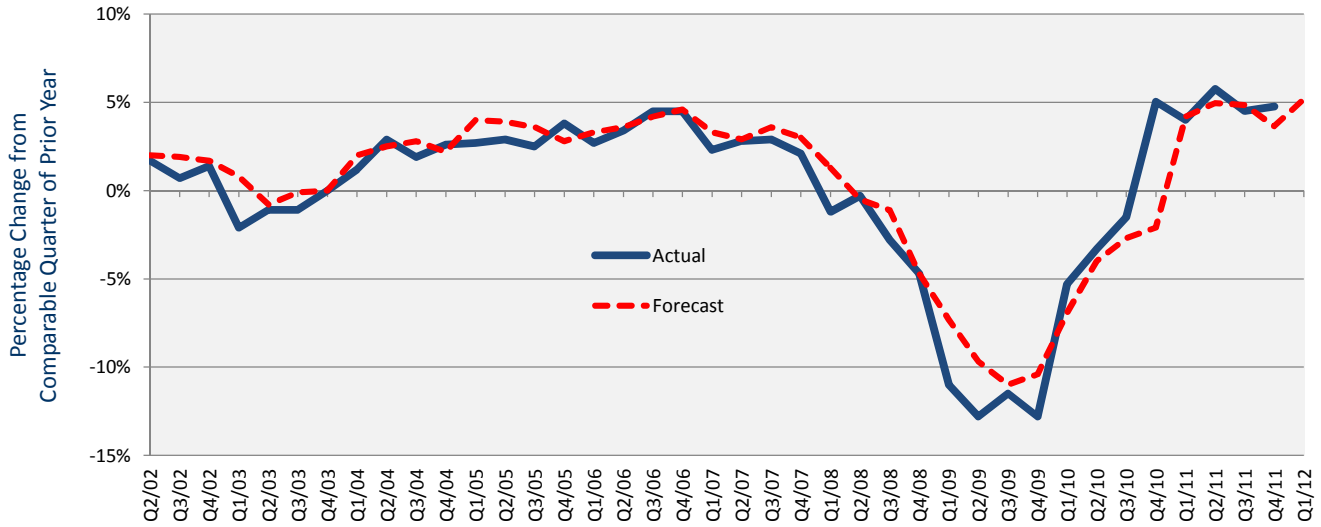


MAFSI businessbarometer

The industry's definitive non-food sales/trend indicator

Q4/11 Report

Overall Sales Per Quarter



Q4/11 MAFSI Business Barometer Records Strong Advance

2012 Forecast is for Record Growth at 6.6%; Q1/12 Forecast is 5.2%

Overall sales for Q4/11 compared with Q4/10 advanced by 4.8% which beat the forecast of 3.6%. This marked the fifth quarter of expansion after three years of contraction.

Overall US performance reflected a strong gain of 5.3%, ranging from 6.6% in the South and 6.0% in the West, to 4.3% in both the Northeast and Midwest. For the second quarter in a row Canada lagged with sluggish growth of 2.2%.

By product categories, growth ranged from 5.6% in supplies, to 5.2% in equipment, to 4.5% in tabletop and a -0.3% in furnishings.

MAFSI reps are predicting a further gain of 5.2% in the Q1/12 and a substantial increase of 6.6% for all of 2012. The 2012 forecast is the strongest in the 10 year history of the MAFSI business barometer.

Furthermore, 54% of reps report an increase in quotations while only 21% are quoting less. Forty percent (40%) see more consultant activity and only 18% report less.

The strongest areas of foodservice growth are healthcare chain accounts and colleges/universities while fine dining, schools K-12, and airline feeding were cited as soft.

Perhaps the very best harbinger of our industries health from a rep perspective is that the average rep firm intends to add one new employee in 2012 versus a "pat hand" in 2011 and a slight contraction in 2010.

Overall the MAFSI data strongly points to a full scale foodservice expansion which will only pick up momentum as the year progresses. Our data is in line with other industry sources albeit somewhat more positive. When coupled with improved recent economic and financial news (employment, auto sales, state tax revenue, consumer confidence, corporate earnings, stock market averages etc.), all indications point to a return to "the good old days."

Written/compiled by Michael R. Posternak

MAFSI Business Confidence Index for 1st Quarter 2012
Jan 1 - Mar 31 compared to 1st Quarter 2011

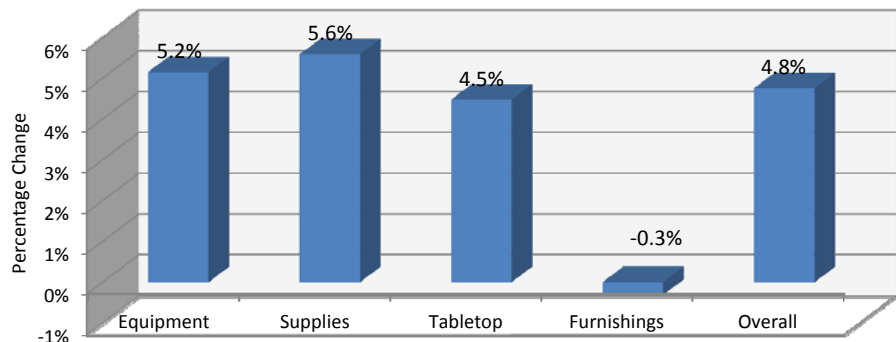
All Regions
5.2%

MAFSI Business Confidence Index for 2012
Compared to 2011

Overall
6.6%

4th Quarter 2011 Overall Sales

Oct 1 - Dec 31 compared to 4th Quarter 2010



MAFSI businessbarometer

Projected 1st Quarter 2012 Sales Percentage Change

Jan 1 - Mar 31 compared to 1st Quarter 2011

Northeast
3.5%

South
5.9%

Midwest
5.1%

West
5.9%

Canada
5.9%

Projected 2012 Overall Sales Percentage Change Forecast

Compared to Overall Sales for 2011

Northeast
5.0%

South
7.8%

Midwest
6.4%

West
7.4%

Canada
6.6%

4th Quarter 2011 Overall Sales Percentage Change

Oct 1 - Dec 31 compared to 4th Quarter 2010

