

Building on Its Highest Total Shareholder Return in More Than Ten Years, Starbucks Presents Its Global Growth Agenda and Plans for Social Impact at Annual Meeting of Shareholders

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Global Store Development, Digital Innovation, and World-Class Partner (Employee) Engagement --- Spotlitged During Forum for More than 2,800 Shareholders, Partners and Special Guests

Starbucks Outlines Progress and Additional Social Impact Commitments in Support of Coffee Farming Communities, Feeding the Hungry, and Increasing Participation in U.S. Local and National Elections

Company Builds on Single-Serve Coffee Leadership Position by Updating its Agreement and Partnership with Keurig Green Mountain

SEATTLE--(BUSINESS WIRE)--Mar. 23, 2016-- Starbucks Corporation (NASDAQ: SBUX) today hosted its 24th Annual Meeting of Shareholders, with more than 2,800 partners, shareholders, invited guests and board members in attendance. Howard Schultz, chairman and ceo of Starbucks, honored the accomplishments of the company in delivering record financial results and introduced the company's next level of social impact initiatives.

"There are very few consumer brands in the world - products or experiences - that have created both an undeniable customer attachment to the brand while also seeing universal acceptance. And, we take none of that for granted. We have to earn it every day," said Howard Schultz, chairman and ceo of Starbucks Corporation. "In addition to earning our customers' trust and respect, we also cannot be a bystander at a time in our nation's history when government gridlock, economic disparity and partisan polarization continue to stunt our progress. In our view, the private sector must contribute more as an economic and social force in partnership with all other sectors."

FY15 Financial Highlights/ Achievements

Starbucks highlighted the interdependence of business success with driving social impact at scale and cited Starbucks record revenues of \$19.2 billion (17 percent growth over FY14) and record non-GAAP earnings per share

of \$1.58¹ (19 percent growth on a non-GAAP basis¹) in fiscal 2015; \$3.7 billion in non-GAAP operating income² (19 percent growth on a non-GAAP basis²) in fiscal 2015; and \$2.4 billion returned to shareholders in the form of dividends and share repurchases. Starbucks also invested \$284 million in healthcare benefits and \$167 million in Bean Stock in FY15.

Starbucks Growth Agenda Outlined Across Geographies and Disciplines

Kevin Johnson, president and chief operating officer, highlighted Starbucks approach to elevating the brand across retail, channel development and digital through new innovation, reaching new customers and creating new occasions for customer visits. Johnson highlighted the company's growth ambitions across the Americas, EMEA and China/Asia Pacific in retail, digital and channel development.

Building on the success of the Teavana brand in Starbucks channels in the U.S. and Canada, Johnson unveiled the company's plans to extend the Teavana brand into Starbucks retail stores across EMEA and China/Asia Pacific by the end of the fiscal year. Tea has grown by 17 percent over the prior year with all tea categories posting strong growth, led by iced tea at 29 percent.

"Our focus on connecting with customers and delivering experiences across our retail, channel development, and digital businesses, continues to elevate the Starbucks brand," said Kevin Johnson, president and chief operating officer of Starbucks. "This is a tribute to the 300,000 people who proudly wear the Green Apron and serve customers in 70 countries around the world. This focus and hard work has enabled us to deliver record results and significant value for our shareholders."

Starbucks Cementing its Global Leadership Role in Single Serve Coffee and Ready to Drink Beverages

By bringing the Starbucks Experience to customers outside its retail stores in a brand accretive way, Starbucks Channel Development continues to demonstrate industry leading growth with \$1.7 Billion in revenue in FY15 and 17.4 percent growth in operating income. "We are elevating Starbucks by taking inspiration from our stores and bringing high quality, innovative products to our customers around the world," said Michael Conway, president, Global Channel Development from the stage at today's meeting. Two key announcements were shared during Conway's remarks. The first being the launch of Starbucks Ready to Drink Cold Brew Coffee in the U.S. through the North American Coffee Partnership with PepsiCo. This premium, smooth tasting coffee delivers craft cold brew on the go and will be introduced this summer. The second was Starbucks commitment to strengthening its global leadership position in the nearly \$8 Billion premium single cup coffee category. This will come to life through an updated agreement with Keurig Green Mountain to continue to be the supplier of Starbucks K-cup pods. The companies updated their agreement to provide greater flexibility in driving product innovation and more control

over quick and deep expansion of our products into channels beyond grocery. Additionally, this summer in the U.S., Starbucks will launch an entirely new beverage line for the Keurig hot system - the Starbucks Latte which will include customer favorites including Caramel, Mocha and Vanilla Latte. Lastly, this summer in Europe, Starbucks will launch espresso capsules which are compatible with Nespresso®* machines which will be sold first in UK and France through sales in Starbucks retail stores, grocery and online.

