

MEDIA RELEASE**Franke takes over U.S. sales partner in coffee machine business**

Aarburg, Switzerland, 25 August 2004 – The acquisition of its Seattle-based U.S. distribution partner, Espresso Specialists, Inc., has enabled Franke Coffee Systems to press forward with the international expansion of its own sales and service organisation and to reinforce its presence on the U.S. coffee machine market.

Espresso Specialists, Inc. (ESI) is one of the leading coffee machine distributors in the United States with a large share of the market for professional traditional machines and superautomatic espresso machines. Established in 1978, ESI employs around 30 workers at its headquarters in Seattle and further sales representatives in California, Texas, Indiana, Oregon, Pennsylvania and Colorado. It also partners with over 100 coffee roaster resellers and nearly 300 service organizations in the United States. As the exclusive distributor for Franke, La Marzocco and Rio brand coffee machines, ESI's customers include all five of the top five specialty coffee retailers based in the U.S. ESI distinguishes itself in terms of its vast knowledge and competence both with respect to the coffee machine business and the U.S. market, a market which is generally regarded to have tremendous growth potential.

Franke sees the acquisition as a large step towards further expanding its superautomatic espresso machine business in the United States, especially in the area of key accounts, which stands to profit strongly from its own sales and

service organisation. Espresso Specialists is to be integrated into the Group's division Franke Coffee Systems.

*The **Franke** Group is a global provider of products, services and custom solutions for a wide range of applications in the household food preparation and catering sectors. Franke, whose holding company is domiciled in Aarburg, Switzerland, has some 5,600 employees around the world, and is firmly established with 72 subsidiaries in 36 countries. The two divisions **Franke Kitchen Systems** (sinks, taps, cooking hobs, ovens, hoods etc. and washroom and sanitary systems) and **Franke Foodservice Systems** (products and services for quick service restaurants) are the global market leaders in their business sectors, exporting to over 100 countries. The activities of Franke also include **Franke Coffee Systems** with a broad product programme of fully-automatic, professional and semi-professional coffee machines as well as the technology field and Beverage Containers. In fiscal year 2003 Franke generated consolidated sales of CHF 1,470.3 million.*

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