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**JAVO BEVERAGE COMPANY'S 2008 OUTLOOK AND 2007 YEAR IN REVIEW**

**Company to Install Additional 3,200 to 5,700 Dispensers in 2008 From National Program Expansions**

**SAN DIEGO, CA -- January 15, 2008** – Javo® Beverage Company, Inc. (OTC BB: JAVO), a leading provider of premium hot and cold dispensable coffee and tea-based beverages to the food service industry, today released a review of 2007 and presented its outlook for the 2008 business year.

Outlook for 2008:

- Management anticipates that Javo will grow its number of beverage dispensing locations from 4,300, currently, to between 7,500 and 10,000 by year-end.
- The Company anticipates that 7-Eleven will expand its iced coffee program outside the Northeast, substantially growing the number of locations serving Javo Beverage iced coffee from its current 750.
- The Company is preparing to expand dispensed beverage programs with other national chains including: BP Products North America (am pm and BP stores), Sunoco, Exxon-Mobil and others. These new customers will add significantly to the number of iced coffee dispenser installations during the first half of 2008.
- Javo expects to continue expanding its national direct selling and service force and will make

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considerable progress converting facilities within the expanding group of national purchasing organizations into which the Company has gained access, including: Compass Group, Premier, Department of Veteran Affairs, MedAssets Supply Chain System, Amerinet and others.

- As the Company executes on its national account opportunities, it expects to triple the number of major distribution centers supplying its concentrated, dispensed coffee and tea products to foodservice customers.

Highlights for 2007:

- Awarded contract to supply iced coffee to most 7-Eleven convenience stores in the US. During 2007, the retailer expanded Javo's program to its stores in the Northeast and prepared most of its remaining US locations for a 2008 introduction.
- Added regional and national foodservice chains and convenience retailers to its group of customers installing the Company's iced coffee dispensers, including: BP Products North America (am pm and BP stores) Sunoco, Exxon-Mobil, Circle K and others.
- Expanded its *Preferred Supplier* program with Compass Group, extending the length of the contract and adding dispensed iced coffees.
- Awarded *Prime Vendor* status by the US Department of Veterans Affairs, permitting dispenser installations at more than 250 VA facilities nationwide.
- Completed agreement with MedAssets Supply Chain System, giving Javo the ability to sell and install beverage dispensers at 32,000 healthcare facilities across the country.
- Won a multi-year award to supply Premier, Inc., opening over 50,000 facilities for potential installations of Javo hot on-demand coffee and/or dispensed iced coffee. Premier is the largest healthcare purchasing organization in the US
- Doubled the size of its selling and service force, enabling the Company to address customer opportunities nationwide.
- Created a national distribution footprint for three separate product lines: dispensed iced coffee, on-demand hot coffee and packaged coffee and tea.
- Developed and introduced 12 new concentrated, dispensed products having fair trade, organic, functional and ethnic appeal.
- Completed capital improvements at San Diego area manufacturing facility, lowering unit production costs and increasing capacity.

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Javo Beverage offers customers the opportunity to serve specialty beverage programs for hot on-demand coffee and for specialty dispensed iced coffee and tea like those found in retail coffee shops but without the need to install and learn a barista-style operating system. Both product lines feature beverage concentrates in bag-in-box packaging that, once installed, create recurring revenue for the Company. Javo's hot coffee program offers nine proprietary blends with a concentration level as strong as 45 parts water to 1 part coffee extract. The iced specialty coffee and tea product line offers 10 unique flavors with concentration levels as high as 7 to 1. Javo also offers packaged coffee and tea mixes that require no specialized equipment and can be conveniently utilized by restaurants to hand mix specialty beverages. Finally, Javo offers bulk coffee and tea flavors for institutional customers who require large quantities of concentrated coffee and tea for manufacturing packaged drinks, ice creams and other retail products.

Having both dispensed hot coffee and specialty iced coffee product lines provides Javo Beverage the opportunity to provide multiple beverage solutions to 2.5 million foodservice locations nationwide. On the strength of customer relationships built with national foodservice accounts in 2007, Javo Beverage has a rapidly increasing base of installed dispensers. The Company had revenue growth of 26% through September 30, 2007 and is positioned for a breakthrough year in 2008. The Company currently has over 4,300 operating dispensers installed across the country, an increase of more than 2,800, or 187%, from the close of 2006. Each dispenser generates from \$3,000 to \$6,000 in annual revenue per year.

Cody C. Ashwell, Chairman and CEO of Javo, said, "We are excited about our performance in 2007 because it demonstrates that our operating system is capable of generating sustained growth in dispenser installations and their associated revenues. Sales victories in 2007 have created a broad customer footprint to grow our business at an unprecedented rate in 2008. We anticipate that our base of installed beverage dispensing locations will be in the range of 7,500 to 10,000 by the close of 2008, giving the Company solid revenue momentum as we enter 2009.

