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Ethiopian Prime Minister and Starbucks Chairman Discuss Ways to Support Ethiopian Coffee Industry

*Starbucks Announces Plan to Open First Farmer Support Center in Africa in Addis
Ababa, Ethiopia*

Addis Ababa, Ethiopia and Seattle Wash.; November 28, 2007 – Ethiopian Prime Minister Meles Zenawi and Starbucks Corporation (Nasdaq: SBUX) chairman Howard Schultz today reaffirmed their commitment to making Ethiopia a leading force in the global specialty coffee marketplace. Schultz and Prime Minister Meles said their discussions reflected a deepening relationship between Ethiopia, the birthplace of coffee, and Starbucks, one of the world's largest specialty coffee companies.

The Prime Minister and Schultz discussed ways to expand the branding and marketing of Ethiopia's world-renowned fine coffees in order to achieve better prices for farmers and improved opportunities for the millions of Ethiopians who depend on coffee for their livelihood.

Schultz announced that the company will open a Starbucks Farmer Support Center in the Ethiopian capital in 2008. The facility, the first in Africa, will enable Starbucks to work collaboratively with Ethiopian farmers to raise both the quality and production of the country's high quality specialty coffees.

“We will be working closely with Starbucks to bring badly needed investment and technology to our coffee industry, as well as brand recognition and promotion for our high-grade Arabica beans,” said Meles Zenawi, Prime Minister of the Federal Democratic Republic of Ethiopia. “These measures will afford Ethiopia new leverage in the global coffee market. I am extremely encouraged that Starbucks Chairman Howard Schultz shares our belief in a bright future for Ethiopia’s coffee economy.”

Earlier this year, Starbucks signed a distribution, marketing and licensing agreement with Ethiopia and has agreed to assist in expanding consumer awareness of Ethiopia’s famed coffee brands -- Sidamo, Harar/Harrar and Yirgacheffe.

In addition to meeting with Prime Minister Meles, Schultz and other top Starbucks executives will have a roundtable discussion with government officials, coffee farmers, exporters and other coffee stakeholders to share ideas on how to strengthen the partnership and improve the Ethiopian coffee industry. On Friday, Schultz will address leaders of the Ethiopian business community and young entrepreneurs.

The Starbucks Farmer Support Center in Addis Ababa will provide resources and ongoing support to coffee communities with the goal of improving coffee quality and growing practices and increasing the number of farmers participating in the Coffee and Farmer Equity (C.A.F.E.) Practices, Starbucks’ sustainable coffee buying guidelines.

“This is an extraordinary opportunity for Starbucks to continue to partner with the Ethiopian coffee community to support their efforts to produce some of the world’s finest coffees. We have always recognized that coffee farmers play a critical role in Starbucks success and we are proud to help expand the audience and demand for Ethiopian specialty coffees. Prime Minister Meles has a deep understanding of the global coffee business and is genuinely committed to forging public-private partnerships to ensure a bright future for Ethiopian farmers.” Schultz said.

Between 2002 and 2006, Starbucks increased its Ethiopian coffee purchases by nearly 400 percent. Today, Ethiopian coffee can be found in nearly all of Starbucks’ U.S. stores. In 2008 Starbucks plans to intensify its promotion of Ethiopian coffees.

As part of Starbucks' expanded economic investment in the region, Schultz also announced that the company is negotiating with an Ethiopian apparel factory to manufacture its Starbucks black aprons, worn by approximately 27,000 Coffee Masters worldwide. Starbucks also invested in school and bridge infrastructure projects in Ethiopia as well as partnered with CARE and WaterAid on projects to improve the economic and educational prospects in the coffee-growing regions of Ethiopia.

Schultz is joined in Ethiopia by Cliff Burrows, president Starbucks EMEA (Europe, Middle East and Africa), Dub Hay, Starbucks senior vice president of Coffee & Global Procurement, and Sandra Taylor, Starbucks senior vice president of Corporate Social Responsibility.

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