



LAVAZZA ACQUIRES KICKING HORSE COFFEE

The Turin-based Group Accelerates Growth in North America through the Acquisition of 80% Stake in the Leading Canadian Organic Coffee Company

Turin, Italy (May 24th, 2017) – The Lavazza Group today announced the purchase of a significant equity stake in Kicking Horse Coffee, Ltd. from the private-equity fund Swander Pace Capital, who had originally acquired the investment in 2012 in partnership with Jefferson Capital and United Natural Foods. Kicking Horse Coffee, a leading Canadian organic and fair-trade coffee player, has distinguished itself over the last several years with remarkable growth in both Canada and the United States.

With this transaction, Lavazza secures an 80% interest in the company, which was valued CAD 215 million. Elana Rosenfeld, who founded Kicking Horse Coffee in 1996, will retain a 20% equity stake and will continue as Chief Executive Officer.

“Kicking Horse Coffee represents one of the ‘local jewels’ the Lavazza Group continues to seek as part of its globalization and premium positioning strategy,” commented **Antonio Baravalle, CEO of the Lavazza Group and future Kicking Horse Coffee Chairman**. *“Today, organic fair-trade coffee is one of the fastest-growing trends at the international level, and in North America in particular. Kicking Horse Coffee leads this segment with a brand that is perfectly complementary to the Lavazza portfolio. In recent years, the company has constantly grown at a double-digit rate and, thanks to this acquisition, its growth and development prospects both in and outside of Canada will increase significantly.”*

This transaction represents an important step for the development of our strategy in North America, a key market for the Lavazza Group. As with the recent Carte Noire and Merrild acquisitions, Lavazza’s objective is to further increase the “brand equity” of Kicking Horse Coffee while sharing key respective competencies and values.

“Kicking Horse Coffee has always distinguished itself for its unrelenting commitment to quality coffee, along with strong sustainability values. The Lavazza Group shares this vision and we now have the perfect partner to assist us in growing and connecting the world with our coffee,” commented **Elana Rosenfeld, co-founder and CEO of Kicking Horse Coffee**. *“I am thrilled and honored we now share this beautiful adventure with the Lavazza Group.”*

The Lavazza Group just announced its best-ever results to the market, with record revenues of €1.9 billion. With this acquisition, Lavazza continues its progress of continuous international growth and diversification, consolidating its competitive position among the global sector leaders.

The **Lavazza family** stated: *“We proudly welcome Kicking Horse Coffee to our Group. We are confident we will be able to contribute our more than 120 years of coffee experience to the continued growth of a company with great affinity to ours”.*



TORINO, ITALIA, 1895

The Lavazza Group was assisted for this transaction by the legal firm Blake Cassels and Graydon LLP in Toronto, J.P. Morgan Limited as financial advisor, Boston Consulting Group as strategic advisor, and PWC for tax and accounting.

About Kicking Horse Coffee

Kicking Horse Coffee, Ltd. is based in Invermere, British Columbia (Canada) and celebrated its 20 year anniversary as a company in 2016. Kicking Horse Coffee remains a pioneer of whole bean and fair trade coffee in Canada and is best known for its distinctive coffee blends and unique brand personality. The Company was recently named the #10 Best Place to Work in Canada. For more information, visit www.KickingHorseCoffee.com.

About Lavazza

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 60% of its production. Lavazza employs a total of about 3,000 people with a turnover of more than €1.9 billion in 2016. 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.