

\$167 million Bank Refinancing for Triumph Foods, LLC

THE SITUATION

Triumph had successfully moved from a start-up operation in 2006 to the sixth largest pork processor in the US in 2009. The Company's existing credit facilities were developed during the start-up phase of the business, when the needs and scope of the business were much different. As the Company moved through its next stage of development and growth, management wanted to increase their bank credit availability, expand their bank relationships, and provide financial flexibility and strengthen their capital structure.

THE CHALLENGE

Because of difficult market conditions, management wanted assistance in its efforts to increase its revolving line and term credit facilities and to advise on the terms being proposed for these facilities. Triumph engaged CC Capital Advisors to serve as its advisor to assist in these efforts.

THE ACTIONS

The transaction team, which consisted of managing directors that had experience with large pork and cattle processors and hog producers, analyzed the Company's existing credit facilities, developed a financial model of Triumph's operations, evaluated the financing alternatives, developed a list of qualified banks and developed an information memorandum to use in contacting potential banks.

The transaction team provided the information memorandum to a targeted list of banks, participated in a bank meeting with the existing lending banks, organized a bank meeting for the new potential lenders and assisted in all the negotiations for the new revolving and term credit facilities. Terms and pricing were discussed with all the competitive banks and with our input and advice; eight banks were selected to provide \$167 million of bank refinancing for the Company. The transaction team assisted in due diligence, developing the terms and covenants in the new credit agreements and in the documentation and closing of the transaction.

THE OUTCOME

Triumph's bank refinancing included an increase of \$20 million in the revolving credit facility, improved terms and covenants in the revolving and term credit facilities and competitive pricing, considering the financial market conditions during this period. The US had just experienced the 2008 – 2009 financial crisis and the hog markets were in the worst condition in history while the Company was refinancing their credit lines, so the expertise provided by the transaction team was invaluable.

THE COMPANY

Triumph was formed by a group of independent pork producers whose goal was to create a low-cost, highly-efficient pork processor to capture the benefits of an integrated business

strategy. To achieve this objective, Triumph built a \$150 million state-of-the-art processing facility in St. Joseph, Missouri, and recruited a high-quality management team with experience in the pork industry and began operations in 2006.

THE BANKS

The refinancing was led by AgStar Financial Services as agent bank and consisted of several Farm Credit banks and several large multinational banks.

ABOUT CC CAPITAL ADVISORS

CC Capital Advisors is a Kansas City-based investment banking firm that specializes in mergers and acquisitions, corporate fund-raising, and financial and strategic planning for public and private corporations throughout the United States and abroad. As a division of Country Club Financial Services, Inc, a wholly owned subsidiary of Country Club Bank, CC Capital Advisors leverages the bank's exceptional local reputation with its global financial advisory capabilities.