

TreeHouse Foods, Inc.
 Form 424B2
 January 22, 2016
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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-192440

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Maximum Amount to be Registered⁽¹⁾	Offering Price Per Share of	Maximum Aggregate Offering Price	Amount of Registration Fee⁽²⁾
Common Stock, par value \$0.01 per share	13,269,230	\$65.00	\$862,499,950	\$86,854

(1) Includes 1,730,769 shares of common stock that may be sold upon exercise of the underwriters' over-allotment option.

(2) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act), and relates to the registration statement on Form S-3 (File No. 333-192440) filed by the TreeHouse Foods, Inc.

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PROSPECTUS SUPPLEMENT

(To prospectus dated November 20, 2013)

11,538,461 Shares

TreeHouse Foods, Inc.

Common Stock

We are offering 11,538,461 shares of our common stock.

The net proceeds from this offering will be used to fund, in part, the contemplated acquisition of the private brands business of ConAgra Foods, Inc., which we refer to herein as the Private Brands Business. See Prospectus Supplement Summary Recent Developments, Use of Proceeds and The Transactions in this prospectus supplement for more information regarding this contemplated acquisition. This offering is not contingent upon the completion of our acquisition of the Private Brands Business.

Our common stock is listed on the New York Stock Exchange under the symbol THS. On January 20, 2016, the last reported sale price of our common stock on the New York Stock Exchange was \$67.32 per share.

Investing in our common stock involves risks that are described in the Risk Factors section beginning on page S-27 of this prospectus supplement.

	Per Share	Total
Public offering price	\$ 65.00	\$ 749,999,965
Underwriting discount	\$ 1.95	\$ 22,499,999
Proceeds, before expenses, to us	\$ 63.05	\$ 727,499,966

We have granted to the underwriters the right to purchase up to an additional 1,730,769 shares. The underwriters can exercise this right at any time within 30 days after this offering.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We expect to deliver the shares of common stock against payment on January 26, 2016.

Joint Book Running Managers

**BofA Merrill Lynch
BMO Capital Markets**

J.P. Morgan

**Wells Fargo Securities
SunTrust Robinson Humphrey**

Co-Managers

**Barclays
BB&T Capital Markets**

**Rabo Securities
William Blair**

**KeyBanc Capital Markets
Credit Suisse**

The date of this prospectus supplement is January 20, 2016.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which contains the terms of this offering of shares of our common stock. The second part, the accompanying prospectus dated November 20, 2013, which is part of our Registration Statement on Form S-3, gives more general information, some of which does not apply to this offering.

This prospectus supplement and the information incorporated by reference in this prospectus supplement may add, update or change information contained in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the information contained in the accompanying prospectus, the information in this prospectus supplement will apply and will supersede the information in the accompanying prospectus.

It is important for you to read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in **Where You Can Find More Information** in the accompanying prospectus and **Incorporation by Reference** in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus, and in other offering material, if any, or information contained in documents which you are referred to by this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. See **Underwriting**. The information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus or other offering material is accurate only as of the date of those documents or information, regardless of the time of delivery of the documents or information or the time of any sale of the securities.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of shares of our common stock in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on our behalf or the underwriters, to subscribe to or purchase any of shares of our common stock, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See **Underwriting**.

Certain Defined Terms

As used in this prospectus supplement, unless otherwise stated or the context otherwise requires:

TreeHouse, the Company, us, we or our mean TreeHouse Foods, Inc. and its consolidated subsidiaries to the Acquisition;

the Private Brands Business means the private brands business of ConAgra Foods, Inc., expected to be acquired by the Company pursuant to that certain Stock Purchase Agreement, dated November 1, 2015, by

and among the Company and ConAgra Foods, Inc. (the Purchase Agreement);

the Acquisition means TreeHouse s anticipated acquisition of the Private Brands Business pursuant to the Purchase Agreement;

Seller means ConAgra Foods, Inc.;

the combined company refers to TreeHouse Foods, Inc. and its consolidated subsidiaries after giving pro forma effect to the Acquisition;

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the Transactions refers to this offering of common stock, the proposed offering of senior unsecured notes (or, to the extent we do not consummate the senior notes offering, borrowings under the bridge facility), our borrowings under the Company's credit facility, and the consummation of the Acquisition and the related transactions and the payment of fees and expenses related thereto, as more fully described under The Transactions and Use of Proceeds ; and

you refers to all purchasers of shares of our common stock being offered by this prospectus supplement and the accompanying prospectus, whether they are the holders or only indirect owners of those securities.

Cautionary Statement Regarding Forward-Looking Information

Certain statements and information in this prospectus supplement may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). The words believe, estimate, project, expect, anticipate, plan, intend, foresee, should, would, similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. These forward-looking statements and other information are based on our beliefs as well as assumptions made by us using information currently available. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or intended. We are making investors aware that such forward-looking statements, because they relate to future events, are by their very nature subject to many important factors that could cause actual results to differ materially from those contemplated. Such factors include, but are not limited to: future sales to customers; the outcome of litigation and regulatory proceedings to which we may be a party; the impact of product recalls; actions of competitors; changes and developments affecting our industry; quarterly or cyclical variations in financial results; our ability to obtain suitable pricing for our products; development of new products and services; our level of indebtedness; the availability of financing on commercially reasonable terms; cost of borrowing; our ability to maintain and improve cost efficiency of operations; changes in foreign currency exchange rates; interest rates; raw material and commodity costs; changes in economic conditions; political conditions; reliance on third parties for manufacturing of products and provision of services; general U.S. and global economic conditions; the financial condition of our customers and suppliers; consolidations in the retail grocery and foodservice industries; our ability to continue to make acquisitions in accordance with our business strategy or effectively manage the growth from acquisitions; our ability to complete the other financing transactions necessary to consummate and fund the acquisition of the Private Brands Business; failure to integrate and achieve expected benefits of the acquisition of the Private Brands Business; incurrence of significant expenses to acquire and integrate the Private Brands Business; decline in market price of our common stock as a result of the acquisition of the Private Brands Business; risks relating to the combined company's substantial indebtedness following the completion of the Acquisition; delay or failure in completing the Acquisition; and other risks that are described under the heading Risk Factors in this prospectus supplement and our other reports filed from time to time with the Securities and Exchange Commission (the SEC).

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.

Market and Industry Data

Certain market data contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus are based on independent industry publications and reports by market research firms. Although we

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believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness. Some data are also based on our good faith estimates, which are derived from our review of internal surveys, as well as the independent sources referred to above.

Any reference to a potential offering of debt securities by the Company is for informational purposes only and does not constitute an offer to sell or the solicitation of any offer to buy any debt securities. There can be no assurance if or when the Company will consummate any such offering or of the terms thereof. In the event such offering is made, it will be done pursuant to separate documentation and any such securities may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Non-GAAP Financial Measures

We have included the financial measures of adjusted EBITDA, free cash flow and adjusted earnings per share in this prospectus supplement, which are non-GAAP financial measures as defined under the rules of the SEC. Adjusted EBITDA represents net income before interest expense, net, income tax expense, depreciation and amortization expense, non-cash stock based compensation and other items that, in management's judgment, significantly affect the assessment of operating results between periods. Free cash flow represents cash flows from operating activities less capital expenditures. The adjusted earnings per share represents adjustments to reported earnings per share data to eliminate the net expense or net gain related to items identified by management that affect the assessment of earnings results between periods, that include but are not limited to foreign currency gains or losses on the re-measurement of intercompany notes, non-cash mark to market adjustments and certain event driven items such as restructurings or facility consolidation costs.

Adjusted EBITDA, free cash flow and adjusted earnings per share are not required by, or presented in accordance with, generally accepted accounting principles in the United States (GAAP). Adjusted EBITDA is a performance measure that is used by our management, and we believe is commonly reported and widely used by investors and other interested parties to evaluate a company's operating performance.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

Adjusted EBITDA does not reflect, among other things:

our cash expenditures or future requirements for capital expenditures or contractual commitments;

changes in, or cash requirements for, our working capital needs;

the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; and

any cash income taxes that we have been or may be required to pay;

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Assets are depreciated or amortized over estimated useful lives and often have to be replaced in the future, and adjusted EBITDA does not reflect any cash requirements for such replacements;

Adjusted EBITDA does not adjust for all non-cash income or expense items that are reflected in our statements of cash flows; and

Adjusted EBITDA does not reflect limitations on, or costs related to, transferring earnings from our subsidiaries to us and the guarantors.

