



LAVAZZA

LAVAZZA AND THE ITALIAN COFFEE MARKET

1895

The Lavazza Company is officially established

1897

The Lavazza grocery starts to roast coffee





1946

The first Lavazza logo is created

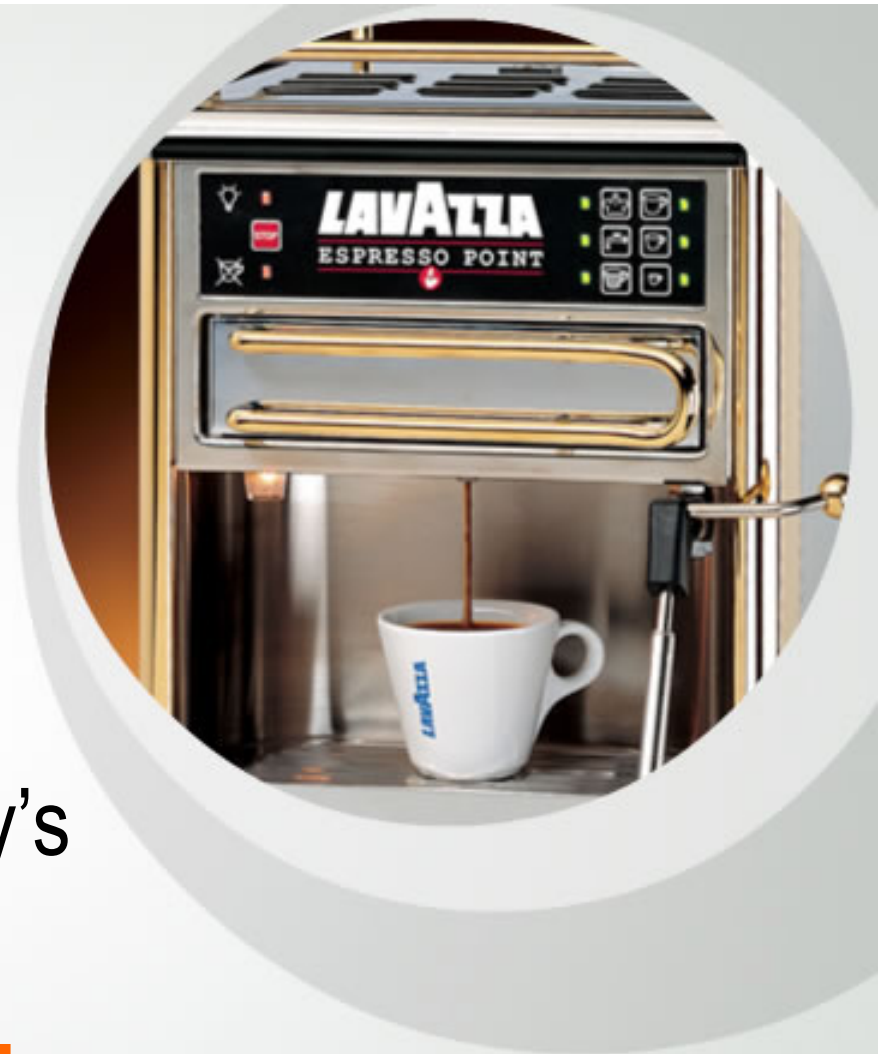
Brand policy and promotional initiatives are introduced

Lavazza agents offer roasted coffee in bags bearing the first company logo

1989

Lavazza sets up the **VENDING DIVISION**, which becomes the company's third core business

Lavazza **ESPRESSO POINT**, the new coffee vending system, is created



1995



Lavazza celebrates its centennial

2004



Lavazza BLUE is launched.
It is the last frontier in the
ESPRESSO VENDING SECTOR



2007

A new espresso system is launched



A MODO
MIO



2010

The **Lavazza Innovation Center** is inaugurated, as the emblem of the company's progress, involving three departments:
R&D, Machine and System Design & Engineering,
and the **Training Center**



2014

A green concept: Lavazza's New Executive Headquarters in Turin
by Cino Zucchi - CZA





