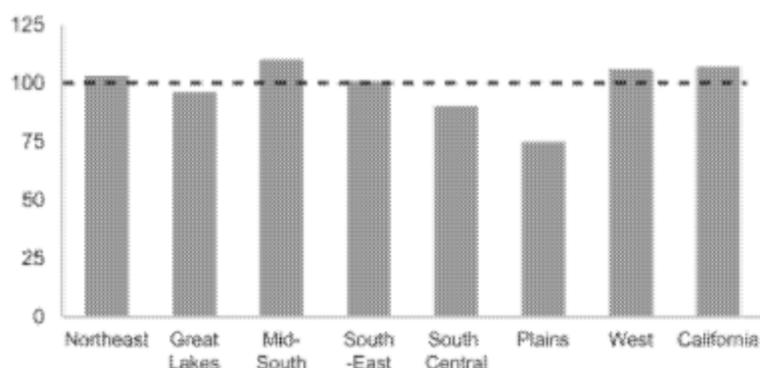


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The following chart shows our relative share of pet food sales by IRI's standard geographic regions, where BLUE's relative share of retail sales for each geographic region is indexed to BLUE's overall share of U.S. pet food sales:

BLUE Indexed Share of Pet Food Sales by IRI Standard Regions
United States, 52 weeks ending December 28, 2014



Given the strong brand loyalty in pet foods in general, regardless of the strength of the marketing message, there is a certain level of inertia that needs to be overcome in order to convince pet parents to switch brands, which varies by the age of the pet and the pet parent. BLUE indexes higher among younger pet parents who generationally tend to be more in tune with health and wellness trends and more focused on ingredients, and we see this as a leading indicator of our future market share potential. We believe older pet parents are more likely to have older dogs and cats and to have had previous dogs and cats whom they fed Engineered brands. While pet parents of pets of all ages switch brands, we believe the tendency to switch is typically lower for older pets compared to a puppy or kitten.

As the vast majority of sales of dry and wet pet foods in pet specialty stores are life-stage specific, we use our share of pet food sales by life-stage as an indicator of our share of dogs and cats by life-stage. Based on this analysis, our share of puppies and kittens is significantly higher than our share of older dogs and cats, reflecting the fact that BLUE is a younger brand with a shorter history and the strong brand loyalty in the pet food industry. We believe our higher share of puppies and kittens is also a leading indicator of our future market share potential. We believe that we can realize significant lifetime value from our relationship with this younger generation of pets, especially as our share of puppy- and kitten-specific pet foods, as well as our overall market share, has increased in each of the last three years.