Because of these limitations, adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the operation and growth of our business or as a measure of cash that will be available to us to meet our obligations. You should compensate for these limitations by relying primarily on our GAAP results and using adjusted EBITDA as a supplement.

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In evaluating adjusted EBITDA, you should be aware that in the future we may incur expenses similar to those for which adjustments are made in calculating adjusted EBITDA. Our presentation of adjusted EBITDA should not be construed as a basis to infer that our future results will be unaffected by unusual or non-recurring items. Adjusted EBITDA does not reflect the impact of earnings or charges resulting from certain matters we consider to be indicative of our ability to service our debt over the period such debt is expected to remain outstanding.

The adjustments included in calculating adjusted EBITDA presented herein are not in all instances equivalent to the adjustments included in calculating adjusted EBITDA pursuant to the agreements governing our existing indebtedness or those to be included in calculating financial ratios and covenants in the agreements governing the indebtedness we plan to incur to finance the Acquisition.

The unaudited pro forma financial information does not reflect any cost savings, operating synergies or revenue enhancements that we may achieve as a result of the acquisition of the Private Brands Business or the costs necessary to achieve these cost savings, operating synergies and revenue enhancements.

Free cash flow is not required by, or presented in accordance with, GAAP. Our management believes that free cash flow provides useful additional information concerning cash flow available to meet future debt service and other payment obligations, satisfy working capital requirements and make strategic investments. Readers should be aware that free cash flow does not represent residual cash flow available for discretionary expenditures.

Adjusted earnings per share is not required by, or presented in accordance with, GAAP. Our management believes that providing adjusted earnings per share allows investors to make meaningful comparisons of the Company's operating performance between periods and to view the Company's business from the same perspective as Company management.

The non-GAAP measures of adjusted EBITDA, free cash flow and adjusted earnings per share used in this prospectus supplement may be different from similar measures used by other companies, limiting their usefulness as comparable measures. These non-GAAP financial measures should not be considered as an alternative to net income or cash flows from operating activities as an indicator of operating performance or liquidity.

See footnote 5 to the summary historical financial information under Prospectus Supplement Summary Summary Historical Financial Information TreeHouse Historical Financial Information and footnote 2 to the summary pro forma financial information under Prospectus Supplement Summary Summary Pro Forma Financial Information for a description of the calculation of adjusted EBITDA and an unaudited reconciliation of adjusted EBITDA to net income. See footnote 5 to the summary historical financial information under Prospectus Supplement Summary Summary Historical Financial Information TreeHouse Historical Financial Information for a description of the calculation of free cash flow and an unaudited reconciliation of free cash flow to cash flow from operating activities.

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Prospectus Supplement Summary

This summary highlights selected information about us and this offering. This summary is not complete and does not contain all of the information that may be important to you in deciding whether to invest in shares of our common stock. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section, and the other documents that we refer to and incorporate by reference herein for a more complete understanding of TreeHouse and this offering. In particular, we incorporate by reference important business and financial information into this prospectus supplement and the accompanying prospectus.

Unless otherwise specified, all information in this prospectus supplement that is presented on a pro forma basis is presented after giving effect to the Transactions, including the Acquisition, described under Unaudited Pro Forma Condensed Combined Financial Information on the basis set forth therein.

TreeHouse operates on a fiscal year that ends on December 31. In the context of any discussion of our financial information in this prospectus supplement, any reference to a year or to any quarter of that year relates to the fiscal year ended on December 31. The Private Brands Business, as a part of the Seller's business, has a fiscal year ending the last Sunday of May of each year. In the context of any discussion of the Private Brands Business's historical financial information in this prospectus supplement, any reference to a year or to any quarter of that year relates to the fiscal year ended on the last Sunday of May of that year. Because Seller purchased the bulk of the business comprising the Private Brands Business on January 29, 2013, only four months of its results of operations were included in Seller's consolidated results of operations for the Seller's fiscal year ended May 26, 2013. Accordingly, any reference to the Private Brands Business's results of operations for the fiscal year ended May 26, 2013 reflect only the four month period in which this business was included in Seller's consolidated results, and not a full fiscal year of results. Following the Acquisition, the combined company's fiscal year will be the same as our fiscal year.

Overview

The following summary highlights selected information contained in the prospectus supplement and does not contain all of the information that may be important to you. You should carefully read this entire prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein and therein, including the financial data and related notes, and risks discussed in Risk Factors herein or therein before making a decision to purchase shares of our common stock. Unless the context specifies or clearly indicates otherwise, the terms TreeHouse, the Company, we, us and our or similar terms refer to TreeHouse Foods, Inc. and its consolidated subsidiaries prior to the Acquisition. References to the Private Brands Business mean the private brands businesses of the Seller operated out of the entity Ralcorp Holdings, Inc. prior to the Acquisition.

Our Company

TreeHouse is a consumer packaged food and beverage manufacturer servicing retail grocery, food away from home, and industrial and export customers and was created from Dean Foods Company's spin-off of certain of its specialty businesses to its shareholders. Since we began operating as an independent entity in June 2005, we have completed several acquisitions and significantly expanded our product offerings. We manufacture a variety of shelf stable, refrigerated, and fresh products and have a comprehensive offering of packaging formats and flavor profiles; we also offer natural, organic, and preservative-free ingredients in many categories. We believe we are the largest manufacturer of private label salad dressings, non-dairy powdered creamer, powdered drink mixes, and instant hot cereals in the United States and Canada, and the largest manufacturer of private label pickles and trail mixes in the United States, and the largest manufacturer of private label jams in Canada, based on volume. During the fiscal year ended December 31, 2014, we generated net sales of \$2,946 million, net income of

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\$89.9 million, cash flows from operating activities of \$212 million, adjusted EBITDA of \$389 million and free cash flow of \$123 million. During the nine months ended September 30, 2015, we generated net sales of \$2,341 million, net income of \$77.7 million, adjusted EBITDA of \$275 million and free cash flow of \$112 million. We currently supply more than 200 food retail customers in North America, including each of the 50 largest food retailers, and more than 500 foodservices customers, including over 50 of the 100 largest restaurant chains.

Products

The following table presents the Company's net sales by major products:

Products (in thousands)	Nine months ended September 30,				Year ended December 31,				
	2015		2014		2014		2013		2012
Beverages	\$ 305,292	13.0%	\$ 365,886	17.9%	\$ 499,829	17.0%	\$ 341,547	14.9%	\$ 234,430
Salad dressings	270,101	11.5	278,897	13.6	361,859	12.3	334,577	14.6	284,027
Flavor enhancers	244,557	10.4	256,551	12.5	359,179	12.2	361,290	15.7	362,238
Infant and baby feeding	253,129	10.8	212,064	10.4	351,917	11.9	219,404	9.6	281,827
Other products	243,013	10.4	231,733	11.3	302,621	10.3	297,904	13.0	308,228
Other	484,461	20.7	118,026	5.8	287,281	9.8			
Other									
Other	170,134	7.3	189,170	9.3	248,979	8.5	245,171	10.7	232,025
Other	114,540	4.9	120,348	5.9	168,739	5.7	169,843	7.4	162,952
Other	94,012	4.0	103,438	5.1	139,285	4.7	124,075	5.4	126,804
Other products	80,570	3.5	74,908	3.7	102,635	3.5	96,136	4.2	91,585
Other	37,587	1.6	40,877	2.0	53,058	1.8	57,330	2.5	61,436
Other products	43,595	1.9	50,691	2.5	70,720	2.3	46,650	2.0	36,573
Net sales	\$ 2,340,991	100.0%	\$ 2,042,589	100.0%	\$ 2,946,102	100.0%	\$ 2,293,927	100.0%	\$ 2,182,125

TreeHouse Categories

Beverages. We produce a variety of powdered drink mixes, including lemonade, iced tea, energy, vitamin enhanced, and isotonic sports drinks. Also included in this category are specialty teas and our single serve beverages, which include our single serve hot beverages, such as cappuccino, cider, hot cocoa, and filtered coffee. These products are sold primarily to grocery retailers. We believe we are the largest manufacturer of private label powdered drink mixes in both the United States and Canada, based on sales volume. For the twelve months ended December 31, 2014, beverages represented approximately 17.0% of our consolidated net sales. For the nine months ended September 30, 2015, beverages represented approximately 13.0% of our consolidated net sales.