**LAVAZZA
GROUP**

€ 1,268.1 Million
TURNOVER
IN 2011

LAVAZZA's
REVENUES ARE
GENERATED

**BREAKDOWN
OF REVENUES**

60%
IN ITALY



40%
ABROAD



Currently

LAVAZZA

operates in over

90 COUNTRIES

through

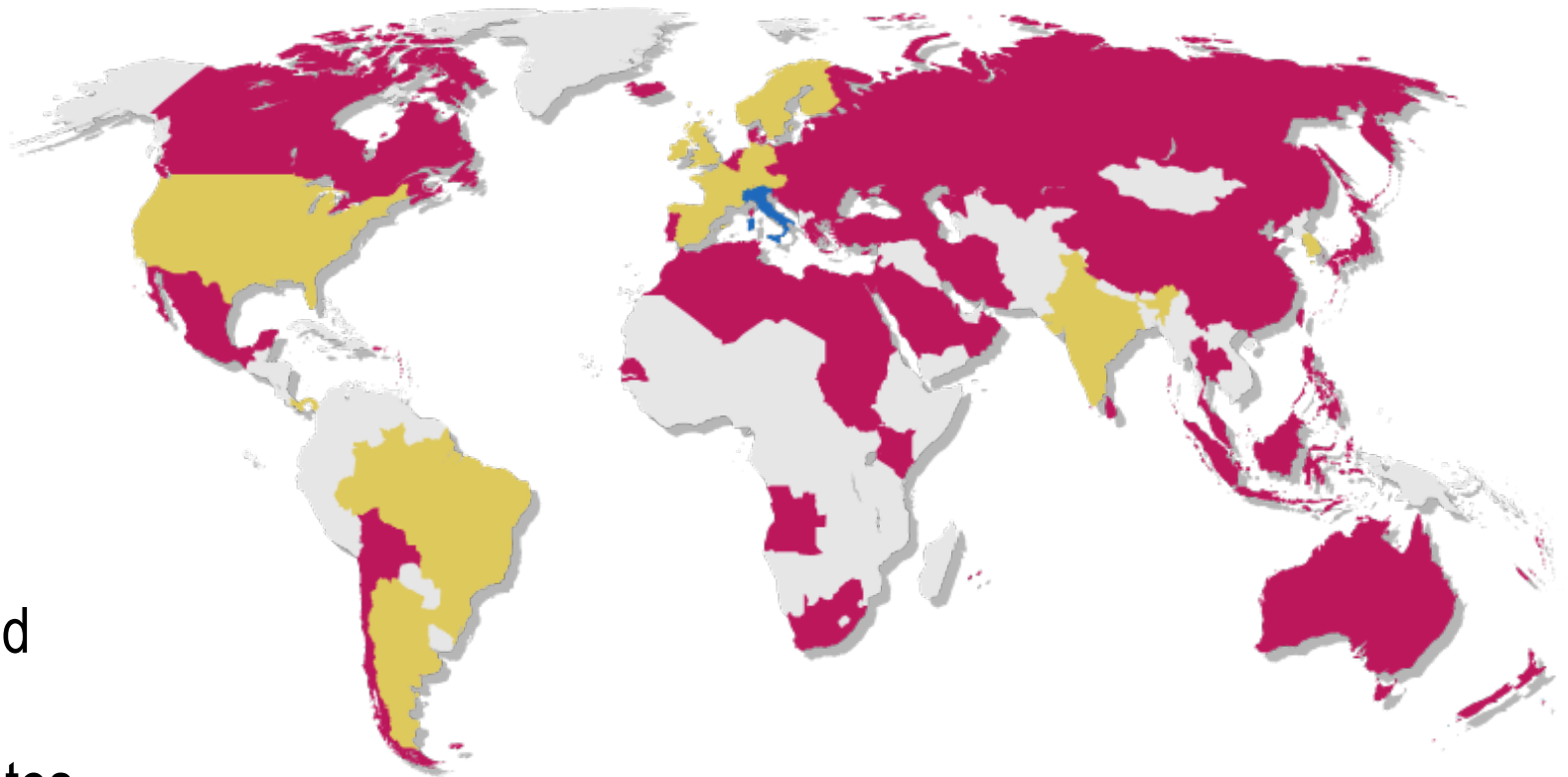
11 direct subsidiaries

and a wide distribution
network



LAVAZZA SUBSIDIARIES

- Argentina
- Austria
- Brazil
- France
- Germany
- India
- Nordics
- Spain
- Switzerland
- UK
- United States



■ SUBSIDIARIES

■ DISTRIBUTORS

LEADING

single-product company

WORLDWIDE IN THE COFFEE INDUSTRY

Over 2,480,000
60 kg bags of imported
green coffee in 2011



17 BILLION



cups of Lavazza coffee

CONSUMED WORLDWIDE EACH YEAR





4000 employees
worldwide in 2010

PRODUCTION SYSTEM

4 PLANTS IN ITALY

TURIN



GATTINARA



VERRÈS



POZZILLI



THE FIRST LAVAZZA GROUP PLANT



LAVAZZA PRODUCTS



1979

THE LUIGI LAVAZZA CENTRE FOR COFFEE STUDIES
AND RESEARCH IS FOUNDED



THIS WILL LEAD TO THE LAVAZZA TRAINING CENTER



LAVAZZA
TRAINING CENTRE



Today the Training Center
is a worldwide network comprised of
OVER 40 BRANCHES

TRAINING CENTER PRODUCTS



THE LAVAZZA FOUNDATION



The Lavazza Foundation

In 2002 Lavazza set up a foundation named in honour of Giuseppe and Pericle Lavazza. This charitable non-profit foundation manages and develops projects in the area of sustainability and social welfare in coffee-producing countries.

FONDAZIONE Projects

GIUSEPPE E PERICLE LAVAZZA ONLUS



Lavazza ¡Tierra!



