

# *THE MIDDLEBY CORPORATION*

Investor Day

Roth Capital Growth Stock  
Conference

February 18, 2009

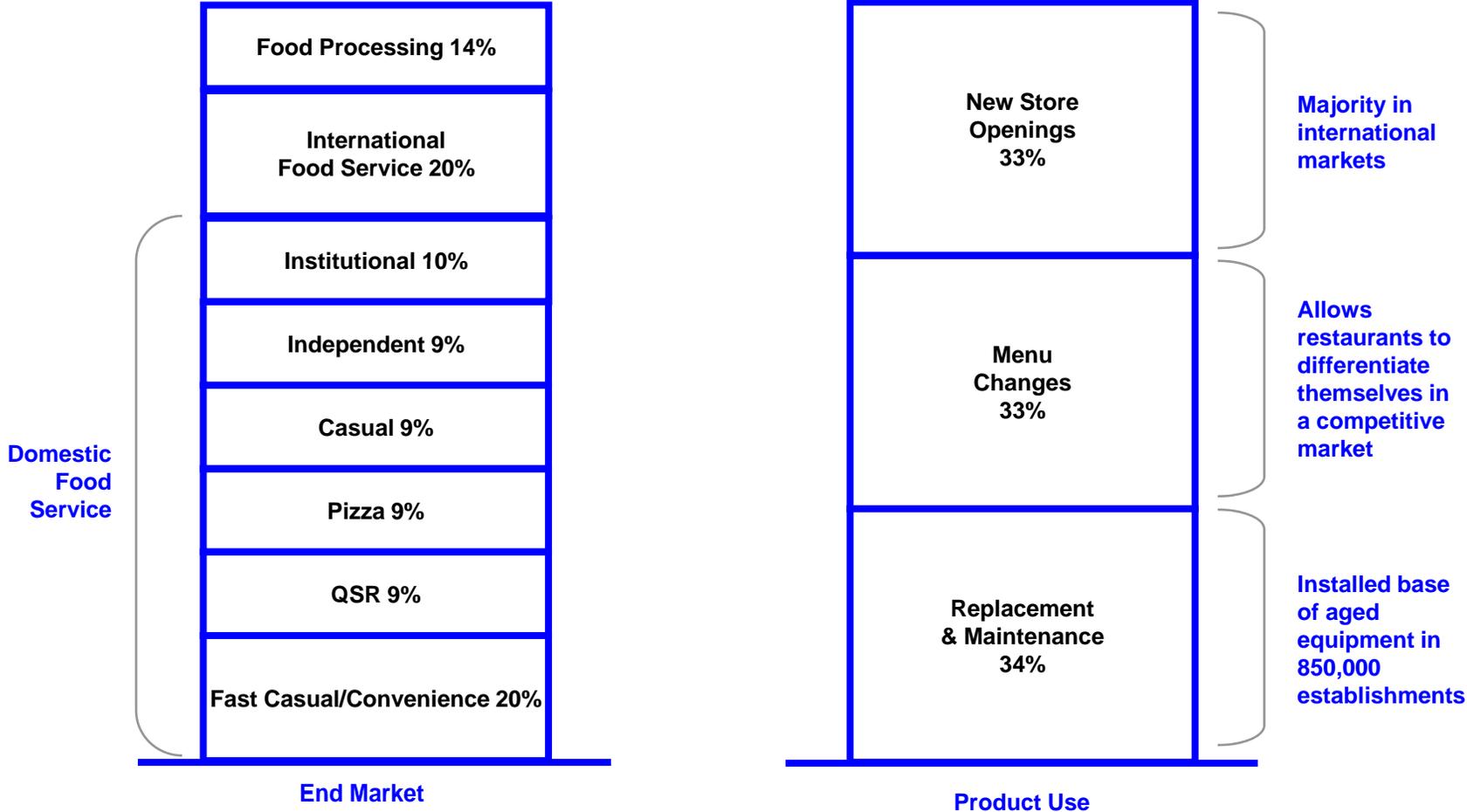


# Forward Looking Statements

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**Statements made in this presentation or otherwise attributable to the company regarding the company's business which are not historical fact are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The company cautions investors that such statements are estimates of future performance and are highly dependent upon a variety of important factors that could cause actual results to differ materially from such statements. Such factors include, but are not limited to variability in financing costs; quarterly variations in operating results; dependence on key customers; international exposure; foreign exchange and political risks affecting international sales; changing market conditions; the impact of competitive products and pricing; the timely development and market acceptance of the company's products; the availability and cost of raw materials; and other risks detailed herein and from time-to-time in the company's SEC filings.**