Salad dressings. We produce pourable and spoonable, refrigerated and shelf stable salad dressings. Our salad dressings are sold primarily to grocery retailers throughout the United States and Canada, and encompass many flavor varieties. We believe we are the largest manufacturer of private label salad dressings in both the United States and Canada, based on sales volume. For the twelve months ended December 31, 2014, salad dressings represented approximately 12.3% of our consolidated net sales. For the nine months ended September 30, 2015, salad dressings represented approximately 11.5% of our consolidated net sales.

Beverage enhancers. Beverage enhancers includes non-dairy powdered creamer, refrigerated liquid non-dairy creamer and sweeteners. Non-dairy powdered creamer is used as coffee creamer or whitener and as an ingredient in baking, hot and cold beverages, gravy mixes and similar products. Product offerings in this category include both private label and branded products packaged for grocery retailers, foodservice products for use in coffee and beverage service, and other industrial applications, such as portion control, repackaging and ingredient use by other food manufacturers. We believe we are the largest manufacturer of non-dairy powdered creamer in the United States and Canada, based on sales volume. For the twelve months ended December 31, 2014, beverage enhancers represented approximately 12.2% of our consolidated net sales. For the nine months ended September 30, 2015, beverage enhancers represented approximately 10.4% of our consolidated net sales.

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Soup and infant feeding. Condensed, ready to serve, and powdered soup, as well as broth and gravy, are produced and packaged in various sizes and formats including cans and cartons, from single serve to larger sized packages. We primarily produce private label products sold to grocery retailers. We co-pack conventional and organic infant feeding products for branded baby food companies in the Industrial and Export segment. For the twelve months ended December 31, 2014, soup and infant feeding sales represented approximately 11.9% of our consolidated net sales, with the majority of the sales coming from soup sold through the retail channel. For the nine months ended September 30, 2015, soup and infant feeding represented approximately 10.8% of our consolidated net sales.

Pickles. We produce pickles and a variety of related products, including peppers and pickled vegetables. We produce private label and regional branded offerings in the pickles category. These products are sold to grocery retailers, foodservice, co-pack and industrial customers. We believe we are the largest producer of private label pickles in the United States, based on volume. For the twelve months ended December 31, 2014, pickles and related products represented approximately 10.3% of our consolidated net sales. For the nine months ended September 30, 2015, pickles represented approximately 10.4% of our consolidated net sales.

Snacks. We produce snack nuts, trail mixes, dried fruit, snack mixes, and other wholesome snacks. We believe we are the largest manufacturer of trail mixes in the United States. These products are predominantly sold to grocery retailers. For the twelve months ended December 31, 2014, snacks represented approximately 9.8% of our consolidated net sales. For the nine months ended September 30, 2015, snacks represented approximately 20.7% of our consolidated net sales.

Mexican and other sauces. We produce a wide variety of Mexican and other sauces, including salsa, picante sauce, cheese dip, enchilada sauce, pasta sauces and taco sauce that we sell to grocery retailers and foodservice customers in the United States and Canada, as well as to industrial markets. For the twelve months ended December 31, 2014, Mexican and other sauces represented approximately 8.5% of our consolidated net sales. For the nine months ended September 30, 2015, Mexican and other sauces represented approximately 7.3% of our consolidated net sales.

Cereals. We produce a variety of instant and cook-on-stove hot cereals, including oatmeal, farina and grits in single-serve instant packets and microwaveable bowls. These products are sold primarily to grocery retailers. We believe we are the largest manufacturer of private label instant hot cereals in both the United States and Canada, based on volume. For the twelve months ended December 31, 2014, cereals represented approximately 5.7% of our consolidated net sales. For the nine months ended September 30, 2015, cereals represented approximately 4.9% of our consolidated net sales.

Dry dinners. We produce private label macaroni and cheese, skillet dinners and other value-added side dishes. These products are sold to grocery retailers. For the twelve months ended December 31, 2014, dry dinners represented approximately 4.7% of our consolidated net sales. For the nine months ended September 30, 2015, dry dinners represented approximately 4.0% of our consolidated net sales.

Aseptic products. Aseptic products included in this category include cheese sauces and puddings. Aseptic products are processed under heat and pressure in a sterile production and packaging environment, creating a product that does not require refrigeration prior to use. These products are sold primarily to foodservice customers in cans and flexible packages. Aseptically produced soup and broth is included in the soup and infant feeding category. For the twelve months ended December 31, 2014, aseptic products represented approximately 3.5% of our consolidated net sales. For the nine months ended September 30, 2015, aseptic products represented approximately 3.5% of our consolidated net sales.

Jams. We produce jams that are sold to grocery retailers and foodservice customers in the United States and Canada. We believe we are the largest manufacturer of private label jams in Canada. For the twelve months ended December 31, 2014, jams represented approximately 1.8% of our consolidated net sales. For the nine months ended September 30, 2015, jams represented approximately 1.6% of our consolidated net sales.

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Other Products. We produce a variety of other products, the majority of which include pie fillings and deserts, and baking products. For the twelve months ended December 31, 2014, other products represented approximately 2.3% of our consolidated net sales. For the nine months ended September 30, 2015, other products represented approximately 1.9% of our consolidated net sales.

Acquisition of the Private Brands Business

On November 1, 2015, the Company and the Seller entered into the Purchase Agreement. Upon the terms and conditions of the Purchase Agreement, a subsidiary of TreeHouse will purchase all of the outstanding common stock of Ralcorp Holdings, Inc., the Missouri corporation through which the Private Brands Business is operated, resulting in the Private Brands Business becoming a 100% owned indirect subsidiary of TreeHouse.

The Private Brands Business is primarily engaged in manufacturing, distributing and marketing private label and other regional and value-brand food products in the grocery, mass merchandise, drugstore and foodservice channels.

The Private Brands Business's primary product categories include snacks, retail bakery, pasta, cereal, bars and condiments. Over 90% of Private Brands Business's products are sold to customers within the United States. Net sales for the fiscal year ended May 31, 2015 and May 25, 2014, were \$3,902.4 million and \$4,015.1 million, respectively. Net sales for the six months ended November 29, 2015 and November 23, 2014, were \$1,856.0 million and \$1,947.7 million, respectively. During the twelve months ended May 31, 2015 and May 25, 2014, net loss was \$(1,435.7) million and \$(496.4) million, respectively. Net loss for the six months ended November 29, 2015 and November 23, 2014 was \$(303.0) million and \$(203.7) million, respectively.

Private Brands Business Product Categories

The Private Brands Business's primary product categories include snacks, retail bakery, pasta, cereal, bars and condiments.

The following chart presents the Private Brands Business net sales by major product categories for the fiscal year ended May 31, 2015. Net sales for the Private Brands Business were \$3,902.4 million, \$4,015.1 million and \$1,300.4 million for the fiscal years ended May 31, 2015 and May 25, 2014 and the four months ended May 26, 2013, respectively.

Private Brands Business estimated net sales by product category for the fiscal year ended May 31, 2015

Snacks. The snacks category includes the cracker and cookie business, snack nuts, and sweet and salty snacks (chocolate candy, snack mixes, pretzels, and pita chips). The Private Brands Business believes it is one of the

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largest manufacturers of private-brand crackers and cookies in the United States, and produces both private label and regional branded crackers and cookies. Snack nuts are produced in a wide variety of jarred, canned and bagged snack nuts, and trail mixes. The Private Brands Business believes it is the largest producer of private label snack nuts in the United States.

Retail Bakery. The retail bakery category includes in-store bakery products, refrigerated dough, and frozen griddle products such as pancakes, waffles and French toast; frozen bread products such as breads, rolls and biscuits; dessert products such as frozen cookie and frozen cookie dough, and dry mixes for bakery foods.

Pasta. The pasta category includes domestic and imported dry pasta, gluten-free and other pastas, and risotto. The Private Brands Business believes it is the largest producer of private label dry pasta in the United States and produces a variety of shapes and sizes including long goods such as spaghetti, linguine, fettuccine, angel hair and lasagna, and short goods such as elbow macaroni, mostaccioli, rigatoni, rotini, ziti and egg noodles.