Amici dei Bambini



International
Coffee Partners



WWF



Save the Children



Fratelli dell'Uomo

Kirua Children



CeCafé

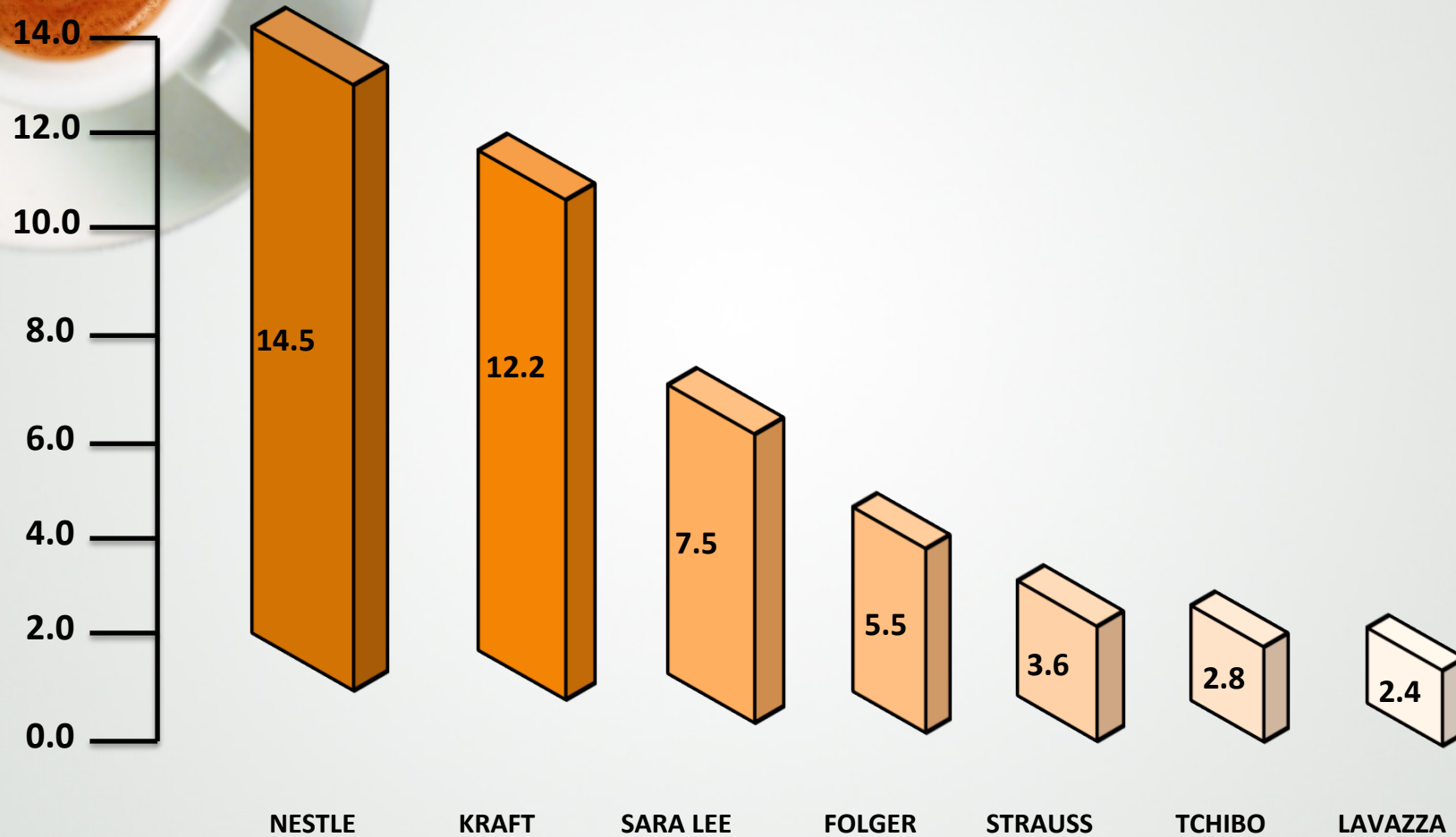
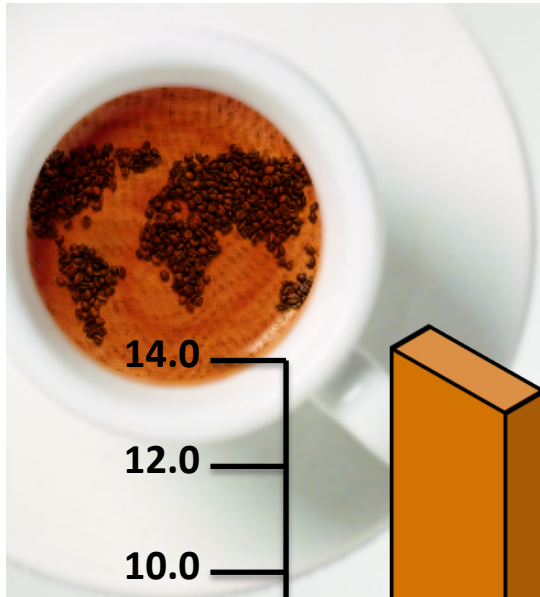
LAVAZZA



THE ITALIAN MARKET

WORLD MAJOR ROASTERS

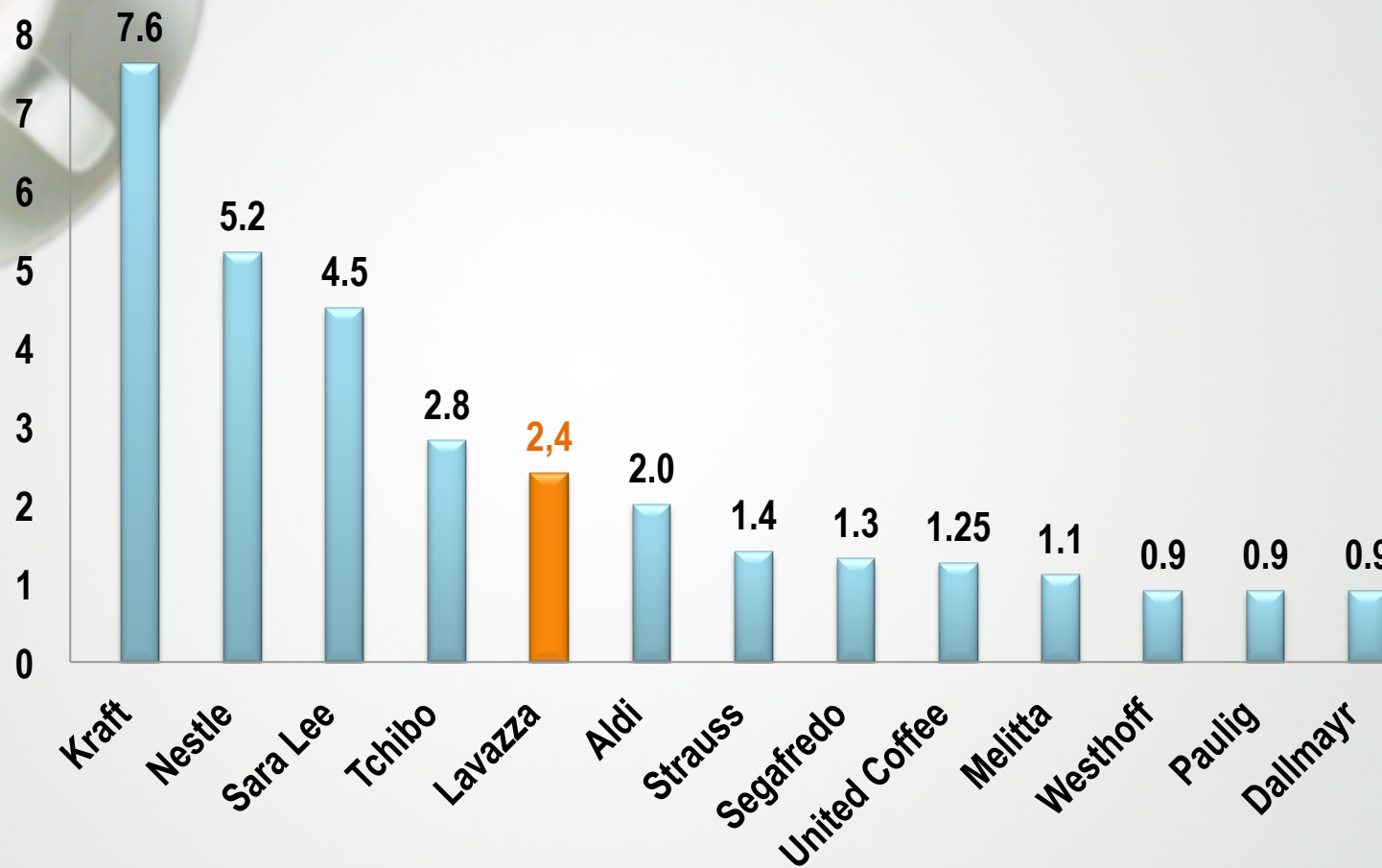
(estimate of 2011 m bags/60 kg)



