



Nestlé Waters and the owners of the Abyssinia Springs business announced the creation of a joint-venture

Addis Ababa - May 2nd 2016, ***Nestlé Waters and the owners of the Abyssinia Springs business-one of the leading water players in Ethiopia, announced today the creation of a joint venture (JV) to carry out bottled water activities in the country. Nestlé Waters will have the majority stake in the JV.***

The Federal Democratic Republic of Ethiopia, a country with close to 100 million inhabitants, is expanding significantly (approximately 10% growth in GDP forecast over the next decade) and seeking to attract large numbers of investors to make a sustainable contribution to this development.

« We are very happy to welcome Nestlé Waters in Ethiopia and start this strong partnership. With the launch of this new venture, Nestlé will be manufacturing in our country for the first time in many years, testimony to their confidence in the future of the Ethiopian economy. » Said Mr. Gobezayhu, Mr. Theodros and Mr. Dawit Zerihun, the owners of Abyssinia Springs brand.

In the last few years, the beverages sector has experienced a major expansion in the country. It has also seen sustained double-digit growth for quality and readily available bottled water.

Located in a region of Ethiopia with sustainable water resources

The factory is located in Sululta, near the capital Addis Ababa in an area with an average annual rainfall of 1250mm, which is similar to that of Western European countries. Ensuring access to sustainable water resources was a prerequisite for any transaction to happen.

Both partners shared the same sensitivity to create shared value for the local community

The partners of the JV have agreed to implement all measures necessary to ensure sustainable management of the water resources, in close cooperation with the local community, and with the same goal of creating shared value which guides all engagements within the Nestlé Group. As we do in all countries where we have water bottling facilities, we will operate responsibly, putting a strong emphasis on community engagement. Throughout the establishment and operation of our factory, we will maintain regular dialogue with the community to ensure our activities remain mutually beneficial. For instance, as part of our community relations programme, we will engage in initiatives to improve access to safe drinking water in the local community. We will also combine a dedicated water stewardship programme with income-generating activities for local people. This will include promoting local youth entrepreneurship through training.

Guy BANI, Nestlé Waters Regional Manager, precises that “Our investment is part of the group’s commitment to the continuous growth of Africa and the sustainable use of resources. In Ethiopia, we will be engaging strongly with local stakeholders to contribute to socio-economic development. The focus will be put on improving drinking water access in neighbouring communities, ensuring the sustainability of the water shared with the community, and developing income generating activities for youth groups. ”

These various societal projects are being finalised with the relevant stakeholders and will be communicated in due time.

The details of the transaction will not be disclosed.

- **About the Abyssinia Springs owners :**

Mr. Gobeza yhu, Mr. Theodros, and Mr. Dawit Zerihun are the owners of the Abyssinia Springs bottled water business. They started their bottled water business in 2004 with the launch of the Abyssinia Springs brand, which currently holds more than 10 % market share.

They are also active in various other sectors in Ethiopia such as juices and more recently soft drinks; ground coffee and packaged tea; printing; as well as real estate development and a hospitality business with two Best Western hotels in Addis Ababa about to be opened and the chain of restaurants Spur Steak Ranch. These activities are not in the scope of the JV.

- **About Nestlé and Nestlé Waters:**

Nestlé Waters is the bottled water division of the Nestlé Group and the leading global bottled water company (52 bottled water brands); it employs more than 33 000 employees in 36 producing countries.

Nestlé’s brands are well known in Ethiopia and have been present for generations. Presently Nestlé imports NIDO, MAGGI, CERELAC, KITKAT, COFFEEMATE, NESCAFE, NAN, S-26, among other brands, into the country. Nestlé purchases significant quantity of premium quality specialty coffee from Ethiopia for its global NESPRESSO and DOLCE GUSTO brands.