employee s continued employment, then that year s and all prior years Class B-2 Units vested, and if there was a change of control or liquidity event, (defined as when Blackstone sells more than 50% of its holdings and a certain annual internal rate of return is attained by Blackstone), then all the Class B-2 units also vested, and if the Class B-3 Units vested during the employee s continued employment (as described below) then all the Class B-2 Units also vested. The final 25% of the PIUs granted vested either on a change of control or liquidity event, if a 12% annual internal rate of return was attained by Blackstone (Class B-3 Units). Subsequent to 2009, the Company awarded PIUs to certain employees in the form of Class B-1 Units (25%) and Class B-2 Units (75%). The Class B-1 Units and Class B-2 Units had the same vesting provisions as stated above, including the provisions that if there was a change of control or liquidity event and if a 12% annual internal rate of return was attained by Blackstone, then all the Class B-2 units would also vest and become exercisable. Prior to March 1, 2013, this annual internal rate of return target was 20%, but the Compensation Committee of the Board of Directors reduced the target for vesting purposes on that date from 20% to 12% to reflect changes in the food industry environment since the plan was adopted.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

In connection with the Company s IPO, Peak Holdings was dissolved resulting in the termination of the 2007 Unit Plan and the adoption of the 2013 Omnibus Incentive Plan (as further described below). As a result of the dissolution, the holders of units of Peak Holdings were distributed the assets of Peak Holdings. As the sole assets of Peak Holdings were shares of the Company s common stock, units were converted into shares of common stock. The number of shares of common stock delivered to the equity holder as a result of the conversion had the same intrinsic value as the Class A-2 Units held by the equity holder prior to such conversion. Additionally, in connection with the dissolution, all PIUs were converted into shares or restricted shares of the Company s common stock. Vested PIUs were converted into shares of common stock and unvested PIUs were converted into unvested restricted shares of our common stock, which are subject to vesting terms substantially similar to those applicable to the unvested PIU immediately prior to the conversion. The number of shares delivered under the 2013 Omnibus Incentive Plan, 1,546,355, have the same intrinsic value as the PIUs immediately prior to such conversion.

2013 Omnibus Incentive Plan

In connection with the IPO, the Company adopted an equity incentive plan (the 2013 Omnibus Incentive Plan) providing for the issuance of up to 11,300,000 shares of the Company s common stock which will be reserved for issuance under (1) equity awards granted as a result of the conversion of unvested PIUs into restricted common stock of the Company, (2) stock options and other equity awards granted in connection with the completion of the IPO, and (3) awards granted by the Company under the 2013 Omnibus Plan following the completion of the IPO. Pursuant to the 2013 Omnibus Plan, certain officers, employees, managers, directors and other persons are eligible to receive grants of equity based awards, as permitted by applicable law.

On March 27, 2013, in connection with the IPO, the Company issued 2,310,000 Founders Grants options under the 2013 Omnibus Plan. The options vest in full at the end of three years. Additionally, 82,460 non-vested shares were issued which also vest in full at the end of three years. Pursuant to his employment agreement, on April 3, 2013, Robert J. Gamgort, the Chief Executive Officer, became entitled to 200,000 shares of common stock, which will be issued on April 3, 2014, subject to Mr. Gamgort s continued service through that date. On August 1, 2013, an additional 66,042 non-vested shares and 155,575 options were issued to various employees. The non-vested shares vest in full at the end of four years while the options vest in full at the end of three years.

The following table summarizes the equity option transactions under the 2013 Omnibus Plan:

	Number of Options	Weighted Average Exercise Price	Weighted Average Fair Value at Grant Date	Weighted Average Remaining Life	Aggregate Intrinsic Value (000 s)
Outstanding, December 30, 2012		$	$	0	
Granted	2,465,575	20.35	4.78		
Exercised					
Forfeitures	(125,310)	20.00	4.63		
Outstanding, September 29, 2013	2,340,265	20.37	$ 4.79	9.51	$ 13,336
Exercisable, September 29, 2013		$	$	0	$

F-76

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The following table summarizes the changes in non-vested shares.

	Number of Shares	Weighted Average Fair Value at Grant Date	Weighted Average Remaining Life	Aggregate Intrinsic Value (000 s)
Non-vested shares at December 30, 2012		$	0	$
Converted PIUs	1,546,355	20.00		
Granted	348,502	21.06		
Forfeitures	(135,407)	20.00		
Vested	(80,252)	20.00		
Non-vested shares at September 29, 2013	1,679,198	$ 20.34	6.63	$ 43,777

Other Comprehensive Earnings

The following table presents amounts reclassified out of Accumulated Other Comprehensive Loss (AOCL) and into Net earnings for the three and nine months ended September 29, 2013.

Gain/(Loss)	Amounts Reclassified from AOCL		
Details about Accumulated Other Comprehensive Earnings Components	Three months ended September 29, 2013	Nine months ended September 29, 2013	Reclassified from AOCL to:
Gains and losses on financial instrument contracts			
Interest rate contracts	$ (15)	$ (3,961)	Interest expense
Foreign exchange contracts	454	1,136	Cost of products sold
Total before tax	439	(2,825)	
Tax benefit (expense)	(239)	935	Provision for income taxes
Deferred tax expense		(9,070)(a)	Provision for income taxes
Net of tax	200	(10,960)	
Pension actuarial assumption adjustments			
Amortization of actuarial loss	(353)	(1,072)(b)	Cost of products sold
Tax benefit	136	413	Provision for income taxes
Net of tax	(217)	(659)	
Net reclassifications into net earnings	$ (17)	$ (11,619)	

(a) See Notes 11 and 15 for additional details.
(b) This is included in the computation of net periodic pension cost (see Note 10 for additional details).

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Earnings Per Share

Basic earnings per common share is computed by dividing net earnings or loss for common shareholders by the weighted-average number of common shares outstanding during the period. Diluted earnings per common share are calculated by dividing net earnings by weighted-average common shares outstanding during the period plus dilutive potential common shares, which are determined as follows:

	Three months ended		Nine months ended	
	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Weighted-average common shares	115,590,396	81,218,162	103,921,211	81,237,056
Effect of dilutive securities:	757,112	5,226,728	2,057,157	5,223,800
Dilutive potential common shares	116,347,508	86,444,890	105,978,368	86,460,856

Dilutive potential common shares are calculated in accordance with the treasury stock method, which assumes that proceeds from the exercise of all warrants and options are used to repurchase common stock at market value. The amount of shares remaining after the proceeds are exhausted represents the potentially dilutive effect of the securities. For the three and nine months ended September 29, 2013 conversion of stock options and non-vested shares totaling 180,297 and 2,454,101, respectively, into common share equivalents were excluded from this calculation as their effect would have been anti-dilutive. For the three and nine months ended September 23, 2012, conversion of stock options and non-vested shares totaling 80,622 and 82,891, respectively, into common share equivalents were excluded from this calculation as their effect would have been anti-dilutive.

6. Balance Sheet Information

Accounts Receivable. Customer accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for cash discounts, returns and bad debts is the Company s best estimate of the amount of uncollectible amounts in its existing accounts receivable. The Company determines the allowance based on historical discounts taken and write-off experience. The Company reviews its allowance for doubtful accounts quarterly. Account balances are charged off against the allowance when the Company concludes it is probable the receivable will not be recovered. The Company does not have any off-balance sheet credit exposure related to its customers. Accounts receivable are as follows:

	September 29, 2013	December 30, 2012
Customers	$ 168,106	$ 137,950
Allowances for cash discounts, bad debts and returns	(5,707)	(5,149)
Subtotal	162,399	132,801
Other receivables	6,517	11,083
Total	$ 168,916	$ 143,884

Inventories. Inventories are as follows:

	September 29, 2013	December 30, 2012
Raw materials, containers and supplies	$ 61,504	$ 50,919
Finished product	332,824	307,132
Total	$ 394,328	$ 358,051

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The Company has various purchase commitments for raw materials, containers, supplies and certain finished products incident to the ordinary course of business. Such commitments are not at prices in excess of current market.

Other Current Assets. Other Current Assets are as follows:

	September 29, 2013	December 30, 2012
Prepaid expenses	$ 3,590	$ 5,954
Prepaid income taxes	2,120	578
Assets held for sale	1,556	5,330
Total	$ 7,266	$ 11,862

Assets held for sale is comprised of our closed plant in Millsboro, DE. Our Fulton, NY location, which was previously held for sale, was sold in January 2013 for total net proceeds of $874. Our Tacoma, WA location, which was previously held for sale, was sold in July 2013 for total net proceeds of $5,077.

Plant Assets. Plant assets are as follows:

	September 29, 2013	December 30, 2012
Land	$ 14,061	$ 14,061
Buildings	190,487	178,300
Machinery and equipment	556,180	513,339
Projects in progress	35,049	32,660
Subtotal	795,777	738,360
Accumulated depreciation	(283,426)	(244,694)
Total	$ 512,351	$ 493,666

Depreciation was $15,786 and $46,067 during the three and nine months ended September 29, 2013, respectively. Depreciation was $22,607 and $56,895 during the three and nine months ended September 23, 2012, respectively which included $7,677 and $12,231, respectively, of accelerated depreciation resulting from restructuring activities. As of September 29, 2013 and December 30, 2012, Plant Assets included assets under capital lease with a book value of $19,924 and $22,030 (net of accumulated depreciation of $8,668 and $8,246), respectively.

Accrued Liabilities. Accrued liabilities are as follows:

	September 29, 2013	December 30, 2012

Employee compensation and benefits	$ 61,626	$ 53,373
Interest payable	17,034	28,116
Consumer coupons	2,812	3,346
Accrued restructuring charges (see Note 8)	2,210	10,480
Accrued financial instrument contracts (see Note 11)	1,341	682
Other	21,652	23,272
Total	$ 106,675	$ 119,269

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Other Long-Term Liabilities. Other long-term liabilities are as follows:

	September 29, 2013	December 30, 2012
Employee compensation and benefits	$ 9,324	$ 9,340
Long-term rent liability and deferred rent allowances	9,609	10,217
Liability for uncertain tax positions	1,622	1,614
Accrued financial instrument contracts (see Note 11)		3,807
Other	4,247	3,727
Total	$ 24,802	$ 28,705

7. Goodwill, Tradenames and Other Assets

Goodwill

Goodwill by segment is as follows:

	Birds Eye Frozen	Duncan Hines Grocery	Specialty Foods	Total
Balance, December 30, 2012	$ 527,069	$ 740,465	$ 173,961	$ 1,441,495
Balance, September 29, 2013	$ 527,069	$ 740,465	$ 173,961	$ 1,441,495

The authoritative guidance for business combinations requires that all business combinations be accounted for at fair value under the acquisition method of accounting. The authoritative guidance for goodwill provides that goodwill will not be amortized, but will be tested for impairment on an annual basis or more often when events indicate. The Company completed its annual testing as of December 30, 2012, which indicated no impairment.

Tradenames

Tradenames by segment are as follows:

	Birds Eye Frozen	Duncan Hines Grocery	Specialty Foods	Total
Balance, December 30, 2012	$ 796,680	$ 771,312	$ 36,000	$ 1,603,992
Balance, September 29, 2013	$ 796,680	$ 771,312	$ 36,000	$ 1,603,992

The authoritative guidance for indefinite-lived assets provides that indefinite-lived assets will not be amortized, but will be tested for impairment on an annual basis or more often when events indicate. As a result of its annual testing of indefinite-lived assets in December 2012, the Company recorded impairment charges totaling $0.5 million in its *Bernstein s* tradename during the year ended December 30, 2012.