Source: Lavazza/Volcafe/
EDF Man

EUROPEAN MAJOR ROASTERS

(estimate of 2011 m bags/60 kg)



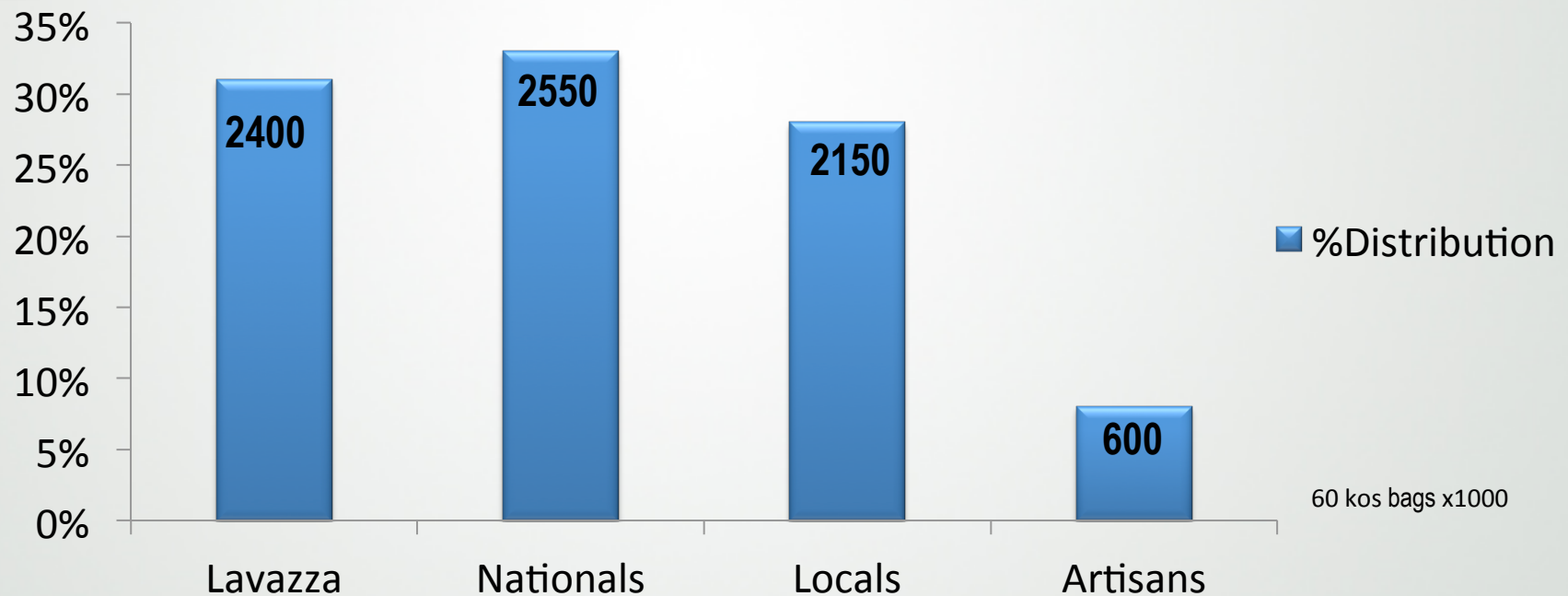
Source: Lavazza/Volcafe/
EDF Man



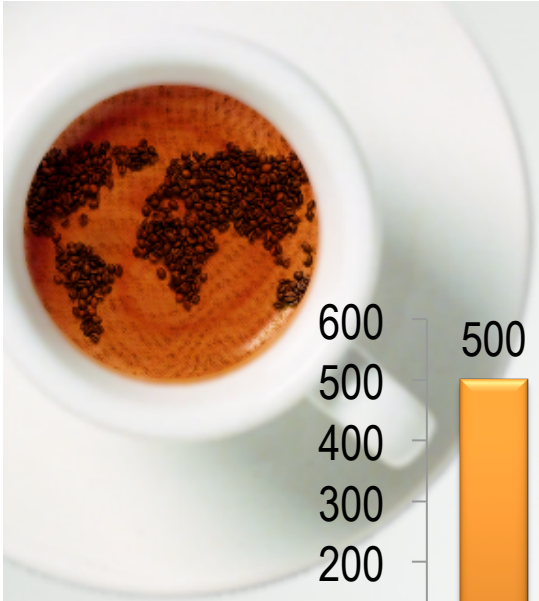
THE ITALIAN COFFEE INDUSTRY

In Italy there are about **700 Roasters**
Abt **170** are self importers (volume **7,1 mio**)
Abt **530** are buying custom cleared (volume **0,6 mio**)