Cereal. Cereal products include private-brand and value-brand ready-to-eat cereals and hot cereals. The Private Brands Business believes it is the largest private-brand ready-to-eat cereal manufacturer in the U.S.

Bars. The bars category includes grain based cereal bars, fruit and nut bars, nutritional and energy bars, as well as packaged fruit snacks. The Private Brands Business produces bars for both retail customers as well as several branded customers under co-manufacturing agreements. The Private Brands Business believes it is the largest private label producer of snack bars and health and wellness bars in the United States.

Condiments. The condiments category includes a variety of private-brand shelf-stable spoonable dressings, table and flavored syrups, preserves and jellies, salsas, and other sauces. The Private Brands Business believes it is one of the largest private label producers of preserves and jellies, table syrup, spoonable dressings, flavored syrups, and barbeque sauces in United States.

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Pro Forma Categories

Following the completion of the Acquisition, the combined company will have a broader portfolio that we believe will further diversify our product categories. The following charts, TreeHouse net sales by product category for the last twelve months ended September 30, 2015 and Private Brands Business estimated net sales by product category for the fiscal year ended May 31, 2015 provide an illustrative representation of the combined company's net sales by product category, as shown in the chart below. TreeHouse's net sales by product category for the last twelve months ended September 30, 2015 were derived from the Company's quarterly and annual reports on Forms 10-Q and 10-K. The Private Brands Business's estimated net sales by product category were derived from the Private Brands Business's accounting records.

**TreeHouse net sales by product category for the last
twelve months ended September 30, 2015**

**Private Brands Business estimated net sales by
product category for the fiscal year ended
May 31, 2015**

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Illustrative Representation of Pro Forma net sales by product category for a 12 month period

Industry Overview

The U.S. total grocery retail market is approximately \$679 billion in annual sales, of which private label represents approximately \$121 billion. According to independent market research studies, private label grocery products have increased their market share in the United States from approximately 12.7% in 1989 to approximately 17.8% in 2015. We believe that products and packaging improvements, along with greater focus by retailers, have fundamentally changed private label products from inexpensive, generic-brand imitators to store-branded national brand equivalents, and premium products, offering value and product quality that often meet or exceed that of branded competitors. Despite gains in market share, private label penetration in the United States remained below that of many other developed economies, including France (27%), Spain (42%), Germany (35%), The United Kingdom (41%) and Switzerland (45%) (market research estimates based on 2014 data).

We expect the convergence of several factors to support the continued growth of private label food product sales in the United States, including:

greater focus by grocery retailers in developing their private label food product programs as the store becomes the brand;

the continued emergence of private label food products with reputations for quality and value that meet or exceed national brands; and

fundamental changes in consumer behavior that favor the secular growth trends in private label food products.

Given the highly competitive nature of the U.S. food retailing industry, we believe that most grocery retailers are seeking to expand their private label food product programs as a means to differentiate themselves from competitors, build customer loyalty and enhance margins and profitability. As the breadth and quality of a particular grocery retailer's private label offering factors more prominently in consumers' store selection criteria, we believe that a well-developed, high quality private label food product offering can be an effective marketing tool for retailers to further their brand image, drive customer traffic to their stores and enhance shopper loyalty.

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Chief Technology Officer of Giga-tronics since April 2007 and founder of ASCOR. Mr. Lum founded ASCOR in 1987 and has been President since inception. Mr. Lum was a founder and Vice President of Autek Systems Corporation, a manufacturer of precision waveform analyzers. Mr. Lum is on the Board of Directors for the Santa Clara Aquamaids, a non-profit organization dedicated to advancing athletes in synchronized swimming to the Olympic games.

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Malcolm E. Levy 60 Vice President, Sales & Marketing since September 2008. Mr. Levy has over 25 years of Sales and Marketing experience in the Test & Measurement industry. His career started in sales with Racal Instruments in the U.K. A background in RF and Communications made him an ideal candidate to move to the U.S. and become the sales and marketing manager for all U.K. manufactured instruments, including low noise fast switching synthesizers. His final position at Racal Instruments after 20 years of service was Executive Vice President, Sales and Marketing. Since leaving Racal in 2001 he has helped wireless test companies grow their international sales business.

EXECUTIVE COMPENSATION

Summary of Compensation

The following table provides information concerning compensation paid or accrued by the Company, to or on behalf of Giga-tronics' chief executive officer and the other executive officers during the last fiscal year ended March 27, 2010, and for the fiscal year ended March 28, 2009:

Summary Compensation Table

Name and Principal Position (a)	Fiscal Year (b)	Salary (\$) (c)	Bonus (\$) (d)	Option Awards (1) (\$) (f)	All Other Compensation (2) (\$) (i)	Total (\$) (j)
Patrick J. Lawlor VP Finance, CFO & Secretary	2010	\$ 128,249	---	\$ 12,735	\$ 538	\$ 141,522
	2009	\$ 131,365	---	---	\$ 475	\$ 131,840
Malcolm E. Levy (3) Vice President, Sales & Marketing	2010	\$ 161,434	---	\$ 9,551	\$ 807	\$ 171,792
	2009	\$ 115,231	---	\$ 53,989	\$ 448	\$ 169,668
Jeffrey T. Lum President, ASCOR CTO, Giga-tronics	2010	\$ 121,949	---	\$ 31,837	\$ 610	\$ 154,396
	2009	\$ 125,820	---	---	\$ 629	\$ 126,449
John R. Regazzi Chief Executive Officer	2010	\$ 140,185	---	\$ 25,470	\$ 701	\$ 166,356
	2009	\$ 137,846	---	---	\$ 689	\$ 138,535

Stock options granted under Giga-tronics' 2000 Stock Option Plan and the 2005 Employee Incentive Plan. The (1) value for Stock Option Awards in the table above represents grant date fair value of Stock Option Awards for fiscal year 2010 and 2009. For Option Awards, the dollar amount for each individual varies depending on the number of options granted, the fair value of such options, and the vesting terms of such options. See Note 1 of the audited consolidated financial statements for the fiscal year ended March 27, 2010 for information on the assumptions used to calculate the grant date fair value of Option Awards and the expense recognized under ASC 718.

Includes contributions made by Giga-tronics to its 401(k) Plan which match in part the pre-tax elective deferral (2) contributions included under Salary made to the 401(k) plan by the executive officers.

Date of hire and Officer appointment September 2, 2008.

(3)

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STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table includes information as of June 21, 2010, concerning the beneficial ownership of Giga-tronics' common stock for: each person known by Giga-tronics to own beneficially more than 5% of Giga-tronics' outstanding common stock; each director and nominee; each executive officer named in the Summary Compensation Table below; and all directors and executive officers of Giga-tronics as a group:

Stock ownership of Certain Beneficial Owners

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Total Outstanding Common Stock
George H. Bruns, Jr. 4650 Norris Canyon Road San Ramon, California 94583	75,403 (1)	1.51%
James A. Cole 2291 Melford Court Thousand Oaks, California 91361	97,344 (2)	1.95
Garrett A. Garrettsen P.O. Box 157 Pebble Beach, California 93953	20,000 (3)	0.40
Kenneth A. Harvey 4650 Norris Canyon Road San Ramon, California 94583	29,304 (4)	0.59
Patrick J. Lawlor 4650 Norris Canyon Road San Ramon, California 94583	107,180 (5)	2.14
Malcolm E. Levy 4650 Norris Canyon Road San Ramon CA 94583	22,825 (6)	0.46
Jeffrey T. Lum 4650 Norris Canyon Road San Ramon, California 94583	37,102 (7)	0.74
John R. Regazzi 4650 Norris Canyon Road San Ramon, California 94583	226,000 (8)	4.44
Robert C. Wilson 620 Sand Hill Road #413-G Palo Alto, California 94304	13,750 (9)	0.28
All executive officers and directors as a group (9 persons, including those above)	628,908 (10)	12.18
Renaissance Technologies LLC James H. Simons 800 Third Avenue, New York, NY 10022	258,000	5.19%

(1) Includes 22,163 shares owned by The Bruns Company; 32,240 shares owned directly and 21,000 shares issuable under options exercisable within 60 days of June 21, 2010.

