



Tres Coracoes (3C) S.A. acquires the retail-related business of Cia Iguacu Coffee Brands

Tres Coracoes Alimentos S.A. ("Tres Coracoes"), a Joint Venture of Strauss Coffee B.V., and São Miguel Holdings, is announcing the signing of an agreement with Cia Iguacu, the 2nd market leader of the instant coffee segment in Brazil.

Cia Iguacu is a private Company belonging to the Japanese Marubeni Corporation group that has diversified operations, also in the food industry.

The agreement between the companies concludes the acquisition of the Cia Iguacu's retail brands of coffee and derivatives in Latin America, including Brazil (the brands; Iguacu, Cruseiro and Amigo) as well as a production agreement.

The agreement is subject to regulatory approvals in Brazil.

This acquisition will strengthen the leadership of **Tres Coracoes group** in the Brazilian coffee and its derivatives market. Tres Coracoes is currently the country's market leader in the roast and ground coffee segments and this acquisition will improve its competitive landscape in the instant coffee segment, making it Brazil's 2nd market leader in the instant coffee segment. The acquisition also enables the company to export other products in its portfolio to Latin America through the well-established export capabilities of Cia Iguacu's trademarks.

Tomer Harpaz, CEO of Strauss Coffee. commented: "Strauss Coffee is making an important step in its international expansion, by strengthening the role of Tres Coracoes, our joint venture in Brazil with São Miguel Holdings.

Brazil is the world's biggest coffee producer, the 2nd largest consumer market and is highly strategic for Strauss Coffee and our JV partners in Sao Miguel Holdings.



Tres Coracoes is the leading player in the Brazilian coffee market and after this acquisition it will become the 2nd leading player in the instant coffee segment, thus improving its overall competitive role in Brazil. We intend to further use our international expertise and knowledge of different coffee markets to enhance our efforts to produce the highest standards of coffee products to our consumers worldwide".

About Tres Coracoes:

Tres Coracoes is a beverage company with focus on the production and distribution of roast and ground coffee. The company also produces and sells other products such as corn products, coffee filter, cappuccino, chocolate, espresso, and powdered drinks, In late 2013 the company has launched TRES a multi-beverage single dose system. The company is the owner amongst other of the brands Santa Clara, Kimimo, 3 Coracoes, Pimpinela, Principal, Claralate, Dona Clara, Claramil and Frisco. The company is the Brazilian national market leader with 21.6% volume share and 22.9% value share.

The company's manufacturing units are located in the states of Ceará, Rio Grande do Norte, Minas Gerais and Rio de Janeiro, and it has 25 distribution centers in most of Brazil states.

About Strauss Coffee:

Strauss Coffee is the world's 4th largest coffee company (Euromonitor) with annual sales of over 1 billion dollars in leading coffee markets across the globe. With over 6000 employees, 14 production sites and deep coffee expertise ,the Company produces and markets various coffee products including Beans, Roast and Ground, soluble, cappuccino and espresso- along with single portion coffee machines and complementary products. Strauss Coffee invests in leading local coffee brands in, Russia, Poland, Romania, Serbia, Ukraine, Brazil and Israel, all sharing the passion for coffee.