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Other Assets

	September 29, 2013			
	Weighted Avg Life	Gross Carrying Amount	Accumulated Amortization	Net
Amortizable intangibles				
Recipes	10	$ 52,810	$ (34,326)	$ 18,484
Customer relationships Distributors	36	125,746	(32,919)	92,827
Customer relationships Food Service	7	36,143	(34,438)	1,705
Customer relationships Private Label	7	9,214	(8,942)	272
License	7	4,875	(2,812)	2,063
Total amortizable intangibles		$ 228,788	$ (113,437)	$ 115,351
Deferred financing costs		35,988	(20,181)	15,807
Financial instruments		25,065		25,065
Other (1)		5,200		5,200
Total other assets, net				$ 161,423

Amortizable intangibles by segment	
Birds Eye Frozen	$ 64,884
Duncan Hines Grocery	45,034
Specialty Foods	5,433
	$ 115,351

	December 30, 2012			
	Weighted Avg Life	Gross Carrying Amount	Accumulated Amortization	Net
Amortizable intangibles				
Recipes	10	$ 52,810	$ (30,365)	$ 22,445
Customer relationships Distributors	36	125,746	(28,791)	96,955
Customer relationships Food Service	7	36,143	(31,882)	4,261
Customer relationships Private Label	7	9,214	(8,533)	681
License	7	4,875	(2,250)	2,625
Total amortizable intangibles		$ 228,788	$ (101,821)	$ 126,967
Deferred financing costs		59,486	(35,306)	24,180
Other (1)		4,411		4,411
Total other assets, net				$ 155,558

Amortizable intangibles by segment	
Birds Eye Frozen	$ 69,581
Duncan Hines Grocery	48,806
Specialty Foods	8,580
	$ 126,967

(1) As of September 29, 2013 and December 30, 2012, Other primarily consists of security deposits.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Amortization of intangible assets was $3,872 and $11,616 for the three and nine months ended September 29, 2013, respectively. Amortization of intangible assets was $3,879 and $11,647 for the three and nine months ended September 23, 2012, respectively. Estimated amortization expense for each of the next five years and thereafter is as follows: remainder of 2013 -$3,900; 2014 $12,200; 2015 $10,900; 2016 $10,300; 2017 $5,700 and thereafter $72,400.

Deferred Financing Costs

All deferred financing costs, which relate to the Senior Secured Credit Facility, Senior Subordinated Notes and Senior Notes are amortized into interest expense over the life of the related debt using the effective interest method. As part of the April 2013 Refinancing and debt repayments including usage of the proceeds from the IPO, the Company expensed financing costs of $4,762 and wrote off deferred financing costs of $12,725. In addition, amortization of deferred financing costs was $623 and $3,378 during the three and nine months ended September 29, 2013, respectively. In 2012, as part of the April and September Refinancings, the Company expensed financing costs of $7,526 and wrote off deferred financing costs of $8,091. In addition, amortization of deferred financing costs was $1,910 and $6,745 during the three and nine months ended September 23, 2012, respectively.

The following summarizes deferred financing cost activity:

	Gross Carrying Amount	Accumulated Amortization	Net
Balance, December 30, 2012	$ 59,486	$ (35,306)	$ 24,180
2013 Additions	7,730		7,730
Amortization		(3,378)	(3,378)
Write off	(31,228)	18,503	(12,725)
Balance, September 29, 2013	$ 35,988	$ (20,181)	$ 15,807

8. Restructuring Charges

Pickle supply chain

On May 25, 2012, the Company announced plans to further improve the efficiency of its supply chain by consolidating its *Vlasic* pickle production into one plant in Imlay City, MI. The Company s decision to focus on its branded *Vlasic* business and de-emphasize its lower-margin, un-branded pickle business was the catalyst for this consolidation.

Millsboro, DE plant closure

The Company s pickle production plant, located in Millsboro, DE ended production at year-end 2012. The Company recorded employee termination costs of $150 and $1,472 in the three and nine months ended September 23, 2012, respectively. The Company recorded asset retirement obligation charges of $0 and $750 in the three and nine months ended September 23, 2012, respectively. In addition, the Company recorded accelerated depreciation charges of $6,631 and $8,367 in the three and nine months ended September 23, 2012, respectively. All restructuring charges related to the closure of the Millsboro, DE plant are recorded in the Duncan Hines Grocery Division and in the Cost of products sold line in the Consolidated Statements of Operations.

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Exit low-margin un-branded business

As a result of exiting the lower-margin un-branded pickle business, the Company terminated the use of a third party ingredients storage facility in the third quarter of 2012. In doing so, the Company accrued contract termination and other fees of $6,483 in both the three and nine months ended September 23, 2012, which was subsequently paid in July 2013. In addition, the Company recorded accelerated depreciation charges at its Imlay City, MI plant for assets used in the low-margin un-branded pickle business. These charges were $814 in both the three and nine months ended September 23, 2012. All restructuring charges related to exiting the low-margin un-branded pickle business are recorded in the Specialty foods segment and in the Cost of products sold line in the Consolidated Statements of Operations.

Green Bay, WI Research Facility

On May 15, 2012, the Company announced plans to relocate the Birds Eye Frozen Division Research and Development team from Green Bay, WI to its new facility at its Parsippany, NJ headquarters. The Company believes that the relocation will allow for seamless collaboration between marketing, sales, procurement and R&D that will drive improved brand innovation, marketing and productivity. The Company closed its Green Bay, WI research facility in December 2012. The Company recorded employee termination costs of $233 and $960 in the three and nine months ended September 23, 2012, respectively. In addition, the Company recorded accelerated depreciation charges of $232 and $419 in the three and nine months ended September 23, 2012, respectively. All restructuring charges related to the closure of the Green Bay, WI research facility are recorded in the Birds Eye Frozen Division and in the Research and development line in the Consolidated Statements of Operations.

Fulton, NY Plant

On April 15, 2011, the Company announced plans to consolidate the Birds Eye Frozen Division s Fulton, NY plant operations into its Darien, WI and Waseca, MN facilities in order to locate vegetable processing closer to the crop-growing region and thus reduce the related freight costs. In connection with this project, the Company made significant capital investments in its Darien, WI and Waseca, MN plants. The Company recorded accelerated depreciation costs of $0 and $2,324 in the three and nine months ended September 23, 2012, respectively. All restructuring charges related to the closure of the Fulton, NY plant were recorded in the Birds Eye Frozen Division and in the Cost of products sold line in the Consolidated Statements of Operations. Severance costs were accrued in the second quarter of 2011 and payments were substantially completed in the third quarter of 2012. On January 9, 2013, the sale of the Fulton location was finalized for total net proceeds of $874.

Tacoma, WA Plant

On December 3, 2010, in an effort to improve its supply chain operations, the Company announced the closure of the Tacoma, WA plant and the consolidation of production into its Fort Madison, IA plant. The Company recorded accelerated depreciation costs of $0 and $307 in the three and nine months ended September 23, 2012, respectively. All restructuring charges related to the closure of the Tacoma, WA plant were recorded in the Duncan Hines Grocery Division and in the Cost of products sold line in the Consolidated Statements of Operations. Severance costs were accrued in the fourth quarter of 2010 and payments were substantially completed in the second quarter of 2012. The Company s Tacoma, WA location was sold in July 2013 for total net proceeds of $5.1 million.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The following table summarizes total restructuring charges accrued as of September 29, 2013.

Description	Balance, December 30, 2012	Expense	Payments	Balance, September 29, 2013
Facility shutdowns	$ 2,796	$	$ (1,030)	$ 1,766
Contract termination and other fees	5,833		(5,833)	
Employee severance	1,851		(1,407)	444
Total	$ 10,480	$	$ (8,270)	$ 2,210

9. Debt and Interest Expense

	September 29, 2013	December 30, 2012
Short-term borrowings		
Notes payable	$ 1,065	$ 2,139
Total short-term borrowings	$ 1,065	$ 2,139
Long-term debt		
Senior Secured Credit Facility Tranche B Non Extended Term Loans due 2014	$	$ 243,264
Senior Secured Credit Facility Tranche B Extended Term Loans due 2016		637,906
Senior Secured Credit Facility Tranche E Term Loans due 2018		398,000
Senior Secured Credit Facility Tranche F Term Loans due 2018		448,875
Senior Secured Credit Facility Tranche G Term Loans due 2020	1,625,925	
4.875% Senior Notes due 2021	350,000	
9.25% Senior Notes due 2015		465,000
8.25% Senior Notes due 2017		400,000
Unamortized discount on long term debt	(8,188)	(7,230)
Capital lease obligations	20,606	20,990
	1,988,343	2,606,805
Less: current portion of long-term obligations	19,436	30,419
Total long-term debt	$ 1,968,907	$ 2,576,386

Interest expense	Three months ended		Nine months ended	
	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Interest expense, third party	$ 18,318	$ 37,972	$ 79,497	$ 118,021

Related party interest expense (Note 13)	411	665	1,337	2,751
Amortization of debt acquisition costs (Note 7)	623	1,910	3,378	6,745
Write-off of debt acquisition costs (Note 7)		2,641	12,725	8,091
Write-off of loan discount			2,182	1,864
Financing costs (Note 7)			4,762	7,526
Amortization of deferred mark-to-market adjustment on terminated swaps (Note 11)				444
Interest rate swap losses (Note 11)	243	1,274	3,997	9,159
Total interest expense	$ 19,595	$ 44,462	$ 107,878	$ 154,601

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Senior Secured Credit Facility

On April 3, 2013, the Company completed its IPO which is further described in Note 1. A portion of the proceeds was used to redeem the entire $465.0 million in aggregate principal amount of Pinnacle Foods Finance s 9.25% Senior Notes at a redemption price of 100.0%. This is explained in greater detail under the section titled, *Senior Notes and Senior Subordinated Notes.* The remaining net proceeds, together with cash on hand, was used to repay $202.0 million of the Tranche B Non-Extended Term Loans.

On April 29, 2013, (the April 2013 Refinancing), Pinnacle Foods Finance, entered into the second amendment to the amended and restated Senior Secured Credit Facility, which provided for a seven year term loan facility in the amount of $1,630.0 million (the Tranche G Term Loans) and replaced the existing revolving credit facility with a new five year $150.0 million revolving credit facility. Additionally, Pinnacle Foods Finance issued $350.0 million aggregate principal amount of 4.875% Senior Notes (the 4.875% Senior Notes) due 2021.

As a result of the April 2013 Refinancing, Pinnacle Foods Finance used a portion of the proceeds from the Tranche G Term Loans and the 4.875% Senior Notes issuance to (i) repay all existing indebtedness outstanding under the then existing Senior Secured Credit Facility, consisting of (a) $38.1 million of Tranche B Non-Extended Term Loans, (b) $634.7 million of Tranche B Extended Term Loans, (c) $396.0 million of Tranche E Term Loans and (d) $446.6 million of Tranche F Term Loans and (ii) redeem $400.0 million in aggregate principal amount of Pinnacle Foods Finance s 8.25% Senior Notes due 2017 at a redemption price of 108.5%.

In connection with the April 2013 Refinancing, Pinnacle Foods Finance incurred deferred financing fees which are detailed in Note 7 to the Consolidated Financial Statements, Goodwill, Tradenames and Other Assets. Also, Pinnacle Foods Finance incurred $4,075 of original issue discount on the new Tranche G Term Loans, and wrote off $2,182 of existing original issue discount.

The stated maturity dates are: April 29, 2020 for the Tranche G Loans, and April 29, 2018 for the revolving credit facility.

Pinnacle Foods Finance s borrowings under the Senior Secured Credit Facility, bear interest at a floating rate and are maintained as base rate loans or as eurocurrency rate loans. Base rate loans bear interest at the base rate plus the applicable base rate margin, as described in the Senior Secured Credit Facility. The base rate is defined as the highest of (i) the administrative agent s prime rate, (ii) the federal funds effective rate plus 1/2 of 1% and (iii) the eurocurrency rate that would be payable on such day for a eurocurrency rate loan with a one-month interest period plus 1%. Eurocurrency rate loans bear interest at the adjusted eurocurrency rate plus the applicable eurocurrency rate margin, as described in the Senior Secured Credit Facility. The eurocurrency rate is determined by reference to the British Bankers Association BBA LIBOR rate for the interest period relevant to such borrowing. With respect to Tranche G Term Loans, the eurocurrency rate shall be no less than 0.75% per annum and the base rate shall be no less than 1.75% per annum. The interest rate margin for Tranche G Term Loans under the Senior Secured Credit Facility is 1.50%, in the case of the base rate loans and 2.50%, in the case of eurocurrency rate loans. The margin is subject to a 25 basis point step down upon achievement by Pinnacle Foods Finance of a total net leverage ratio of less than 4.25:1.0.

The obligations under the Senior Secured Credit Facility are unconditionally and irrevocably guaranteed by Peak Finance Holdings LLC, any subsidiary of Peak Finance Holdings LLC that directly or indirectly owns 100% of the issued and outstanding equity interests of Pinnacle Foods Finance, subject to certain exceptions, each of Pinnacle Foods Finance s direct or indirect material domestic subsidiaries (collectively, the Guarantors) and by the Company effective with the April 2013 refinancing. In addition, subject to certain exceptions, borrowings

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

under the Senior Secured Credit Facility are secured by first priority or equivalent security interests in (i) all the capital stock of, or other equity interests in, each direct or indirect domestic subsidiary of Pinnacle Foods Finance and 65% of the capital stock of, or other equity interests in, each direct foreign subsidiary of Pinnacle Foods Finance, or any of its material domestic wholly-owned subsidiaries and (ii) certain tangible and intangible assets of Pinnacle Foods Finance and those of the Guarantors (subject to certain exceptions and qualifications).

