

March 27, 2007



# The Coca-Cola Company and Nestle Further Refine Beverage Partners Worldwide Joint Venture

## Agreement Provides The Coca-Cola Company and Nestle Greater Flexibility in the U.S. Tea Category

VEVEY, Switzerland & ATLANTA--(BUSINESS WIRE)--

The Coca-Cola Company and Nestle today announced they have further refined their previously announced agreement to refocus the activities of their Beverage Partners Worldwide (BPW) joint venture.

Under the terms of the revised agreement:

- BPW will focus 100 percent on the total tea category.
- BPW will cease all activities in the United States.
- The Coca-Cola Company has entered into a Master Sublicense Agreement (MSA) with Nestle for the Nestea and Enviga brands in the United States.
- The Coca-Cola Company and Nestle will be able to develop or acquire additional tea brands to compete more aggressively in the U.S. tea segment.
- Per the November announcement, The Coca-Cola Company and Nestle will be able to compete in coffee in any country after the closing of the agreement.
- All BPW coffee initiatives will revert to Nestle on a market-by-market basis during an orderly transition period ending no later than Dec. 31, 2008.

"A joint venture focused on the total ready-to-drink tea category, excluding the US and Japan, provides an opportunity to optimise value for all stakeholders," said Leslie Novos, CEO of BPW. "The redefined scope affords BPW the opportunity to grow existing and new brands consistent with a leadership agenda outside the US and Japan."

The refined agreement enables both companies to independently compete in the fast growing tea categories in the United States. Consistent with the previous agreements, BPW will also refrain from operations in Japan. The transaction, which is subject to customary regulatory reviews, is expected to close by April 30, 2007.

Beverage Partners Worldwide (BPW), a 50-50 joint venture held by Nestle and The Coca-Cola Company, was created in 2001, following a period of 10 years during which Nestle and The Coca-Cola Company cooperated in a joint venture called Coca-Cola and Nestle

## Refreshments.

The Coca-Cola Company is the world's largest beverage company. Along with Coca-Cola, recognized as the world's most valuable brand, the Company markets four of the world's top five nonalcoholic sparkling brands, including Diet Coke, Fanta and Sprite, and a wide range of other beverages, including diet and light beverages, waters, juices and juice drinks, teas, coffees, energy and sports drinks. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy the Company's beverages at a rate exceeding 1.4 billion servings each day. For more information about The Coca-Cola Company, please visit our website at [www.thecoca-colacompany.com](http://www.thecoca-colacompany.com).

Source: The Coca-Cola Company