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Charterhouse Group Portfolio Company Acquires Superior Bakery, Inc. and Matthew's Bread Company, Inc.

Acquisition Facilitates Expansion of Charter Baking Company's Leading Industry Brands

NEW YORK, NY. (June 12, 2006) – Charter Baking Company (“Charter Baking”), a portfolio company of Charterhouse Group, Inc., has completed the acquisition of Superior Bakery, Inc. (“Superior”) and Matthew’s Bread Company, Inc. (“Matthew’s”). Charter Baking is positioned as one of North America’s leading organic and natural baking companies with premier industry brands – Rudi’s Organic Bakery, Vermont Bread, The Baker, and now Matthew’s All Natural - with national distribution.

According to John Foley, Charter Baking Company’s CEO, the acquisition will develop a more effective and efficient route distribution system in the greater Boston area that will aid in the growth and retail penetration of Charter Baking’s brands.

Located in North Grosvenor Dale, Conn., Superior employs 82 employees. The facility also boasts 26 direct store delivery (DSD) routes, covering Massachusetts, Rhode Island and Connecticut. Matthew’s line includes Whole Wheat Bread, 9 Grain & Nut, Golden Bread, Whole Wheat Cinnamon Raisin, Oat Bran, Honey 12 Grain, Honey Oatmeal and English Muffins. Superior produces the deli brands of Kasanof and Green Freedman.

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In early 2005, Charterhouse Group, the New York-based private equity firm, established Charter Baking Company and commenced its build-up within the natural and organic baked goods sector with the acquisition of The Vermont Bread Company (“VBC”). Based in Brattleboro, Vt., VBC is one of the northeastern region’s largest producers and distributors of natural and organic breads and muffins.

Founded in 1978, VBC today sells its products to natural/organic supermarkets, independent natural food stores, traditional supermarkets and mass retailers throughout the northeastern corridor. Lisa Lorimer, VBC’s founder, contributed to developing the vision and plan for building a multi-brand, national business with leading natural and organic baked goods product lines, and remains active with Charter Baking.

Charter Baking Company completed a second acquisition, Adams Baking Corporation (“Adams”), in June 2005. Adams, another leading maker of premium, natural, made-with-organic, and ‘better-for-you’ breads, muffins and other baked goods, sells most of its products under The Baker brand. Founded in 1979 and based in Milford, NJ, Adams operated a DSD distribution network servicing more than 1,500 supermarkets and independent grocery stores from the Mid-Atlantic through New England.

In August 2005, Charter Baking Company acquired Rudi’s Organic Bakery (“Rudi’s”). Founded in 1976 and headquartered in Boulder, Colo., Rudi’s is a leading producer and distributor of USDA certified organic sandwich breads, artisan breads, hamburger buns, hot dog rolls, tortillas and spelt baked goods with national distribution. Nearly three decades ago, the company commenced operations as a small bakery shop and health-conscious consumers soon recognized the Rudi’s Organic brand for its flavorful, nutritious and preservative-free baked goods.

A pioneer in the baking field, Rudi’s helped champion congressional passage of the Organic Foods Production Act of 1990, more than a decade before implementation of the official U.S. National Organic Standards. Always ahead of the market, Rudi’s introduced its line of organic Whole Grains & Fiber breads in 2004, prior to the January 2005 debut of the federal government’s revised U.S. Dietary Guidelines.

According to Mr. Foley, the continuing build-up strategy is consistent with Charterhouse Group's history of developing and executing master consolidation plans in fragmented industries. "The strategy is also representative of Charterhouse Group's focus on making investments in consumer sub-sectors focused on healthy living and wellness," Foley said.

Foley also noted that the acquisition of Superior will further facilitate Charter Baking's strategy of offering multiple brands of organic and natural breads on a national basis and supplying products on a fresh-delivered basis through Company-operated DSD in core organic markets. The company's mission is to establish recognized national brands of wholesome organic and natural baked goods by providing high quality, great-tasting products for consumers committed to health, nutrition, food safety and the environment.

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Charterhouse Group, Inc. is a private equity firm with three decades of experience in building leading middle-market companies. Established in 1973, Charterhouse currently manages in excess of \$1.9 billion in equity through several limited partnerships. Since its inception, Charterhouse Group has completed investments in over 100 platform companies with a focus in the Business Services, Healthcare Services and Consumer Products & Services sectors. For more information, please visit www.charterhousegroup.com.

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