The total combined amount of the Senior Secured Credit Facility Loans that were owed to affiliates of Blackstone as of September 29, 2013 and December 30, 2012, was $48,004 and $63,097, respectively.

As of September 29, 2013 and December 30, 2012 there were no borrowings outstanding under the revolving credit facility, except in respect of letters of credit as set forth below, however, the eurocurrency rate would have been 2.68% and 3.71% as of such dates. For the three and nine months ended September 29, 2013, the weighted average interest rate on the term loan components of the Senior Secured Credit Facility was 3.25% and 3.63%, respectively. For the three and nine months ended September 23, 2012, the weighted average interest rate on the term loan components of the Senior Secured Credit Facility was 3.75% and 3.63%, respectively. As of September 29, 2013 and December 30, 2012 the eurocurrency interest rate on the term loan facilities was 3.25% and 4.08%, respectively.

Pinnacle Foods Finance pays a fee for all outstanding letters of credit drawn against the revolving credit facility at an annual rate equivalent to the applicable eurocurrency rate margin then in effect under the revolving credit facility, plus the fronting fee payable in respect of the applicable letter of credit. The fronting fee is equal to 0.125% per annum of the daily maximum amount then available to be drawn under such letter of credit. The fronting fees are computed on a quarterly basis in arrears. Total letters of credit issued under the revolving credit facility cannot exceed $50,000. As of September 29, 2013 and December 30, 2012, Pinnacle Foods Finance had utilized $29,030 and $33,453, respectively of the revolving credit facility for letters of credit. As of September 29, 2013 and December 30, 2012, respectively, there was $120,970 and $116,547 of borrowing capacity under the revolving credit facility, of which $20,970 and $16,547 was available to be used for letters of credit.

Under the terms of the Senior Secured Credit Facility, Pinnacle Foods Finance is required to use 50% of its Excess Cash Flow to prepay the term loans under the Senior Secured Credit Facility (which percentage will be reduced to 25% at a total leverage ratio of between 4.50 and 5.49 and to 0% at a total leverage ratio below 4.50). As of September 29, 2013, Pinnacle Foods Finance had a total leverage ratio of 4.75 (proforma adjusted for the Wish-Bone acquisition in compliance with the terms of the Senior Secured Credit Facility). See the Liquidity and Capital Resources section of Management s Discussion and Analysis of Financial Condition and Results of Operations for further details. Excess Cash Flow is defined as consolidated net income (as defined), as adjusted for certain items, including (1) all non-cash charges and credits included in arriving at consolidated net income, (2) changes in working capital, (3) capital expenditures (to the extent they were not financed with debt), (4) the aggregate amount of principal payments on indebtedness and (5) certain other items defined in the Senior Secured Credit Facility. For the 2012 reporting year, Pinnacle Foods Finance determined that there were no amounts due under the Excess Cash Flow requirements of the Senior Secured Credit Facility. In December 2013, Pinnacle Foods Finance will determine if amounts are due under the Excess Cash Flow requirements of the Senior Secured Credit Facility for the 2013 reporting year.

The term loans under the Senior Secured Credit Facility mature in quarterly installments of 0.25% of their aggregate funded total principal amount. The aggregate maturities of the Tranche G Term Loans outstanding as of September 29, 2013 are $4.1 million in the remainder of 2013, $16.3 million in 2014, $16.3 million in 2015, $16.3 million in 2016, $20.4 million in 2017 and $1,552.6 million thereafter.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pursuant to the terms of the Senior Secured Credit Facility, Pinnacle Foods Finance is required to maintain a ratio of Net First Lien Secured Debt to Adjusted EBITDA of no greater than 5.75 to 1.00. Net First Lien Secured Debt is defined as aggregate consolidated secured indebtedness, less the aggregate amount of all unrestricted cash and cash equivalents. In addition, under the Senior Secured Credit Facility and the indenture governing the Senior Notes, Pinnacle Foods Finance s ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is tied to the Senior Secured Leverage Ratio (which is currently the same as the ratio of Net First Lien Secured Debt to Adjusted EBITDA described above), in the case of the Senior Secured Credit Facility, or to the ratio of Adjusted EBITDA to fixed charges for the most recently concluded four consecutive fiscal quarters, in the case of the Senior Notes. The Senior Secured Credit Facility also permits restricted payments up to an aggregate amount of (together with certain other amounts) the greater of $50 million and 2% of Pinnacle Foods Finance s consolidated total assets, so long as no default has occurred and is continuing and its pro forma Senior Secured Leverage Ratio would be no greater than 4.25 to 1.00. As of September 29, 2013 the Company is in compliance with all covenants and other obligations under the Senior Secured Credit Facility and the indenture governing the Senior Notes.

Senior Notes and Senior Subordinated Notes

On April 3, 2013, the Company completed its IPO which is further described in Note 1. A portion of the proceeds was used to redeem the entire $465.0 million in aggregate principal amount of Pinnacle Foods Finance s 9.25% Senior Notes at a redemption price of 100.0%.

On April 29, 2013, as part of the April 2013 Refinancing, Pinnacle Foods Finance, an indirect subsidiary of the Company, issued $350.0 million aggregate principal amount of 4.875% Senior Notes (the 4.875% Senior Notes) due 2021.

As a result of the April 2013 Refinancing, Pinnacle Foods Finance used a portion of the proceeds from the Tranche G Term Loans and the 4.875% Senior Notes issuance to redeem $400.0 million in aggregate principal amount of Pinnacle Foods Finance s 8.25% Senior Notes due 2017 at a redemption price of 108.5%.

The 4.875% Senior Notes are general unsecured obligations of Pinnacle Foods Finance, effectively subordinated in right of payment to all existing and future senior secured indebtedness of Pinnacle Foods Finance and guaranteed on a full, unconditional, joint and several basis by Pinnacle Foods Finance s wholly-owned domestic subsidiaries that guarantee other indebtedness of Pinnacle Foods Finance. See Note 17 for the condensed Consolidated Financial Statements for Guarantor and Nonguarantor Financial Statements.

Pinnacle Foods Finance may redeem some or all of the 4.875% Senior Notes at any time prior to May 1, 2016 at a price equal to 100% of the principal amount of notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest to, the redemption date, subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date. The Applicable Premium is defined as the greater of (1) 1.0% of the principal amount of such note and (2) the excess, if any, of (a) the present value at such redemption date of (i) the redemption price of such 4.875% Senior Notes at May 1, 2016, plus (ii) all required interest payments due on such 4.875% Senior Notes through May 1, 2016 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the treasury rate plus 50 basis points over (b) the principal amount of such note.

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Finance may redeem the 4.875% Senior Notes at the redemption prices listed below, if redeemed during the twelve-month period beginning on May 1st of each of the years indicated below:

4.875% Senior Notes	
Year	Percentage
2016	103.656%
2017	102.438%
2018	101.219%
2019 and thereafter	100.000%

In addition, until May 1, 2016, Pinnacle Foods Finance may redeem up to 35% of the aggregate principal amount of the 4.875% Senior Notes at a redemption price equal to 104.875% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, subject to the right of holders of the 4.875% Senior Notes of record on the relevant record date to receive interest due on the relevant interest payment date, with the net cash proceeds received by Pinnacle Foods Finance from one or more equity offerings; provided that (i) at least 50% of the aggregate principal amount of the 4.875% Senior Notes originally issued under the indenture remains outstanding immediately after the occurrence of each such redemption and (ii) each such redemption occurs within 120 days of the date of closing of each such equity offering.

As market conditions warrant, Pinnacle Foods Finance and its subsidiaries, affiliates or significant equity holders (including Blackstone and its affiliates) may from time to time, in its or their sole discretion, purchase, repay, redeem or retire any of Pinnacle Foods Finance s outstanding debt or equity securities (including any publicly issued debt or equity securities), in privately negotiated or open market transactions, by tender offer, exchange offer or otherwise.

The estimated fair value of the Company s long-term debt, including the current portion, as of September 29, 2013, is as follows:

	September 29, 2013	
Issue	Face Value	Fair Value
Senior Secured Credit Facility Tranche G Term Loans	1,625,925	1,611,698
4.875% Senior Notes	350,000	325,500
	$ 1,975,925	$ 1,937,198

The estimated fair value of the Company s long-term debt, including the current portion, as of December 30, 2012, is as follows:

	December 30, 2012	
Issue	Face Value	Fair Value
Senior Secured Credit Facility Tranche B Non Extended Term Loans	243,264	244,480
Senior Secured Credit Facility Tranche B Extended Term Loans	637,906	641,095
Senior Secured Credit Facility Tranche E Term Loans	398,000	400,985
Senior Secured Credit Facility Tranche F Term Loans	448,875	452,242
9.25% Senior Notes	465,000	471,975
8.25% Senior Notes	400,000	427,000

	$ 2,593,045	$ 2,637,777

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The estimated fair values of the Company s long-term debt are classified as Level 2 in the fair value hierarchy. The fair value is based on the quoted market price for such notes and borrowing rates currently available to the Company for loans with similar terms and maturities.

10. Pension and Retirement Plans

The Company accounts for pension and retirement plans in accordance with the authoritative guidance for retirement benefit compensation. This guidance requires recognition of the funded status of a benefit plan in the statement of financial position. The guidance also requires recognition in accumulated other comprehensive earnings of certain gains and losses that arise during the period but are deferred under pension accounting rules.

The Company uses a measurement date for the pension benefit plans that coincides with its year end.

The Company has two defined benefit plans (Pinnacle Foods Pension Plan and the Birds Eye Foods Pension Plan, both of which are frozen for future benefit accruals as of December 30, 2012), two qualified 401(k) plans, two non-qualified 40l(k) plans and participates in a multi-employer defined benefit plan.

Pinnacle Foods Pension Plan

The Company maintains a non-contributory defined benefit pension plan (the Pinnacle Foods Pension Plan) that covers eligible union employees and provides benefits generally based on years of service and employees compensation. The plan is frozen for future benefits. The Pinnacle Foods Pension Plan is funded in conformity with the funding requirements of applicable government regulations. Plan assets consist principally of cash equivalents, equity and fixed income common collective trusts. Plan assets do not include any of the Company s own equity or debt securities.

The following represents the components of net periodic (benefit) cost:

	Pinnacle Foods Pension Plan			
	Three months ended		Nine months ended	
Pension Benefits	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Service cost	$ 52	$ 277	$ 52	$ 832
Interest cost	1,092	1,028	3,006	3,085
Expected return on assets	(1,084)	(1,089)	(3,334)	(3,267)
Amortization of:				
Prior service cost		10		31
Actuarial loss	181	447	542	1,340
Net periodic cost	$ 241	$ 673	$ 266	$ 2,021

Cash Flows

Contributions. Due to changes in Federal laws passed in July 2012 governing pension funding requirements, our required payments for pension funding are lower in fiscal 2013 than they were in fiscal 2012. In fiscal 2013, the Company expects to make contributions of $2.7 million to the Pinnacle Foods Pension Plan, of which minimum required payments of $1.2 million and $2.0 million were made in the three and nine months ended September 29, 2013, respectively. The Company made contributions to the pension plan totaling $4.1 million in fiscal 2012, of which

$1.7 million and $3.6 million were made in the three and nine months ended September 23, 2012, respectively.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Birds Eye Foods Pension Plan

The Company s Birds Eye Foods Pension Plan (the Birds Eye Foods Pension Plan) consists of hourly and salaried employees and has primarily non-contributory defined-benefit schedules. The plan is frozen for future benefits.

The Company acquired an Excess Benefit Retirement Plan from Birds Eye Foods (EBRP), which serves to provide employees with the same retirement benefit they would have received from Birds Eye s retirement plan under the career average base pay formula. Benefits for this plan are frozen. Also, the Company maintains a non-qualified Supplemental Executive Retirement Plan (SERP) which provides additional retirement benefits to two prior executives of Birds Eye Foods who retired prior to November 4, 1994. Expenses and liabilities for the EBRP and the SERP plan are grouped with those of the Birds Eye Pension Plan in all disclosures listed herein.

The benefits for these plans are based primarily on years of service and employees pay near retirement. The Company s funding policy is consistent with the funding requirements of Federal laws and regulations. Plan assets consist principally of cash equivalents, equity and fixed income common collective trusts. Plan assets do not include any of the Company s own equity or debt securities.

