



NEWS RELEASE

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McKee Foods Corp. named as winning bidder for Drake's snack cakes

COLLEGEDALE, Tenn. — March 14, 2013 – Hostess Brands Inc. today announced that the stalking horse bid submitted by McKee Foods for the Drake's snack cake brand will be the bid presented for approval to the U.S. Bankruptcy Court as no other qualified bids were received for those assets.

"We know that Drake's Cakes are unique baked goods that have a loyal following," said Mike McKee, president and CEO. "McKee Foods is a family-owned bakery, and similarly Drake's was established as a family bakery 125 years ago. We have generations of experience in baking, and we will strive to bake the Drake's cakes, not just for taste and quality, but also to deliver on the memories of the loyal Drake's fans."

McKee Foods has agreed to pay \$27.5 million for the Drake's brand and certain equipment. Drake's products include Ring Dings, Yodels, Devil Dogs, Yankee Doodles, Sunny Doodles and Drake's Coffee Cake. Hostess will ask the U.S. Bankruptcy Court for the Southern District of New York to approve the transaction at a hearing on Tuesday, April 9. No part of the sale will be final until this approval is granted.

About McKee Foods Corporation

Founded in 1934 by O.D. and Ruth McKee, McKee Foods Corporation has grown to become America's leading family-owned snack cake bakery. McKee Foods offers more than 90 varieties of Little Debbie® and 32 varieties of Sunbelt® Bakery snacks and cereals that are sold in all 50 states, Canada and Puerto Rico. The company is headquartered in Collegedale, Tenn., and has production facilities in Gentry, Ark., and Stuarts Draft, Va., and a warehouse and distribution center in Kingman, Ariz. McKee Foods also owns the Collegedale-based subsidiaries Blue Planet Foods, manufacturer of high-quality granola products including Heartland® cereals and pie shells, and Fieldstone™ Bakery, which provides institutional food service organizations with nutritious, high-quality snacks and cereals.

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