



PET VALU AGREES TO BE ACQUIRED BY AFFILIATES OF ROARK CAPITAL GROUP

Markham, Ontario, July 5, 2009 -- Pet Valu, Inc. ("PVI") and Pet Valu Canada Inc. ("PVC") (collectively, "Pet Valu") (TSX: PVC) announced today that they have entered into a definitive agreement (the "Agreement") to be acquired by certain affiliates of Roark Capital Group ("Roark"), an Atlanta-based private equity firm. Under the terms of the Agreement, shareholders of PVC (PVI's publicly-traded Canadian operating subsidiary) will receive \$13.68 in cash for each of their exchangeable shares, representing a total transaction equity value of approximately \$143.7 million. The transaction is subject to shareholder and court approval.

The transaction has been approved by the Boards of Directors of PVI and PVC (the "Boards"), who have determined that the transaction is fair to the shareholders of Pet Valu and is in the best interests of Pet Valu. The Board will recommend that Pet Valu shareholders vote in favour of the transaction. Pet Valu's financial adviser, TD Securities Inc., has provided an opinion that, as of the date of the opinion, the consideration to be received by Pet Valu shareholders under the transaction is fair, from a financial point of view, to those shareholders. Geoffrey Holt, Pet Valu's founder and CEO, and entities affiliated with him (the "Holt Group") together represent Pet Valu's largest shareholder and have agreed to vote all of their PVC exchangeable shares, which represent approximately 31% of the voting shares of PVC, in favour of the transaction, subject to the terms and conditions of a voting support agreement among the Holt Group, Roark and Pet Valu. Pet Valu's second-largest shareholder, Goodwood Inc, has also agreed in a similar voting support agreement to vote all of the PVC exchangeable shares that it controls, which represent approximately 20% of the PVC voting shares, in favour of the transaction.

"Under the direction of a Special Committee and the Boards, Pet Valu conducted a very thorough process of seeking alternatives that would enhance value for Pet Valu shareholders", said C. Ian Ross, Pet Valu's Chairman. "During that process, Pet Valu conducted an extensive canvass of potential buyers of the business, and the Boards concluded that the transaction with Roark represents the best alternative for shareholders. Joining forces with Roark, which has deep experience investing in franchise and specialty retail businesses, also represents a promising opportunity for our customers, employees and franchisees."

Ezra Field, Managing Director of Roark, stated that "We are excited to have the opportunity to invest in Pet Valu, the leading Canadian specialty retailer of pet food and supplies. Pet Valu has a reputation for exceptional customer service, and we look forward to working with management to grow Pet Valu's business." Neal Aronson, Managing Partner of Roark, added that "Pet Valu, which will be Roark's 15th franchise investment, is consistent with our strategy of investing in

value-added franchises that have strong brands and market positions, experienced management and a loyal customer base.”

Mr. Holt plans to retire as Pet Valu’s CEO upon completion of the transaction. “Geoff Holt founded Pet Valu and has been its leader and CEO since inception”, said Mr. Ross. “All of us at Pet Valu want to acknowledge his vision and dedication to Pet Valu for over 30 years.”

The transaction will be effected through a plan of arrangement under the laws of British Columbia. The transaction will be subject to approval by Pet Valu’s shareholders and by the British Columbia Supreme Court. Special meetings of the shareholders of PPCI and PVI to consider the transaction are expected to be held in August 2009. To be implemented, the arrangement will require approval by two-thirds of the votes cast at the meetings by the holders of exchangeable shares. The arrangement will also require the approval of a simple majority of the votes cast by holders of exchangeable shares other than members of the Holt Group. Completion of the transaction will also be subject to other customary conditions. It is anticipated that the transaction, if approved by shareholders and the Court, will be completed in the third quarter of 2009.

The Agreement prohibits Pet Valu from soliciting competing proposals, but allows Pet Valu to respond to unsolicited superior proposals subject to Roark's right to "match" any superior proposal. The Agreement contains other typical provisions, including the right of Pet Valu or Roark to terminate the Agreement in specified circumstances and the payment of termination fees by Pet Valu or Roark in specified circumstances.

The management information circular to be sent to Pet Valu shareholders in connection with the special meetings of shareholders to consider and vote on the transaction is expected to be mailed to shareholders in July. Copies of the circular, the Agreement and certain related documents will be filed with Canadian securities regulators and will be available on the Canadian SEDAR website at www.sedar.com.

TD Securities Inc. is Pet Valu’s financial adviser, and Roark is being advised by BMO Capital Markets.

About Pet Valu

Founded in 1976 and headquartered in Markham, Ontario, Pet Valu is Canada’s leading small-format specialty retailer and wholesale distributor of pet food and pet-related supplies, with 295 corporate and franchised stores in Ontario and Manitoba, and 61 U.S. stores located in Pennsylvania, New Jersey, Maryland and Delaware. Pet Valu’s products include dog, cat and other pet foods as well as non-food products such as collars, leashes, pet cages and toys. For more information, please visit www.petvalu.com.

About Roark Capital Group

Roark Capital Group is an Atlanta-based private equity firm that specializes in business and consumer service companies with attractive growth prospects and revenues ranging from US\$20 million to US\$1 billion. Specific areas of focus include franchise, food and restaurants, marketing services and business services. Roark’s franchise investments together generate more

than \$3.5 billion in system sales and have 14,000 points of distribution in all 50 U.S. States and 33 countries around the world. The firm has more than US\$1.5 billion of equity capital under management. For more information, visit www.roarkcapital.com.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements, including forward-looking statements relating to the anticipated benefits of the proposed acquisition of Pet Valu by Roark, the transaction structure and the timing of the meetings of Pet Valu's shareholders and the closing of the transaction. Forward-looking statements are based on estimates and assumptions made by Pet Valu in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Pet Valu, or developments in Pet Valu's business or their industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements, including, without limitation: Pet Valu and Roark's ability to close the transaction in the time period anticipated, if at all, which is dependent upon the parties' ability to comply with the closing conditions to the transactions, some of which are beyond the control of Pet Valu and Roark; Roark's ability to obtain financing for the transaction; the approval of the plan of arrangement by the court, which will consider, among other things, the fairness of the terms and conditions of the transaction to Pet Valu's shareholders; the approval of the plan of arrangement; and other risks relating to the business and industry of Pet Valu that are detailed from time to time in Pet Valu's filings with the Canadian provincial securities regulators. Pet Valu cautions that this is not an exhaustive list of factors that may affect the forward-looking statements in this news release. Pet Valu cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and Pet Valu has no intention and undertakes no obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by law.

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