The following represents the components of net periodic (benefit) cost:

	Birds Eye Foods Pension Plan			
	Three months ended		Nine months ended	
Pension Benefits	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Service cost	$	$ 52	$	$ 157
Interest cost	1,612	1,928	5,198	5,784
Expected return on assets	(2,209)	(2,086)	(6,706)	(6,258)
Amortization of actuarial loss	185	87	555	261
Net periodic (benefit) cost	$ (412)	$ (19)	$ (953)	$ (56)

Cash Flows

Contributions. Due to changes in Federal laws passed in July 2012 governing pension funding requirements, our required payments for pension funding are lower in fiscal 2013 than they were in fiscal 2012. In fiscal 2013, the Company expects to make contributions of $5.2 million to the Birds Eye Foods Pension Plan, of which minimum required payments of $2.2 million and $3.8 million were made in the three and nine months ended September 29, 2013, respectively. The Company made contributions to the pension plan totaling $8.4 million in fiscal 2012, of which $3.1 million and $6.9 million were made in the three and nine months ended September 23, 2012, respectively.

Multi-employer Plans

Pinnacle contributes to the United Food and Commercial Workers International Union Industry Pension Fund (EIN 51-6055922) (the UFCW Plan) under the terms of the collective-bargaining agreement with its Fort Madison employees. On February 14, 2013, a new four year collective bargaining agreement, effective through September 2016, was ratified by our 450 Fort Madison union employees.

For the three and nine months ended September 29, 2013, contributions to the UFCW Plan were $126 and $561, respectively. For the three and nine months and September 23, 2012, contributions to the UFCW Plan were $187 and $558, respectively. The contributions to this plan are paid monthly based upon the number of employees. They represent less than 5% of the total contributions received by this plan during the most

recent plan year.

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The risks of participating in multi-employer plans are different from single-employer plans in the following aspects: (a) assets contributed to a multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the multi-employer plan, the unfunded obligations of the plan may be borne by the remaining participating employers and (c) if the Company chooses to stop participating in the plan, the Company may be required to pay a withdrawal liability based on the underfunded status of the plan.

The UFCW Plan received a Pension Protection Act green zone status for the plan year ending June 30, 2013. The zone status is based on information the Company received from the plan and is certified by the plan s actuary. Among other factors, plans in the green zone are at least 80 percent funded. The UFCW Plan did not utilize any extended amortization provisions that effect its placement in the green zone. The UFCW Plan has never been required to implement a funding improvement plan nor is one pending at this time.

11. Financial Instruments

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its debt funding and the use of derivative financial instruments. The primary risks managed by using derivative instruments are interest rate risk, foreign currency exchange risk and commodity price risk. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates, foreign exchange rates or commodity prices.

The Company manages interest rate risk based on the varying circumstances of anticipated borrowings and existing variable and fixed rate debt, including the Company s revolving credit facility. Examples of interest rate management strategies include capping interest rates using targeted interest cost benchmarks, hedging portions of the total amount of debt, or hedging a period of months and not always hedging to maturity, and at other times locking in rates to fix interests costs.

Certain parts of the Company s foreign operations in Canada expose the Company to fluctuations in foreign exchange rates. The Company s goal is to reduce its exposure to such foreign exchange risks on its foreign currency cash flows and fair value fluctuations on recognized foreign currency denominated assets, liabilities and unrecognized firm commitments to acceptable levels primarily through the use of foreign exchange-related derivative financial instruments. The Company enters into derivative financial instruments to protect the value or fix the amount of certain obligations in terms of its functional currency. The Company does not enter into these transactions for non-hedging purposes.

The Company purchases raw materials in quantities expected to be used in a reasonable period of time in the normal course of business. The Company generally enters into agreements for either spot market delivery or forward delivery. The prices paid in the forward delivery contracts are generally fixed, but may also be variable within a capped or collared price range. Forward derivative contracts on certain commodities are entered into to manage the price risk associated with forecasted purchases of materials used in the Company s manufacturing processes.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Cash Flow Hedges of Interest Rate Risk

The Company s objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. During the three and nine months ended September 29, 2013 and September 23, 2012, such derivatives were used to hedge the variable cash flows associated with existing variable-rate debt.

The second quarter 2013 IPO (Note 1) and debt refinancings (Note 9) resulted in significant changes to the Company s debt profile. For the two $650 million interest rate swaps in place at the time that were scheduled to mature April 2014, it became probable that the associated original forecasted transactions would not occur. As such, the Company discontinued hedge accounting and accelerated the reclassification of amounts in AOCL to earnings as a result of the hedged forecasted transactions becoming probable not to occur. In the second quarter 2013, these accelerated amounts resulted in a $2.8 million charge to interest expense ($1.7 million, net of tax benefits) and a $9.1 million non-cash charge to the provision for income tax expenses related to the release of deferred tax charges recorded in Other comprehensive income (see Note 15 for additional details). Prospective changes in the fair value of these derivatives no longer designated in hedging relationships are recorded directly in earnings.

As of September 29, 2013, the Company had the following interest rate swaps that were designated as cash flow hedges of interest rate risk:

Product	Number of Instruments	Current Notional Amount	Fixed Rate Range	Index	Trade Dates	Maturity Dates
Interest Rate Swaps	14	$1,333,000	0.76% 2.97%	USD-LIBOR-BBA	Apr 2013	Apr 2014 Apr 2020

The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges is recorded in Accumulated other comprehensive loss (AOCL) in the Consolidated Balance Sheets and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The ineffective portion of the change in fair value of the derivatives is recognized directly in earnings. Amounts reported in AOCL related to derivatives will be reclassified to Interest expense as interest payments are made on the Company s variable-rate debt. During the next twelve months, the Company estimates that an additional $518 will be reclassified as an increase to Interest expense.

Cash Flow Hedges of Foreign Exchange Risk

The Company s operations in Canada expose the Company to changes in the U.S. Dollar Canadian Dollar (USD-CAD) foreign exchange rate. From time to time, the Company s Canadian subsidiary purchases inventory denominated in U.S. Dollars (USD), a currency other than its functional currency. The subsidiary sells that inventory in Canadian dollars. The subsidiary uses currency forward and collar agreements to manage its exposure to fluctuations in the USD-CAD exchange rate. Currency forward agreements involve fixing the USD-CAD exchange rate for delivery of a specified amount of foreign currency on a specified date. Currency collar agreements involve the sale of Canadian Dollar (CAD) currency in exchange for receiving U.S. dollars if exchange rates rise above an agreed upon rate and purchase of USD currency in exchange for paying CAD currency if exchange rates fall below an agreed upon rate at specified dates.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

As of September 29, 2013, the Company had the following foreign currency exchange contracts (in aggregate) that were designated as cash flow hedges of foreign exchange risk:

Product	Number of Instruments	Notional Sold in Aggregate in (CAD)	Notional Purchased in Aggregate in (USD)	USD to CAD Exchange Rates	Trade Date	Maturity Dates
CAD Forward	4	$14,600	$14,729	0.990 0.993	Sep 2012	Oct 2013 Dec 2013

The effective portion of changes in the fair value of derivatives designated that qualify as cash flow hedges of foreign exchange risk is recorded in AOCL in the Consolidated Balance Sheets and subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The ineffective portions of the change in fair value of the derivative, as well as amounts excluded from the assessment of hedge effectiveness, are recognized directly in Cost of products sold in the Consolidated Statements of Operations.

Non-designated Hedges of Commodity Risk

Derivatives not designated as hedges are not speculative and are used to manage the Company s exposure to commodity price risk but do not meet the authoritative guidance for hedge accounting. From time to time, the Company enters into commodity forward contracts to fix the price of natural gas, diesel fuel, corn, wheat and soybean oil purchases and other commodities at a future delivery date. Changes in the fair value of derivatives not designated in hedging relationships are recorded directly in Cost of products sold in the Consolidated Statements of Operations.

As of September 29, 2013, the Company had the following derivative instruments that were not designated in qualifying hedging relationships:

Commodity Contracts	Number of Instruments	Notional Amount	Price/Index	Trade Dates	Maturity Dates
Diesel Fuel Contracts	2	2,016,158 Gallons	$3.75 $3.93 per Gallon	April 2013	December 2013

F-93

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The table below presents the fair value of the Company s derivative financial instruments as well as their classification in the Consolidated Balance Sheets as of September 29, 2013 and December 30, 2012.

	Tabular Disclosure of Fair Values of Derivative Instruments			
	Asset Derivatives		**Liability Derivatives**	
	Balance Sheet Location	Fair Value as of September 29, 2013	Balance Sheet Location	Fair Value as of September 29, 2013
Derivatives designated as hedging instruments				
Interest Rate Contracts	Other assets, net	$ 25,065	Accrued liabilities	$ 62
Foreign Exchange Contracts	Other current assets	573		
Total derivatives designated as hedging instruments		$ 25,638		$ 62
Derivatives not designated as hedging instruments				
Interest Rate Contracts			Accrued liabilities	$ 1,280
Commodity Contracts	Other current assets	133		
Total derivatives not designated as hedging instruments		$ 133		$ 1,280

	Balance Sheet Location	Fair Value as of December 30, 2012	Balance Sheet Location	Fair Value as of December 30, 2012
Derivatives designated as hedging instruments				
Interest Rate Contracts			Other long-term liabilities	$ 3,807
Foreign Exchange Contracts	Other current assets	$ 605		
	Other assets, net	33		
Total derivatives designated as hedging instruments		$ 638		$ 3,807
Derivatives not designated as hedging instruments				
Commodity Contracts	Other current assets	$ 525	Accrued liabilities	$ 682
Total derivatives not designated as hedging instruments		$ 525		$ 682

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

The table below presents the effect of the Company s derivative financial instruments in the Consolidated Statements of Operations and Accumulated other comprehensive loss (AOCL) for the three and nine months ended September 29, 2013 and September 23, 2012.

Tabular Disclosure of the Effect of Derivative Instruments

Gain/(Loss)

Derivatives in Cash Flow Hedging Relationships	Recognized in AOCL on Derivative (Effective Portion)	Effective portion reclassified from AOCL to:	Reclassified from AOCL into Earnings (Effective Portion)	Ineffective portion recognized in Earnings in:	Recognized in Earnings on Derivative (Ineffective Portion)
Interest Rate Contracts	$ (4,158)	Interest expense	$ (15)(a)	Interest expense	$ (18)
Foreign Exchange Contracts	(551)	Cost of products sold	454	Cost of products sold	(15)
Three months ended September 29, 2013	$ (4,709)		$ 439		$ (33)
Interest Rate Contracts	$ 24,548	Interest expense	$ (3,961)(a)	Interest expense	$ 8
Foreign Exchange Contracts	1,079	Cost of products sold	1,136	Cost of products sold	(8)
Nine months ended September 29, 2013	$ 25,627		$ (2,825)		$
Interest Rate Contracts	$ (1,445)	Interest expense	$ (1,067)	Interest expense	$ (207)
Foreign Exchange Contracts	(1,177)	Cost of products sold	(107)	Cost of products sold	19
Three months ended September 23, 2012	$ (2,622)		$(1,174)		$(188)
Interest Rate Contracts	$ (6,822)	Interest expense	$ (9,394)	Interest expense	$ (208)
Foreign Exchange Contracts	(1,346)	Cost of products sold	95	Cost of products sold	(8)
Nine months ended September 23, 2012	$ (8,168)		$ (9,299)		$ (216)

Derivatives Not Designated as Hedging Instruments	Recognized in Earnings in:	Recognized in Earnings on Derivative
Commodity Contracts	Cost of products sold	$ 304
Interest Rate Contracts	Interest expense	(209)
Three months ended September 29, 2013		$ 95

Commodity Contracts	Cost of products sold	$	208
Interest Rate Contracts	Interest expense		(44)
Nine months ended September 29, 2013		$	164
Commodity Contracts	Cost of products sold	$	2,785
Three months ended September 23, 2012		$	2,785
Commodity Contracts	Cost of products sold	$	419
Nine months ended September 23, 2012		$	419

(a) Includes $2.8 million of accelerated reclassifications out of AOCL.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Credit risk-related contingent features

The Company has agreements with certain counterparties that contain a provision whereby the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company s default on the indebtedness. As of September 29, 2013, the Company has not posted any collateral related to these agreements. If the Company had breached this provision at September 29, 2013, it could have been required to settle its obligations under the agreements at their termination value, which differs from the recorded fair value. The table below summarizes the aggregate fair values of those derivatives that contain credit risk-related contingent features as of September 29, 2013 and December 30, 2012.

