

KRISPY KREME DOUGHNUTS, INC. CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines have been adopted by the Board of Directors (the “Board”) of Krispy Kreme Doughnuts, Inc. (the “Company”). Together with the Company’s Articles of Incorporation, Bylaws, Code of Business Conduct and Ethics and Code of Ethics for Chief Executive and Senior Financial Officers and the charters of the committees of the Board, these Corporate Governance Guidelines provide a framework for the governance of the Company.

Classifications of Directors

The term “**Independent Director**” means a director who meets the criteria for independent directors of the New York Stock Exchange (“NYSE”) corporate governance rules and any other applicable laws, rules and regulations regarding independence in effect from time to time.

The term “**Lead Independent Director**” means the Independent Director appointed to preside over each executive session of the Non-Management Directors.

The term “**Non-Management Director**” means a director who is not an executive officer of the Company and may include directors who are not Independent Directors.

I. Director Independence and Qualifications

Independence

A substantial majority of the Board shall consist of “Independent Directors.” The Nominating and Corporate Governance Committee shall be responsible for reviewing the independence of directors, but the Board will make the determination of director independence. Under the NYSE rules, a director will be considered independent only if, in addition to satisfying other requirements relating to independence, the Board has affirmatively determined that the director does not have a direct or indirect material relationship with the Company. The Board will use the following standards to assist it in determining director independence, under which the relationships set forth will not be considered material:

- If a Company director is an executive officer of another company which does business with the Company and the annual revenues derived from that business are less than 1% of either company’s total revenues for the last fiscal year.
- If a Company director is a director, officer or trustee of a charitable organization and the Company’s annual charitable contributions to the organization (exclusive of gift-match payments) are less than 1% of the organization’s total annual charitable receipts during the last fiscal year of such organization.
- If a Company director is a partner of or of counsel to a law firm that performs legal services for the Company and payments made by the Company to the firm

during a fiscal year are not for legal services performed by the director or his or her immediate family and do not exceed 1% of the firm's gross revenues for the last fiscal year.

Director Qualifications

In selecting new directors of the Company, consideration will be given to: each individual director's personal qualities and abilities; the collective skills and aptitudes of all of the directors, taking into account the responsibilities of the Board; and qualifications imposed by law and regulation. Directors should be persons who have achieved prominence in their respective fields and who have experience at a strategy/policy setting level or who have high-level managerial experience in a relatively complex organization, or who are accustomed to dealing with complex problems. Directors should possess integrity, independence, energy, forthrightness, analytical skills and commitment to devote the necessary time and attention to the Company's affairs. Directors should be willing to challenge management constructively about corporate strategy, the adequacy of internal resources and the soundness of controls and to insist upon a management tone and environment that values accuracy in accounting, transparency in financial reporting and integrity in business conduct generally. Directors must also be able to work as part of a team in an environment of trust. Directors shall be committed to representing the interests of all shareholders and not to advancing the interests of special interest groups or constituencies of shareholders. The Nominating and Corporate Governance Committee of the Board shall be responsible for reviewing the qualifications of directors and may, from time to time, establish additional qualifications for directors as it shall determine appropriate.

Collectively, the Board should reflect a variety of opinions, perspectives, personal and professional experiences and backgrounds, such as geographic, age, gender, race and ethnicity differences, as well as other differentiating characteristics. In addition, each director should contribute positively to the existing chemistry and collaborative culture among Board members. Each member of the Board should contribute to the overall Board composition, with the goal of creating a Board that can work collaboratively to guide the success of the Company and represent shareholder interests through the exercise of sound judgment using its diversity of experience.

II. Size and Composition of the Board

Number of Directors

The Board has the authority under the Company's Bylaws to determine the number of directors of the Company between nine and fifteen. The Nominating and Corporate Governance Committee considers the appropriate size and composition of the Board for it to function effectively and efficiently and reports its recommendations to the Board. The Board believes that a number of directors in this range offers a sufficiently large and diverse group to address the important issues facing the Company while being small enough to encourage personal involvement and discussion.

No Term Limits

The Nominating and Corporate Governance Committee believes that much of the knowledge of the Company's operations, management and business is cumulative; and as long as a director is deemed by the Committee to meet the criteria for Board service, there shall be no fixed limit on the number of terms to which a director may be elected.

Director Retirement

The Company does not have a policy on director retirement.

Change of Status

A director will tender his or her offer of resignation upon a significant change in position or responsibility in his or her principal occupation. The Nominating and Corporate Governance Committee will promptly consider the director's offer of resignation and will recommend to the Board whether or not to accept the offer of resignation. The Board shall act promptly with respect to each such offer of resignation.