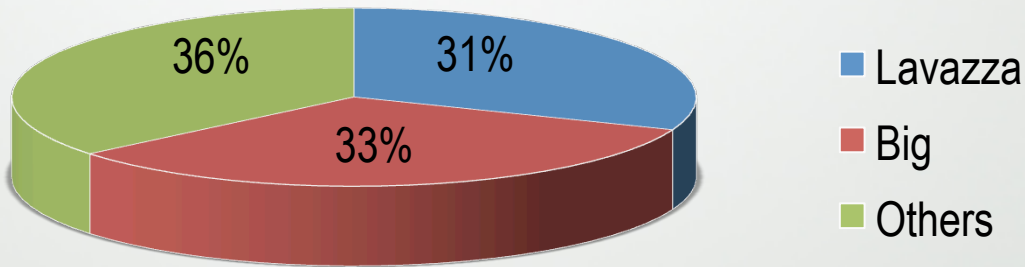
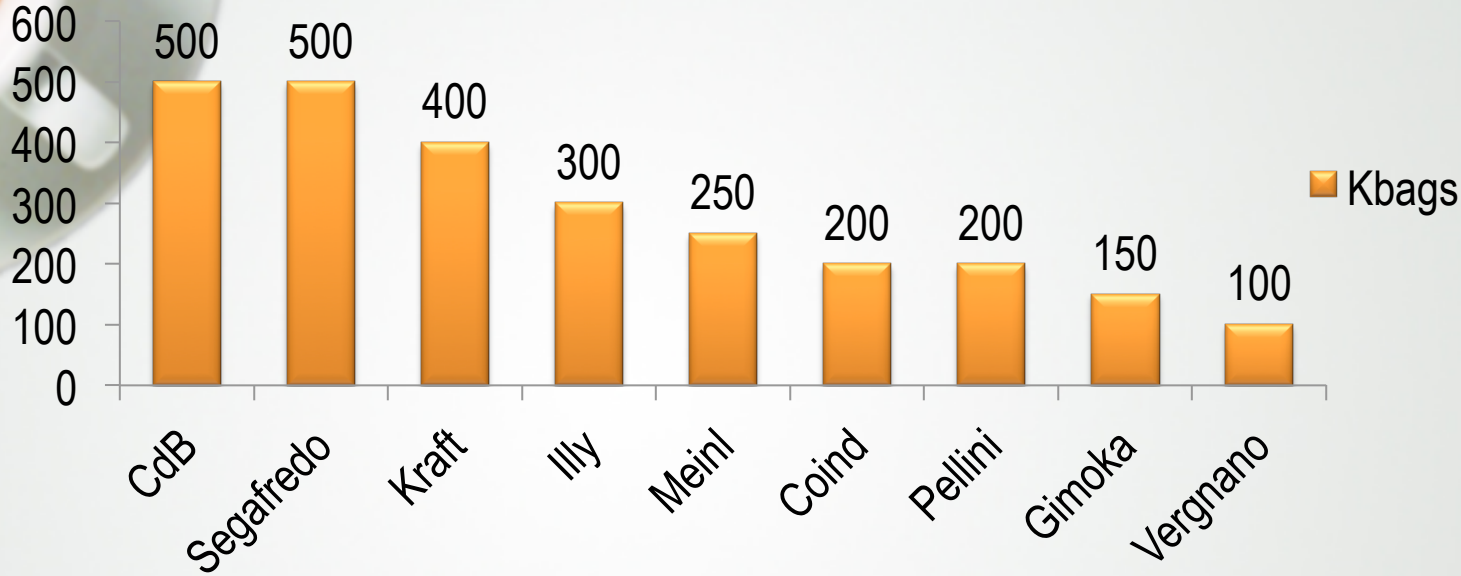
Industry Distribution



Source: Lavazza



NATIONALS



Source: Lavazza

**BUSINESS
AREAS**

HOME

**AWAY
FROM HOME**

**COFFEE
SHOPS**

FOOD SERVICE

VENDING



ITALY

In Italy, coffee is mainly consumed at home

65%



Away from Home

- Cafés
- Restaurants
- Offices

35%



HOME MARKET

RETAIL
MARKET
LEADER
IN ITALY

with a **48.1%** share
(by value)



HOME MARKET



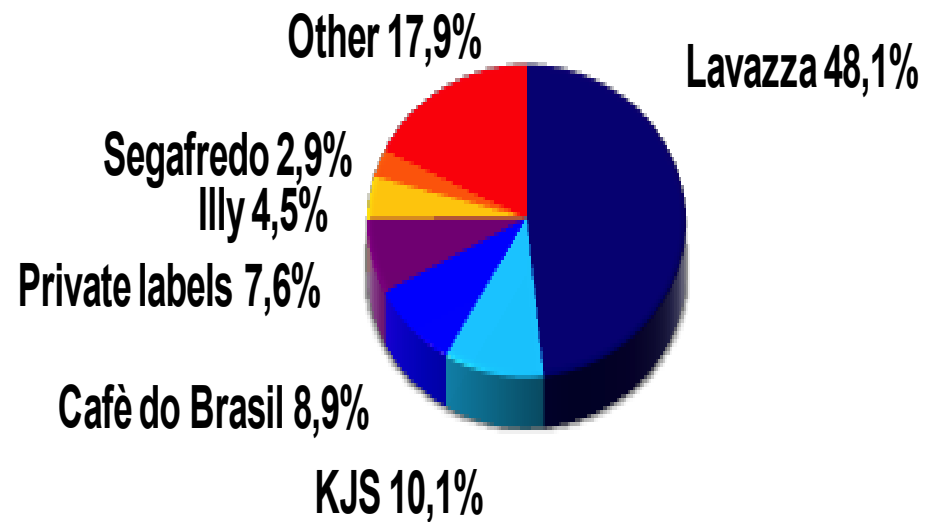
71%

PENETRATION AMONG
ITALIAN HOUSEHOLDS
(15.6 million households
out of 22 million choose Lavazza)