September 29, 2013

Asset/(Liability)

Counterparty	Contract Type	Termination Value	Performance Risk Adjustment	Accrued Interest	Fair Value (excluding interest)
Barclays	Interest Rate Contracts	$ 10,054	$ 232	$ (146)	$ 10,432
	Commodity Contracts	133			133
Bank of America	Interest Rate Contracts	9,916	99		10,015
Credit Suisse	Interest Rate Contracts	3,105	101	(71)	3,277
	Foreign Exchange Contracts	574			574
Total		$ 23,782	$ 432	$ (217)	$ 24,431

December 30, 2012

Asset/(Liability)

Counterparty	Contract Type	Termination Value	Performance Risk Adjustment	Accrued Interest	Fair Value (excluding interest)
Barclays	Interest Rate Contracts	$ (2,063)	$ 31	$ (128)	$ (1,904)
	Commodity Contracts	(158)			(158)
Credit Suisse	Interest Rate Contracts	(2,063)	32	(128)	(1,903)
	Foreign Exchange Contracts	636	3		639
Total		$ (3,648)	$ 66	$ (256)	$ (3,326)

12. Commitments and Contingencies

General

From time to time, the Company and its operations are parties to, or targets of, lawsuits, claims, investigations, and proceedings, which are being handled and defended in the ordinary course of business. Although the outcome of such items cannot be determined with certainty, the

Company s general counsel and management are of the opinion that the final outcome of these matters will not have a material effect on the Company s financial condition, results of operations or cash flows.

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Aunt Jemima Breakfast Product Recall

On January 27, 2012, the Company issued a voluntary product recall for certain *Aunt Jemima* frozen pancakes due to potential cross contamination. The net cost of retrieving and destroying the product covered by the product recall for the three and nine months ended September 23, 2012, was $0.0 million and $3.3 million, respectively.

In order to mitigate the adverse impact of the product recall on the *Aunt Jemima* brand business continuity, trade promotions and other consumer marketing expenditures were increased in 2012 above normal ongoing levels (market rehabilitation expenses). In August 2013, the Company collected an insurance recovery of $3.2 million related to these market rehabilitation expenses, of which $2.3 million was recorded as a reduction of trade promotions (a component of Net Sales) and $0.9 million as a reduction to Marketing and selling expenses in the three and nine months ended September 29, 2013. The Birds Eye Frozen Division recorded $2.7 million of the recovery while $0.5 million was recorded in the Duncan Hines Grocery Division related to the *Aunt Jemima* business in Canada.

13. Related Party Transactions

At the closing of its acquisition by Blackstone, the Company entered into an advisory agreement with an affiliate of Blackstone pursuant to which such entity or its affiliates provided certain strategic and structuring advice and assistance to the Company. In addition, under this agreement, affiliates of Blackstone provided certain monitoring, advisory and consulting services to the Company for an aggregate annual management fee equal to the greater of $2,500 or 1.0% of Covenant Compliance EBITDA (as defined in the credit agreement governing the Company s Senior Secured Credit Facility). Affiliates of Blackstone also received reimbursement for out-of-pocket expenses. Expenses relating to the management fee, which were recorded in Administrative expenses, were $0 and $1,148 in the three and nine months ended September 29, 2013, respectively. Expenses relating to the management fee were $1,188 and $3,409 in the three and nine months ended September 23, 2012, respectively. There were no out-of-pocket expenses reimbursed to Blackstone in the three and nine months ended September 29, 2013. The Company reimbursed Blackstone for out-of-pocket expenses totaling $0 and $123 in three and nine months ended September 23, 2012, respectively.

On April 3, 2013, the advisory agreement was terminated in accordance with its terms for a fee paid of $15,100. In addition, prepaid expenses for related party management fees of $3,345 that were recorded to Other current assets were expensed.

Customer Purchases

Performance Food Group Company, which is controlled by affiliates of Blackstone, is a foodservice supplier that purchases products from the Company. Sales to Performance Food Group Company were $961 and $3,040 in the three and nine months ended September 29, 2013, respectively. Sales to Performance Food Group Company were $992 and $3,351 in the three and nine months ended September 23, 2012, respectively. As of September 29, 2013 and December 30, 2012, amounts due from Performance Food Group Company were $42 and $68, respectively, and were recorded on the Accounts receivable, net of allowances line in the Consolidated Balance Sheets.

Interest Expense

For the three and nine months ended September 29, 2013, fees and interest expense recognized in the Consolidated Statements of Operations for debt owed to affiliates of Blackstone Advisors L.P. totaled $411 and $1,337, respectively. For the three and nine months ended September 23, 2012, fees and interest expense

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

recognized in the Consolidated Statements of Operations for debt to affiliates of Blackstone Advisors L.P. totaled $665 and $2,751, respectively. As of September 29, 2013 and December 30, 2012, debt owed to related parties was $48,004 and $63,097, respectively and was recorded on the Long-term debt in the Consolidated Balance Sheets. As of September 29, 2013 and December 30, 2012, interest accrued on debt owed to related parties was $269 and $173, respectively, and was recorded on the Accrued liabilities line in the Consolidated Balance Sheets.

14. Segments

The Company is a leading producer, marketer and distributor of high quality, branded food products in North America. The Company manages the business in three operating segments: Birds Eye Frozen, Duncan Hines Grocery and Specialty Foods.

The Birds Eye Frozen Division manages its Leadership Brands in the United States retail frozen vegetables (*Birds Eye*), frozen complete bagged meals (*Birds Eye Voila!*), and frozen seafood (*Van de Kamp s* and *Mrs. Paul s*) categories, as well as its Foundation Brands in the frozen and refrigerated bagels (*Lender s*), frozen pizza for one (*Celeste*), full-calorie single-serve frozen dinners and entrées (*Hungry-Man*), and frozen breakfast (*Aunt Jemima*) categories.

The Duncan Hines Grocery Division manages its Leadership Brands in the baking mixes and frostings (*Duncan Hines*), shelf-stable pickles (*Vlasic*), and table syrups (*Mrs. Butterworth s* and *Log Cabin*) categories, and its Foundation Brands in the canned meat (*Armour, Nalley* and *Brooks*), pie and pastry fillings (*Comstock* and *Wilderness*), barbecue sauces (*Open Pit*) and salad dressing (*Bernstein s*) categories as well as all Canadian operations.

The Company refers to the sum of the Birds Eye Frozen Division and the Duncan Hines Grocery Division as the North America retail businesses.

The Specialty Foods Division consists of snack products (*Tim s Cascade* and *Snyder of Berlin*) and the foodservice and private label businesses.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Segment performance is evaluated by the Company s Chief Operating Decision Maker and is based on earnings before interest and taxes. Transfers between segments and geographic areas are recorded at cost plus markup or at market. Identifiable assets are those assets, including goodwill, which are identified with the operations in each segment or geographic region. Corporate assets consist of prepaid and deferred tax assets. Unallocated corporate expenses consist of corporate overhead such as executive management, finance and legal functions and IPO and refinancing related charges.

	Three months ended		Nine months ended	
SEGMENT INFORMATION	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Net sales				
Birds Eye Frozen	$ 257,973	$ 255,950	$ 794,464	$ 787,603
Duncan Hines Grocery	224,214	215,637	690,243	687,225
Specialty Foods	90,268	96,318	269,773	298,597
Total	$ 572,455	$ 567,905	$ 1,754,480	$ 1,773,425
Earnings before interest and taxes				
Birds Eye Frozen	$ 45,009	$ 42,356	$ 130,462	$ 109,509
Duncan Hines Grocery	38,265	26,347	97,399	77,136
Specialty Foods	8,026	539	21,087	12,680
Unallocated corporate expenses	(6,382)	(9,347)	(72,388)	(32,271)
Total	$ 84,918	$ 59,895	$ 176,560	$ 167,054
Depreciation and amortization				
Birds Eye Frozen	$ 9,917	$ 9,114	$ 28,544	$ 28,437
Duncan Hines Grocery	4,815	12,125	16,131	26,683
Specialty Foods	4,926	5,248	13,008	13,422
Total	$ 19,658	$ 26,487	$ 57,683	$ 68,542
Capital expenditures*				
Birds Eye Frozen	$ 4,853	$ 8,301	$ 29,866	$ 29,690
Duncan Hines Grocery	4,968	4,339	24,136	14,502
Specialty Foods	2,554	2,458	8,663	7,153
Total	$ 12,375	$ 15,098	$ 62,665	$ 51,345
GEOGRAPHIC INFORMATION				
Net sales				
United States	$ 568,340	$ 564,304	$ 1,737,413	$ 1,759,479
Canada	19,569	19,771	62,117	59,151
Intercompany	(15,454)	(16,170)	(45,050)	(45,205)
Total	$ 572,455	$ 567,905	$ 1,754,480	$ 1,773,425

* Includes new capital leases.

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

SEGMENT INFORMATION	September 29, 2013	December 30, 2012
Total assets		
Birds Eye Frozen	$ 2,037,405	$ 1,978,668
Duncan Hines Grocery	1,996,435	1,965,002
Specialty Foods	364,426	356,722
Corporate	123,089	99,596
Total	$ 4,521,355	$ 4,399,988
GEOGRAPHIC INFORMATION		
Long-lived assets		
United States	$ 513,648	$ 493,640
Canada	23	26
Total	$ 512,351	$ 493,666

15. Provision for Income Taxes

The provision for income taxes and related effective tax rates for the three and nine months ended September 29, 2013 and September 23, 2012, respectively, were as follows:

	Three months ended		Nine months ended	
Provision for Income Taxes	September 29, 2013	September 23, 2012	September 29, 2013	September 23, 2012
Current	$ 388	$ 906	$ 1,882	$ 1,064
Deferred	24,273	4,653	33,226	2,637
Total	$ 24,661	$ 5,559	$ 35,108	$ 3,701
Effective tax rate	37.7%	36.0%	51.1%	29.5%

Income taxes are accounted for in accordance with the authoritative guidance for accounting for income taxes under which deferred tax assets and liabilities are determined based on the difference between their financial statement basis and tax basis, using enacted tax rates in effect for the year in which the differences are expected to reverse.

During the nine months ended September 29, 2013, the Company refinanced all of its outstanding debt (Note 9) and the Company discontinued hedge accounting for interest rate swaps in effect at that time (Note 11). Effective with the swap termination, deferred tax expense of $9.1 million, which was recorded in Accumulated Other Comprehensive Loss through the swap termination date, was reclassified as a non-cash deferred tax expense in the provision for income taxes through the consolidated statement of operations. During the nine months ended September 23, 2012, the Company announced restructuring plans (Note 8) that were projected to decrease our future state effective tax rate, resulting in a net benefit of $2.1 million to the tax provision and a corresponding decrease to our net deferred tax liabilities.

The Company regularly evaluates its deferred tax assets for future realization. A valuation allowance is established when the Company believes that it is more likely than not that some portion of its deferred tax assets will not be realized. Changes in valuation allowances from period to period are included in the Company s tax provision in the period of change.

F-100

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

As of September 29, 2013 and September 23, 2012, the Company maintained a valuation allowance for certain state net operating loss (NOL) carryovers, state tax credit carryovers and foreign loss carryovers. For the nine months ended September 29, 2013 a benefit of $1.5 million was recognized to the income tax provision for reduction of the valuation allowance for state NOL carryovers and state credits attributable to a projected decrease of interest expense from the IPO and the April 2013 refinancing. For the nine months ended September 23, 2012, a charge of $1.9 million was recognized to the income tax provision, principally related to the realizability of state NOL carryovers and state credits due to the aforementioned restructuring plans.

On September 13, 2013 the IRS issued final and proposed Tangible Property Regulations. The final regulations are generally effective for taxable years beginning on or after January 1, 2014. The Company is in the process of evaluating and analyzing the financial accounting implications of adopting the final regulations. At this time the Company does not anticipate that there will be a material impact to the financial statements.

16. Recently Issued Accounting Pronouncements

In February 2013, the FASB issued Accounting Standards Update No. 2013-02, Comprehensive Income (Topic 220): *Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income,* (ASU 2013-02). This new guidance requires that the Company present either in a single note or parenthetically on the face of the financial statements, the effect of significant amounts reclassified from each component of accumulated other comprehensive income based on its source and the income statement line items affected by the reclassification. This guidance only impacts disclosures within the consolidated financial statements and notes to the consolidated financial statements and does not result in a change to the accounting treatment of Accumulated Other Comprehensive Income. The Company adopted this standard during the three month period ended March 31, 2013.