# Diverse and Stable Revenue Base



**Stable, diversified revenue base with exposure to high growth end markets**

Note: Management estimates

# Value Added Offering (cont'd)

## Limited Service Restaurant Unit Economics

		<u>% Sales</u>
Sales	<b>\$2,200,000</b>	100.0%
Cost of Food & Beverage	638,000	29.0%
<b>Gross Profit</b>	<b>1,562,000</b>	<b>71.0%</b>
Salaries, Wages, Benefits	667,000	30.3%
Direct Operating Expenses	106,000	4.8%
Marketing	46,000	2.1%
Utilities	68,000	3.1%
Occupancy	163,000	7.4%
Repairs and maintenance	37,000	1.7%
Depreciation	42,000	1.9%
G&A	55,000	2.5%
Other/Corporate Overhead	130,000	5.9%
<b>Operating Profit</b>	<b>249,000</b>	<b>11.0%</b>

## Illustrative Middleby Product Economics

■ Investment	\$10,000
■ Yearly Depreciation <sup>1,2</sup>	\$1,428
■ Yearly Savings	
— Food	\$800
— Labor	\$1,200
— Energy	<u>\$3,600</u>
	<b>\$5,400</b>
■ Other Savings	
— Safety	
— Speed	
— Less Downtime	
■ IRR <sup>3</sup>	50%
■ Payback period	< 2 years

**Product represents less than 1% of cost structure, is immediately P&L accretive and provides attractive ROI/payback**

Source: National Restaurant Association; Deloitte & Touch; Management Estimates

<sup>1</sup> Assumes straight-line depreciation over 7-years. Yearly annual depreciation is less than 0.1% of cost structure.

<sup>2</sup> Minimal maintenance spend in first 2-3 years, \$500 per year thereafter

<sup>3</sup> Pre-tax and financing

# Global Reach



## Key Advantages

- Test kitchens throughout the world allow Middleby to educate customers on the benefits of its equipment through hands-on experience and training
- Worldwide service is critical and highly valued by U.S. chains expanding into international markets
- Worldwide sales infrastructure allows direct contact with key decision makers, especially in high-growth markets
- Philippines and China manufacturing capabilities provides regional presence in high-growth Asian markets

# Premier Customers



# New Product Pipeline – Food Service



## 2008 Introductions

- ◆ WOW! Green 640 Oven 
- ◆ Hydrovection Oven 
- ◆ Rocket Fryer 
- ◆ Ventless Hood 
- ◆ Enduraheat 
- ◆ Visual Cooking Combi-Ovens  

- ◆ Asian cooking series   
Satay broiler, Wok range Tandoor

## 2009 Introductions

- ◆ TurboChef i5 series 
- ◆ WOW! Oven 624 
- ◆ Ultimate 400 Range  
(buildmyrange.com) 
- ◆ High speed conveyor toaster 
- ◆ Temperature controlled griddle  
  
A Division of Star Mfg. Int'l, Inc.
- ◆ BCX Combi Oven 
- ◆ Energy saving hot top 

New products represent more than 20% of net sales

# In the News...

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**Convenience Store News, Feb. 16, 2009** DALLAS -- After successfully testing the program in several markets, 7-Eleven Inc. is proceeding with a national rollout of its hot foods lineup, and expanding the variety of menu items offered, CSNews Online learned from company executives.

Currently, roughly 700 of the chain's stores offer the selection of hot foods, which includes pizza, chicken wings, chicken tenders and Mexican churros. By this year's end, that figure is expected to increase by another 1,000 stores, according to 7-Eleven Chief Operating Officer Darren Rebelez. To date, the program is being well received in the states of Virginia, Washington and Oregon, as well as in Vancouver, Canada, he said.

"It's being universally accepted," Rebelez added. "We feel we have a good menu of core items to start, and now we're going to evolve off of that." New products beginning to roll out include breakfast items, such as a breakfast quesadilla and potato wedges.

Dennis Phelps, vice president of fresh foods, told CSNews Online he and his team are working on a pipeline of products for up to two years from now. He believes there's an opportunity for 7-Eleven to offer customers some of the fresh meal components that they are now buying at the local supermarket or Costco, such as toasted French bread.

The hot foods program was launched in March as a pilot in approximately 100 Chesapeake, Va., area stores. Most of the items are prepared using high-speed TurboChef ovens and can be toasted and heated in just seconds, according to previous reports.

Given the depressed state of the economy, Phelps said he's heard from franchisees that they are excited to see something new in their stores, and are happy 7-Eleven is growing rather than cutting back in these times. "This is a bright spot for them," Phelps said.