(2) Includes 13,750 shares issuable under options exercisable within 60 days of June 21, 2010.

(3) Includes 20,000 shares issuable under options exercisable within 60 days of June 21, 2010.

(4) Includes 13,750 shares issuable under options exercisable within 60 days of June 21, 2010.

(5) Includes 28,750 shares issuable under options exercisable within 60 days of June 21, 2010.

(6) Includes 20,625 shares issuable under options exercisable within 60 days of June 21, 2010.

(7) Includes 23,738 shares issuable under options exercisable within 60 days of June 21, 2010.

(8) Includes 115,000 shares issuable under options exercisable within 60 days of June 21, 2010.

(9) Includes 13,750 shares issuable under options exercisable within 60 days of June 21, 2010.

(10) Includes 270,363 shares issuable under options exercisable within 60 days of June 21, 2010.

Stock Options

The following table sets forth information about stock options held by the named executive officers and outstanding at the end of fiscal 2010. All option exercise prices were based on market price on the date of grant.

Outstanding Equity Awards at Fiscal Year-End

Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Option Exercise Price (\$) (e)	Option Expiration Date (f)
Patrick J. Lawlor	37,500	18,750	\$ 1.96	3/20/2012
	7,500	7,500	\$ 1.85	11/13/2012
	---	10,000	\$ 1.95	08/18/2014
Malcolm E. Levy	---	7,500	\$ 1.95	8/18/2014
	18,750	56,250	\$ 1.14	09/02/2013
Jeffrey T. Lum	---	25,000	\$ 1.95	08/18/2014
	5,000	5,000	\$ 1.85	11/13/2012
	12,488	4,162	\$ 1.42	9/12/2011
John R. Regazzi	---	20,000	\$ 1.95	8/18/2014
	26,250	8,750	\$ 2.65	4/21/2011
	75,000	25,000	\$ 2.31	11/14/2011

Equity Compensation Plan Information

The following table provides information on options and other equity rights outstanding and available at March 27, 2010.

Equity Compensation Plan Information

Plan category	No. of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	No. of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securities holders	891,027	\$ 1.8812	342,475
Equity compensation plans not approved by securities holders	n/a	n/a	n/a
Total	891,027	\$ 1.8812	342,475

EMPLOYMENT CONTRACTS AND TERMINATION OF EMPLOYMENT AND CHANGE-IN-CONTROL ARRANGEMENTS

Change-In-Control Arrangements

All outstanding options will automatically accelerate and become exercisable for fully vested shares upon a change in control of Giga-tronics, whether effected through merger, sale of substantially all of Giga-tronics' assets, the successful completion of a hostile tender offer for 30% or more of Giga-tronics' outstanding common stock, or a change in the majority of the Board of Directors as a result of one or more contested elections for Board of Directors membership.

Compensation Committee Interlocks and Insider Participation

For the 2010 fiscal year, the Compensation Committee was comprised of Messrs. Garrett A. Garrettson, Kenneth A. Harvey and Robert C. Wilson.

No executive officer of Giga-tronics serves as a member of the Board of Directors or compensation committee of any entity which has one or more executive officers serving as a member of Giga-tronics Board of Directors or Compensation Committee.

AUDIT COMMITTEE - REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Board is responsible for providing independent, objective oversight of Giga-tronics' accounting functions and internal controls. The Audit Committee operates under a written charter approved by the Board of Directors.

Management is responsible for the Company's internal controls and financial reporting process. The Independent Registered Public Accounting Firm is responsible for performing an independent audit of the Company's consolidated financial statements in accordance with standards of the Public Company Accounting Oversight Board (United States) and issuing a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

In connection with these responsibilities, the Audit Committee met with management to review and discuss the March 27, 2010 consolidated financial statements. The Audit Committee also discussed, with the Independent Registered Public Accounting Firm, the matters required by Statement on Auditing Standards No. 61, "Communication with Audit Committees". The Audit Committee also received written disclosures from the Independent Registered Public Accounting Firm required by Independence Standards Board Standard No. 1, "Independence Discussions with Audit Committees", and the Audit Committee discussed with the independent accountants that firm's independence.

In reliance on the reviews and discussions referred to above, the Committee recommended to the Board of Directors (and the Board has approved) that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended March 27, 2010 for filing with the Securities and Exchange Commission. The Committee has approved the engagement of Perry-Smith LLP to continue as the Company's auditors for the current year.

Respectfully submitted,

AUDIT COMMITTEE

Kenneth A. Harvey, Chairman
Robert C. Wilson
James A. Cole

REPORT ON EXECUTIVE COMPENSATION

General Compensation Policy

Giga-tronics' executive compensation philosophy rests on two fundamental principles. First, the program is intended to provide fully competitive levels of compensation - at expected levels of performance - in order to attract, motivate and retain talented executives. Secondly, the program is intended to create an alignment of interest between Giga-tronics' executives and its shareholders such that a significant portion of each executive's compensation is linked directly to the creation of shareholder value.

The Executive Compensation Program is intended to place heavy emphasis on variable pay, which is pay that varies with performance, and less focus on a fixed base salary. The incentive pay programs are intended to reward performance that is directly relevant to the Company's short term and long term success. The three primary components of the program include base salary, annual incentive, which is a performance-based bonus, and long-term incentives such as stock options.

Factors

The process involved and the factors considered in the executive compensation determination for fiscal year 2010 are summarized below. It is expected that this process will remain the same in fiscal year 2011. However, the Committee may, at its discretion, apply a different set of factors in setting executive compensation in the future in order to further enhance the basic concept of "pay-for-performance".

Base Salary

Base salaries are based primarily on individual performance, and each individual's role in Giga-tronics. Employees with higher levels of sustained performance over time and/or those assuming greater responsibilities will be paid correspondingly higher salaries.

On the basis of its knowledge of the industry, this Committee believes that the base salary levels in effect for Giga-tronics' executive officers are competitive with the companies within and outside its industry with which Giga-tronics competes for executive talent. However, the Committee did not independently confirm the specific percentiles at which the base salary levels in effect for Giga-tronics' executive officers stood in relation to other companies in its industry.

Salaries are reviewed annually based on individual performance, overall financial results and the general level of increases in the marketplace. Salary increases are granted within a pay-for-performance framework.

Annual Performance (Non-Stock) Based Incentive Compensation

Giga-tronics' annual incentive bonus plan is intended to:

- reward key employees based upon company and individual performance,
- motivate, and
- provide competitive cash compensation opportunities.

Incentive awards are paid annually in cash based upon achievement of individual performance objectives for the most recently completed fiscal year.

There were no bonus payments earned in fiscal 2010.

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Long-Term (Stock Based) Incentive Compensation

Giga-tronics has always believed that stock ownership or stock option participation was the most effective way of aligning its management and shareholder interests. Options are generally issued at 100% of market value, for five year terms, exercisable for 25% of the total grant per year after the first year. The right to exercise options granted from the 2000 Plan expires 60 days after termination of employment (except for certain situations), and in case of death an optionee's estate would have twelve months to exercise. For the 2005 Plan, the right to exercise options expires 90 days after termination of employment, and in case of death an optionee's estate would have twelve months to exercise. For both plans, no Option or Stock Appreciation Right shall be exercised after its expiration date in accordance with its terms.

CEO Compensation

The CEO compensation is based on the same considerations as any other senior executive. Other compensation factors, including salary increases, incentive bonus and option participation are performance-based.

The Compensation Committee established a \$160,000 annual salary for the CEO. However, the CEO voluntarily reduced his salary in May 2009 by 10% during the recessionary downturn. The CEO's salary has been restored to \$160,000 as of June 2010.

Deduction Limit for Executive Compensation

Effective January 1, 1994, Section 162(m) of the Internal Revenue Code limits federal income tax deductions for compensation paid to the chief executive officer and the four other most highly compensated officers of a public company to \$1 million per individual per year, but contains an exception for performance-based compensation that satisfies certain conditions.

The 2000 Stock Option Plan and the 2005 Employee Incentive Plan restrict the maximum number of shares of common stock for which any one participant may be granted stock options and awards, and the stockholders approved these plans. As a result, stock options granted to Giga-tronics' executive officers with an exercise price not less than the fair market value of the underlying shares on the grant date will generally qualify as performance-based compensation which is not subject to the \$1 million limitation.