In July 2013, the FASB issued Accounting Standards Update No. 2013-11, Income Taxes (Topic 740): *Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exist*s, (ASU 2013-11). The update provides guidance on financial statement presentation of an unrecognized tax benefit when a net operating loss (NOL) carryforward, a similar tax loss, or a tax credit carryforward exists. This ASU applies to all entities with unrecognized tax benefits that also have tax loss or tax credit carryforwards in the same tax jurisdiction as of the reporting date. The Company will adopt this standard in December 2013. The Company anticipates that adoption of the standard will not have a material impact on its Consolidated Financial Statements.

17. Guarantor and Nonguarantor Statements

On April 29, 2013, Pinnacle Foods Finance (PFF) issued 4.875% Senior Notes. The 4.875% Senior Notes are general senior unsecured obligations of PFF, effectively subordinated in right of payment to all existing and future senior secured indebtedness of PFF and guaranteed on a full, unconditional, joint and several basis by the Company and PFF s 100% owned domestic subsidiaries that guarantee other indebtedness of the Company.

The following condensed consolidating financial information presents:

(1)(a) Condensed consolidating balance sheets as of September 29, 2013 and December 30, 2012.

(b) The related condensed consolidating statements of operations and comprehensive earnings for the Company, PFF, all guarantor subsidiaries and the non-guarantor subsidiaries for the following:

i. Three and nine months ended September 29, 2013; and

ii. Three and nine months ended September 23, 2012.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

(c) The related condensed consolidating statements of cash flows for the Company, PFF, all guarantor subsidiaries and the non-guarantor subsidiaries for the following:

i. Nine months ended September 29, 2013; and

ii. Nine months ended September 23, 2012.

(2) Elimination entries necessary to consolidate the Company, PFF with its guarantor subsidiaries and non-guarantor subsidiaries. Investments in subsidiaries are accounted for by the parent using the equity method of accounting. The guarantor subsidiaries are presented on a combined basis. The principal elimination entries eliminate investments in subsidiaries and intercompany balances and transactions and include a reclassification entry of net non-current deferred tax assets to non-current deferred tax liabilities.

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Balance Sheet

September 29, 2013

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Current assets:						
Cash and cash equivalents	$	$	$ 100,424	$ 9,979	$	$ 110,403
Accounts receivable, net			159,031	9,885		168,916
Intercompany accounts receivable	21,337		242,928		(264,265)	
Inventories, net			386,774	7,554		394,328
Other current assets		707	6,495	64		7,266
Deferred tax assets		585	120,384	212		121,181
Total current assets	21,337	1,292	1,016,036	27,694	(264,265)	802,094
Plant assets, net			512,328	23		512,351
Investment in subsidiaries	1,536,903	1,949,305	12,533		(3,498,741)	
Intercompany note receivable		1,520,991	7,270	9,800	(1,538,061)	
Tradenames			1,603,992			1,603,992
Other assets, net		40,420	120,865	138		161,423
Deferred tax assets		281,141			(281,141)	
Goodwill			1,441,495			1,441,495
Total assets	$ 1,558,240	$ 3,793,149	$ 4,714,519	$ 37,655	$ (5,582,208)	$ 4,521,355
Current liabilities:						
Short-term borrowings	$	$	$ 1,065	$	$	$ 1,065
Current portion of long-term obligations		16,300	3,136			19,436
Accounts payable	(17)	83	178,369	1,620		180,055
Intercompany accounts payable		256,640		7,625	(264,265)	
Accrued trade marketing expense			34,612	4,308		38,920
Accrued liabilities		18,802	87,176	697		106,675
Dividends payable	21,354					21,354
Total current liabilities	21,337	291,825	304,358	14,250	(264,265)	367,505
Long-term debt		1,951,437	17,470			1,968,907
Intercompany note payable			1,530,260	7,801	(1,538,061)	
Pension and other postretirement benefits			93,090			93,090
Other long-term liabilities			22,072	2,730		24,802
Deferred tax liabilities		12,984	797,964	341	(281,141)	530,148
Total liabilities	21,337	2,256,246	2,765,214	25,122	(2,083,467)	2,984,452

Commitments and contingencies (Note 12)						
Shareholder s equity:						
Pinnacle common stock	1,172					1,172
Additional paid-in-capital	1,325,835	1,327,007	1,284,776	2,324	(2,614,107)	1,325,835
Retained earnings	244,410	244,410	716,730	9,850	(970,990)	244,410
Accumulated other comprehensive loss	(34,514)	(34,514)	(52,201)	359	86,356	(34,514)
Total Shareholders equity	1,536,903	1,536,903	1,949,305	12,533	(3,498,741)	1,536,903
Total liabilities and shareholders equity	$ 1,558,240	$ 3,793,149	$ 4,714,519	$ 37,655	$ (5,582,208)	$ 4,521,355

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Balance Sheet

December 30, 2012

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Current assets:						
Cash and cash equivalents	$	$	$ 83,123	$ 9,158	$	$ 92,281
Accounts receivable, net			135,791	8,093		143,884
Intercompany accounts receivable			73,769		(73,769)	
Inventories, net			350,922	7,129		358,051
Other current assets		1,130	10,546	186		11,862
Deferred tax assets			100,245	74	(1,120)	99,199
Total current assets		1,130	754,396	24,640	(74,889)	705,277
Plant assets, net			493,640	26		493,666
Investment in subsidiaries	888,726	1,840,632	11,222		(2,740,580)	
Intercompany note receivable		1,469,135	7,270	9,800	(1,486,205)	
Tradenames			1,603,992			1,603,992
Other assets, net		23,691	131,707	160		155,558
Deferred tax assets		239,347			(239,347)	
Goodwill			1,441,495			1,441,495
Total assets	$ 888,726	$ 3,573,935	$ 4,443,722	$ 34,626	$ (4,541,021)	$ 4,399,988
Current liabilities:						
Short-term borrowings	$	$	$ 2,139	$	$	$ 2,139
Current portion of long-term obligations		27,411	3,008			30,419
Accounts payable		37	136,220	1,069		137,326
Intercompany accounts payable		65,888		7,881	(73,769)	
Accrued trade marketing expense			41,396	3,175		44,571
Accrued liabilities		29,662	90,000	727	(1,120)	119,269
Total current liabilities		122,998	272,763	12,852	(74,889)	333,724
Long-term debt		2,558,404	17,982			2,576,386
Intercompany note payable			1,478,593	7,612	(1,486,205)	
Pension and other postretirement benefits			100,918			100,918
Other long-term liabilities		3,807	22,168	2,730		28,705
Deferred tax liabilities			710,666	210	(239,347)	471,529
Total liabilities		2,685,209	2,603,090	23,404	(1,800,441)	3,511,262
Commitments and contingencies (Note 12)						

Shareholder s equity:						
Pinnacle common stock	812					812
Additional paid-in-capital	696,512	697,324	1,284,155	2,324	(1,983,803)	696,512
Retained earnings	252,955	252,955	608,788	8,842	(870,585)	252,955
Accumulated other comprehensive loss	(61,553)	(61,553)	(52,311)	56	113,808	(61,553)
Total Shareholders equity	888,726	888,726	1,840,632	11,222	(2,740,580)	888,726
Total liabilities and shareholders equity	$ 888,726	$ 3,573,935	$ 4,443,722	$ 34,626	$ (4,541,021)	$ 4,399,988

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Statement of Operations and Comprehensive Earnings

For the three months ended September 29, 2013

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net sales	$	$	$ 568,340	$ 19,569	$ (15,454)	$ 572,455
Cost of products sold		96	413,857	16,305	(15,206)	415,052
Gross profit		(96)	154,483	3,264	(248)	157,403
Operating expenses						
Marketing and selling expenses		56	39,876	934		40,866
Administrative expenses		2,064	22,264	976		25,304
Research and development expenses		85	2,624			2,709
Intercompany royalties				8	(8)	
Intercompany technical service fees				240	(240)	
Other expense (income), net			3,606			3,606
Equity in (earnings) loss of investees	(40,685)	(45,471)	(750)		86,906	
Total operating expenses	(40,685)	(43,266)	67,620	2,158	86,658	72,485
Earnings before interest and taxes	40,685	43,170	86,863	1,106	(86,906)	84,918
Intercompany interest (income) expense		(13,180)	13,154	26		
Interest expense		19,154	433	8		19,595
Interest income			10	13		23
Earnings before income taxes	40,685	37,196	73,286	1,085	(86,906)	65,346
Provision (benefit) for income taxes		(3,489)	27,815	335		24,661
Net earnings	$ 40,685	$ 40,685	$ 45,471	$ 750	$ (86,906)	$ 40,685
Total comprehensive earnings (loss)	$ 37,732	$ 37,732	$ 45,046	$ 108	$ (82,886)	$ 37,732

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Statement of Operations and Comprehensive Earnings

For the three months ended September 23, 2012

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net sales	$	$	$ 564,304	$ 19,771	$ (16,170)	$ 567,905
Cost of products sold		(2)	437,301	17,157	(15,892)	438,564
Gross profit		2	127,003	2,614	(278)	129,341
Operating expenses						
Marketing and selling expenses		50	37,182	1,104		38,336
Administrative expenses		828	19,650	871		21,349
Research and development expenses		3	2,674			2,677
Intercompany royalties				12	(12)	
Intercompany technical service fees				266	(266)	
Other expense (income), net		3,470	3,614			7,084
Equity in (earnings) loss of investees	(9,878)	(25,053)	(207)		35,138	
Total operating expenses	(9,878)	(20,702)	62,913	2,253	34,860	69,446
Earnings before interest and taxes	9,878	20,704	64,090	361	(35,138)	59,895
Intercompany interest (income) expense		(23,365)	23,334	31		
Interest expense		43,959	491	12		44,462
Interest income		4				4
Earnings before income taxes	9,878	114	40,265	318	(35,138)	15,437
Provision (benefit) for income taxes		(9,764)	15,212	111		5,559
Net earnings	$ 9,878	$ 9,878	$ 25,053	$ 207	$ (35,138)	$ 9,878
Total comprehensive earnings (loss)	$ 8,941	$ 8,941	$ 24,333	$ (513)	$ (32,761)	$ 8,941

F-106

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Statement of Operations and Comprehensive Earnings

For the nine months ended September 29, 2013

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net sales	$	$	$ 1,737,413	$ 62,117	$ (45,050)	$ 1,754,480
Cost of products sold		397	1,289,483	52,187	(44,259)	1,297,808
Gross profit		(397)	447,930	9,930	(791)	456,672
Operating expenses						
Marketing and selling expenses		991	128,245	4,766		134,002
Administrative expenses		16,529	73,898	2,762		93,189
Research and development expenses		154	7,671			7,825
Intercompany royalties				36	(36)	
Intercompany technical service fees				755	(755)	
Other expense (income), net		34,180	10,916			45,096
Equity in (earnings) loss of investees	(33,642)	(107,942)	(1,008)		142,592	
Total operating expenses	(33,642)	(56,088)	219,722	8,319	141,801	280,112
Earnings before interest and taxes	33,642	55,691	228,208	1,611	(142,592)	176,560
Intercompany interest (income) expense		(51,731)	51,632	99		
Interest expense		106,371	1,485	22		107,878
Interest income			43	25		68
Earnings before income taxes	33,642	1,051	175,134	1,515	(142,592)	68,750
Provision (benefit) for income taxes		(32,591)	67,192	507		35,108
Net earnings	$ 33,642	$ 33,642	$ 107,942	$ 1,008	$ (142,592)	$ 33,642
Total comprehensive earnings (loss)	$ 60,681	$ 60,681	$ 108,554	$ 962	$ (170,197)	$ 60,681

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Statement of Operations and Comprehensive Earnings

