



**NESTLÉ WATERS NORTH AMERICA INVESTS \$15.6 MILLION IN SWEET  
LEAF TEA WITH OPTION TO BUY THE COMPANY**

**Deal will Transform Austin-Based Beverage Company into a National Brand**

March 23, 2009, Austin, Texas—Sweet Leaf Tea Company, one of the nation’s fastest-growing makers of natural, organic beverages, has fetched a pail of water.

The Austin-based maker of organic, all-natural, home-style iced teas, lemonades and other natural beverages, announced today that Nestlé Waters North America, Inc. has made a \$15.6 million investment in Sweet Leaf Tea Company.

In addition, the company announced that Dan Costello, a Nestlé Waters North America executive will relocate to Austin, to become president of Sweet Leaf Tea, reporting to company founder and chief executive officer, Clayton Christopher. Nestlé Waters will also add two directors to Sweet Leaf Tea’s Board of Directors.

According to Christopher, the partnership will transform the company from a regional brand to one with full national distribution within 24 months. Currently, the company’s products are available in about 30% of US markets in natural stores like Whole Foods and grocery chains like Kroger and Safeway. In addition, the partnership will accelerate innovation and fund other growth initiatives.

“We are very enthusiastic about this investment from Nestlé Waters and believe we have found in them an ideal partner for growth,” said Christopher. “Not only do they have an unrivaled national network of distribution partners, which includes many of our existing partners, but they are as committed as we are to bringing quality and goodness to consumers in the most environmentally-conscious way possible. It’s an ideal strategic and cultural fit, which is important to us.”

The number-one bottled water company in the US, Nestlé Waters North America joins Catterton Partners, the nation’s leading private equity firm focused exclusively on the consumer industry, as investors in Sweet Leaf Tea. Catterton is the investment company behind Build-a-Bear Workshop, PF Chang’s China Bistro, Odwalla and Kettle Foods.

This marks the first time Nestlé Waters North America has invested in a company outside the water market, which speaks volumes about our enthusiasm for

the potential of Sweet Leaf Tea,” said Tim Brown, Senior Vice President, General Manager of Sales, Nestlé Waters of North America. “They have built an exceptional company based on the principles of quality and all-natural goodness. Our goal is to provide them with the capital and distribution network they need to reach their potential as a major, national consumer brand and leave them to continue to run the company autonomously.”

Sweet Leaf Tea was founded in 1998 by Clayton Christopher, then 25, when he couldn’t find a bottle of iced tea that tasted like the delicious, homemade tea his grandmother, who he affectionately refers to as Mimi, used to make for him when he was growing up in Beaumont, Texas. Today, the company has 10 classic iced-tea flavors and one lemonade flavor and operates in a beverage market valued at an estimated \$3 billion per year. Clayton’s grandmother still lives in Beaumont.

“This is a very exciting time in our company’s history and we are delighted to have the opportunity now to bring our award-winning products to more people, in more places, more often.” said Christopher. “Mimi is very proud.”

#### About Sweet Leaf Tea

Sweet Leaf Tea is one of the fastest-growing beverage companies in the United States. The company was founded in 1998 by Clayton Christopher, then 25, when he couldn’t find a bottle of iced tea that tasted like the delicious, homemade tea his grandmother used to make for him when he was growing up in Beaumont, Texas. Shortly thereafter, Christopher’s childhood friend, David Smith, joined the company and the two began production using pillow cases as tea bags and brewing their homespun tea in 50-gallon crawfish pots. Made from all-natural ingredients, including purified water, pure cane sugar and high-quality organic tea leaves, Sweet Leaf Tea is made and brewed based on Clayton’s grandmother’s recipe and technique. Sweet Leaf Tea, which is available in 10 classic iced-tea flavors and three lemonade flavors, is available nationwide through Kroger, Safeway and at natural and specialty food stores including Whole Foods, where five of its flavors are Whole Foods’ top five sellers. For more information, please visit [www.sweetleaftea.com](http://www.sweetleaftea.com)

#### About Nestlé Waters North America

Nestlé Waters currently distributes leading bottled water brands including [Nestlé®](#), [Pure Life®](#), [Ozarka®](#), [Poland Spring®](#), [Arrowhead®](#), [Deer Park®](#), [Ice Mountain®](#), [Zephyrhills®](#) and several imported brands. For more information, please visit [www.nestlewatersnorthamerica.com](http://www.nestlewatersnorthamerica.com).

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