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## **Mondelez International Announces \$50 Million Investment Opportunity for UK Coffee Site**

- Proposal coincides with Banbury coffee plant's 50th anniversary**
- Planned investment highlights success of Tassimo single-serve beverage system**
- Part of a multi-year, \$1.5 billion investment in European manufacturing**

BANBURY, England, Nov. 7, 2014 /PRNewswire/ -- Mondelez International, the world's pre-eminent maker of chocolate, biscuits, gum and candy as well as the second largest player in the global coffee market, today announced plans to invest \$50 million (£30 million) in its Banbury, UK factory to build two new lines that will manufacture *Tassimo* beverage capsules. *Tassimo* is Europe's fastest growing single-serve system, brewing a wide variety of beverages including *Jacobs* and *Costa* coffees and *Cadbury* hot chocolate.



The decision is part of Mondelez International's multi-year investment in European manufacturing, under which \$1.5 billion has been invested since 2010. The planned investment will create close to 80 roles and coincides with the 50<sup>th</sup> anniversary of the Banbury factory, which produces coffee brands such as *Kenco*, *Carte Noire* and *Maxwell House*. The *Tassimo* capsules produced in Banbury will be exported to Western European coffee markets in France and Spain as well as distributed in the UK.

"*Tassimo* is a key driver of growth for our European coffee business, so this \$50 million opportunity is a great one for Banbury," said Phil Hodges, Senior Vice President, Integrated Supply Chain, Mondelez Europe. "Over the past 18 months, we've made similar investments in Bournville and Sheffield, underscoring our commitment to UK manufacturing. The proposed investment is part of our vision to manufacture our products on state-of-the-art lines that will enable us to meet growing demand while increasing our competitiveness."

Continued investment in the plant has created an efficient and modern factory capable of producing both instant and capsule coffees for Mondelez International's brands. The \$50 million investment, conditional on commitments to flexibility and cost competitiveness, will fund two new *Tassimo* coffee production lines to be installed in 2015.

The *Tassimo* beverage system, which was developed in Banbury prior to its launch in Europe in 2004, uses barcode technology to calculate the right amount of water, brewing time, and temperature for the specific beverage. Over the past five years, *Tassimo* achieved strong double-digit growth in Europe through a winning formula of convenience, an unrivalled brand portfolio and quality coffee.

"The proposed investment opportunity demonstrates that, in an increasingly competitive environment, the UK continues to be a prime location for large-scale manufacturing," said Paul Sinclair, Head of Manufacturing at the Mondelez International Banbury site. "We're committed to securing this investment for Banbury by increasing flexibility and competitiveness, and we're excited

about showcasing the quality we can deliver to coffee drinkers in the UK and abroad by producing *Tassimo* in our factory."

"This investment opportunity in Banbury is part of our ongoing supply chain reinvention plan," said Hodges. "We're implementing several such initiatives around the world to capitalize on growing demand, while also reducing costs and improving productivity."

Mondelez International's supply chain reinvention plan is expected to deliver \$3 billion in gross-productivity savings, \$1.5 billion in net savings and \$1 billion in incremental cash over the next three years. The investment follows Mondelez Europe's announced \$100 million commitment to build a state-of-the-art biscuit factory in Czech Republic earlier this year, as well as the potential new investment of approximately \$100 million for the Bournville chocolate manufacturing site in Birmingham, UK.

## Notes to editors

### About Mondelez International Coffee

- The Mondelez International coffee portfolio includes long-established market leaders such as *Kenco*, *Carte Noire* and *Maxwell House* as well as more recent innovations such as capsule favorite *Tassimo*. *Kenco* is the number three brand in the total UK coffee market, *Carte Noire* is number five while *Tassimo* is ranked eighth
- Coffee represents about 12 percent of Mondelez International's total company portfolio globally or about \$4 billion of revenue annually
- Building on our commitment to sustainable coffee farming through our links with Rainforest Alliance, Mondelez International is aiming to sustainably source 100 percent of its European coffee by 2015 through its Coffee Made Happy program
- In May 2014, Mondelez International and D.E MASTER BLENDEERS 1753 announced their intention to combine their respective coffee businesses to create the world's leading pure-play coffee company called Jacobs Douwe Egberts in the course of 2015

### About Banbury

- Our Banbury facility is the largest instant coffee plant in the Mondelez International network and produces 90 million jars of *Kenco* instant coffee per year
- The plant also produces many other key brands such as *Carte Noire*, *Maxwell House* and *Jacobs*
- Recent innovations have included the introduction of Eco refill packs to reduce the amount of glass used in production as a measure of sustainability
- As well as the home of the coffee manufacturing plant, Banbury is also the location for Mondelez International's Global Center of Excellence for Coffee Research & Development
- Banbury R&D assists in developing a full portfolio of products for the coffee market across the globe, with 150 R&D employees including over 20 nationalities and a great diversity of skills including chemists, engineers, food scientists, sensory, taste, quality and packaging experts
- Banbury has a long heritage of employing apprentices and has been running its apprenticeship program in partnership with MGTS (Midland Group Training Services) for 30 years

### About Mondelez International in Europe

With over 30,000 employees in 33 countries and around \$14 billion in revenue in 2013, Mondelez Europe is a leader in its five key categories: chocolate, biscuits, coffee, cheese, gum and candy. Its portfolio includes beloved brands such as *Cadbury*, *Cote d'Or*, *Milka*, *Toblerone*, *belVita*, *LU*, *Oreo*, *Carte Noire*, *Kenco*, *Jacobs*, *Tassimo*, *Philadelphia*, *Trident* and *Halls*. Visit [www.mondelezinternational.eu](http://www.mondelezinternational.eu).

### About Mondelez International

Mondelez International, Inc. (NASDAQ: MDLZ) is a global snacking powerhouse, with 2013 revenue of \$35 billion. Creating delicious moments of joy in 165 countries, Mondelez International is a world leader in biscuits, chocolate, gum, candy, coffee and powdered beverages, with billion-dollar brands such as *Oreo*, *LU* and *Nabisco* biscuits; *Cadbury*, *Cadbury Dairy Milk* and *Milka* chocolate; *Trident* gum; *Jacobs* coffee and *Tang* powdered beverages. Mondelez International is a proud member of the Standard and Poor's 500, NASDAQ 100 and Dow Jones Sustainability Index. Visit [www.mondelezinternational.com](http://www.mondelezinternational.com) or follow us on Twitter at [www.twitter.com/MDLZ](https://twitter.com/MDLZ).

### Forward-Looking Statements

This press release contains forward-looking statements. Words and variations of words, such as "will," "expect," "plan" and similar expressions, are intended to identify our forward-looking statements, including, but not limited to, statements about our investments, the expected results of those investments and our productivity savings. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause our actual results to differ materially from those indicated in our forward-looking statements. Please also see our risk factors, as they may be amended from time to time, set forth in our filings with the SEC, including our most recently filed Annual Report on Form 10-K. Mondelez International disclaims and does not undertake any obligation to update or revise any forward-looking statement in

this press release, except as required by applicable law or regulation.

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