For the nine months ended September 23, 2012

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net sales	$	$	$ 1,759,479	$ 59,151	$ (45,205)	$ 1,773,425
Cost of products sold		104	1,367,858	52,747	(44,458)	1,376,251
Gross profit		(104)	391,621	6,404	(747)	397,174
Operating expenses						
Marketing and selling expenses		291	125,681	4,568		130,540
Administrative expenses		2,648	60,991	2,450		66,089
Research and development expenses		21	8,190			8,211
Intercompany royalties				40	(40)	
Intercompany technical service fees				707	(707)	
Other expense (income), net		14,255	11,025			25,280
Equity in (earnings) loss of investees	(8,857)	(69,619)	1,152		77,324	
Total operating expenses	(8,857)	(52,404)	207,039	7,765	76,577	230,120
Earnings before interest and taxes	8,857	52,300	184,582	(1,361)	(77,324)	167,054
Intercompany interest (income) expense		(70,199)	70,108	91		
Interest expense		152,875	1,700	26		154,601
Interest income		4	101			105
Earnings before income taxes	8,857	(30,372)	112,875	(1,478)	(77,324)	12,558
Provision (benefit) for income taxes		(39,229)	43,256	(326)		3,701
Net earnings	$ 8,857	$ 8,857	$ 69,619	$ (1,152)	$ (77,324)	$ 8,857
Total comprehensive earnings (loss)	$ 9,461	$ 9,461	$ 68,714	$ (2,010)	$ (76,165)	$ 9,461

F-108

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Statement of Cash Flows

For the nine months ended September 29, 2013

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Cash flows from operating activities						
Net cash provided by (used in) operating activities	$	$ (58,855)	$ 199,999	$ 583	$	$ 141,727
Cash flows from investing activities						
Intercompany accounts receivable/payable		123,197			(123,197)	
Investment in subsidiaries						
Capital expenditures			(62,722)			(62,722)
Sale of plant assets			6,853			6,853
Net cash (used in) provided by investing activities		123,197	(55,869)		(123,197)	(55,869)
Cash flows from financing activities						
Proceeds from issuance of common stock		624,193	65			624,258
Parent reduction in investment in subsidiary	126	(126)				
Repurchases of equity	(126)		(65)			(191)
Dividends paid		(20,831)				(20,831)
Proceeds from notes offering		350,000				350,000
Proceeds from bank term loans		1,625,925				1,625,925
Repayments of long-term obligations		(1,731,832)	(239)			(1,732,071)
Repurchase of notes		(899,180)				(899,180)
Proceeds from short-term borrowing			2,408			2,408
Repayments of short-term borrowing			(3,481)			(3,481)
Intercompany accounts receivable/payable			(123,197)		123,197	
Repayment of capital lease obligations			(2,320)			(2,320)
Debt acquisition costs		(12,491)				(12,491)
Net cash (used in) provided by financing activities		(64,342)	(126,829)		123,197	(67,974)
Effect of exchange rate changes on cash				238		238
Net change in cash and cash equivalents			17,301	821		18,122
Cash and cash equivalents beginning of period			83,123	9,158		92,281

Cash and cash equivalents end of period	$	$	$ 100,424	$ 9,979	$	$ 110,403
Supplemental disclosures of cash flow information:						
Interest paid	$	$ 90,143	$ 1,434	$	$	$ 91,577
Interest received			44	25		69
Income taxes paid			2,783	215		2,998
Non-cash investing and financing activities:						
New capital leases			2,030			2,030
Dividends payable	21,354					21,354

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

Pinnacle Foods Inc.

Condensed Consolidating Statement of Cash Flows

For the nine months ended September 23, 2012

	Pinnacle Foods Inc.	Pinnacle Foods Finance LLC	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations and Reclassifications	Consolidated Total
Cash flows from operating activities						
Net cash provided by (used in) operating activities	$	$ (71,608)	$ 129,973	$ 4,019	$	$ 62,384
Cash flows from investing activities						
Intercompany accounts receivable/payable		196,332			(196,332)	
Repayments of intercompany loans		49,338			(49,338)	
Capital expenditures			(49,796)			(49,796)
Sale of plant assets			570			570
Net cash (used in) provided by investing activities		245,670	(49,226)		(245,670)	(49,226)
Cash flows from financing activities						
Proceeds from bank term loan		842,625				842,625
Repayments of long-term obligations		(625,172)				(625,172)
Repurchase of notes		(373,255)				(373,255)
Proceeds from short-term borrowing			1,216			1,216
Repayments of short-term borrowing			(2,364)			(2,364)
Borrowings under revolving credit facility		5,000				5,000
Repayments of revolving credit facility		(5,000)				(5,000)
Intercompany accounts receivable/payable			(196,332)		196,332	
Repayments of intercompany loans			(49,338)		49,338	
Repayment of capital lease obligations			(2,803)			(2,803)
Debt acquisition costs		(17,414)				(17,414)
Parent reduction in investment in subsidiary	846	(846)				
Repurchases of equity	(846)					(846)
Changes in bank overdrafts			19,327			19,327
Net cash (used in) provided by financing activities		(174,062)	(230,294)		245,670	(158,686)
Effect of exchange rate changes on cash				388		388
Net change in cash and cash equivalents			(149,547)	4,407		(145,140)
Cash and cash equivalents beginning of period			150,493	538		151,031

Cash and cash equivalents end of period	$	$	$ 946	$ 4,945	$	$ 5,891
Supplemental disclosures of cash flow information:						
Interest paid	$	$ 136,975	$ 1,647	$	$	$ 138,622
Interest received		4	101			105
Income taxes (refunded) paid			1,723	210		1,933
Non-cash investing and financing activities:						
New capital leases			1,549			1,549

Table of Contents

PINNACLE FOODS INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

(thousands of dollars, except share and per share amounts and where noted in millions)

18. Subsequent Events

Completion of Acquisition

On October 1, 2013 the Company acquired the *Wish-Bone*® salad dressing business from Unilever PLC for cash consideration of $575.0 million, subject to a post-closing adjustment based upon inventory levels at closing. The acquired portfolio includes a broad range of liquid and dry-mix salad dressing flavors under the *Wish-Bone*® and *Western*® brand names. The purchase price was funded using a combination of cash on hand and a new $525.0 million Term Loan H.

Amendment to Credit Agreement

Concurrently with the closing of the acquisition, Pinnacle Foods Finance entered into the First Amendment to Second Amended and Restated Credit Agreement. The amendment provided for the new $525.0 million Term Loan H to fund a portion of the acquisition. The new Term Loan H has terms consistent with Pinnacle Foods Finance s Term Loan G.

Independent Auditor s Report

To the Management of Unilever United States, Inc.

We have audited the accompanying special purpose combined financial statements of the Wish-Bone and Western Salad Dressing Business of Unilever United States, Inc., which comprise the special purpose combined statement of assets acquired as of December 31, 2012, and the special purpose combined statements of revenues and direct expenses for the years ended December 31, 2012 and 2011.

Management s Responsibility for the Special Purpose Combined Financial Statements

Management is responsible for the preparation and fair presentation of the special purpose combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of special purpose combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor s Responsibility

Our responsibility is to express an opinion on the special purpose combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special purpose combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose combined financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the special purpose combined financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company s preparation and fair presentation of the special purpose combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the special purpose combined financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the special purpose combined financial statements referred to above present fairly in all material respects, the assets acquired of the Wish-Bone and Western Salad Dressing Business of Unilever United States, Inc. as of December 31, 2012, and the revenues and direct expenses for the years ended December 31, 2012 and 2011 in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying special purpose combined financial statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in the Current Report on Form 8-K of Pinnacle Foods, Inc. as described in Note 1, and are not intended to be a complete presentation of the financial position or results of operations of the Wish-Bone and Western Salad Dressing Business of Unilever United States, Inc. Our opinion is not modified with respect to this matter.

/s/ PricewaterhouseCoopers LLP
Florham Park, New Jersey
November 22, 2013

Table of Contents

Wish-Bone

Special Purpose Combined Statements of Assets Acquired

as of September 30, 2013 (Unaudited) and December 31, 2012

(in thousands)

	September 30, 2013 (Unaudited)	December 31, 2012
Inventory:		
Raw and packaging materials	$ 2,747	$ 3,420
Finished goods	10,707	10,963
Spare parts	1,974	1,999
Total inventory	15,428	16,382
Property and equipment:		
Machinery and equipment	37,195	36,926
Molds and dies	6,287	6,287
	43,482	43,213
Less: Accumulated depreciation	(24,622)	(22,762)
Property and equipment, net	18,860	20,451
Total assets acquired	$ 34,288	$ 36,833

The accompanying notes are an integral part of these special purpose combined financial statements.

Table of Contents

Wish-Bone

Special Purpose Combined Statements of Revenues and Direct Expenses

For the nine months ended September 30, 2013 (unaudited) and 2012 (Unaudited)

and for the years ended December 31, 2012 and 2011

(in thousands)

	Nine Months Ended		Year Ended	
	September 30, 2013 (Unaudited)	September 30, 2012 (Unaudited)	December 31, 2012	December 31, 2011
Net revenues	$ 148,895	$ 150,384	$ 192,196	$ 184,166
Cost of good sold				
Materials	39,568	38,414	49,553	50,585
Bought in products	1,540	2,442	2,483	3,021
Packaging	17,666	17,321	21,608	22,133
Other production costs	15,541	17,039	22,092	21,644
Distribution costs	14,523	13,733	17,810	17,418
Supply support and other	7,065	6,326	8,698	6,788
Cost of goods sold	95,903	95,275	122,244	121,589
Gross profit	52,992	55,109	69,952	62,577
Operating expenses				
Allocated selling costs	3,665	3,368	4,370	4,756
Advertising and promotion	11,544	10,088	12,287	7,156
Total operating expenses	15,209	13,456	16,657	11,912
Net revenues less direct operating expenses	$ 37,783	$ 41,653	$ 53,295	$ 50,665

The accompanying notes are an integral part of these special purpose combined financial statements.

Table of Contents

Wish-Bone

Notes to Special Purpose Combined Financial Statements

As of September 30, 2013 (unaudited) and December 31, 2012 and for the Nine Months

ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended

December 31, 2012 and 2011

($ in thousands)

1. Asset Purchase Agreement, Description of Business and Basis of Presentation

Asset Purchase Agreement

On August 11, 2013, Conopco, Inc., a wholly owned subsidiary of Unilever United States Inc., entered into an asset purchase agreement with Pinnacle Foods Inc. (Pinnacle) to sell certain assets of the Wish-Bone and Western Salad Dressing business (Wish-Bone) for approximately $580 million, subject to a post-closing adjustment upon inventory of Wish-Bone at closing. On October 1, 2013, the purchase was completed with a purchase price of $575 million, subject to the final inventory value adjustment. In connection with the asset purchase agreement, Pinnacle has agreed to assume certain future obligations relating to the Wish-Bone operations including future obligations under assumed contracts, product related obligations, any litigation and other obligations arising from after the date of closing.

Prior to August 11, 2013, no material relationship existed between Conopco and Pinnacle.

Description of Business

Wish-Bone represents the salad dressing businesses of Conopco, Inc. and its affiliates who are each indirectly wholly-owned by Unilever N.V. and Unilever PLC (collectively, with their affiliates, referred to as the Unilever Group). Wish-Bone develops, manufactures and markets salad dressing products in the United States, and Latin America including Puerto Rico, Dominican Republic and Trinidad and Tobago.

Wish-Bone generates sales through retail, commercial, institutional and industrial channels. The brands offered through these channels are *Wish-Bone and Western* . Sales outside of the United States are not significant.

Wish-Bone has a manufacturing facility in Independence, Missouri and utilizes five shared distribution centers located in the United States of America (US). The manufacturing facility in Independence, Missouri produces Wish-Bone Salad dressing and other products for the Unilever Group. The manufacturing premises are not part of the Asset Purchase Agreement. Wish-Bone s US headquarters are located in Englewood Cliffs, New Jersey. Wish-Bone also utilizes the services of independent third party manufacturers.

Basis of Presentation

The accompanying statements of assets acquired as of September 30, 2013 (unaudited) and December 31, 2012, and the related statements of revenues and direct expenses for the nine months ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended December 31, 2012 and 2011 (collectively, the Special Purpose Combined Financial Statements) have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Special Purpose Combined Financial Statements do not reflect any purchase accounting or other adjustments as a result of Pinnacle s acquisition of Wish-Bone. The accompanying Special Purpose Combined Financial Statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and are not intended to be a complete presentation of Wish-Bone s revenues and direct expenses.

The Special Purpose Combined Financial Statements have been prepared to present the assets acquired and revenues and direct expenses of Wish-Bone. Historically, Wish-Bone was a component of the Unilever

Table of Contents

Wish-Bone

Notes to Special Purpose Combined Financial Statements

As of September 30, 2013 (unaudited) and December 31, 2012 and for the Nine Months

ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended

December 31, 2012 and 2011

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Group s operations and separate financial statements were not prepared for Wish-Bone. The accompanying Special Purpose Combined Financial Statements have been derived from the historical accounting records of the Unilever Group and therein reflect significant estimates and assumptions that are not necessarily indicative of the amounts that would have resulted had Wish-Bone been operated as a stand-alone entity.

