

ILKO Coffee International



ILKO JOINT VENTURE

Ilko Coffee International is a **global joint venture** between **The Coca-Cola Company** and **illycaffè SpA**, focused on premium ready-to-drink (RTD) coffee based beverages. Ilko Coffee International set up a joint venture with Coca Cola Hellenic for launching in the CCH territories, which were the first launch markets.

TRIESTE, Italy and ATLANTA, March 27, 2008 - The Coca-Cola Company and illycaffè SpA announced today the companies have finalized their global joint venture and will be introducing three premium ready-to-drink (RTD) coffee products in several European countries in April.

The product is now present in 13 countries: Bulgaria, Cyprus, Czech Republic, Germany, Greece, Italy, Japan, Mexico, Romania, Slovakia, USA and Korea.

Through the joint venture, Ilko Coffee International, consumers in 10 European countries will be able to purchase three premium ready-to-drink coffee products. The products are:

- **Caffè**: bold, full-bodied character, real Italian 'chilled caffè.' First ready-to-drink coffee to offer black (no milk) espresso-based coffee.
- **Cappuccino**: intense uplifting aromas of illy espresso, blended with milk and dark cacao.
- **Latte Macchiato**: smooth fresh illy espresso experience, swirled with milk.

The products will be available in stylish, premium cans (150 ml for Caffè and 200 ml for the milk variants).

The initial launch is a result of a joint venture between Ilko Coffee International and Coca-Cola Hellenic. Additional countries in Europe, Asia, North America, Eurasia and the Pacific are slated for expansion throughout the remainder of 2008 and into 2009 and will be delivered through the Coca-Cola system.

The highly profitable RTD coffee category globally is valued at just under \$16 billion and has experienced several years of growth that is expected to continue. Globally (excluding Japan), the ready-to-drink coffee category has grown at an average rate of 10.1 percent over the past five years.

«When we announced the partnership between The Coca-Cola Company and illy a few months ago, we committed to deliver the perfect ready to drink espresso experience,» said **Muhtar Kent**, president and chief operating officer, The Coca-Cola Company. «Today, we believe we have delivered on that promise with an authentic Italian coffee experience. I look forward to this partnership delivering these great brands across the globe and enhancing our global leadership in the fast growing RTD coffee category.»

«Over the past few months, we put the effort into bringing to life the illy taste in three new ready to drink espresso-based products,» said **Andrea Illy**, illycaffè chairman. «Now, our objective is to give consistency - together with Coca-Cola - to what premium ready to drink coffee is. Coca-Cola in its history has invented entire new product categories. illycaffè is the company that greatly contributed to the definition of the espresso category. Together we will redefine how people engage with a ready to drink coffee in order to experience a true small luxury pleasure.»

The companies announced an agreement in October 2007 to focus on premium ready-to-drink coffee based beverages. Ilko Coffee International is based in Milan and will be led by **Vinay Kapoor**, a Coca-Cola executive with over 14 years of successful experience across a number of geographies and across multiple functions.

For more information: www.thecoca-colacompany.com - www.illy.com