Membership on other Boards

A director shall not serve on more than three other boards of directors of public companies nor on more than two other audit committees of boards of directors of public companies. The Board expects individual directors to use their judgment in accepting directorships of other corporations or charitable organizations in order to allow sufficient time to fulfill their responsibilities to the Company. Directors shall inform the Chair of the Nominating and Corporate Governance Committee prior to agreeing to serve on the board of directors of another public company. An executive officer of the Company may not serve as a director of a company that concurrently employs a director of the Company.

Nominations and Director Vacancies

The Nominating and Corporate Governance Committee shall be responsible for recommending to the Board nominees for election as directors at the annual meeting of shareholders and candidates to fill any vacancies on the Board. The full Board shall approve nominees for election as directors.

The Nominating and Corporate Governance Committee shall be responsible for identifying the need to fill a vacancy on the Board. In selecting individuals for nomination to fill a vacancy, the Nominating and Corporate Governance Committee will consider director candidates proposed by shareholders. Shareholders may propose director candidates by submitting the names and required supporting information to: Secretary, Krispy Kreme Doughnuts, Inc., P.O. Box 83, Winston-Salem, NC 27102. The applicable submission procedures are set forth in more detail in the Company's Bylaws. The Nominating and Corporate Governance Committee will evaluate all candidates using the director qualifications contained herein. The Nominating and Corporate Governance Committee may also use a third-party search firm to assist in identifying and contacting preferred candidates to fill a vacancy. Prospective candidates will be interviewed, as directed by the Nominating and Corporate

Governance Committee. During the selection process, the full Board will be kept informed of progress. The Nominating and Corporate Governance Committee will meet to consider and approve for recommendation to the Board the final director candidate to fill the vacancy.

Chairman of the Board, Chief Executive Officer and Lead Independent Director

The Board shall select its Chairman and the Company's CEO in any way it considers in the best interests of the Company. The Board shall determine from time to time, in its business judgment after considering relevant circumstances, whether it is in the best interest of the Company to have the same person occupy the offices of Chairman and CEO. In compliance with the applicable rules of the NYSE, the Company shall appoint a Lead Independent Director.

III. Director Responsibilities

Oversight Responsibilities

The business and affairs of the Company are managed by or under the authority of the Board in accordance with North Carolina law. The basic responsibility of the directors is to exercise their business judgment in good faith in a manner consistent with their duty of loyalty and to act in what they reasonably believe to be in the best interests of the Company. Directors are expected to comply with the Code of Business Conduct and Ethics and the Company's Securities Trading Policy. Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively. In discharging their responsibilities, directors should be entitled to rely on the honesty and integrity of their fellow directors and the Company's senior executives and outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Company's Articles of Incorporation and Bylaws and to exculpation as provided by law and the Company's Articles of Incorporation. In addition to its general oversight responsibilities, the Board shall have the specific responsibilities described below. The Board may, as appropriate, delegate designated Board responsibilities to committees of the Board.

Strategic Review

The Board shall be responsible for reviewing the Company's long-term strategic objectives and management's plans to achieve them. The Board will regularly monitor the Company's performance with respect to these objectives and plans. The Board shall review all operating, financial, risk management and other corporate strategies, as far as major plans and objectives are concerned, and shall monitor the effectiveness of the execution of these strategies.

Major Corporate Actions

The Board shall be responsible for reviewing and approving major corporate actions. Board approval of a particular transaction may be appropriate because of several factors, including:

- legal or regulatory requirements,

- the materiality of the transaction to the Company's financial performance, risk profile or business,
- the terms of the transaction, or
- other factors, such as the entering into of a new line of business.

Risk Management

The Board shall be responsible for overseeing compliance with laws and regulations, as well as overseeing and evaluating management's risk management activities. The Board regularly reviews information regarding the Company's credit, liquidity, operations, reputation and business strategy, as well as the associated risks.

Management Succession

Annually, the Nominating and Corporate Governance Committee will review succession plans for the CEO and other key executives, reporting its findings and recommendations to the Board; and working with the Board to establish policies for use in evaluating potential successors to the Company's CEO in compliance with the Company's Bylaws. Succession planning will address both succession in the ordinary course of business and contingency planning in case of unexpected events.

Annual Evaluation

The Board, acting through the Compensation Committee or a subcommittee thereof, shall annually conduct an evaluation of the performance of the CEO.

The Nominating and Corporate Governance Committee will establish and oversee an annual self-evaluation of the Board and its committees. This evaluation will be discussed by the Board following the completion of its assessment.

Codes of Ethics

The Company has adopted the following codes of ethics:

- Code of Business Conduct and Ethics, which applies to all employees and directors of the Company and its subsidiaries.
- Code of Ethics for Chief Executive and Senior Financial Officers, which applies to the Company's CEO, Chief Financial Officer and Corporate Controller.

