



October 9, 2013

Potbelly Corporation Announces Closing of Initial Public Offering and Exercise of Over-Allotment Option

CHICAGO, Oct. 9, 2013 (GLOBE NEWSWIRE) -- Potbelly Corporation (Nasdaq:PBPB) announced today the closing of its previously announced initial public offering of 8,625,000 shares of common stock at a price to the public of \$14.00 per share, which included 1,125,000 shares of common stock issued upon the exercise in full of the underwriters' option to purchase additional shares. The Company sold 8,474,869 shares of common stock and certain stockholders sold 150,131 shares of common stock.

The Company received net proceeds from the offering of approximately \$108.8 million, after deducting the underwriting discount and other estimated offering expenses. The Company intends to use the net proceeds received from the sale of its shares to pay a previously declared cash dividend of approximately \$49.9 million on shares outstanding prior to the offering, to repay borrowings of approximately \$14.0 million under its credit facility and for working capital and general corporate purposes.

BofA Merrill Lynch and Goldman, Sachs & Co. acted as joint book-running managers for the offering, and Robert W. Baird, William Blair, and Piper Jaffray acted as co-managers.

The offering was made only by means of a prospectus. A copy of the prospectus may be obtained by contacting BofA Merrill Lynch, 222 Broadway, New York, New York 10038, Attention: Prospectus Department or by e-mailing dg.prospectus_requests@baml.com, or Goldman, Sachs & Co., 200 West Street, New York, New York 10282, Attention: Prospectus Department, by calling (866) 471-2526 or by e-mailing prospectus-ny@ny.email.gs.com.

A registration statement relating to the Company's common stock has been filed with and declared effective by the Securities and Exchange Commission. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

About Potbelly

Potbelly Corporation is a fast-growing neighborhood sandwich concept offering toasty warm sandwiches, craveable salads and hand-dipped milkshakes all made fresh to order and delicious cookies baked fresh each day. As of September 23, 2013, the Company owns and operates 288 shops located in 18 states and the District of Columbia and our franchisees operate seven shops domestically and twelve in the Middle East.

CONTACT: Investor Contact:

Investors@Potbelly.com

312-428-2950



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