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Emeryville & San Rafael, Calif. -- (August 1, 2014) -- Peet's Coffee & Tea, Inc., a premier specialty coffee and tea company, announced today that it has acquired Mighty Leaf Tea in partnership with Next World Group, a private investment firm, giving Peet's an even greater presence in the high-growth premium tea industry. Mighty Leaf Tea will continue to operate independently and will have full access to Peet's resources, capabilities and scale. In addition, Peet's will continue to produce and market its own signature tea brand across its foodservice and retail channels. Next World Group, which will hold a minority stake in the partnership, has a proven track record in growing mid-size consumer specialty food and beverage companies, and will be a great partner in helping Peet's accelerate its tea business.

"We're excited to add Mighty Leaf Tea to the Peet's family as we're both Bay Area companies with core values built on the highest standards of quality and deep commitment to craft - it's a natural, complementary fit," said Dave Burwick, president and CEO of Peet's Coffee & Tea. "Mighty Leaf is a fantastic premium brand, known for its artisan teas and signature hand-designed mesh tea pouch; their addition to our existing tea business enables us to further strengthen and accelerate our growth in this market."

Mighty Leaf Tea, co-founded in 1996 by Gary Shinner and Jill Portman, is a specialty tea brand known for its high-quality, artisan teas and creative blends as well as its signature, handcrafted compostable mesh tea pouch. The company has grown into a premium tea brand over the years receiving numerous innovation awards. "This is an important step in Mighty Leaf Tea's journey, and we're excited to take our brand to the next level with Peet's Coffee & Tea," said Gary Shinner, co-founder of Mighty Leaf Tea. "This is a win for both Mighty Leaf and Peet's as we both share a dedication to premium quality and craft mastery that will become even stronger together."

The addition of Mighty Leaf Tea marks another important step in Peet's growth. Peet's began its biggest U.S. retail coffee shop expansion ever last year, which will add nearly 60 stores by the end of this year. Peet's has already seen record-breaking sales with the recent launch of its 20 stores in the greater Washington, D.C. area and will add 20 additional stores across Chicago and southeast Wisconsin later this summer. Also, Peet's recently launched a new, contemporary store design in many of its new and existing U.S. stores, and has dramatically expanded its presence in the popular single-serve category with Peet's K-Cup® packs.

ABOUT PEET'S COFFEE & TEA

Peet's Coffee & Tea, Inc. is the premier specialty coffee and tea company in the United States. The company was founded in 1966 in Berkeley, CA by Alfred Peet. Peet was an early tea authority who later became widely recognized as the grandfather of specialty coffee in the U.S. Today, Peet's Coffee & Tea offers superior quality coffees and teas in multiple forms, by sourcing the best quality coffee beans and tea leaves in the world, adhering to strict high-quality and taste standards, and controlling product quality through its unique direct store delivery selling and merchandising system. Peet's is committed to strategically growing its business through many channels while maintaining the extraordinary quality of its coffees and teas. For more information about Peet's Coffee & Tea, Inc., visit www.peets.com. Connect with Peet's on Facebook at www.facebook.com/peets, on Twitter at twitter.com/peets_tweets and on Instagram at [instagram.com/peetscoffee](https://www.instagram.com/peetscoffee).

ABOUT MIGHTY LEAF TEA

Based in San Rafael, CA, Mighty Leaf blends a broad range of artisan specialty teas from the finest ingredients from around the world and distributes its brand primarily through specialty retailers, high-end restaurants and premier hotels and resorts across North America and globally. Its proprietary handcrafted manufacturing process and its distinctive packaging combine to make it a key premium brand with a strong affinity among loyal consumers. The company's superior customer services and comprehensive customer support programs make Mighty Leaf a one-stop solution for retailers, food services distributors and hospitality providers. For more information about Mighty Leaf Tea, visit www.mightyleaf.com. Connect with Mighty Leaf Tea on Facebook at [facebook.com/mightyleaftea](https://www.facebook.com/mightyleaftea), on Twitter at twitter.com/mightyleaf, and on Instagram at

instagram.com/mightyleaftea.

ABOUT NEXT WORLD GROUP

Next World Group is a privately held, global investment firm focused on building great brands over the long-term. Our passion is for enduring brands that have emotional content driven by their authenticity and unique story. To our partners, we bring hands-on consumer retail experience as well as financial resources needed to support growth over decades. Next World Group is based in San Francisco with offices in London, Brussels and Paris. For more information, please visit www.nextworldgroup.com.

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