Certain other Unilever Group expenses and other income, such as corporate overhead, interest income, interest expense, and income taxes have been excluded from the statements of revenues and direct expenses, as they are not directly associated with the revenue producing activities of Wish-Bone or it is not practical to isolate or allocate such indirect Unilever Group operating costs to Wish-Bone. Corporate overhead expenses include general support functions, such as expenses associated with the executive management and various corporate departments. The accompanying Special Purpose Combined Financial Statements are not indicative of the financial position or results of operations of Wish-Bone had the business been operated as a separate, stand-alone entity and may not be indicative of the future results of operations of Wish-Bone due to the change in ownership, and the exclusion of various operating expenses, described herein.

Statements of Revenues and Direct Expenses: The statements of revenues and direct expenses include direct cost of production, marketing and distribution, including selling and direct overhead, depreciation and amortization, and all direct expenses incurred by the Unilever Group on behalf of Wish-Bone.

Cash Flows: During the nine months ended September 30, 2013 and 2012, and the years ended December 31, 2012 and 2011, Wish-Bone s financing requirements were provided by the Unilever Group and cash generated by Wish-Bone was transferred to the Unilever Group. As Wish-Bone has been historically managed as a part of the operations of the Unilever Group and has not been operated as a stand-alone entity, statements of cash flows were not prepared for Wish-Bone. It is not practical to prepare. Additionally, historical cash flow information reflecting Wish-Bone s operating, certain investing and financing cash flows are not available.

Unaudited Interim Information: The financial information as of September 30, 2013 and for the nine months ended September 30, 2013 and 2012 are unaudited. However, in the opinion of management, such information includes all adjustments (consisting solely of normal recurring adjustments) necessary for the fair presentation of such financial information.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of Special Purpose Combined Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the Special Purpose Combined Financial Statements and accompanying notes. Management bases its estimates on historical experience and various other assumptions believed to be reasonable. Although these estimates are based on management s best knowledge of current events and actions, actual results may be different from the estimates. The most significant estimates and judgments relate to: inventory valuation, estimated useful lives of property and equipment, provisions for marketing programs and allowances for sales returns and discounts. Changes in estimates are recorded in the period of change.

Inventories

Inventories are comprised of finished goods, raw and packaging materials and spare parts, and are stated at the lower of cost or market based on the weighted average cost method**.** The value of finished goods on-

Table of Contents

Wish-Bone

Notes to Special Purpose Combined Financial Statements

As of September 30, 2013 (unaudited) and December 31, 2012 and for the Nine Months

ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended

December 31, 2012 and 2011

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hand includes shipping and handling costs incurred for transportation from the point of manufacture to distribution centers. Provisions are made for slow-moving and obsolete inventory as necessary based on estimated future salability of product.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Additions and improvements are capitalized; maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or disposed of, the assets and related accumulated depreciation are removed from Wish-Bone s accounting records. Depreciation is determined principally using the straight-line method over the estimated useful lives of the assets. The estimated useful life for major classes of property and equipment are:

Machinery and equipment	14 years
Molds and dies	3 years

Depreciation expense for the nine months ended September 30, 2013 and 2012 and for the years ended December 31, 2012 and 2011 were $1,860 (unaudited), $1,880 (unaudited), $2,526 and $2,317, respectively and are included in Other production costs in the accompanying statements of revenues and direct expenses.

Wish-Bone acquired property and equipment of $270 (unaudited), $368 (unaudited), $2,730 and $4,461 during the nine months ended September 30, 2013 and 2012 and during the years ended December 31, 2012 and 2011, respectively. There were no significant disposals during any of the periods presented.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. Wish-Bone evaluates recoverability of assets to be held and used by comparing the carrying amount of an asset to the future net undiscounted cash flows to be generated by the asset. If such asset is considered to be impaired, the impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value. There were no impairment losses recorded for the nine months ended September 30, 2013 and 2012 and the years ended December 31, 2012 and 2011.

Foreign Currency

The accounting records of operations outside of the United States are primarily maintained in U.S. dollars. Transactions with foreign denominated currency are not material.

Revenue Recognition

Revenue is recognized when all of the following revenue recognition conditions are met:

Persuasive evidence of an arrangement exists;

Products have been delivered to the customer;

Collection of related fees is reasonably assured; and

Related fees are fixed or determinable.

Table of Contents

Wish-Bone

Notes to Special Purpose Combined Financial Statements

As of September 30, 2013 (unaudited) and December 31, 2012 and for the Nine Months

ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended

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Wish-Bone establishes provisions for discounts and other allowances based on historical experience within the same period the revenue is recognized, or when the receivables are reasonably determined to be uncollectible.

Shipping and Handling

Wish-Bone classifies shipping and handling fees billed to customers as revenue and includes the corresponding cost in cost of goods sold in accordance with FASB Accounting Standards Codification Section (ASC) 605-45: *Revenue Recognition, Principle Agent Considerations*.

Customer Sales Incentives

Wish-Bone applies the provisions of ASC 605-50: *Revenue Recognition, Customer Payments and Incentives,* which addresses the accounting for consideration given by a vendor or manufacturer to a customer including both a reseller of the vendor s products and an entity that purchases the vendor s products from a reseller. Wish-Bone classifies certain types of promotional allowances, coupons and listing fees as a reduction of sales rather than as selling expenses. Wish-Bone records as cost of goods sold certain incentives which include additional or free product manufactured by Wish-Bone.

Cost of Goods Sold

Cost of goods sold include all direct expenses including variable and fixed costs associated with producing Wish-Bone s products, including raw and packaging materials, direct labor, production costs, distribution costs, supply support costs and the cost of goods purchased from third parties.

Advertising and Promotion

Advertising includes agency fees and commissions as well as production and media costs for television, magazines, radio and other media channels. Advertising costs incurred to produce media advertising are expensed when incurred. Promotions include funds used for creative work on coupons, development and distribution of consumer samples, and promotional materials and related distribution. These costs are expensed as incurred.

Employees Benefit Accounting

Wish-Bone and the Unilever Group employees that provide direct support to Wish-Bone participate in a defined benefit pension plan and a defined contribution plan, all of which are sponsored by the Unilever Group. Wish-Bone accounts for costs related to defined benefit pension plan as if it participated in a multi-employer plan, in accordance with ASC 715, *Compensation Retirement Benefits.* Such guidance provides that an employer that participates in a multi-employer defined benefit plan is not required to report a liability beyond the contributions currently due and unpaid to the plan. Accordingly, no assets or liabilities relative to these retirement-related plans are recorded by Wish-Bone. See note 4 for further information regarding the plans in which employees participate.

Table of Contents

Wish-Bone

Notes to Special Purpose Combined Financial Statements

As of September 30, 2013 (unaudited) and December 31, 2012 and for the Nine Months

ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended

December 31, 2012 and 2011

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Concentrations

Wish-Bone sells its products to various customers primarily in North America and performs ongoing credit evaluations on its customers. Wish-Bone generally does not require collateral although it maintains allowances for probable credit losses.

Net sales to a single customer and its affiliates represented 23% (unaudited), 21% (unaudited), 21% and 19% during the nine months ended September 30, 2013 and 2012 and the years ended December 31, 2012 and 2011, respectively. Apart from this concentration of revenues to this customer, management believes credit risk is limited due to the large number of the remaining customers and their dispersion across the U.S. and Latin America.

Wish-Bone utilizes specific vendors for purchasing raw materials and packaging components. Purchases from two specific vendors totaled approximately 50% of total inventory purchases for each period presented. Management believes that this risk is mitigated by existing relationships with alternate or replacement suppliers and the nature of the materials and components.

Wish-Bone manufactures a substantial amount of its liquid products at its Independence, Missouri facility. All dry products are manufactured by third parties.

3. Transactions With The Unilever Group
Allocated Costs

The Special Purpose Combined Statements of revenues and direct expenses include Wish-Bone s direct expenses as well as allocations arising from shared services and infrastructure provided to Wish-Bone by the production facility and Unilever Group.

Other production costs include allocations from within the Independence, Missouri manufacturing location for shared support costs such as repairs and maintenance, quality assurance, plant administration and others. These support costs are allocated amongst the product lines in that facility on an activity based model via production volume, man hours and machine hours. Allocations totaled $15,541(unaudited), $17,039 (unaudited), $22,092, and $21,644 during the nine months ended September 30, 2013 and 2012 and during the years ended December 31, 2012 and 2011, respectively.

Distribution costs include allocations from within the distribution locations for shared support costs. Allocations are based upon a combination of metrics including shipping weight, pallet positions, throughput and others and totaled $14,523 (unaudited), $13,733 (unaudited), $17,810 and $17,418 during the nine months ended September 30, 2013 and 2012 and during the years ended December 31, 2012 and 2011, respectively.

Supply support and other expense include corporate allocations for supply chain activities. Allocations are based upon the cost of sales of each brand within the Unilever Group portfolio and totaled $7,065 (unaudited), $6,326 (unaudited), $8,698 and $6,788 during the nine months ended September 30, 2013 and 2012 and during the years ended December 31, 2012 and 2011, respectively.

Allocated selling costs are allocated to Wish-Bone in two ways. The Unilever Group accumulates centralized selling costs and allocates a percentage of those costs to Wish-Bone in proportion of the revenues of Wish-Bone to the Unilever Group as a whole. The second allocation is from direct selling expenses of the Foods Business of the Unilever Group. This allocation is also in proportion of the revenues

Wish-Bone

Notes to Special Purpose Combined Financial Statements

As of September 30, 2013 (unaudited) and December 31, 2012 and for the Nine Months

ended September 30, 2013 (unaudited) and 2012 (unaudited) and for the years ended

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of Wish-Bone to the Foods Business. Allocated selling costs for the nine months ended September 30, 2013 and 2012 and the years ended December 31, 2012 and 2011 were $3,665 (unaudited), $3,368 (unaudited), $4,370 and $4,756, respectively.

Related Party Transactions

Sales to and/or purchases from affiliates of the Unilever Group are insignificant in all of the periods presented.

Agreements with the Unilever Group

Wish-Bone operates under numerous agreements executed by the Unilever Group with third parties, including but not limited to purchasing, manufacturing, supply and distribution agreements; use of facilities owned, leased, and managed by the Unilever Group; and software, technology and other intellectual property agreements.

4. Pension and Other Employee Benefit Programs

The Unilever Group sponsors a defined benefit plan for hourly and salaried employees (the Unicare Retirement Plan). The Unicare Retirement Plan provides for payment of retirement benefits primarily commencing between the ages of 55 and 65, and also for payment of certain disability benefits. After meeting certain qualifications, an employee acquires a vested right to future benefits. The benefits payable under the Unicare Retirement Plan are generally determined on the basis of the employees length of service and earnings. The Unilever Group s policy is to fund at least the minimum amounts required by the Employee Retirement Income Security Act of 1974. The Unilever Group retains the right to amend or terminate this plan. The Unicare Retirement Plan was closed to new employees on January 1, 2007.

The Unilever Group sponsors a defined contribution plan (the Unicare Savings Plan) which allows for a pre-tax employee deferral as well as a company match. The Unilever Group retains the right to amend or terminate this plan. Wish-Bone s expenses related to the Unicare Savings Plan were $192 (unaudited), $192 (unaudited), $257 and $216 for the nine months ended September 30, 2013 and 2012 and for the years ended December 31, 2012 and 2011, respectively. Benefit plan expenses for union employees are included in Other production costs in the accompanying Special Purpose Combined Statements of revenues and direct expenses.

5. Commitments and Contingencies

Operating Leases

The Unilever Group leases certain property and equipment for varying periods of which Wish-Bone uses in the ordinary course of business. There is no material lease obligation to be assumed by Pinnacle.

6. Subsequent Events

Wish-Bone has evaluated subsequent events from December 31, 2012 through November 22, 2013, the date at which the Special Purpose Combined Financial Statements were available to be issued and determined there were no other items to disclose.

Table of Contents

Table of Contents

17,000,000 Shares

Pinnacle Foods Inc.

Common Stock

Prospectus

Barclays

BofA Merrill Lynch

Deutsche Bank Securities

Credit Suisse

Goldman, Sachs & Co.

Morgan Stanley

Piper Jaffray

Macquarie Capital

Stifel

Stephens Inc.

BMO Capital Markets

C.L. King & Associates

Janney Montgomery Scott

December 11, 2013