



Jumbo: A remarkable growth story!



In 2006, Laurus decided to divest its Konmar and Edah stores. The sales process was managed by a team of ABN AMRO Corporate Finance, most of whom are now part of Quore Capital.

At that time, Jumbo was already known for its ambitions to grow beyond their regional reach, armed with a well thought-out and executed customer centric formula. As the seller's corporate finance advisor, we were immediately triggered by the drive and ambitions of Carel and Frits van Eerd in expressing their interest in the Konmar stores. Their vision on the changing landscape of the Dutch food retail market, combined with their entrepreneurship and can-do mentality were major ingredients for Jumbo to successfully participate in the auction and acquire 12 Konmar stores. This marked the start of an impressive string of acquisitions to realize their growth strategy.



In 2009, Jumbo's organization and formula had even further developed and strengthened its customer proposition. Jumbo felt ready for a next, major step to grow the company. To prepare for potential opportunities, Quore Capital was engaged to analyze different strategic options and their financial & tactical implications. This phase of preparation coincided well with the timing of Casino as majority shareholder of Super de Boer to exit the Dutch market which caused one of the strategic options to materialize. In a tough economic climate with many competitors having their internal struggles and difficulties, Jumbo's management (Frits van Eerd en Ton van Veen) knew exactly when and how to act and make a big leap forward, leaving the competition behind.

During the first phase of our engagement, together with Jumbo we focused on the creation of a detailed financial and operational model that allowed Jumbo to calculate and evaluate the strategic options and financing implications. The model allowed Jumbo to have detailed discussions with financing banks in an early stage, even before the start of any process. In the end, this preparation and consequent support from the financing banks proved to be a key differentiator towards competing parties that were less up to speed when Super de Boer came to market under challenging economic conditions.

After a few months of strategic and financial preparation, Jumbo engaged in exploratory discussions with Casino on a potential bid on Super de Boer. During the bid process which followed, we continued to assist Jumbo with our complete suite of advisory services (including deal/bid tactics, structuring, back-to-back deal with C1000, creation of Bijeen



(purchase combination with C1000), arranging leveraged financing, etc). After an intense, competitive public offer process, in December 2009 Jumbo acquired Super de Boer through a unique transaction structure for a listed company, namely by way of a purchase of assets and liabilities.

As a result of Jumbo's vision, thorough preparation, flawless execution and integration skills, this acquisition has been a tremendous success for Jumbo as both revenue and margins have significantly outperformed initial targets. After closing, we continued to advise Jumbo on various business issues (e.g. budgeting support, setting operational targets sale of selected Super de Boer stores to SuperUnie members, monitoring debt pay down).



During the course of 2010, the integration process of Super de Boer consistently showed strong results and the debt pay down was ahead of schedule. The newly created Bijeen with Jumbo's partner C1000 got considerable traction with the most prominent product manufacturers and was closing important and attractive deals.

During the second half of 2010, it became clear that CVC was looking for an earlier than expected exit of its majority stake in C1000. Jumbo was still focused on finalizing the integration and transformation of Super de Boer stores so timing was not ideal for Jumbo, however missing out on this transaction was inconceivable.