HOME MARKET

Retail by VALUE – Year ending
September 2012

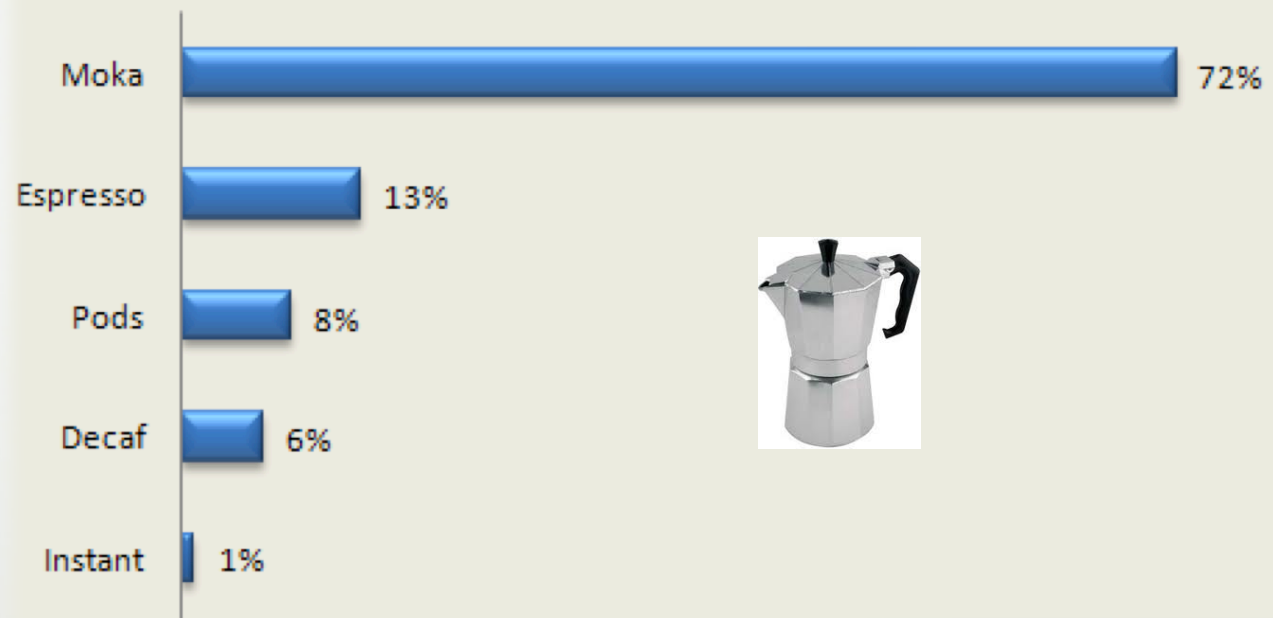


Source: Nielsen

R&G: HOME CONSUMPTION IN ITALY



Usage type



ITALY



Food Service



The traditional food service market
is fragmented
(around 700 roasters)

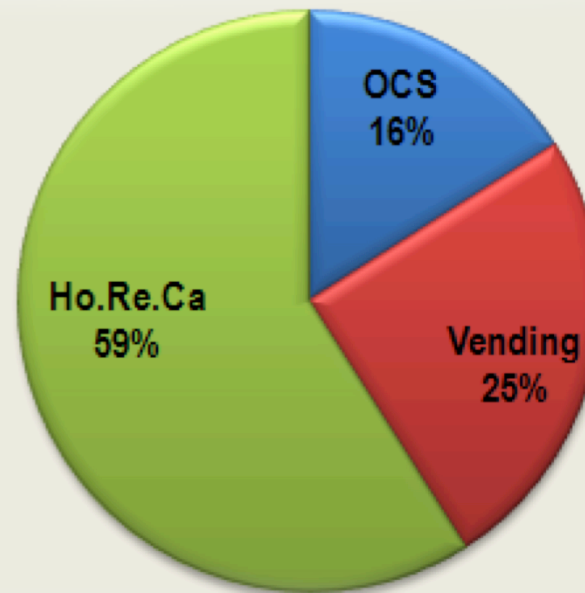
**LAVAZZA, ILLY, SEGAFREDO,
CONSORZIO GRANCAFFÈ and
HAUSBRANDT**
account for 30% of the market