The hot foods lineup is also helping 7-Eleven to further its efforts to correct consumer misperceptions about the quality of fresh foods at convenience stores. "It's an evolution," Rebelez said, adding the company is particularly focused on educating its franchisees about the program's capabilities. "They're the ones who are selling the customers."

## In the News...

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### **KFC is to open 300 restaurants creating up to 9,000 jobs**

February 16, 2009

The Press Association, UK

The chain announced a recession-defying investment scheme of up to £150 million to set up between 200 and 300 new restaurants in the next three to five years.

Chief executive Martin Shuker said people were increasingly attracted to the chain's low-cost offering.

"I think KFC is doing well because the taste and quality of our food is very strong and very distinctive and we do offer good value, so you can buy a bargain bucket and feed a family of four for a tenner, [which is] definitely appealing in these difficult economic times." He said KFC had enjoyed growing popularity, with like-for-like sales up 14% so far this year, adding the company was increasingly moving towards drive-through restaurants and outlets that encourage customers to eat in.

### **Panera Details Recipe for Success in '09**

**RICHMOND HEIGHTS, Mo. (Feb. 16, 2009)** Panera Bread Co., looking to maintain its sales momentum, said it plans to unveil this year several new menu items and combo deals designed to drive add-on, bulk and impulse purchases across all dayparts.

"In 2009 we are again committed to executing programs that serve to blunt the impact of the recession and build transactions," Shaich said. Panera said it expects to open 80 to 90 bakery-cafes in 2009.

# Brand Selling Points

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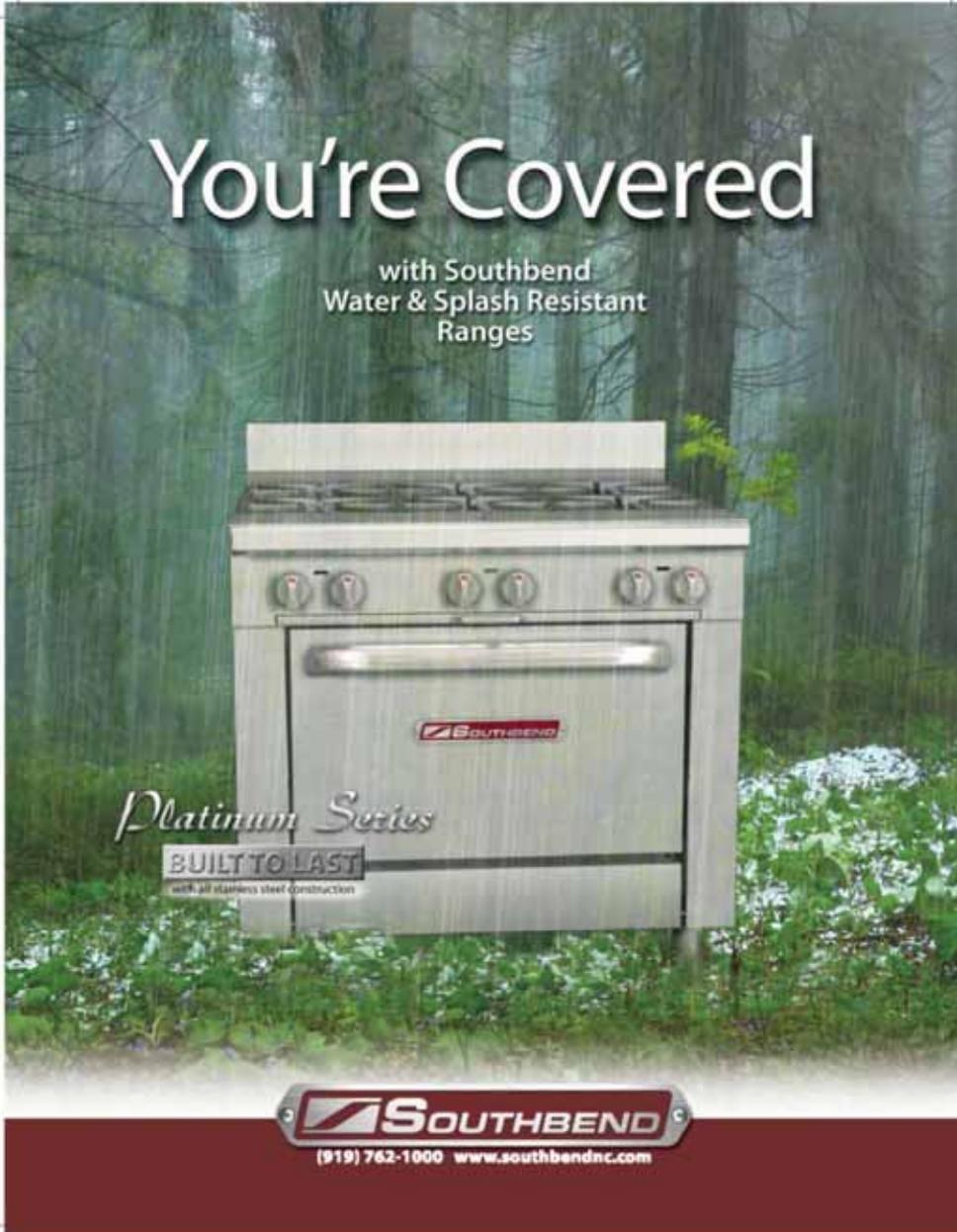
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# Brand Selling Points

