

## **NORTH CASTLE PARTNERS TO SELL NAKED JUICE COMPANY TO PEPSICO**

Greenwich, CT, November 21, 2006 – North Castle Partners announced today a definitive agreement to sell Azusa, California-based Naked Juice Company, a leader in the fast growing super premium juice category, to PepsiCo (NYSE: PEP). This transaction marks the third investment exit for North Castle Partners, a leading private equity firm focused exclusively on consumer businesses that benefit from “Healthy Living and Aging” trends, in 2006. Terms of the agreement, which is subject to government approval, were not disclosed.

With sales of more than \$150 million, Naked Juice Company has a loyal and rapidly growing consumer base, which it reaches primarily through grassroots marketing and sales efforts. Its products include more than 25 all-natural, 100-percent-refrigerated juices and juice smoothies made from the best bare-naked fruits and nutritional boosts, with no added sugars or preservatives. Naked Juice is sold in supermarkets, club stores, health food stores and other specialty stores nationwide.

PepsiCo will continue Naked Juice’s successful marketing and innovation approach, while broadening its reach. With access to PepsiCo’s sales and distribution capabilities, Naked Juice can better meet the increasing consumer demand for healthy grab-and-go beverages and healthy snack alternatives.

“We are proud of the tremendous success the Naked Juice Company has achieved through our partnership with CEO Monty Sharma and the Naked Juice management team,” said Lou Marinaccio, a Managing Director of North Castle Partners. “PepsiCo is a global organization dedicated to health and wellness. That dedication coupled with extraordinary marketing and sales capabilities positions Naked Juice beautifully to continue its success in achieving the next stage of growth.”

Since 2004, under the leadership of Mr. Sharma and in partnership with North Castle, Naked Juice has executed on a series of major initiatives that upgraded the company’s branding and marketing, accelerated sales growth, and improved the company’s infrastructure and profitability. Specifically, the company re-launched the brand in 2005 to enhance Naked Juice brand recognition through better communication of the product’s raw and witty character combined with its superior product quality and taste. In addition, Naked Juice introduced several new products including Extended-Shelf-Life products in order to increase its distribution nationwide.

North Castle’s investment in Naked Juice drew on the firm’s expertise in the Nutrition arena, where it has made investments in EAS, a leading active lifestyle nutrition company that it sold to Abbott Labs in 2004, and Leiner Health Products, Inc., a market-leading provider of self-care products to food, drug and mass market retailers.

Monty Sharma, chief executive officer of Naked Juice Company, said, “We appreciate the partnership and hands-on, value-added support that North Castle has provided over the years to help Naked Juice become the great company that it is today. We’re excited that Naked Juice will be joining PepsiCo, a quality organization with world-class marketing and sales teams that will catapult us to the next level.”

“Becoming part of PepsiCo will allow us to expand our distribution and continue to demonstrate our commitment to bring the best all natural juice and juice smoothies to

more consumers,” continued Mr. Sharma. “I’m looking forward to PepsiCo growing this business and to extending the availability and awareness of Naked Juice’s exceptional line up of beverages.”

“We’re delighted to add Naked Juice to our portfolio, as it strategically fits our stated plans for growth,” said Greg Shearson, president of Tropicana Products North America. “The company’s products are consistent with PepsiCo’s overall health and wellness focus and will help accelerate our efforts in providing great tasting fruit and vegetable servings to North American consumers.”

In fact, nearly all 25 Naked Juice beverages would qualify for the PepsiCo Smart Spot designation, which was created to help consumers identify the more than 250 plus PepsiCo products that contribute to a healthier lifestyle.

“Naked Juice’s consumers and customers are passionate about this brand. We value that level of loyalty and look forward to building on it to help Naked Juice continue to grow,” said Mr. Shearson.

Goldman, Sachs & Co. acted as sole financial advisor and Debevoise & Plimpton LLP as legal advisor to Naked Juice Company during the transaction.

#### **About The Naked Juice Company**

Naked® Juice, a leader in the super-premium juice category, was founded and first marketed beach towel-to-beach towel on the beaches of Santa Monica, Calif. in 1983. The Naked Juice line of all-natural 100 percent juices, fruit juice smoothies and protein smoothies are made from the best bare-naked fruits and nutrition boosts with *no* added sugar or preservatives. The pure, nutritional product line is sold in supermarkets, club stores, health food stores and other specialty stores nationwide. For more information, visit [www.nakedjuice.com](http://www.nakedjuice.com).

#### **About North Castle Partners**

North Castle Partners is a leading private equity firm focused exclusively on investments in consumer-driven product and service businesses that benefit from “Healthy Living and Aging” trends. North Castle is a hands-on, value-added investor in high-growth, middle market companies in the (i) aesthetics & personal care, (ii) consumer health, (iii) fitness & recreation, (iv) home & leisure and (v) nutrition industries.

North Castle has built several world-class companies. The firm’s current portfolio includes such well-known brands as Avalon Organics, Red Door Spas, Leiner Health Products, and Naked Juice. Prior portfolio company holdings included Equinox Fitness, EAS, CRC Health and Grand Expeditions.

North Castle is led by a seasoned group of five partners and supported by eight additional private equity professionals. The North Castle team is further enhanced by nine proactive operating advisors who bring a wide range of operational and investment capabilities as well as an extensive knowledge base and network. The strength of the North Castle team, combined with our focus and network, is creating significant competitive advantages in building world-class companies. North Castle is headquartered in Greenwich, CT. For more information, visit [www.northcastlepartners.com](http://www.northcastlepartners.com).

**About PepsiCo**

PepsiCo is one of the world's largest food and beverage companies with annual revenues of more than \$32 billion. Its principal businesses include Frito-Lay snacks, Pepsi-Cola beverages, Gatorade sports drinks, Tropicana juices and Quaker foods. Its portfolio includes 17 brands that generate \$1 billion or more each in annual retail sales. For more information, visit [www.pepsico.com](http://www.pepsico.com).

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