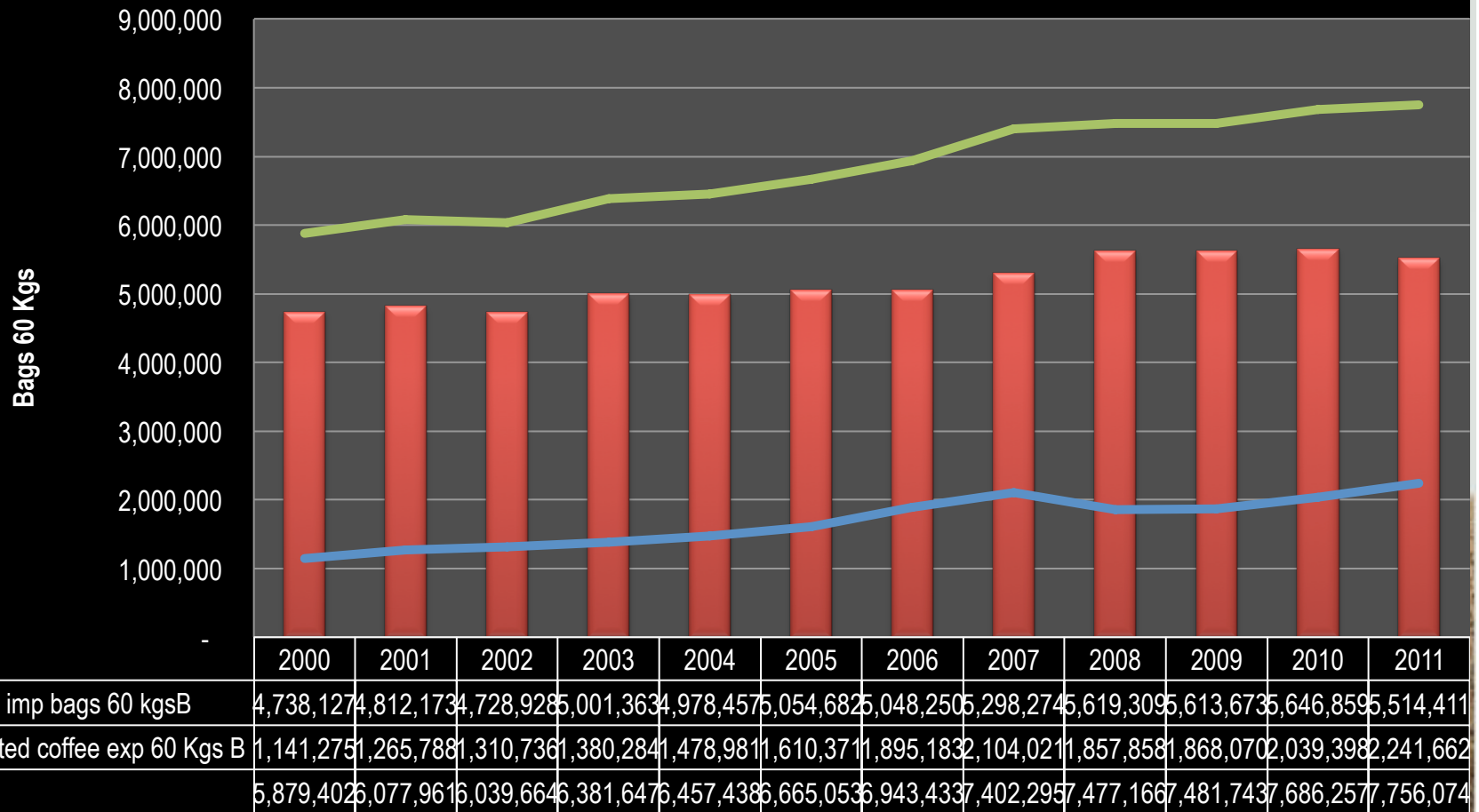


local roasters account
for 70% of the market

R&G: OUT OF HOME CONSUMPTION IN ITALY



COFFEE IMPORTS IN ITALY

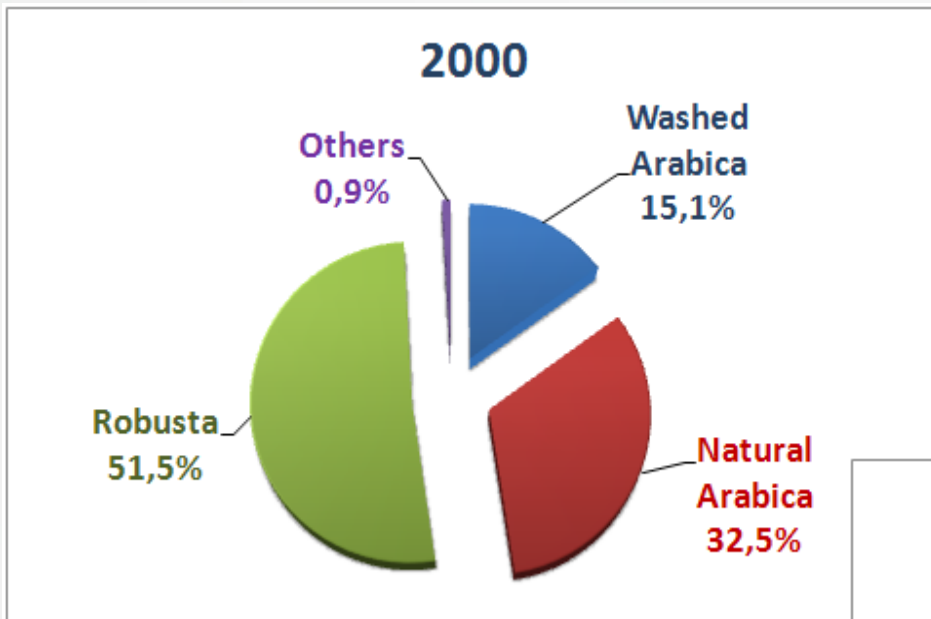


Remarks:

the percentage of roasted coffee export on italian green coffe imports was 22% on year 2000; on year 2011 the percentage reached 38% (+16%)

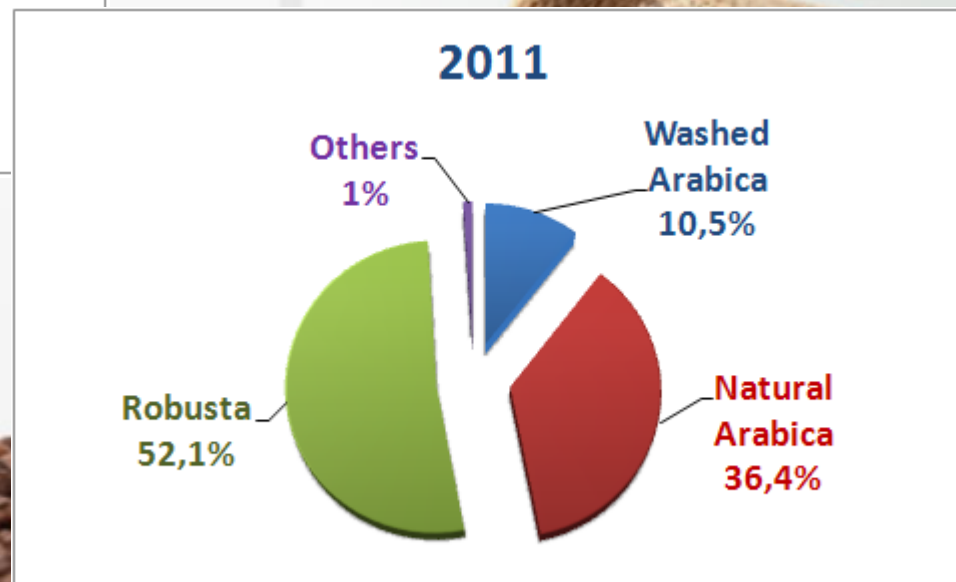
Source: Istat and internal elaboration

GREEN COFFEE IMPORTS IN ITALY BY TYPE



Remarks:

Year 2011 vs 2000: usage of Arab Washed has decreased by 4,6% while the Arab Natural has increased by 3,9%