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#### Satay/Robata Broiler

Features infrared burner with 1000 degree surface temperature for fast caramelization and searing without drying.

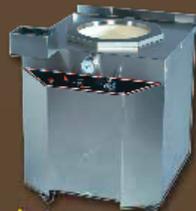
*Used at IHIII, Katsuya by Stark*



#### Jade Wok Range

High power jet burner and heavy-gauge, all-welded stainless steel are standard.

*Used at Rock Sugar*



#### Tandoor

The Jade high performance ceramic cooking chamber is made specifically for cooking Tandoori food to perfection.



## VERSATILE

LIKE THE NEW STAR FAST STEAMERS

There's nothing like the versatile Star Steamers when you are faced with a rush of customers demanding hot, fresh food. With a small footprint, they can fit in spots where space is tight, and can be used for heating a wide variety of foods with a quick injection of steam. From vegetables and breads to proteins and wraps, you can do it all with Star Steamers. There are 12 different models available – four front-load and eight top-load – all built with the reliability you know you'll get from Star. So give your customers more of the variety of healthy food they're looking for. Call Tim Gaskill, Vice President, Sales & Marketing, at 800-264-7827, ext. 450.



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# Middleby Marshall WOW! Oven

- ◆ Fastest cook time in the the industry
- ◆ Least energy consumption, guaranteed cost savings  
Uses 30 to 80 percent energy than competitors
- ◆ Cool to the touch, leader in employee safety
- ◆ More than 4000 sold, Mew models introduced in 2008-09
- ◆ Gas Food Equipment Network 2009 “Product of the Year”
- ◆ Chicago Innovation Award Winner



**WOW!**  
**OVEN™**



# Carter Hoffmann Enduraheat

 THE MIDDLEBY CORPORATION



Carter-Hoffmann Enduraheat

2008 National Restaurant Association Innovation Award winner

Chargeable heat retention system keeps the cart heated even when unplugged



## The **GREEN** Holding Cart

[www.greenstainless.com](http://www.greenstainless.com)

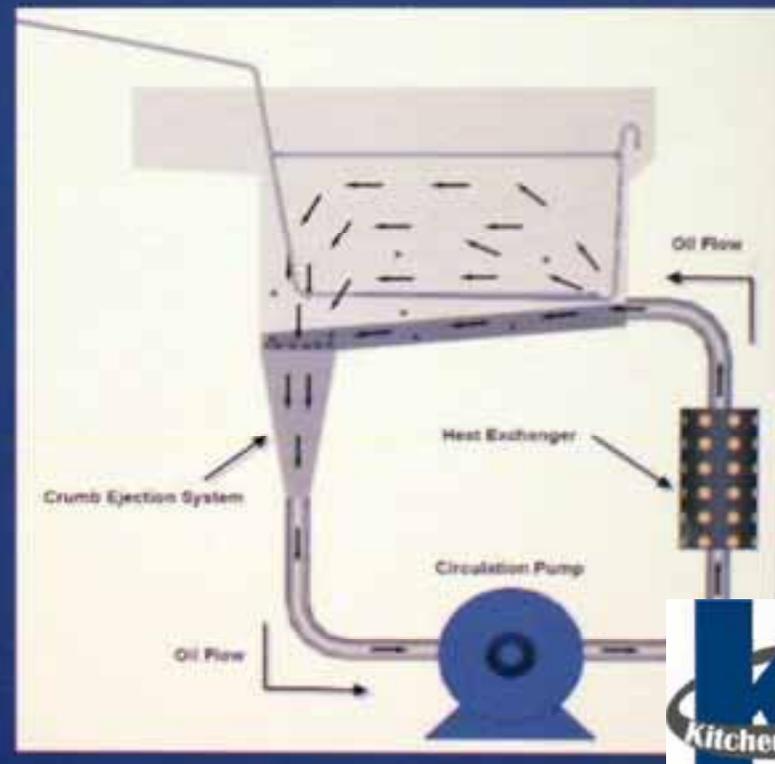
- Eliminates the use of Sterno/ canned fuel when the cart is in a remote location.
- Eliminates waste, cost and fire hazard that comes with using Sterno heat.



