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WMF Group announces joint venture with Coffee Day Global Limited, part of the Coffee Day Group, that pioneered the coffee culture in the chained café segment in India

- **Joint venture operations in India planned to commence in October 2015**
- **Commercial coffee machines from WMF Group brand Schaerer to be produced in collaboration with Coffee Day Global Limited in India**
- **Internationalization strategy bears fruit in first half of year: WMF Group achieves worldwide growth of 6%**

Geislingen/Steige - The WMF Group has announced a joint venture with Coffee Day Global Ltd., a subsidiary of Coffee Day Enterprises Ltd. (CDEL) and parent company of the Coffee Day Group, which houses Café Coffee Day that pioneered the coffee culture in the chained café segment in India. Through this partnership with India's largest coffee house chain the WMF Group is strengthening its business in the growing coffee markets of India and southeast Asia. As part of the joint venture, both companies are investing in a new factory in India for the production of coffee machines. The aim of the joint venture will be to develop and produce coffee machines that are specifically suited to the needs and special characteristics of this emerging region. In the future, Coffee Day Global Ltd. will supply its customers; e.g., offices or restaurants, with products co-branded as "Coffee Day by Schaerer".

Schaerer is a full subsidiary of the WMF Group and through the joint venture Schaerer will bring its "best cup guarantee" to the Indian market. Schaerer coffee machines stand out with their excellent quality, inventiveness and modular design. These are the ideal characteristics to meet the demands of the Indian and southeast Asian markets. The WMF Group holds a 51 per cent share in the joint venture and Coffee Day Global Ltd. holds 49 per cent. The contract creating the joint venture was signed in Bangalore on July 24, 2015.

"We are pleased to see two market leaders coming together in the newly-created joint venture -

Coffee Day Global Limited has established the largest footprint of café outlets in India with a network of 1,472 café outlets spread across 209 cities (as of December 31, 2014) and the WMF Group is a market leader in the commercial coffee machine segment," said Peter Feld, CEO of the WMF Group. "This move is in line with our international growth strategy and secures us a strategic foothold in the growing southeast Asian market at an early stage," Feld went on to say.

The family of the promoter of Coffee Day Group has a history of operating coffee plantations for over a century and its activities today span the entire value chain of coffee consumption.

Coffee Day Enterprises Limited, the parent of the Coffee Day Group, Chairman VG Siddhartha said that he is "looking forward to working with the WMF Group, whose high-quality coffee machines will continue to help us stand out clearly from the competition in the future". "Our unique sales and coffee shop network in India and the worldwide leading technology of the WMF Group and the Schaerer brand makes this joint venture a clear win-win."

Coffee Day Global Ltd. (CDGL) is engaged in the business of inter alia; i) cultivating, processing, curing, importing, exporting, dealing as wholesaler, retailer and distributor of coffee seeds, coffee powder, tea products, beverages, chicory, other preparations from coffee and tea, etc.; ii) purchasing, taking on lease or otherwise acquiring tea, coffee and other plantations or any landed property in India or abroad; and iii) carrying on the business of hotels for selling, serving, distributing, managing and marketing eatables, beverages fresh and canned foods, etc.

The success of the WMF Group's international growth strategy continues to be reflected in the growth seen in the operational business. In the first half of 2015 the Company increased its turnover by a total of 6%, from EUR 454.7 m to EUR 482.7 m. The most significant contribution to this increase was made by the coffee business, which improved its earnings figures by 14%, from EUR 168.1 m to EUR 192.2 m. The Consumer segment showed steady growth of 2%, from EUR 246.9 m to EUR 249.1 m. Amongst the overseas markets it was in the Chinese market in particular where growth figures were most impressive.

About the WMF Group

For more than 160 years, the brands that make up the WMF Group have represented the best in cooking, drinking and dining. Every day, hundreds of millions of people around the world use WMF, Silit and Kaiser products to prepare food, cook, bake, eat and drink in the comfort of their own home. And when they are not doing that, they are enjoying coffee specialities and foods prepared by the hotel and catering industry using products from WMF, Schaerer or Hepp. Our employees are passionate about bringing people together, whether at home, on the move or at high-end restaurants, in order to give them shared moments that are both precious and delicious. This is all possible thanks to our products, whose exceptional design, perfect functionality and highest quality provide wonderful culinary experiences. Our company has a proud tradition, and was founded in Geislingen an der Steige in Germany back in 1853. Almost 6,000 employees provide culinary joy at more than 40 locations worldwide. The WMF Group achieved sales of EUR 1,024.3 million in 2014.

About Coffee Day Enterprises Limited (CDEL)

CDEL, the parent company of the Coffee Day Group, which houses Café Coffee Day that pioneered the coffee culture in the chained café segment in India. It opened its first Café Coffee Day outlet in Bengaluru in 1996 and has established the largest footprint of café outlets in India, with a network of 1,472 café outlets spread across 209 cities, including under the established and recognized brand name "Café Coffee Day" (popularly referred to as "CCD"), as of December 31, 2014. In terms of the number of chained café outlets, it had a market share of approximately 46% in India, with café footprint being nearly four times larger than the cumulative footprint of the next four competitors, as of December 31, 2014. Brand Café Coffee Day ranked second in the Most Trusted Brands in the food service retail category in India, and was one of the only four indigenous Indian brands to be recognized as the Most Exciting Indian Brand in India in 2014 (source: Economic Times, BE Survey, 2014). CDEL is engaged in the coffee business through subsidiary, Coffee Day Global Limited (earlier known as Amalgamated Bean Coffee Trading Company Limited) ("CDGL") and its subsidiaries. It is also engaged in coffee trading through CDEL and Coffee Day Trading Limited. In addition to having the largest chain of cafés in India, it operates a highly optimized and vertically integrated coffee business which ranges from procuring, processing and roasting of coffee beans to retailing of coffee products across various formats.

In addition to the coffee business, CDEL operates select other businesses that are aimed at leveraging India's growth potential, namely, development of IT- ITES technology parks, logistics, financial services, hospitality and IT-ITES.

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Disclaimer

Coffee Day Enterprises Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the Draft Red Herring Prospectus with SEBI. The Draft Red Herring Prospectus is available on the websites of SEBI, BSE, NSE at www.sebi.gov.in, www.bseindia.com and www.nseindia.com, respectively, GCBRLMs at www.investmentbank.kotak.com, <http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm> and <http://www.morganstanley.com/about-us/global-offices/india/>, respectively and the BRLMs at www.axiscapital.co.in, www.edelweissfin.com and www.yesbank.in. Any Potential Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" on page 24 of the Draft Red Herring Prospectus. Potential investors should not rely on the Draft Red Herring Prospectus filed with SEBI for making investment decisions.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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