

PREMIUM BRANDS EXPANDS SANDWICH PLATFORM

VANCOUVER, B.C., February 14, 2011. Premium Brands Holdings Corporation (TSX: PBH) a leading producer, marketer and distributor of specialty branded consumer food products announced today that it has entered into a definitive agreement to acquire Canada Bread Company Limited's (TSX: CBY) pre-packaged sandwich operations and related direct-to-store delivery (DSD) networks. The transaction, which is subject to normal closing conditions, is expected to close on February 18, 2011.

"This transaction provides us with the manufacturing and distribution infrastructure needed to accelerate our growth into eastern Canada and moves us closer to our goal of building North America's leading prepackaged sandwich manufacturing platform," said Mr. George Paleologou, President and CEO. "Furthermore, it strengthens our competitive position across Canada by:

- expanding our family of specialty brands;
- providing us with a proprietary DSD network in eastern Canada that complements our DSD network in western Canada; and
- positioning us to provide national sandwich programs to both convenience store and grocery retailers."

The acquired business, which will operate under the name Les Aliments Deli Chef, has two sandwich manufacturing facilities: one in Gatineau, Quebec and the other in Toronto, Ontario; as well as a central distribution facility in Laval, Quebec; a 14 truck convenience store DSD network in southern Ontario and a 44 truck convenience store DSD network in Quebec.

"We are very pleased to be welcoming the Les Aliments Deli Chef employees to our organization," said Mr. Paleologou. "Given the similarity of our values I am very confident that the transition of the business from Canada Bread to Premium Brands will be seamless.

"We are also very pleased to be expanding our relationship with both the Canada Bread and Maple Leaf Foods organizations through a variety of strategic initiatives, including bread and processed meats supply agreements. We look forward to working with them to create value for both of our companies," said Mr. Paleologou.

Financial Guidance

The transaction is expected to have a small negative impact on Premium Brands' EBITDA in 2011 as it repositions Les Aliments Deli Chef for future sustainable growth. In addition, as part of this repositioning, the Company expects to incur an additional \$6 million to \$7 million in capital and restructuring related costs.

"Our objective is for Les Aliments Deli Chef to be generating annual sales and EBITDA of \$50 million and \$5 million, respectively, within the next five years," said Mr. Paleologou.

About Premium Brands

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Washington State and Nevada. The Company services over 25,000 customers and its family of brands and businesses include Grimm's, Harvest, McSweeney's, Bread Garden Express, Hygaard, Hempler's, Quality Fast Foods, Gloria's Best of Fresh, Harlan Fairbanks, Creekside Bakehouse, Centennial Foodservice, B&C Foods, Duso's Fine Foods, Maximum Seafood, SK Food Group, Hub City Fisheries, Audrey's, Deli Chef and Hamish & Enzo.

For further information, please contact George Paleologou, President and CEO or Will Kalutycz, CFO at (604) 656-3100.

Forward-Looking Statements

This press release includes forward looking statements with respect to Premium Brands, including its business operations strategy and financial performance and condition. These statements generally can be identified by the use of forward looking words such as “may”, “could”, “should”, “would”, “will”, “expect”, “intend”, “plan”, “estimate”, “project”, “anticipate”, “believe” or “continue”, or the negative thereof or similar variations. Although management believes that the expectations reflected in such forward looking statements are reasonable and represent Premium Brands’ internal expectations and belief as of February 14, 2011, such statements involve unknown risks and uncertainties beyond Premium Brands’ control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Important factors that could cause actual results to differ materially from Premium Brands’ expectations include, among other things: (i) seasonal and/or weather related fluctuations in its sales; (ii) changes in consumer discretionary spending resulting from changes in economic conditions and/or general consumer confidence levels; (iii) changes in the cost of raw materials used for its products; (iv) changes in the cost of products sourced from third party manufacturers and sold through Premium Brands’ proprietary distribution networks; (v) changes in Canadian income tax laws; (vi) the loss of a significant customer; (vii) changes in consumer preferences for food products; (viii) competition from other food manufacturers and distributors; (ix) new government regulations affecting Premium Brands’ business and operations; (x) the inability to realize anticipated tax attributes associated with its recent conversion to a corporation; (xi) exposure to third party credit/contractual risk and operational risk relating to its recent conversion to a corporation; and (xii) other factors as discussed in Premium Brands’ Management’s Discussion and Analysis for 2009 and for the third quarter of 2010, both of which are filed electronically through SEDAR and available online at www.sedar.com. It should be noted that this list of important factors affecting forward looking information may not be exhaustive. Unless otherwise indicated, the forward looking information in this document is made as of February 14, 2011 and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward looking information in this document.