## Rocket Fryer

- Circulation Pump for Oil Impingement, convection flow.
- In Line Heat Exchanger
- Uses Less Oil for cooking
- Crumb Ejection System

(Oil flow schematic)



# Blodgett Hydrovection



## Hydrovection

Blodgett is proud to introduce our **FASTEST CONVECTION OVEN** that also happens to **CLEAN ITSELF**.



*HV-50 half size oven shown full size HV-100 also available*

### SIMPLE & ECONOMICAL TO OPERATE

The **NEW Hydrovection™** oven from **Blodgett** unites convection cooking with moisture to produce a quality product faster than standard convection ovens. Move your product from the kitchen to the table quickly with the Hydrovection™ from Blodgett. A four speed bi-directional motor and innovative blower wheel design combine to form a unique air control system for a high quality, no-turn bake, with increased product yields that generate savings for you. The unique energy management system precisely controls the cooking environment reducing energy consumption by 40% over typical electric convection ovens.

### EASY TO CLEAN - SAVES ON LABOR

The Hydrovection™ oven is self cleaning. It uses a steam assist feature to loosen baked on deposits reducing your cleaning time up to 95%. The oven also features a welded stainless steel pan style liner, an optional integrated spray hose, and a drain for easy interior wash down.

The Hydrovection will be available in both full and half size models.

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# Market Leading Brands – Food Processing



Brand	Product	U.S. Market Position	Representative Customers
	<ul style="list-style-type: none"> <li>■ Batch Ovens</li> <li>■ Continuous Ovens</li> <li>■ Belt Ovens</li> </ul>	<p>#1 #1 #2</p>	<ul style="list-style-type: none"> <li>■ Sara Lee, Smithfield</li> </ul>
	<ul style="list-style-type: none"> <li>■ Food Packaging Equipment</li> </ul>	<p>#2</p>	<ul style="list-style-type: none"> <li>■ Kraft, Hormel</li> </ul>
<p><i>Your Best Value for Processing Solutions</i></p>	<ul style="list-style-type: none"> <li>■ ConveyORIZED Breaders</li> <li>■ Battering Equipment</li> <li>■ Forming</li> <li>■ Slicing</li> </ul>	<p>#2 #1 #2 #2</p>	<ul style="list-style-type: none"> <li>■ Tyson, Pilgrims Pride, Keystone Foods, OSI</li> </ul>

Middleby innovation now offered in new market

## 2008-09 Introductions

- Conveyor Fryer 
- Co-Extrusion 
- Forming Equipment   
*Your Best Value for Processing Solutions*
- Intellijet Water Cutter   
*Your Best Value for Processing Solutions*
- Bone Scanner   
*Your Best Value for Processing Solutions*

New products typically carry profit margins >5% higher than existing products

# TurboChef Overview

## Overview

- ◆ TurboChef is a leading provider of equipment, technology and services focused on the high-speed preparation of food products
- ◆ Products include user-friendly speed cook ovens employing proprietary combinations of heating technologies to cook food products at speeds up to 12 times faster than conventional heating methods
- ◆ Customers include full and quick-service restaurants, hotels, stadiums, convenience stores and coffee shops
- ◆ Acquisition closed January 5, 2009

