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**GREEN MOUNTAIN COFFEE ROASTERS, INC. ANNOUNCES \$250 MILLION
COMMON STOCK PURCHASE AGREEMENT WITH
LUIGI LAVAZZA S.p.A**

**Companies to Work Toward Development, Marketing and Distribution
Agreement**

WATERBURY, Vt., and TORINO, Italy, August 10, 2010 – Green Mountain Coffee Roasters, Inc. (GMCR) (NASDAQ: GMCR) and Luigi Lavazza S.p.A (Lavazza) announced the companies have entered into a \$250 million common stock purchase agreement. Under terms of the agreement, Lavazza has agreed to purchase \$250 million in aggregate purchase price of newly issued shares of GMCR's \$0.10 par value Common Stock, or approximately 7% of GMCR's current outstanding shares, at a price per share equal to the 60 day volume weighted average price ("VWAP") at closing minus 7.5%. This investment requires approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and is expected to close in September 2010.

In addition, the companies announced that they are working together with the intent to reach a further agreement pursuant to which GMCR and Lavazza will cooperate to develop and Lavazza will manufacture new single-serve espresso machines and single-serve espresso capsules designed for use with such machines. These co-developed machines would complement GMCR's line of Keurig® single-cup coffee brewers. It is not anticipated that any of these co-developed machines and/or capsules will be available for the marketplace prior to GMCR's fiscal year 2013. The further agreement also may provide GMCR the ability to distribute, market and sell existing coffee espresso single-cup machines utilizing Lavazza's espresso technology for in-home use in the United States and Canada.

The common stock purchase agreement provides that Lavazza (1) not sell the purchased shares for a year and then thereafter only in open-market transactions or to certain institutional investors, (2) vote these shares in concert with the Company's Board, (3) may have an observer at the Company's Board meetings and, (4) in the future and under certain circumstances, a right to designate a Board member. In addition, the Agreement contains a 5-and-one-half-year customary standstill period, subject to certain exceptions after a one-year period, including the right to purchase additional shares up to 15% of the Company's outstanding shares.

GMCR intends to use the proceeds of the stock sale for general corporate purposes, including financing GMCR's growth plans and enabling initiatives. GMCR's estimates for its fiscal fourth quarter 2010 and fiscal 2011 provided on July 28, 2010 remain unchanged.

"Lavazza's investment in GMCR reflects their confidence in our strategy, vision and execution and provides enhanced financial flexibility to fund our growth and future enabling initiatives," said Lawrence J. Blanford, president and CEO, Green Mountain Coffee Roasters, Inc. "We have developed an effective working relationship with Lavazza and, based on the impressive quality of the Lavazza people and technology, we believe there is strong potential for a commercial alliance between GMCR and Lavazza that will leverage our complementary coffee systems and respective geographic strengths."

"We're thrilled to have entered this very important alliance with GMCR," explains the CEO of Lavazza, Gaetano Mele. "As a result of our participation in the capital of GMCR – a hugely successful company and a leader in single-serve brewed coffee in North America – we hope to work together to access, and leverage the combination of our extensive espresso expertise and GMCR's powerful North American sales and marketing platforms. The distribution agreement we expect to consummate in the near term should represent a unique opportunity to fully develop the potential of the authentic Italian espresso, and espresso-based beverages, in North America." Mele concludes, "We are confident that this investment is but the first step in a wider-ranging collaboration with GMCR in R&D, innovative technology and international expansion for both companies."

About Green Mountain Coffee Roasters, Inc. (NASDAQ: GMCR)

As a leader in the specialty coffee industry, Green Mountain Coffee Roasters, Inc. is recognized for its award-winning coffees, innovative brewing technology, and socially responsible business practices. GMCR's operations are managed through two business units. The Specialty Coffee business unit produces coffee, tea and hot cocoa from its family of brands, including Tully's Coffee®, Green Mountain Coffee®, Newman's Own® Organics coffee, Timothy's World Coffee® and Diedrich, Coffee People and Gloria Jeans®, a trademark licensed to the Company for use in North America and owned by Gloria Jeans Coffees International Pty. Ltd. The Keurig business unit is a pioneer and leading manufacturer of gourmet single-cup brewing systems. [K-Cup® portion packs](#) for Keurig® Single-Cup Brewers are produced by a variety of roasters, including Green Mountain Coffee, Tully's, Timothy's and Diedrich. GMCR supports local and global communities by offsetting 100% of its direct greenhouse gas emissions, investing in Fair Trade Certified™ coffee, and donating at least five percent of its pre-tax profits to social and environmental projects. Visit www.gmcr.com for more information.

GMCR routinely posts information that may be of importance to investors in the Investor Relations section of its web site, including news releases and its complete financial statements, as filed with the SEC. GMCR encourages investors to consult this section of its web site regularly for important information and news. Additionally, by subscribing to GMCR's automatic email news release delivery, individuals can receive news directly from GMCR as it is released.

GMCR was advised by Ropes & Gray LLP.

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GMCR Forward-Looking Statements

Certain statements contained herein are not based on historical fact and 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," "believe," "could," "estimate," "expect," "feel," "forecast," "intend," "may," "plan," "potential," "project," "should," "would," and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Owing to the uncertainties inherent in forward-looking statements, actual results could differ materially from those stated here. Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, the impact on sales and profitability of consumer sentiment in this difficult economic environment, the Company's success in efficiently expanding operations and capacity to meet growth, the Company's success in efficiently and effectively integrating Timothy's and Diedrich's wholesale operations and capacity into its Specialty Coffee business unit, the Company's success in introducing and producing new product offerings, the ability of lenders to honor their commitments under the Company's credit facility, competition and other business conditions in the coffee industry and food industry in general, fluctuations in availability and cost of high-quality green coffee, any other increases in costs including fuel, Keurig's ability to continue to grow and build profits with its roaster partners in the At Home and Away from Home businesses, the Company experiencing product liability, product recall and higher than anticipated rates of warranty expense or sales returns associated with a product quality or safety issue, the impact of the loss of major customers for the Company or reduction in the volume of purchases by major customers, delays in the timing of adding new locations with existing customers, the Company's level of success in continuing to attract new customers, sales mix variances, weather and special or unusual events, as well as other risks described more fully in the Company's filings with the SEC. Forward-looking statements reflect management's analysis as of the date of this press release. The Company does not undertake to revise these statements to reflect subsequent developments, other than in its regular, quarterly earnings releases.

About Luigi Lavazza S.p.A.

Lavazza, founded in Turin, Italy, in 1895 has been family-owned and managed for four generations. It's one of the world's largest coffee manufacturers and the retail market leader in Italy. Lavazza operates 11 direct international subsidiaries and its products are marketed in 90 countries. The company achieved €1,093 million in sales in 2009, has 4,000 employees and operates globally in the Home and Out-of-Home markets, with a 20-year history in the manufacturing and marketing of single-serve espresso systems and products. Lavazza Premium Coffees Corp., the North-American subsidiary, is based in New York City.

Lavazza's Board of Directors: Alberto Lavazza, Chairman; Giuseppe Lavazza, Deputy Chairman and Director of Strategic Marketing; Francesca Lavazza, Director of Corporate Image; Marco Lavazza, Development and Acquisitions Manager; Antonella Lavazza, Coffee Shop Business Project Manager; Gaetano Mele, Chief Executive Officer; Alessandro Lorenzi, Central Director, Corporate; Tullio Toledo.

Lavazza was advised by New York-based investment banking firm Sonenshine Partners LLC and Milan, Italy-based Borghesi Colombo & Associati and Cleary Gottlieb Steen & Hamilton LLP acted as legal counsel.