

## Press Release

580 California Street  
Suite 2000  
San Francisco, CA 94104  
Tel: 415.358.3500  
Fax: 415.358.3555

### **Papa Murphy's sold to Lee Equity Partners Take 'n' bake pizza chain well positioned for continued growth**

VANCOUVER, WASH. – APRIL 1, 2010 – New York-based private equity firm Lee Equity Partners has signed a definitive agreement to purchase the nearly 1,200 unit Papa Murphy's Take 'N' Bake pizza chain from its current majority owner, Charlesbank Capital Partners. Terms of the deal are not being disclosed.

Papa Murphy's said that the transaction will position the company for its next phase of growth, as it continues to seek new franchise owners and open locations, primarily in the Southwestern and Southeastern United States. The deal is expected to close in the second quarter of 2010.

Since Papa Murphy's recapitalization by Charlesbank in 2004, the take 'n' bake pizza pioneer has seen its domestic system-wide sales increase by more than 63%, according to John Barr, Chairman and CEO of Papa Murphy's. "Charlesbank has been a great value-added partner, and I credit much of our strong position in the current marketplace to their support over the years," said Mr. Barr. "This new chapter with Lee Equity will undoubtedly benefit all of the brand's stakeholders, including our franchisees, employees and vendors. I look forward to working together to provide an even stronger foundation for expansion and profitable growth."

"John Barr and the management team have done a terrific job developing the company internally and fortifying its industry leadership position and strong franchise network," said Michael Eisenson, Charlesbank CEO. "This has been a rewarding investment for us, and we look forward to a very successful partnership between the company and Lee Equity Partners as the management team continues to execute their strategy for growth."

Thomas H. Lee, President of Lee Equity Partners, said that his organization was impressed with Papa Murphy's potential for future growth. "This is an outstanding brand with a strong management team. We are very excited about the expansion possibilities into areas of the country where they have little or no presence today."

Mr. Lee has been involved in a number of high growth consumer-oriented acquisitions, including Snapple Beverage Corp., General Nutrition Companies, PETCO Animal Supplies, Inc., Ghirardelli Holdings Corp., Banana Boat, and Sterling Jewelers, Inc., among others.

North Point Advisors and Wells Fargo Securities served as strategic consultants to Charlesbank and Papa Murphy's on the transaction.

#### **About Papa Murphy's**

Papa Murphy's is the fifth-largest pizza chain in the country and the pioneer and leader of the Take 'N' Bake pizza segment. Papa Murphy's operates nearly 1,200 franchised and corporate-owned locations in 34 states and Canada. The Vancouver, Washington-based company offers custom-made pizzas featuring high-quality fresh toppings generously layered on pizza dough

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that is made fresh each morning in each store. By baking Papa Murphy's pizzas at home, customers get to experience the home-baked aroma of a convenient, delicious meal that the brand is known for. In addition to handmade pizzas, the company offers a growing menu of Take 'N' Bake items, including Cheesy Bread, Cinnamon Wheels, and chocolate chip cookie dough. Papa Murphy's has been voted "Best Pizza Chain in America" for seven consecutive years by consumers nationwide in the Restaurants and Institutions "Consumers' Choice in Chains" survey and is a four-time recipient of Pizza Today's Chain of the Year award, most recently in 2009. For more information, visit [www.papamurphys.com](http://www.papamurphys.com)