## Existing Commercial Ovens



C3 Oven



Tornado Oven



High h Batch Oven

## Select Customers



## New Commercial Ovens



i Series Batch Oven

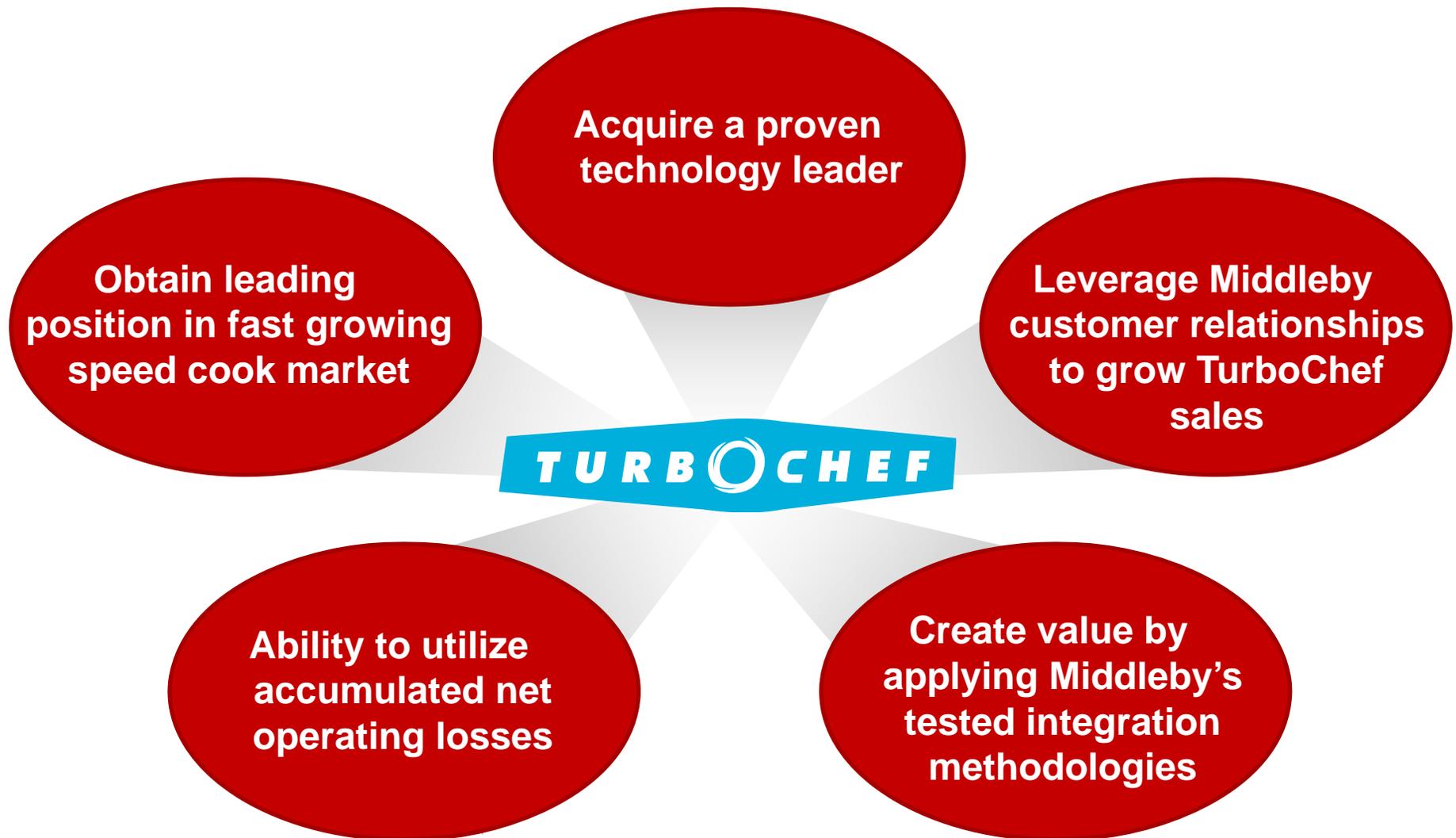


Freestanding Conveyor Oven



Countertop Conveyor Oven

# Compelling Strategic Rationale



# Plan for Operational Improvement



## Estimated Cost Savings

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### Corporate Reorganization

- ◆ Public company costs
- ◆ Redundancies with Middleby corporate office

◆ \$8 million

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### Residential Reorganization

- ◆ Reduction of significant marketing spending
- ◆ Minimize staffing and cost structure
- ◆ Synergies with Jade residential line

◆ \$15 million

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### Commercial Synergies

- ◆ Purchasing and material costs
- ◆ Manufacturing efficiencies
- ◆ Marketing and trade show costs
- ◆ International distribution consolidation
- ◆ Other cost synergies and reduction opportunities

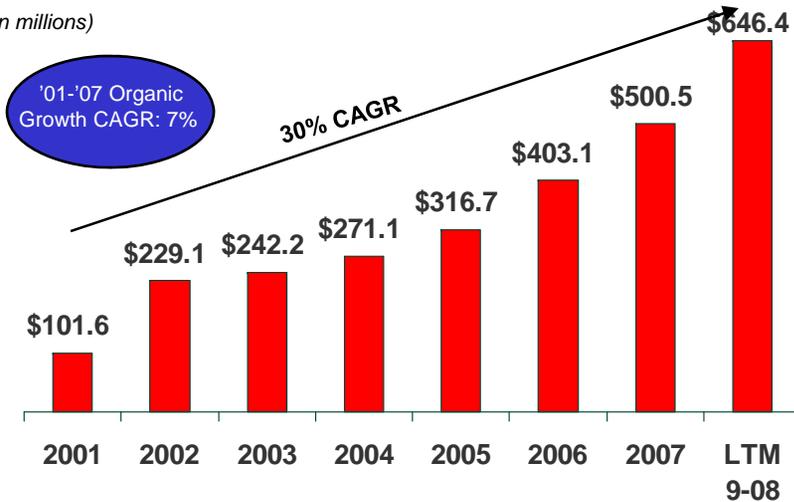
◆ \$4-\$8 million

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# Middleby Financial Performance