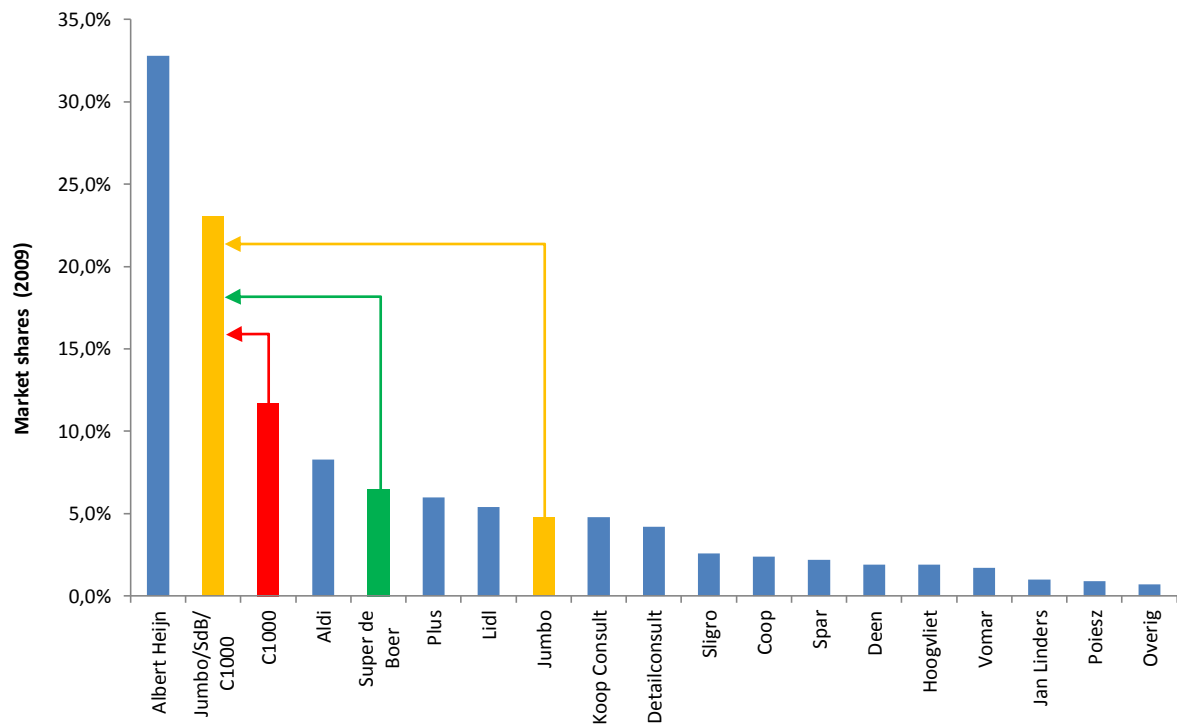
Since the acquisition of Super de Boer, Quore Capital continued to advise Jumbo as a long term partner for their business development activities. Therefore, when Jumbo started to explore the opportunity to acquire C1000, we were ready to assist in the necessary preparations for such a landmark acquisition. Based on our redesigned and further improved financial and operational model combined with an in-depth presentation and explanation of the business case to the banks, Jumbo was once again able to secure - an even more significant amount of - bank financing for this transaction in a still challenging debt market. In addition, we developed an innovative store location model to be used in the dialogue with NMA on the required remedies. This allowed us to keep the number of remedy disposals to minimum and also limited the time for the decision making process with the competition authorities.

Our deal management advisory consisted of coordinating the input from all other advisors, discuss deal tactics and be a true independent counsel for the management and the Van Eerd family. Also other aspects and implications of the transaction such as risks of integration, financing risk, governance, etc. were topics vividly discussed with the stakeholders of Jumbo.



Again, we support Jumbo on several post closing assignments.

Of course, now it is too early to tell whether the newly acquired C1000 stores will again outperform initial expectations. Surely, the basis and fundamentals on which the current organization is built - a wonderful formula, entrepreneurship, skills, ambition supported by an enormous drive to win (the customer) - are Jumbo's strong ingredients for yet another success.





Key differentiators of Quore Capital to Jumbo

- Long term relation between advisor and client built on trust and mutual respect putting business continuity first at all times
- Independent position towards financing banks
- In depth knowledge of the client's operations
- Creation of a complete set of info to the financing banks, tailored to their needs yet also explaining the business case from Jumbo's perspective which provided the required comfort to fund several large transactions in a challenging debt market
- Advice in successful bidding strategy
- Access to network of decision makers in the food retail sector, financial sector and financing banks
- Out of the box, creative thinking