BY THE COMPENSATION COMMITTEE:

Garrett A. Garrettson, Chairman
Kenneth A. Harvey
Robert C. Wilson

PROPOSAL 2

APPROVAL OF AMENDMENT INCREASING THE NUMBER OF SHARES AVAILABLE UNDER THE 2005 EQUITY INCENTIVE PLAN

At the Meeting, shareholders will be asked to approve an amendment to the 2005 Equity Incentive Plan (the “Plan”) increasing the number of shares of common stock available for grant by 700,000 shares.

The Plan is intended to encourage ownership of the Company’s stock by the Company’s employees and directors and to provide additional incentive for them to promote the success of the Company’s business. The Company’s shareholders approved the Plan in 2005.

The Proposed Amendment

The Board of Directors approved an amendment to the Plan increasing the number of shares of common stock available for awards under the Plan by 700,000. At the Meeting, shareholders will be asked to approve the amendment.

The Plan currently provides that up to 700,000 shares of the Company’s common stock are available for awards. Options granted must have an exercise price that is not less than the fair market value of the Company’s common stock on the date of grant. As of June 21, 2010, the last closing sale price for the Company’s common stock as reported by Nasdaq was \$2.42 per share. If the shareholders approve the proposed amendment, the Plan will be amended to increase the total number of shares available for grants under the Plan to a total of 1,400,000.

As of the date of this Proxy Statement, options to purchase 449,375 shares have been granted by the Board of Directors and were outstanding, and options to purchase an additional 103,125 shares have been exercised by option holders, leaving 147,500 shares of the 700,000 shares originally authorized currently available for further grants of options, including shares returned to the Plan upon cancelation of options. If the shareholders approve Proposal 2, the number of shares available for further grants under the Plan will be 847,500.

The Plan and Types of Awards

The Plan is administered by the Compensation Committee of the Board of Directors (the “Committee”), which is presently composed of three members, all of whom are independent directors as defined by the regulations of the SEC and NASDAQ. Any of the employees including officers and directors may be selected by the Committee to participate in the Plan. As of June 21, 2010, there were approximately 125 persons who are eligible to participate in the Plan.

The board may at any time exercise any of the powers and responsibilities assigned to the Committee under the Incentive Plan. Subject to the provisions of the Incentive Plan, the Committee has complete authority to make all determinations with respect to awards to be granted, including the form of award and the recipient of the award. Subject to the provisions of the Incentive Plan, the Committee also has complete authority to interpret the Incentive Plan, to prescribe, amend and rescind rules and regulations relating to the Incentive Plan, to determine the terms and provisions of any agreements concerning the terms of an award, and to make all other determinations necessary or advisable for the administration of the Incentive Plan. All decisions, interpretations and other actions of the Committee are final and binding.

The Plan authorizes the Company to grant equity-based awards to participants. These awards include options that qualify as incentive stock options (“Incentive Options”) under the Internal Revenue Code of

1986 (the “Code”) and nonqualified stock options (“Nonstatutory Options”), restricted stock awards, stock grants and stock appreciation rights. Only employees of the Company are eligible for grants of Incentive Options. In addition, if an Incentive Option is granted to an officer or employee of the Company who, at the time of the grant, owns more than 10 percent of the Company’s common stock, the exercise price of the options must be not less than 110 percent of the fair market value of the Company’s common stock at the time the option is granted. All options granted generally expire not later than ten years from the date of grant except that incentive stock options granted to 10 percent shareholders will expire not later than five years from the date of grant. Unless the Committee specifically determines otherwise at the time of the grant of the option, options vest and become exercisable in installments as to 25% of the underlying stock at the first anniversary of the grant date and 25% per year thereafter. The Committee may allow an optionee to exercise before an installment vests, subject to the Company’s right to repurchase the shares or any other restriction the Committee imposes. The vesting of any awards granted under the Incentive Plan may be accelerated in full in the event of a merger or sale of the company if the acquiring entity does not assume or replace the awards with comparable awards. In addition, the Committee may accelerate the exercisability of options (unless restricted by the Code in the case of incentive options) and any grant of restricted stock even if restrictions have not expired. To the extent that the aggregate fair market value of stock with respect to which Incentive Options are exercisable for the first time by any individual during any calendar year exceeds \$100,000, such excess options will be treated as Nonstatutory Options.

Upon the exercise of a stock option, the purchase price must be paid in full in either cash or its equivalent. The Committee may allow the optionee to make payment by tendering shares of our common stock having a fair market value equal to the exercise price. The Committee may also allow broker-assisted cashless exercises under which the Company issues shares on exercise of the option and is paid the purchase price from the sale of the shares by the optionee’s broker. The Committee may also authorize loans for the purpose of exercise to the extent permitted by law and may withhold shares on option exercise in payment of the exercise price and tax withholding.

Options continue to be exercisable for up to twelve months after an optionee’s association with the Company terminates due to death or disability and up to 60 days after an optionee’s association ends for other reasons for the 2000 Plan. Options continue to be exercisable for up to twelve months after an optionee’s association with the Company terminates due to death or disability and up to 90 days after an optionee’s association ends for other reasons for the 2005 Plan. These periods may be extended at the Committee’s discretion.

Performance-based awards.

Grants of performance-based awards under the Incentive Plan are intended to qualify as “performance-based compensation” under Section 162(m) of the Code and preserve the deductibility of these awards for federal income tax purposes. Section 162(m) of the Code denies a tax deduction to public companies for compensation paid to certain “covered employees” in a taxable year to the extent the compensation paid to a covered employee exceeds \$1,000,000, unless the plan contains certain features that qualify the compensation as “performance-based compensation.” Because Section 162(m) of the Code only applies to those employees who are “covered employees” as defined in Section 162(m) of the Code, only covered employees and those likely to become covered employees are eligible to receive performance-based awards. “Covered employees” means the Company’s chief executive officer or any of its other four highest compensated officers.

Participants are only entitled to receive payment for a performance-based award for any given performance period to the extent that pre-established performance goals set by the Committee during the

first 90 days of the year for the period are satisfied. These pre-established performance goals must be based on one or more of the following performance criteria which are set forth in Section 2.23 of the Incentive plan:

2.23 Performance Criteria means the criteria that the Committee selects for purposes of establishing the Performance Goal or Performance Goals for a Participant for a Performance Period. The Performance Criteria used to establish Performance Goals are limited to: pre- or after-tax net earnings, sales growth, operating earnings, operating cash flow, return on net assets, return on shareholders' equity, return on assets, return on capital, Stock price growth, shareholder returns, gross or net profit margin, earnings per share, price per share of Stock, and market share, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group.

These performance criteria may be measured in absolute terms or as compared to any incremental increase or as compared to results of a peer group, and may be calculated in any manner chosen by the Committee. With regard to a particular performance period, the Committee will have the discretion to select the length of the performance period, the type of performance-based awards to be granted, and the goals that will be used to measure the performance for the period. In determining the actual size of an individual performance-based award for a performance period, the Committee may reduce or eliminate (but not increase) the award. Generally, a participant would have to be employed on the date the performance-based award is paid to be eligible for a performance-based award for that period.

United States Income Tax Implications

The Company is generally entitled to a tax deduction in connection with an option or award under the Plan in an amount equal to the ordinary income realized by a participant and at the time the participant recognizes such income (for example, upon the exercise of a Nonstatutory Option). Special rules limit the deductibility of compensation paid to the Chief Executive Officer and to each of the named executive officers. Under Section 162(m) of the Code, the annual compensation paid to any of these specified executives will be deductible only to the extent that it does not exceed \$1,000,000. However, the Company can preserve the deductibility of certain compensation in excess of \$1,000,000 if the conditions of Section 162(m) are met with respect to awards. These conditions include shareholder approval of the Plan and performance criteria under the Plan, setting individual annual limits on each type of award, and certain other requirements. The Plan has been designed to permit the Committee to grant awards that qualify as performance-based for purposes of satisfying the conditions of Section 162(m), thereby permitting the Company to receive a federal income tax deduction in connection with such awards if the Company should make them.