New Game-Changing Advances in Digital Customer Experience – With Loyalty at the Core

Also on stage, Johnson presented the growth of the company's strategic digital flywheel of platforms. At the core of Starbucks digital ecosystem is loyalty. In February, Starbucks unveiled changes to its loyalty program which created a level playing field for Starbucks customers to earn 2 stars for every dollar spent. Since that announcement, more than 500,000 customers signed up for Starbucks Rewards. In addition, total active members of Starbucks Rewards are now reaching more than 12 million members in the U.S., up 1 million over the past quarter. The new program will go into effect on April 12.

This evolution also allows Starbucks the ability to create new ways for customers to engage in the program outside of Starbucks. Last October, Starbucks announced that Chase Commerce Solutions replaced Square as its payments processor. And recently, Starbucks entered into a payments agreement to accept Chase Pay. Today, Starbucks expands this partnership with the announcement of a new product called the Starbucks Rewards Prepaid Card from Chase.

Available by the end of this year, the Starbucks Rewards Prepaid Card is a reloadable prepaid card that allows customers to earn stars for all card purchases made virtually anywhere that Visa is accepted. Customers will be able to apply for the Starbucks Rewards Prepaid Card through the Starbucks Mobile App or Starbucks.com. This new model is just the beginning of Starbucks opening up its digital ecosystem as well as extending its payment platform.

Creating Social Impact/Building a Purpose-Driven Workforce

Starbucks partners represent diverse views, backgrounds, experiences and ideas, creating a culture of people unified in an aspiration to make a positive difference both in and outside of stores. At recent Partner Open Forums, in direct conversations, and across social platforms, Starbucks partners have voiced their aspirations as global citizens, asking the company to engage on important societal issues and participate in their communities and countries. Today, Starbucks is making three specific commitments in collaboration with leading institutions in an effort to help find solutions to complex societal problems and to create long term impact and sustainability.

- Starbucks Teams Up with Democracy Works to launch TurboVote Challenge: Building upon its demonstrated

track record of joining like-minded organizations to create meaningful social impact at scale, Starbucks will support the non-profit **Democracy Works** and its **TurboVote project** to strengthen democracy and elevate citizenship in America. In the “**TurboVote Challenge**,” Starbucks will be joined by Airbnb, Arizona State University, Fusion, Lyft, Mic, Spotify, Target, theSkimm, Univision, The Video Game Voters Network, Westfield Corporation, WeWork and others in an effort to engage 80 percent of all eligible voters to participate in our democracy by 2020. By comparison, fewer than 60 percent of eligible voters cast ballots in the 2012 national elections. Today’s announcement follows Starbucks **long history** of encouraging civic engagement, including supporting the **Bipartisan Policy Center’s** nationwide initiative to strengthen our election process and, most recently, making the TurboVote digital tool accessible to all partners in the U.S. in an effort to increase voter registration and keep partners informed of local and national elections throughout the year.

- **Creating A Sustainable Supply of Coffee For Future Generations: Together with Conservation International,** and 40 other organizations, Starbucks has launched the Sustainable Coffee Challenge, an industry-led initiative working to make coffee the first sustainable agricultural product. As part of that ongoing commitment and Starbucks comprehensive approach to ethical sourcing, Starbucks today announced that its highly successful, One Tree for Every Bag program is on track to donate 20 million rust resistant coffee tree seedlings to farmers in need by the end of the year. Designed to engage its customers in understanding more about where their coffee comes from, and offering a new way to scale farmer support, this program donates a coffee tree for every bag of coffee purchased in the U.S. through its partnership with Conservation International**. With many coffee growing regions around the world feeling the impact of coffee rust on their quality and supply of arabica coffee, this becomes a critical element in ensuring the longevity of the industry. In addition to the millions of pounds of green coffee this program will help farmers grow - helping to create economic stability for their communities and families - the development of seedling nurseries and a delivery infrastructure with supplier ECOM for the initiative will generate more than 1,600 jobs in the process. An initial 11 million rust resistant coffee seedlings will begin to be distributed in Guatemala, Mexico and El Salvador in May ahead of planting season in each of these countries. All of this work will be supported by Starbucks open sourced ethical sourcing program, C.A.F.E Practices, which offers agronomy information and tools in addition to financing for farmers worldwide in collaboration with Conservation International.
- **Starbucks FoodShare – Hunger Relief in Action:** Starbucks is leading a national effort to provide nourishing, ready-to-eat meals to people in need with Starbucks FoodShare. Through a new and unique strategic alliance with Feeding America, Starbucks has set a goal to rescue 100% of food available to donate from its more than 7,000 U.S. stores. Working together, Starbucks will bring ready-to-eat, nourishing meals to scale for the millions who are in need, including breakfast sandwiches, Paninis, Bistro Boxes and salads. True to Starbucks mission to “act with courage, challenge the status quo and find new ways to grow our company and each other,” Starbucks partners advocated for a solution to donate unsold food and distribute it to those in need. In response to this call for action, Starbucks invested in research and quality assurance testing to develop a program to safely donate ready-to-eat meals to the 1 in 7 Americans who may not know where they will find

their next meal. By this time next year, Starbucks hopes that partners in its U.S. company-operated stores will be able to add 5 million meals to the pastries they already donate today. And in the next five years, Starbucks will build on this commitment by engaging other companies and organizations to help end hunger with its strategic partner, Feeding America, the nation's largest domestic hunger-relief organization, and its nationwide network of food banks.