"Our business model benefits from a couple of fundamental trends in the foodservice industry. First, consumers have become accustomed to drinking specialty coffees and teas that they initially discovered in specialty coffee shops. Restaurants and foodservice institutions catering to these more sophisticated tastes have learned that they must offer a broader, higher quality beverage menu. Since the preparation of specialty beverages is fundamentally burdened with long prep times, short shelf lives and high amounts of waste, foodservice operators are searching for turnkey beverage solutions that fit their current operating

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system and meet their quality standards. Javo's specialty coffee and tea programs have all the operating efficiencies and cost savings associated with dispensed juice and soft drinks."

Javo Beverage has a growing list of national and regional customers, including: 7-Eleven, Sunoco, BP Products North America, Exxon-Mobil, Haagen-Dazs, Mrs. Fields, Caribou Coffee, Compass Group, MedAssets Supply Chain System, US Department of Veterans Affairs, Amerinet, Gordon Foodservice, Shamrock Foods, Sysco Foods, and US Foodservice. Gary Lillian, President of Javo, said, "In 2007, we significantly grew our force of beverage-dedicated sales and service professionals. These 2007 additions have given us, for the first time in our Company's history, a truly national reach from Florida to the Pacific Northwest, and from California to New England. Our expanded distribution and selling systems have increased our ability to develop new customer relationships and revenue; they will have even more impact in 2008."

The Company's relationship with 7-Eleven, the leading convenience retailer in the world, continued to develop in 2007. During the year, the chain's iced coffee program, supplied by Javo, was expanded to over 750 locations. In July 2007, Javo signed an agreement to supply its premium iced coffee beverages to most of 7-Eleven's 7,100 locations nationwide. The Company anticipates an expansion by 7-Eleven to additional regions in the US prior to the peak summertime selling season in 2008.

The Company built on the success of their iced coffee model by beginning several successful programs with other large convenience retailers during 2007 and is currently expanding or preparing to expand to additional locations with: Sunoco, BP Products North America (am pm and BP stores), Exxon-Mobil and others. Programs with these customers will be an important contributor to the Company's growth, especially in the first half of 2008.

The Company's hot coffee program made major strides in 2007 by gaining the approvals of several large national purchasing organizations, opening up thousands of potential dispensing locations to conversion. Most recently, Javo announced that Premier, Inc., the largest healthcare group purchasing organization in the US, awarded Javo a multi-year contract for dispensed beverages effective January 1, 2008. According to the terms of the agreement, Premier will offer Javo specialty hot and iced coffees to its network of 1,700 participating not-for-profit hospitals and more than

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49,000 other healthcare facilities nationwide. Premier members will purchase the coffee house-style beverage concentrates from more than 50 distribution centers across the country.

In December of 2007, Javo announced an agreement with the MedAssets Supply Chain System of Alpharetta, Georgia, one of the largest purchasing organizations for food and beverages in the healthcare industry. This relationship gives Javo entry to 32,000 facilities nationwide.

Also during 2007, Javo was awarded *Prime Vendor* status by the United States Department of Veterans Affairs, providing access to more than 250 large VA facilities nationwide. Javo's first government sector approval provides significant opportunities for growth since some of its competitors, with foreign sources of supply, are prohibited from participating in contracts by the Berry amendment.

In November, the Company announced the extension of its preferred supplier relationship and the addition of iced coffee to its Compass Group Americas Division agreement. The Americas Division contains the U.S., Canadian and Latin American operating groups of Compass Group, the world's largest foodservice company. Through company-owned members such as Morrison Management, Eurest, Bon Appetit, Chartwells College and University Dining, Restaurant Associates and Creative Host Services, it provides food, vending and related services on client premises at thousands of locations.

The Company also enhanced its competitive position during 2007 with the introduction of new product lines and flavor extensions to existing programs. The Company is very proud to have launched the industry's first-ever dispensed coffee certified as both fair trade and organic to its line of on-demand hot beverages, as well as a new line of health and wellness teas under the brand Fit+™. Flavors added this year include Carmel Latte, Hazelnut Latte, Green Tea Latte, Chai Tea Latte and Horchata Rice Drink.

**About Javo® Beverage Company, Inc.**

Based in Vista, California, Javo® Beverage Company (OTC Bulletin Board: JAVO) is an innovator and leader in the manufacture of coffee and tea-based dispensed beverages, drink mixes and flavor systems. The Company has successfully commercialized a proprietary brewing technology that yields fresh brewed coffees and teas that are flavorful, concentrated and stable. As a result, they have broad applications in the food service, food manufacturing and beverage industries.

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For food service operators, Javo makes it possible to serve great tasting hot coffees and cold specialty coffee beverages from convenient dispenser-based systems. Javo also assists food and beverage processors seeking authentic and robust coffee and tea flavors with the development and supply of customized ingredients for their packaged foods and ready-to-drink beverages. Through its sales, service and distribution operations, Javo® supplies a growing list of national and international food service operations, specialty coffee retailers, restaurant chains and food manufacturers. More information about Javo Beverage Company is available at [www.javobeverage.com](http://www.javobeverage.com).

*This release contains forward-looking statements made by or on behalf of Javo® Beverage Company, Inc. All statements, which address operating performance that the Company expects will occur in the future, including statements relating to volume growth, share of sales, or statements expressing general optimism about future operating results, are forward-looking statements. These forward-looking statements are based on management's current views and we cannot assure that anticipated results will be achieved.*

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