

# PNC RIVERARCH CAPITAL SUCCESSFULLY EXITS INVESTMENT IN NEW CARBON COMPANY

January 7, 2014

## Pittsburgh, January 7, 2014

PNC Riverarch Capital announced that affiliates of Roch Capital have acquired New Carbon Company, LLC (“New Carbon”), the leading provider of waffle and pancake mix to restaurants, hotels, colleges, and other foodservice establishments. New Carbon was previously a portfolio company of PNC Riverarch Capital. Terms of the transaction were not disclosed.

Founded in 1937, New Carbon provides its Golden Malted brand waffle mix, along with waffle irons and related maintenance, to over 40,000 customer locations throughout North America and internationally. New Carbon pioneered the “Waffle Program,” whereby customers are provided a complementary waffle iron and subsequent maintenance in exchange for an agreement to purchase waffle mix exclusively from the company. New Carbon’s customer base includes prominent national restaurant chains and lodging operators, as well as independent restaurants and hotels. New Carbon is headquartered in South Bend, Indiana.

New Carbon substantially increased revenue and earnings under PNC Riverarch Capital ownership, as the company expanded into adjacent product categories and executed an aggressive vertical integration strategy. New Carbon completed acquisitions of sixteen of its former independent distributors during the company’s partnership with PNC Riverarch Capital, affording the company significant operating efficiencies and increased control over its distribution operations.

“Our investment in New Carbon typifies our investment strategy, which emphasizes niche market leadership and a strong growth orientation. We enjoyed working with the New Carbon team to grow the business both organically and through acquisition,” said Michael Rost, managing director of PNC Riverarch Capital. “We were able to leverage prior experience in food distribution to support entry into new product categories, optimization of the company’s distribution operations, and an aggressive acquisition strategy. We collaborated with the New Carbon team to develop a focused investment plan and then executed against that plan.” Rick McKeel, CEO of New Carbon, said, “PNC Riverarch proved to be a valuable and reliable resource over the course of our partnership. Their support across all aspects of our business, in conjunction with their focused approach to growth, allowed us to accelerate revenue and earnings growth and to fortify our position as the market leader. PNC Riverarch was a great partner.”

The transaction for PNC Riverarch Capital was led by Rost; Michael Hand, managing director; Andrew Wiechkoske, director; and Brian Blake, analyst.

PNC Riverarch Capital is a middle-market private equity firm which invests in privately held companies headquartered in North America. The firm seeks well-positioned companies where it can invest \$10 million to \$50 million of capital in support of recapitalizations, leveraged and management buyouts, corporate divestitures and growth financings. PNC Riverarch Capital invests across a variety of industry sectors, including outsourced services, specialized manufacturing, and value-added distribution.

PNC Riverarch Capital is a member of The PNC Financial Services Group, Inc., which has invested in private equity since 1982, providing over \$1.0 billion of equity capital to more than 100 companies.

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