Starbucks Annual Meeting of Shareholders began at 10 a.m. PT today, and will be webcast and can be accessed at <http://investor.starbucks.com>. A replay of the webcast will be available on the company's website until Friday, April 22, 2016. Please visit <http://news.starbucks.com> to find images, b-roll and live updates of the Annual Meeting of Shareholders.

About Starbucks

Since 1971, Starbucks Coffee Company has been committed to ethically sourcing and roasting high-quality arabica coffee. Today, with stores around the globe, the company is the premier roaster and retailer of specialty coffee in the world. Through our unwavering commitment to excellence and our guiding principles, we bring the unique Starbucks Experience to life for every customer through every cup.

To share in the experience, please visit us in our stores or online at www.starbucks.com.

Forward Looking Statements

Certain statements contained herein are "forward-looking statements" within the meaning of the applicable securities laws and regulations. Generally, these statements can be identified by the use of words such as "anticipate," "expect," "believe," "could," "estimate," "feel," "forecast," "intend," "may," "plan," "potential," "project," "should," "will," "would," and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements are based upon information available to Starbucks as of the date hereof, and Starbucks actual results or performance could differ materially from those stated or implied due to risks and uncertainties associated with its business. These risks and uncertainties include, but are not limited to, fluctuations in U.S. and international economies and currencies, our ability to preserve, grow and leverage our brands, potential negative effects of material breaches of our information technology systems to the extent we experience a material breach, potential negative effects of incidents involving food-borne illnesses, food tampering, food contamination or mislabeling, material failures of our information technology systems, costs associated with, and the successful execution of, the company's initiatives and plans, the acceptance of the company's products by our customers, the impact of competition, coffee, dairy and other raw materials prices and availability, the effect of legal proceedings, and other risks detailed in the company filings with the Securities and Exchange Commission, including the "Risk Factors" section of the Starbucks Annual Report on

Form 10-K for the fiscal year ended September 27, 2015. The company assumes no obligation to update any of these forward-looking statements.

* Third-party brand with no link to Starbucks Coffee Company.

** Starbucks will contribute \$.70, the average cost of a tree, to Conservation International for every bag of coffee sold from participating stores in the U.S. to foster thriving coffee communities. To learn more, visit conservation.org.

¹ The comparable FY15 GAAP EPS of \$1.82 includes certain Starbucks Japan acquisition-related items, specifically a \$0.26 per share gain resulting from a fair value adjustment of Starbucks preexisting 39.5% ownership interest in Starbucks Japan and expenses of \$0.03 per share related to ongoing amortization of acquired intangible assets and transaction and integration costs. In addition to the Starbucks Japan acquisition-related items, FY15 GAAP EPS includes a \$0.03 per share loss related to the redemption of the company's \$550 million of 6.250% 2017 Senior Notes and \$0.04 per share incremental tax benefit related to U.S. manufacturing deductions to be claimed on our consolidated tax returns. The FY15 non-GAAP EPS growth rate is calculated over FY14 non-GAAP EPS of \$1.33. FY14 GAAP EPS of \$1.35 includes a \$0.01 per share litigation credit related to the arbitration with Kraft Foods Global, Inc. and a \$0.02 net benefit from transactions in Q4 FY14. The net benefit from transactions in Q4 FY14 relates primarily to a \$0.02 gain on the sale of our Malaysia equity method investment, partially offset by a loss on the sale of our Australia retail operations and transaction costs incurred in Q4 FY14 related to the planned acquisition of Starbucks Japan.

² The comparable FY15 GAAP operating income of \$3,601.0 million includes expenses of \$54.6 million related to certain Starbucks Japan acquisition-related items, specifically amortization of acquired intangible assets and transaction and integration costs. The FY15 non-GAAP operating income growth rate is calculated over FY14 non-GAAP operating income of \$3,063.3 million. FY14 GAAP operating income of \$3,081.1 million includes a credit of \$20.2 million related to the arbitration with Kraft Foods Global, Inc. and \$2.4 million of costs from transactions in Q4 FY14. The costs from transactions in Q4 FY14 include a portion of the transactions costs incurred in Q4 FY14 related to the acquisition of Starbucks Japan and costs related to the sale of our Australia retail operations in Q4 FY14.

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