The grant of Incentive Options will not result in taxable income to the recipient. With respect Nonstatutory Options, the recipient will realize ordinary income at the time of exercise in an amount equal to the excess of the fair market value of the shares acquired over the exercise price for those shares and the Company will be entitled to a corresponding deduction. Generally, gains or losses realized by the participant upon disposition of such shares will generally be treated as capital gains and losses, with the basis in such shares equal to the fair market value of the shares at the time of exercise. In the case of a disqualifying disposition of Incentive Option stock, however, some or all of the gain will be ordinary income and the Company will be entitled to a corresponding deduction.

The grant of restricted stock should not result in income for the recipient or in a deduction for the Company for federal income tax purposes if the shares transferred are subject to restrictions resulting in a "substantial risk of forfeiture." If there are no such restrictions, the recipient would recognize ordinary income upon receipt of the shares. Any dividends paid to the recipient while the stock remained subject

to restriction would be treated as compensation for federal income tax purposes. At the time the restrictions lapse, the recipient would receive ordinary income and the Company would be entitled to a deduction measured by the fair market value of the shares at the time of lapse. Income tax withholding would be required.

The grant of a performance-based award will not result in income to the recipient. Upon the receipt of shares or cash under a performance-based award, the recipient would recognize ordinary income and the Company would be entitled to a deduction measured by the fair market value of the shares plus any cash received. Income tax withholding would be required.

The preceding discussion is based on U.S. tax laws and regulations presently in effect, which are subject to change, and the discussion does not purport to be a complete description of the U.S. income tax aspects of the Plan. A participant may also be subject to state and local taxes in connection with the grant of awards under the Plan. The Company suggests that participants consult with their individual tax advisors to determine the applicability of the tax rules to the awards granted to them in their personal circumstances.

Reasons for Amending the Plan

As of June 21, 2010, there are only 147,500 shares available to award. The Board of Directors believes that the availability of stock based compensation for officers and employees will be a key factor in the ability of Company to attract qualified individuals to fill certain positions. It is also anticipated that additional equity awards may be needed to retain existing officers and staff.

Accordingly, the Board of Directors is seeking shareholder approval to increase the number of shares authorized under the Plan in order to ensure that shares will be available to adequately compensate the Company's employees and directors as the Company expands its business and adds additional employees.

Shareholder Approval

Approval of the amendment to the Plan requires the affirmative vote of a majority of the outstanding shares represented and entitled to vote at the Meeting. The Company has not made any determination as to specific grants to be made under the Plan upon approval of the amendment by shareholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR PROPOSAL 2.

PROPOSAL 3

APPROVAL OF THE MATERIAL TERMS OF THE PERFORMANCE CRITERIA FOR PERFORMANCE-BASED AWARDS UNDER THE 2005 EQUITY INCENTIVE PLAN, AS AMENDED

Shareholders are being asked to approve the material terms of the performance goals that may apply to awards under the 2005 Equity Incentive Plan, as amended to date (the “Plan”), which has been maintained by the Company since 2005. This approval may be necessary to preserve the Company’s federal income tax deduction for performance-based compensation paid to certain executive officers under Section 162(m) of the Internal Revenue Code (the “Code”) to the extent it is otherwise available.

The Plan allows the Company to deliver a significant portion of total executive compensation through stock. We believe this enhances retention by having a large percentage of total compensation derived from stock awards and by using a multi-year vesting schedule for shares awarded. It also aligns management’s interests with shareholders’ long-term interests through a broad array of strategic business priorities that the Company believes will contribute to long-term shareholder value and award value that changes with share price.

Section 162(m) Approval

Section 162(m) of the Code imposes an annual deduction limit of \$1,000,000 on the amount of compensation paid to each of the chief executive officer and certain other named executive officers. The deduction limit does not apply to performance-based compensation that satisfies the requirements of Section 162(m). The requirements of Section 162(m) for performance-based compensation include shareholder approval of the material terms of the performance goals under which the compensation is paid.

Section 162(m) generally requires that shareholders re-approve the material terms of the performance-based award provisions of the Plan every five years or performance-based awards eligible for exemption from the deductibility limitation (other than stock options and stock appreciation rights) may not continue to be granted under the Plan. Shareholders are being asked to re-approve the material terms of the performance-based award feature of the Plan and the related performance criteria that may be referenced in granting performance-based awards so that performance-based awards may continue to be fully tax deductible for federal income tax purposes, to the extent permitted under applicable law. We intend to keep our Plan in compliance with section 162(m) to the extent possible so that we are in a position to take advantage of deductibility of compensation when applicable law permits us to do so.

Material Terms of Performance Criteria

The material terms include (1) the employees eligible to receive compensation upon attainment of a goal, (2) the business criteria on which the goals may be based, and (3) the maximum amount payable to an employee upon attainment of a goal. In addition to stock options, performance-based awards are usually in the form of restricted performance shares. Such key employees as shall be selected by the Committee in its sole discretion are eligible to receive performance-based awards. No person may receive an award for more than 100,000 shares of stock in any calendar year. Under the Plan, the performance factors that the Committee may use in making performance-based awards are:

- (i) pre- or after-tax net earnings;
- (ii) sales growth;

(iii) operating earnings;

- (iv) operating cash flow;
- (v) return on net assets;
- (vi) return on shareholders' equity;
- (vii) return on assets;
- (viii) return on capital;
- (ix) stock price growth;
- (x) shareholder returns;
- (xi) gross or net profit margin;
- (xii) earnings per share;
- (xiii) price per share of stock, and;
- (xiv) market share.

The material terms of the performance criteria are set out in Section 7.5 of the Plan. Section 7.5 of the Plan reads as follows:

7.5 Qualified Performance-Based Awards.

(a) Purpose. The purpose of this Section 7.5 is to provide the Committee the ability to qualify Awards as “performance-based compensation” under Section 162(m) of the Code. If the Committee, in its discretion, decides to grant an Award as a Qualified Performance-Based Award, the provisions of this Section 7.5 will control over any contrary provision contained in the Plan. In the course of granting any Award, the Committee may specifically designate the Award as intended to qualify as a Qualified Performance-Based Award. However, no Award shall be considered to have failed to qualify as a Qualified Performance-Based Award solely because the Award is not expressly designated as a Qualified Performance-Based Award, if the Award otherwise satisfies the provisions of this Section 7.5 and the requirements of Section 162(m) of the Code and the regulations promulgated thereunder applicable to “performance-based compensation.”

(b) Authority. All grants of Awards intended to qualify as Qualified Performance-Based Awards and determination of terms applicable thereto shall be made by the Committee or, if not all of the members thereof qualify as “Outside Directors” within the meaning of applicable IRS regulations under Section 162 of the Code, a subcommittee of the Committee consisting of such of the members of the Committee as do so qualify. Any action by such a subcommittee shall be considered the action of the Committee for purposes of the Plan.

(c) Applicability. This Section 7.5 will apply only to those Covered Employees, or to those persons who the Committee determines are reasonably likely to become Covered Employees in the period covered by an Award, selected by the Committee to receive Qualified Performance-Based Awards. The Committee may, in its discretion, grant Awards to Covered Employees that do not satisfy the requirements of this Section 7.5.

(d) **Discretion of Committee with Respect to Qualified Performance-Based Awards.** Options may be granted as Qualified Performance-Based Awards in accordance with Section 7.1, except that the Exercise Price of any Option intended to qualify as a Qualified Performance-Based Award shall in no event be less than the Market Value of the Stock on the date of grant. With regard to other Awards intended to qualify as Qualified Performance-Based Awards, such as Restricted Stock, the Committee will have full discretion to select the length of any applicable Restriction Period, the kind or level of the applicable Performance Goal, and whether the Performance Goal is to apply to the Company, a Subsidiary or any division or business unit or to the individual. Any Performance Goal or Goals applicable to Qualified Performance-Based Awards shall be objective, shall be established not later than 90 days after the beginning of any applicable Performance Period (or at such other date as may be required or permitted for “performance-based compensation” under Section 162(m) of the Code) and shall otherwise meet the requirements of Section 162(m) of the Code, including the requirement that the outcome of the Performance Goal or Goals be substantially uncertain (as defined in the regulations under Section 162(m) of the Code) at the time established.

(e) **Payment of Qualified Performance-Based Awards.** A Participant will be eligible to receive payment under a Qualified Performance-Based Award which is subject to achievement of a Performance Goal or Goals only if the applicable Performance Goal or Goals are achieved, as determined by the Committee. In determining the actual size of an individual Qualified Performance-Based Award, the Committee may reduce or eliminate the amount of the Qualified Performance-Based Award earned, if in its sole and absolute discretion, such reduction or elimination is appropriate.

