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Oppenheimer Consumer Conference
June 19, 2018



FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements. Forward-looking statements are subject to various risks and uncertainties that could cause our actual results to differ materially from these statements, and should be considered in conjunction with cautionary statements and risk factor discussions in our filings with the SEC, including our last annual report on Form 10K and subsequent reports on Form 10Q. Starbucks assumes no obligation to update any of these forward-looking statements or information.

Please refer to the appendix of this presentation and to the Investor Relations section of our website at investor.starbucks.com to find reconciliations of non-GAAP financial measures noted in this presentation with their corresponding GAAP measures.

OUR MISSION

To inspire and nurture the human spirit—
one person, one cup and one neighborhood at a time.

77
COUNTRIES

28,000
STORES

~95M
OCCASIONS
PER WEEK

+330,000
PARTNERS

3-Year Financial Track Record

Strong Historical Growth Profile (Q2 FY15 to Q2 FY18)

Revenue CAGR	10%
EPS CAGR ^[1]	17%
Capital Returned to Shareholders	~\$12B

[1] CAGR calculated on non-GAAP EPS measures. A reconciliation of GAAP to non-GAAP earnings per share can be found at the end of this presentation



Streamline

RETAIL MARKET ALIGNMENT

CONVERTED TO LICENSED

Germany
Singapore
Taiwan
Brazil

Actively exploring strategic options
in other appropriate markets

CONVERTED TO COMPANY-OPERATED

East China

Focus on
Growth Markets

BUSINESS SIMPLIFICATION

Divested Tazo

Closed Teavana retail stores

Transitioned e-commerce site

Optimizing SKUs

Operating Margin
Improvement

GLOBAL COFFEE ALLIANCE



Accelerate
Global Growth

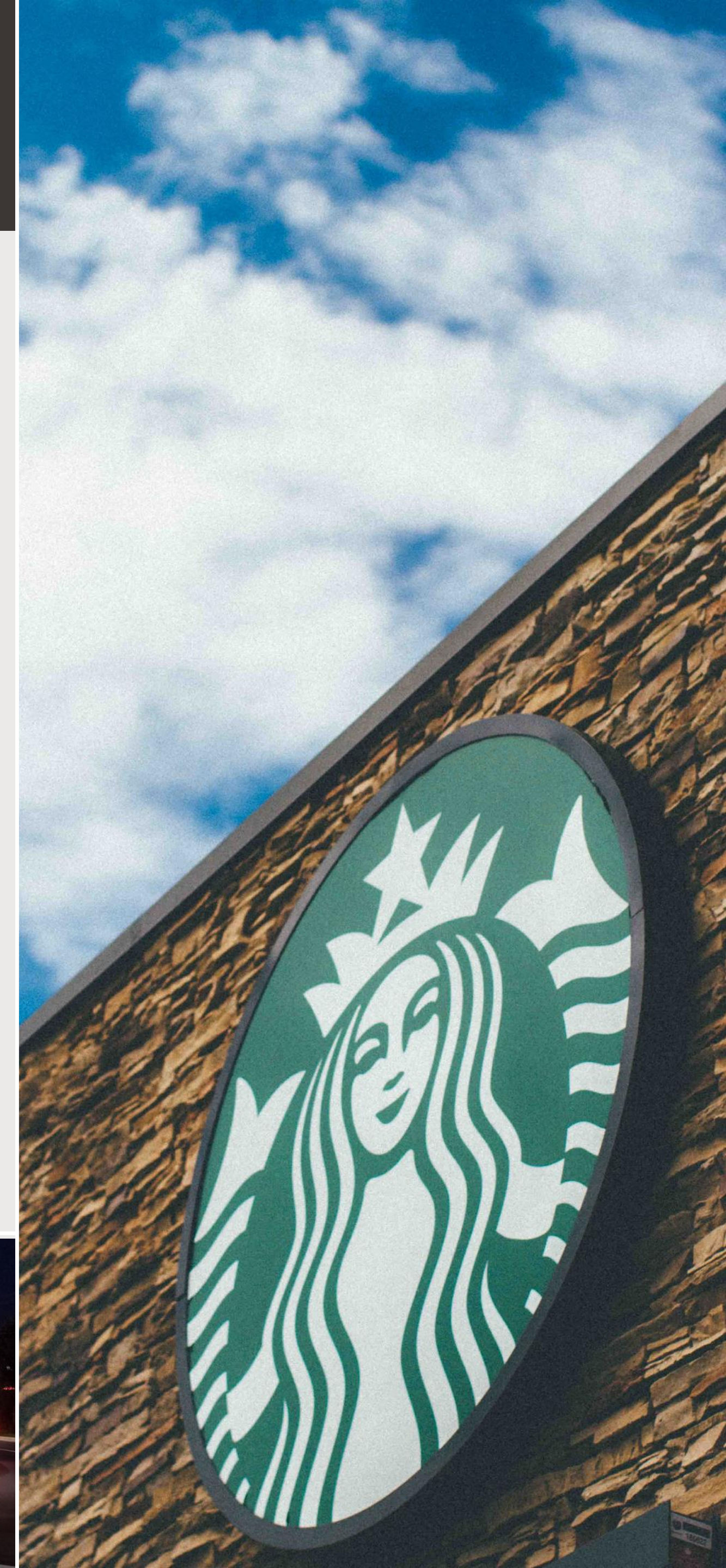
Our Strategic Priorities

1 **Accelerate growth** in our targeted, long-term growth markets — US and China

- *Extend and amplify* our digital advantage
- *Modernize and elevate* the Third Place experience

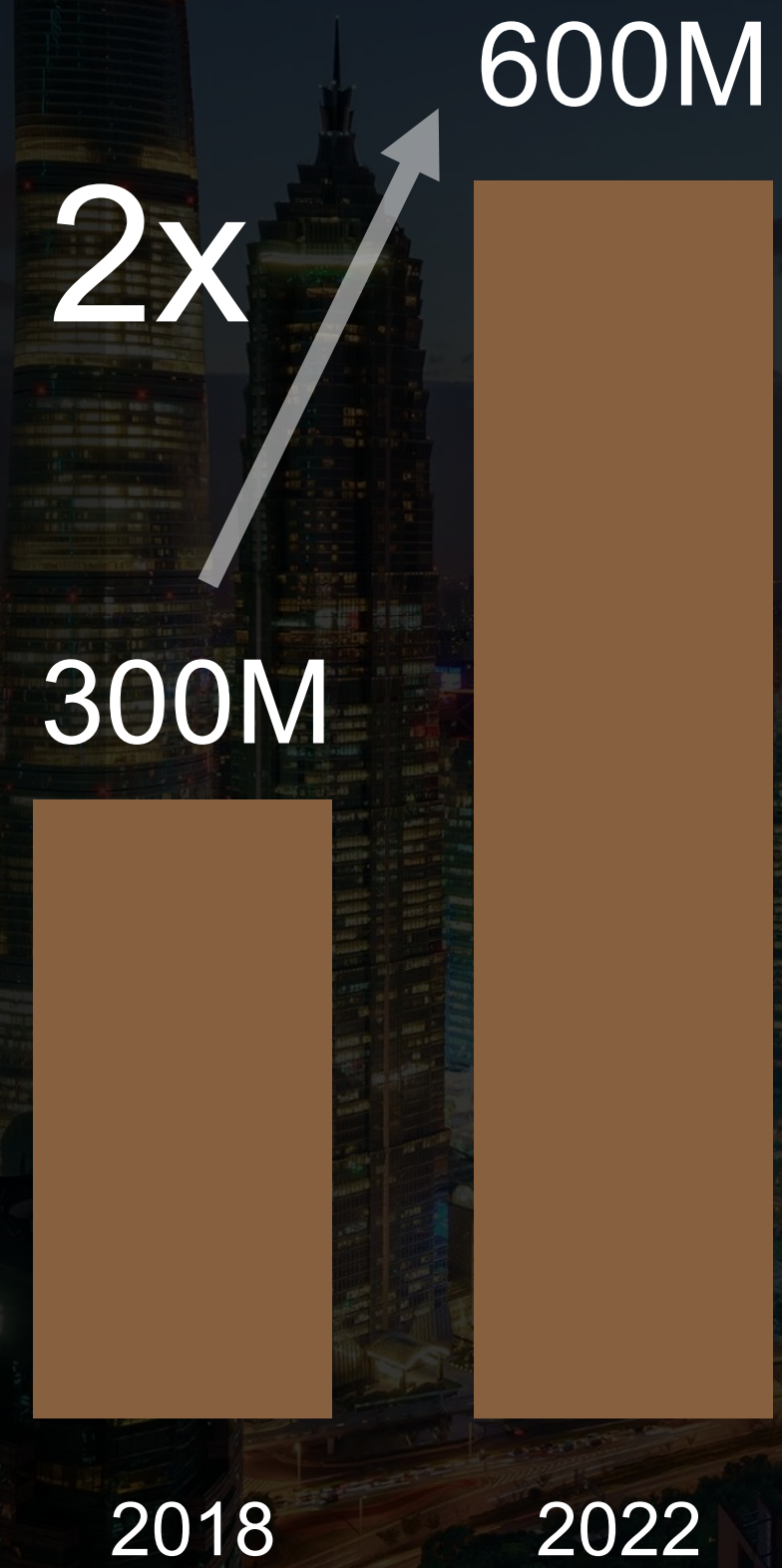
2 **Expand** the global reach of the Starbucks brand leveraging the **Global Coffee Alliance**

