



FOR IMMEDIATE RELEASE: MAY 27, 2008

Media Contact: Deborah Holt

Ciao Bella Gelato Company

973-373-1200, press@ciaobellagelato.com

CIAO BELLA® *Receives Equity infusion to support Rapid Growth*

New York, New York – May 27, 2008 - Ciao Bella Gelato Company, Inc., the leading national manufacturer of all natural gelato and sorbet, announced today that it has received a capital injection from private equity firms Encore Consumer Capital and Sherbrooke Capital. The investment will allow Ciao Bella to fund marketing and branding efforts and strongly affect its rapid expansion into the specialty and mainstream grocery channel. The transaction was represented by Livingstone Partners, a leading independent international investment banking firm, based in Chicago.

"We are very excited about the opportunities it will enable," says Charles Apt, COO and President. "In addition, Encore Consumer Capital and Sherbrooke Capital's experience in the retail and food service industries, branding expertise and support for our brand vision make them the ideal strategic partner for us as we continue our rapid growth."

The 25-year-old Ciao Bella historically focused on hospitality sales but embraced its rapidly growing Direct to Consumer and Retail presence in 2005. With an impressive 35% top line growth for the past two years, The CIAO BELLA® trade name has become one of America's most rapidly-emerging brands, most recently featured on the **Oprah Winfrey Show** and named one of the top brands on the verge by **Brandweek Magazine**.

Encore Consumer Capital, based in San Francisco, is a \$175 million private equity fund focused exclusively on consumer products. Encore has invested in numerous food and consumer products companies including Aidells Sausage Company, PhillySwirl frozen novelties and Isopure, a leader in sports and medical nutrition products. Sherbrooke Capital, based in Boston, provides growth capital to the Health and Wellness market with assets under management in excess of \$180 million has backed leading beverage and natural food companies IZZE Beverage Company, Oregon Chai and FoodShouldTasteGood.

"Within the \$22 billion domestic ice cream category, take home super premium is one of the fastest growing segments due to a shift in consumer preference towards products positioned as premium in terms of image, price, and quality," says Scott Sellers, Co-founder and Managing Director, Encore Consumer Capital, who will join Ciao Bella's Board of Directors. "Our assessment shows that Ciao Bella has the greatest potential for growth of any company in the category. This investment will give Ciao Bella the additional resources it needs to achieve an entirely new level of national awareness and sales."

Ciao Bella's Chief Strategy Officer F.W. Pearce affirmed "This is an exciting opportunity for us at a critical point in our company's history. We will continue to focus on making the very best product possible, and are pleased that

even more consumers will now be able to find Ciao Bella in their local stores. I am particularly pleased with the deep operational experience in natural and lifestyle products that our equity partners bring to the table.” Ciao Bella’s operating team will be guided by Sherbrooke Capital’s General Partner, Cory Comstock, who will join Ciao Bella’s Board of Directors.

“We are very excited about our investment in Ciao Bella,” Comstock declared, “They have done a terrific job of developing great tasting, all natural flavors that are differentiated and unique. Iconic packaging, an authentic story, and a bold brand position strengthen Ciao Bella’s exceptional opportunity.”

Already available in over 4,000 retailers nationwide, Ciao Bella will expand its mainstream grocery presence this year to include Safeway, Harris Teeter, Shaw’s Supermarkets, and Costco Wholesale-Northern California. Ciao Bella will continue to focus on its core specialty retailers and is slated to expand its direct to consumer presence on Amazon.com next month. As part of a test model for a brand awareness blitz in 2009, Ciao Bella will launch grass roots brand building tours on both the west coast and east cost that will support the quickly growing list of retailers.

About CIAO BELLA®

Fondly called America’s Gelato, Ciao Bella began in a tiny storefront kitchen in New York’s little Italy in 1983. Ciao Bella has set the dessert standard for innovation and supreme indulgence with its collection of all natural, chef inspired gelato and sorbet pints. Offering unique and intense flavors like Blood Orange Sorbet and Key Lime Graham Cracker Gelato, Ciao Bella uses only the most elite and pure ingredients, resulting in frozen specialties which embody both classic Italy and modern America. For more information, please visit the Ciao Bella website at www.ciaobellagelato.com.

ABOUT ENCORE CONSUMER CAPITAL

Encore Consumer Capital is a San Francisco based private equity firm focused on the food and consumer products industries. The firm invested in Aidells Sausage Company, PhillySwirl, Isopure and Juice Tyme. For more information, please visit the Encore Consumer Capital website at www.encoreconsumercapital.com.

ABOUT SHERBROOKE CAPITAL

Sherbrooke Capital is a Massachusetts based fund focused exclusively on providing growth and expansion capital to emerging companies in the Health and Wellness industry. The fund previously backed leading beverage and natural food companies IZZE Beverage Company, Oregon Chai, Adina, FoodShouldTasteGood and Immaculate Baking. For more information, please visit Sherbrooke Capital website at www.sherbrookecapital.com.

ABOUT LIVINGSTONE

Livingstone is a Chicago based independent, integrated international investment banking firm focused on M&A and private equity transactions with values between \$30 and \$300 million. Veteran Chicago investment bankers Stephen Miles and David Sulaski founded the firm in 2007, successfully integrating with a prominent firm in Spain and with the UK’s top mid-market boutique, Livingstone Guarantee, established in 1976. Livingstone was named 2008 Boutique of the Year at the European Private Equity Awards. For more information, please visit Livingstone at www.livingstonepartners.com.

#####