The Board, through the Audit Committee and the Nominating and Corporate Governance Committee, shall monitor compliance with these codes.

Conflicts of Interest

Directors must disclose to the other members of the Board any actual or potential conflict of interest they may have with respect to a matter under consideration and, if appropriate as determined by either the affected director or the Nominating and Corporate Governance Committee, refrain from voting on the matter with respect to which they may have a conflict.

IV. Board Committees

A substantial portion of the Board's oversight and governance responsibilities is carried out by the committees of the Board. The Board shall have at least the following three committees: the Nominating and Corporate Governance Committee, the Audit Committee and the Compensation Committee. Each committee shall have its own written charter which shall comply with the applicable NYSE rules, and other applicable laws, rules and regulations. Each of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee shall be composed of no fewer than three Independent Directors (except temporarily in the case of a resignation or death). Each committee member must satisfy the membership requirements set forth in the relevant committee charter, the applicable NYSE rules and any other applicable laws, rules and regulations. In addition, the Audit Committee must satisfy the applicable SEC rules for audit committees.

The members of each Board committee and its Chair shall be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee. Each of these committees shall operate in accordance with applicable law, its charter, and the applicable rules of the Securities and Exchange Commission and the NYSE. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate. The Chair of each Board committee, in consultation with the committee members, shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter and shall develop the committee's agenda.

V. Board and Committee Meetings

Generally, the Board shall have a minimum of four scheduled meetings a year and be on-call to meet more frequently when emergencies or unusual circumstances warrant. Directors are expected to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. The Chairman of the Board will be responsible for establishing agendas for each meeting of the Board, but any director may request that a matter be placed on the Board's agenda by contacting the Chairman or the Secretary.

Board members are expected to attend all Board meetings and the meetings of the committees on which they serve and to prepare themselves for these meetings. Information and materials that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should be distributed to the directors prior to the meeting to provide ample time for review.

Directors are expected to attend each annual meeting of the Company's shareholders.

Executive Sessions without Management

The Non-Management Directors shall meet at regularly scheduled executive sessions without the CEO or other members of the Company's management present. The Board will schedule an executive session of Non-Management Directors in conjunction with each regularly scheduled Board meeting, and the Lead Independent Director shall preside at such sessions. Any director may also request additional executive sessions of Non-Management Directors to discuss any matter of concern. If the Non-Management Directors include any director who is not an Independent Director, at least once each year the Independent Directors shall meet in executive session.

VI. Access to Management and to Independent Advisors

The Board will meet regularly with management. Non-Management Directors shall have access to individual members of management and to other employees of the Company as the Board or its committees deems appropriate. Committees are authorized to conduct independent investigations and as necessary and appropriate, except as otherwise provided in the charter of any committee of the Board, to hire independent advisors at the Company's expense. Directors shall also have access to Company books and records.

VII. Director Compensation

The Board will determine, based upon the recommendation of the Compensation Committee, the compensation and benefit programs for Non-Management Directors. The Compensation Committee shall recommend compensation which is appropriate for a corporation of the complexity and size of the Company. A portion of the directors' compensation may be in the form of cash, and a portion may be in the form of equity-based compensation. The Compensation Committee shall conduct a review of director compensation from time to time, and make recommendations to the Board. Directors who are employees of the Company or any of its subsidiaries or affiliates shall not receive any compensation for their services as directors.

VIII. Director Orientation and Continuing Education

The Nominating and Corporate Governance Committee, in conjunction with the Company's Chairman of the Board, Chief Executive Officer and General Counsel, shall be responsible for providing an orientation for new directors, and for periodically providing materials or briefing sessions for all directors on subjects intended to assist them in discharging their duties. Directors are encouraged to attend relevant directors' education programs at the Company's expense and in accordance with applicable budget guidelines.

IX. Shareholder and Interested Party Communications with the Board

Shareholders and other interested parties may contact any of the Company's directors, a committee of the Board, or the Non-Management Directors or the Board generally, by writing to them in care of Krispy Kreme Doughnuts, Inc., 370 Knollwood Street, Suite 500, Winston-Salem, North Carolina 27103, Attention: Secretary. The Company may first review, sort and summarize such communications and decline to forward junk mail or other frivolous or inappropriate communications.

All concerns related to accounting, internal accounting controls or audit matters should be directed in writing to the Chair of the Audit Committee in care of Krispy Kreme Doughnuts, Inc., 370 Knollwood Street, Suite 500, Winston-Salem, North Carolina 27103, Attention: Secretary. These concerns will be handled in accordance with the procedures established by the Audit Committee with respect to such matters.

X. Revisions to Corporate Governance Guidelines

The Nominating and Corporate Governance Committee will review these guidelines annually from time to time and may make, when appropriate, recommendations to the Board for appropriate modifications.

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