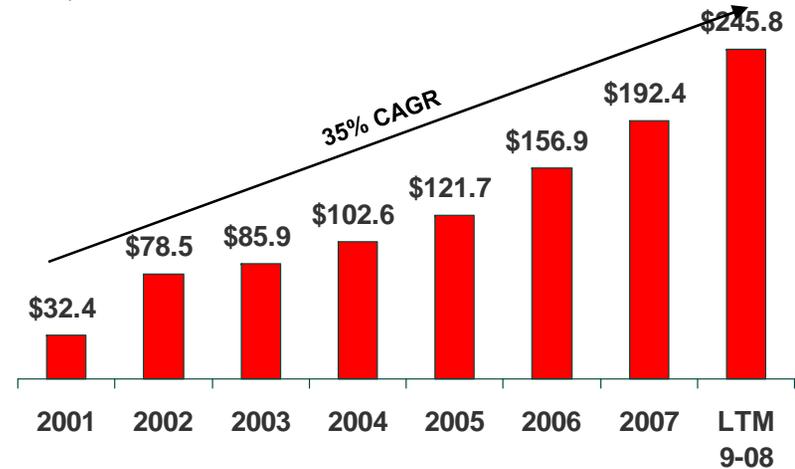
## Sales

(\$ in millions)



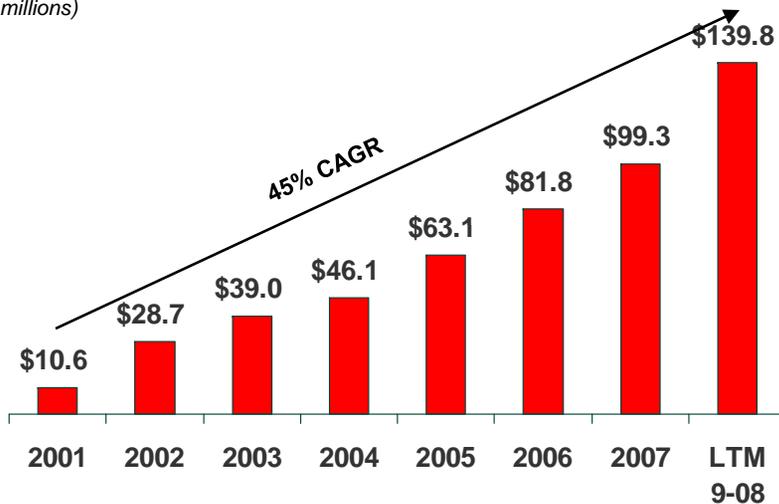
## Gross Profit

(\$ in millions)

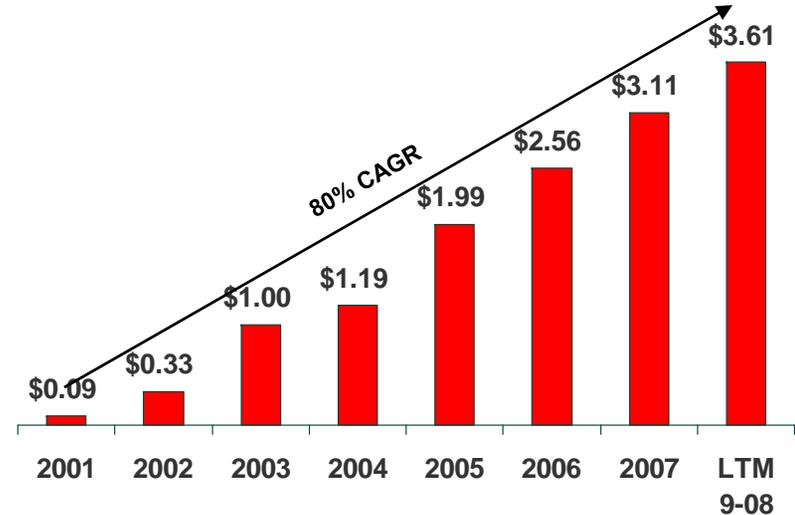


## EBITDA

(\$ in millions)



