



LAVAZZA ACQUIRES BLUE POD COFFEE CO. IN AUSTRALIA

With this acquisition Lavazza will have a direct presence in all coffee segments, so pursuing its international strategy and confirming Australia's role as a key market for global growth.

Turin, June 29, 2018 – Lavazza Group announces its acquisition of 100% of the business of Blue Pod Coffee Co., an Australian company specializing in the distribution of Lavazza espresso systems (capsules and machines) for the Office Coffee Service (OCS) sector. For over 10 years, Blue Pod has been Lavazza Group's exclusive distributor in Australia in the OCS sector, offering a comprehensive range of machines that satisfy the specific needs of workplace coffee areas.

The operation is perfectly aligned with the Group's international expansion strategy and confirms the increasing importance of Australia as key market, establishing a direct presence in all home and out-of-home coffee market segments. Lavazza has had a presence in Australia for over 30 years and the brand is recognised as a symbol of the quality of Italian coffee. Since 2015, the Group has been operating at local level through associated company Lavazza Australia Pty Ltd, based in Melbourne, and with this acquisition it further consolidates its direct presence in the Country.

"This operation pursues Group expansion at international level, so continuing to drive solid growth and value creation. The acquisition of Blue Pod is particularly significant because it gives us a direct presence across all coffee consumption occasions in Australia too," comments **Antonio Baravalle, Lavazza Group CEO**.

Lavazza, in line with the recent acquisitions of Carte Noire and ESP in France, Merrild in Denmark, Kicking Horse Coffee in Canada and Nims in Italia, intends to promote the value of Blue Pod, sharing expertise and values with the company, while continuing to maintain its independence and autonomy. In this sense, and with a view to further strengthening governance at the Australian company, **Silvio Zaccareo**, currently APAC Business Unit Director & Lavazza Australia Managing Director, has also been appointed **Sole Director of Blue Pod**.

"The acquisition of Blue Pod demonstrates the strategic importance of Australia, which is one of the key countries identified for the Group's international expansion and development. This operation represents a significant opportunity for Lavazza to grow in the country, in the work place coffee segment too, leveraging the current expansion of the Australian market together with the local population's strong awareness of quality coffee," comments **Silvio Zaccareo, Blue Pod Sole Director**.

Lavazza invests in consumer awareness and engagement in Australia through marketing activities, including sponsorships of the Australian Open and the Lavazza Italian Film Festival. The Group has two Training Centers in Australia (in Sydney and Melbourne), which form part of a network of over 55 centers worldwide dedicated to providing training about coffee and product innovation.

About Lavazza Group

Established in 1895 in Turin, the Italian roaster has been owned by the Lavazza family for four generations. Among the world's most important roasters, the Group currently operates in more than 90 countries through subsidiaries and distributors, exporting 63% of



TORINO, ITALIA, 1895

its production. Lavazza employs a total of about 3,000 people with a turnover of more than €2.0 billion in 2017. Lavazza invented the concept of blending — or in other words the art of combining different types of coffee from different geographical areas — in its early years and this continues to be a distinctive feature of most of its products.

The company also has over 25 years' experience in production and sale of portioned coffee systems and products. It was the first Italian business to offer capsule espresso systems.

Lavazza operates in all business segments: at home, away-from-home and office coffee service, always with a focus on innovation in consumption technologies and systems. Lavazza has been able to develop its brand awareness through important partnerships perfectly in tune with its brand internationalization strategy, such as those in the world of sport with the Grand Slam tennis tournaments, and those in fields of art and culture with prestigious museums like New York's Guggenheim Museum, the Peggy Guggenheim Collection Venice, and The Hermitage State Museum in St. Petersburg, Russia.

As the company continues on a strategic globalization path, the Lavazza Group has acquired local jewels in key markets such as France's Carte Noire (2016), Denmark's Merrild (2015) and North America's Kicking Horse Coffee (2017). Additionally, in 2017 the Group amplified its distribution reach with the acquisition of France's Espresso Service Proximité and Italy's Nims.

About BLUE POD Coffee

The Blue Pod Coffee Company with its Head Office in Melbourne is a privately owned, Australian company that was born from the desire to provide easy, delicious espresso for everyone.

Founded in 2005 Blue Pod Coffee Company has grown and expanded over the past 10+ years into one of the largest workplace coffee suppliers in Australia. Blue Pod employs skilled and highly motivated staff who have all been retained and are looking forward to the next exciting chapter with in the Lavazza Group

Building on the promise of excellence, grown out of 120 years of Lavazza tradition, the Blue Pod Coffee Company is the sole distributor of Lavazza Blue, Lavazza Espresso Point and Lavazza Espresso Point Maxi coffee capsules in Australia. We are proud to be able to offer a premium product to our customers and back this up with our own promise of quality service.

The Blue Pod Coffee Company mission is simple – build trusted relationships based on quality service and premium products with the goal of having every workplace and office in Australia equipped with the capability of enjoying genuine Italian espresso effortlessly.