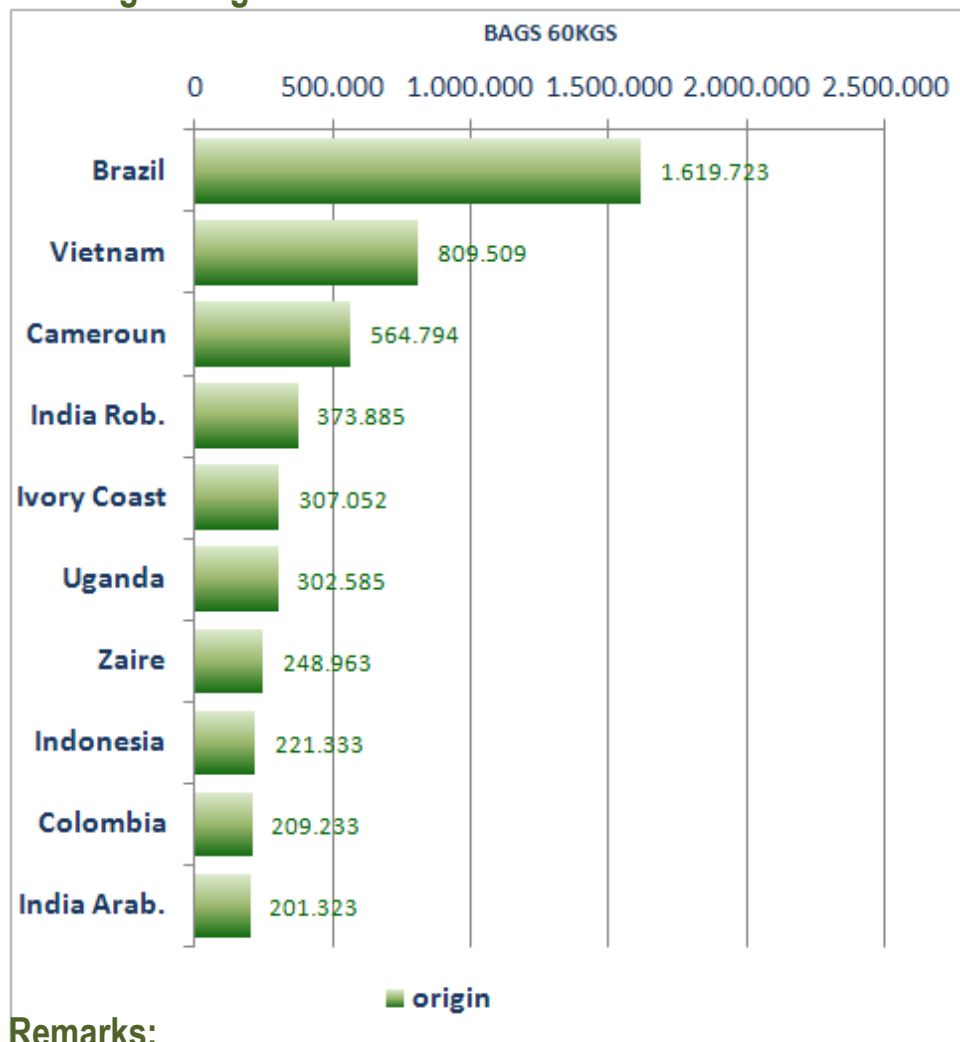


Source: Istat and internal elaboration

GREEN COFFEE IMPORTS IN ITALY BY ORIGIN

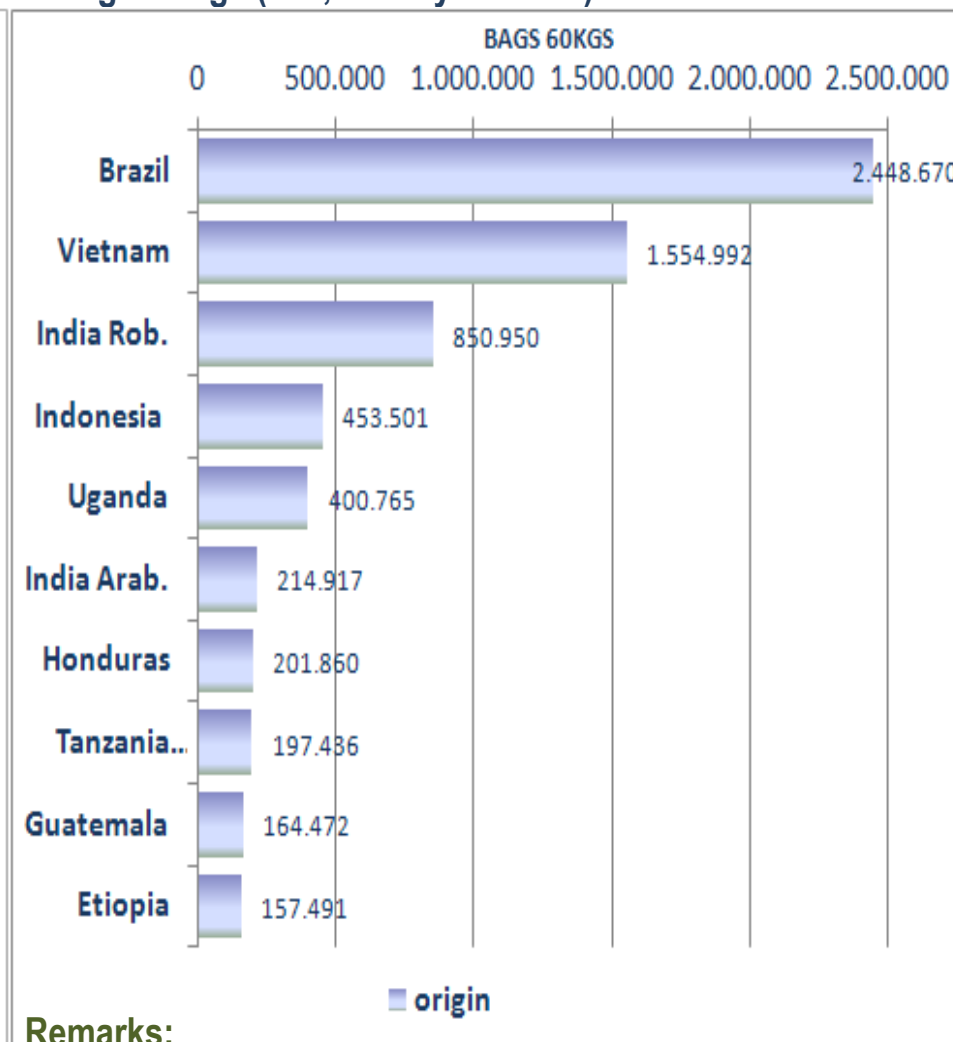
YEAR 2000 - Total green coffee imports 5.879.402 bags 60 kgs

YEAR 2011 – Total green coffee imports 7.756.074 bags 60 kgs (+31,9% vs year 2000)



Remarks:

Year 2000: first 10 producing countries count for 83%



Remarks:

Year 2011: first 10 producing countries count for 86%



Thanks

Michela Stama