(f) **Maximum Award Payable.** The maximum Qualified Performance-Based Award payment to any one Participant under the Plan is the number of shares of Stock set forth in Section 4, or if the Qualified Performance-Based Award is paid in cash, that number of shares multiplied by the Market Value of the Stock as of the date the Qualified Performance-Based Award is granted.

(g) **Limitation on Adjustments for Certain Events.** No adjustment of any Qualified Performance-Based Award pursuant to Section 8 shall be made except on such basis, if any, as will not cause such Award to provide other than “performance-based compensation” within the meaning of Section 162(m) of the Code.

For a full copy of the Plan, contact the Company at (925) 328-4656.

If shareholders do not approve Proposal 2, no additional performance-based awards eligible for exemption from the deductibility limitation will be granted under the Plan but the Company may continue to grant stock options and stock appreciation rights designed to qualify as performance-based compensation under Section 162(m) and stock bonuses, restricted stock, performance shares and other types of awards otherwise authorized under the Plan that do not qualify as performance-based compensation under Section 162(m).

Federal Income Tax Consequences

The U.S. federal income tax consequences to the Company and its employees of awards under the Plan are complex and subject to change. The following discussion is only a brief summary of the applicable federal income tax rules. Recipients of awards should consult their own tax advisors since a taxpayer’s particular situation may be such that some variation of the rules described below will apply.

Participants will recognize ordinary compensation income when shares are delivered to them upon vesting of stock awards issued under the Plan or when cash amounts if any are paid to them in settlement of awards under the Plan. The amount of income recognized in this situation will be based on the fair market value of the shares received. Subject to any limitations under Section 162(m) of the Code and limitations under EESA and ARRA, the Company generally will be entitled to a deduction equal to the amount of ordinary income that a participant is required to recognize.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR PROPOSAL 3.

PROPOSAL 4

APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has re-appointed the firm of Perry-Smith LLP as Giga-tronics' Independent Registered Public Accounting Firm for the fiscal year ending March 26, 2011 and to perform other appropriate services. We are seeking ratification by the shareholders for this appointment. In case of a negative vote, the appointment will be reconsidered.

Representatives of Perry-Smith LLP are expected to be present at Giga-tronics' Annual Meeting with the opportunity to make a statement, if they desire to do so, and they are expected to be available to respond to appropriate questions.

The following table presents aggregate fees billed for professional services rendered by Perry-Smith LLP in fiscal year 2010 and in fiscal year 2009 in the following categories:

	2010	2009
Audit fees	\$ 176,000	\$ 170,000
Audit-related fees (1)	\$ 2,000	—
Tax fees	—	—
All other fees	—	—

(1) Audit-related fees were for expanded scope on year-end inventory test counts in 2010.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR RATIFICATION OF THE
APPOINTMENT OF PERRY-SMITH LLP PER PROPOSAL 4.

SHAREHOLDERS' PROPOSALS AND NOMINATIONS

To be considered for presentation to the Annual Meeting of Shareholders to be held in 2011, a shareholder proposal must be received by Giga-tronics no later than June 7, 2011. To be considered for inclusion in the Giga-tronics proxy statement for its Annual Meeting of Shareholders to be held in 2011, a shareholder proposal must be received by Giga-tronics no later than March 24, 2011. Proposals should be addressed to the Corporate Secretary, Giga-tronics Incorporated, 4650 Norris Canyon Road, San Ramon, CA 94583.

SEC rules permit proxyholders to vote in their discretion on matters proposed by a shareholder and not described in the proxy statement unless the Company received notice of the proposal and certain additional information at least 45 days in advance of the anniversary of the proxy mailing date for the previous year's meeting. Next year this date will be June 7, 2011.

The Annual Report of Giga-tronics for the fiscal year ended March 27, 2010 is being mailed with this mailing of the Notice of Annual Meeting and Proxy Statement to all shareholders entitled to notice of and to vote at the Annual Meeting. Giga-tronics will mail the Annual Report on Form 10-K for the most recent fiscal year to any shareholder who requests a copy. Requests should be sent to the Corporate Secretary as noted above for proposals.

OTHER MATTERS

Giga-tronics knows of no other business which will be presented at the Annual Meeting other than the proposals included in the Notice of Meeting. If any other business is properly brought before the Annual Meeting, persons appointed as proxies for the shareholders in the enclosed form will vote on these matters in accordance with their judgments. Regardless of whether you intend to be present at the Annual Meeting, you are urged to complete, date, sign and return your proxy promptly.

The Report of the Compensation Committee, the Report of the Audit Committee, and the statement of independence of Audit Committee members referred to under "Information About the Board of Directors and Committees of the Board" are not to be considered as filed with the Securities and Exchange Commission or incorporated by reference into any other filings which the Company makes with the Exchange Commission under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, nor is this information considered as proxy soliciting material. These portions of this proxy statement are not a part of any of those filings unless otherwise stated in those filings.

By order of the Board of Directors,

Garrett A. Garrettson
Chairman of the Board of Directors

San Ramon, California
July 12, 2010

TO VOTE BY MAIL, PLEASE DETACH PROXY CARD HERE

GIGA-TRONICS INCORPORATED
ANNUAL MEETING OF SHAREHOLDERS

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

Garrett A. Garrettson and Patrick J. Lawlor, or either of them are hereby constituted and appointed the lawful attorneys and proxies of the undersigned, each with full power of substitution, to vote and act as proxy with respect to all shares of common stock of Giga-tronics Incorporated standing in the name of the undersigned on the books of Giga-tronics at the close of business on June 21, 2010 at the Annual Meeting of Shareholders to be held at Giga-tronics' executive office at 4650 Norris Canyon Road, San Ramon, CA 94583 on August 17, 2010 at 9:30 a.m. (PDT), or at any adjournment or postponement thereof.

THE POWERS HEREBY GRANTED MAY BE EXERCISED BY BOTH OF SAID ATTORNEYS OR PROXIES OR THEIR SUBSTITUTES PRESENT AND ACTING AT THE ANNUAL MEETING OF SHAREHOLDERS OR ANY ADJOURNMENT OR POSTPONEMENT THEREOF OR, IF ONLY ONE BE PRESENT AND ACTING, THEN BY THAT ONE. THE UNDERSIGNED HEREBY REVOKES ANY AND ALL PROXIES HERETOFORE GIVEN BY THE UNDERSIGNED TO VOTE AT SAID MEETING.

(Continued, and to be signed, on the other side.)

TO VOTE YOUR PROXY

Simply sign and date your proxy card and return it in the postage-paid envelope to:

Giga-tronics Inc., % The Altman Group, Inc., PO Box 238, Lyndhurst, NJ 07071-9902.

TO VOTE, PLEASE DETACH PROXY CARD HERE

Please mark votes as in X
this sample

<p>1. Elect six Directors for the ensuing year. Nominees: (1) George H. Bruns, Jr., (2) James A. Cole; (3) Garrett A. Garrettson; (4) Kenneth A. Harvey; (5) John R. Regazzi, (6) Robert C. Wilson</p>	<p>FOR ALL NOMINEES LISTED WITHHOLD AUTHORITY (EXCEPT AS ALL TO VOTE FOR INDICATED BELOW) LISTED NOMINEES [] []</p>
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INSTRUCTION: To withhold authority to vote for one or more nominees, write such names in the space provided below:

<p>2. Approve an amendment to the 2005 Equity Incentive Plan increasing the number of shares authorized for issuance under the Plan;</p> <p>3. Approve the material terms of the performance criteria for the</p>	<p>FOR</p> <p>[]</p>	<p>AGAINST</p> <p>[]</p>	<p>ABSTAIN</p> <p>[]</p>
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- performance-based awards under the Plan, as amended;
4. Ratify the appointment of Perry-Smith LLP as independent certified public accountants;
5. Any other business as may properly come before the meeting.

Dated: _____, 2010

Signature(s)

Signature(s)

Please sign exactly as the name appears printed hereon. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by annual authorized officer. If a partnership, please sign in full partnership name by authorized person. Receipt of the Proxy statement for the meeting is hereby acknowledged.