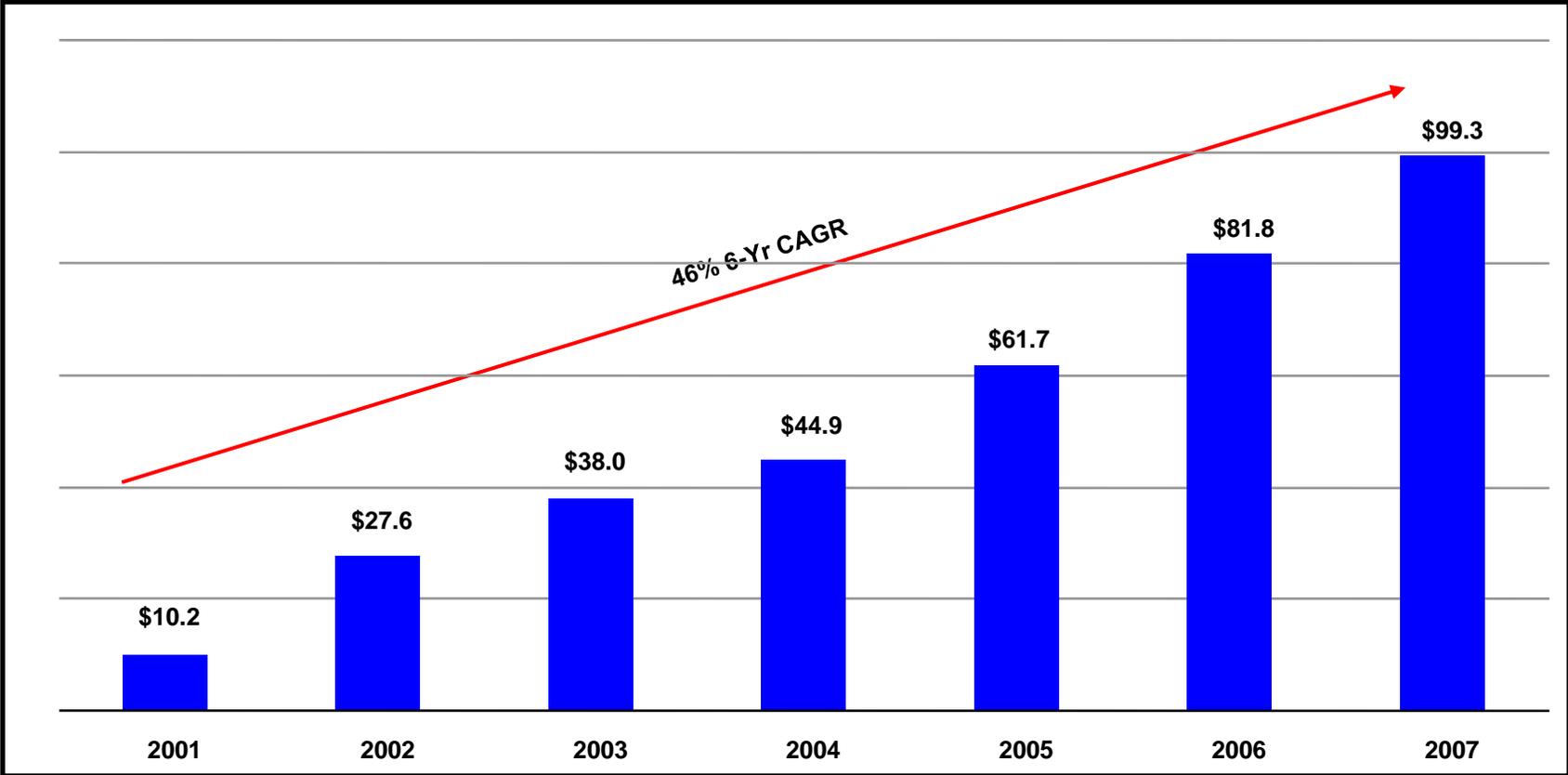
## EPS



# Free Cash Flow

(\$ in millions)

## Free Cash Flow<sup>1</sup>



■ Free Cash Flow

Significant free cash flow generation

<sup>1</sup>Free Cash Flow = EBITDA - Capital Expenditures

# Investment Highlights

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- **Leading value-added manufacturer of hot commercial food service and processing equipment (#1 or #2 market share in each product)**
- **Products are critical to customers, represent small portion of their budgets, and provide high ROIs/attractive payback**
- **Unique global operating platform provides significant barriers to entry**
- **U.S. restaurant end market sales have never declined**
- **Diversified revenue base with exposure to high growth end markets**
- **Focus on continued operational improvements and margin expansion**
- **Successful track record of creating significant value through acquisitions**
- **Long-term annual EPS growth target of 20%, consistent with historical performance**
- **Proven senior management team**