3 **Sharpen our focus** on increasing shareholder returns



The Opportunity

CHINA
MIDDLE CLASS



Source: McKinsey

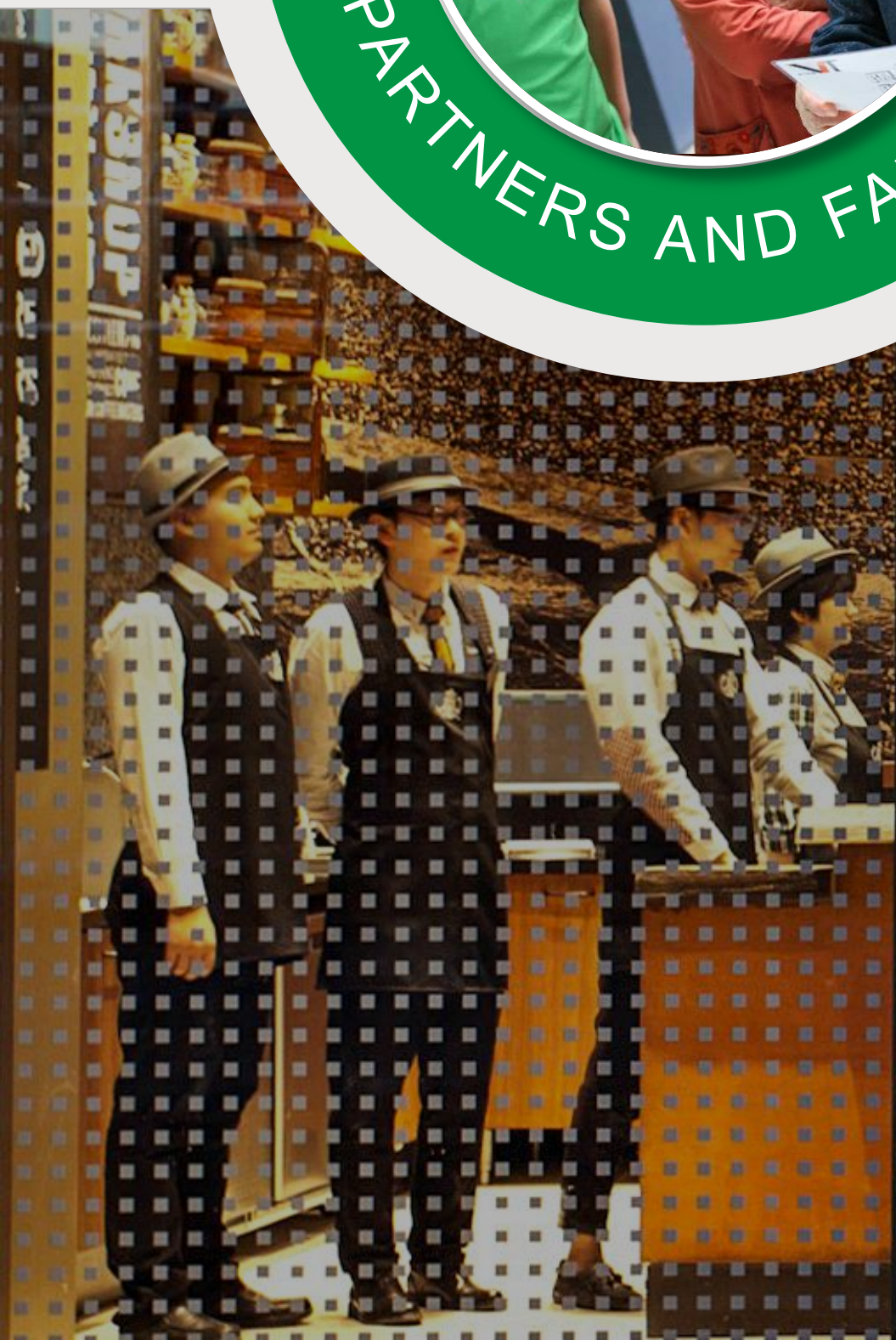
COFFEE
CONSUMPTION

(cups per capita per year)



Source: Euromonitor 2016

China Growth Agenda



China, Our Second Home Market

LONG-TERM GROWTH TARGETS [1]

6,000
STORES

BY 2022

~230
CITIES

600
NEW STORES PER YEAR

2x
GROWTH

~100
NEW CITIES

20%
FASTER

[1] Targets relative to FY17 actuals. City definition: prefecture level.

Adapting to US Consumer Trends

DIGITAL



CONVENIENCE



PREMIUMIZATION



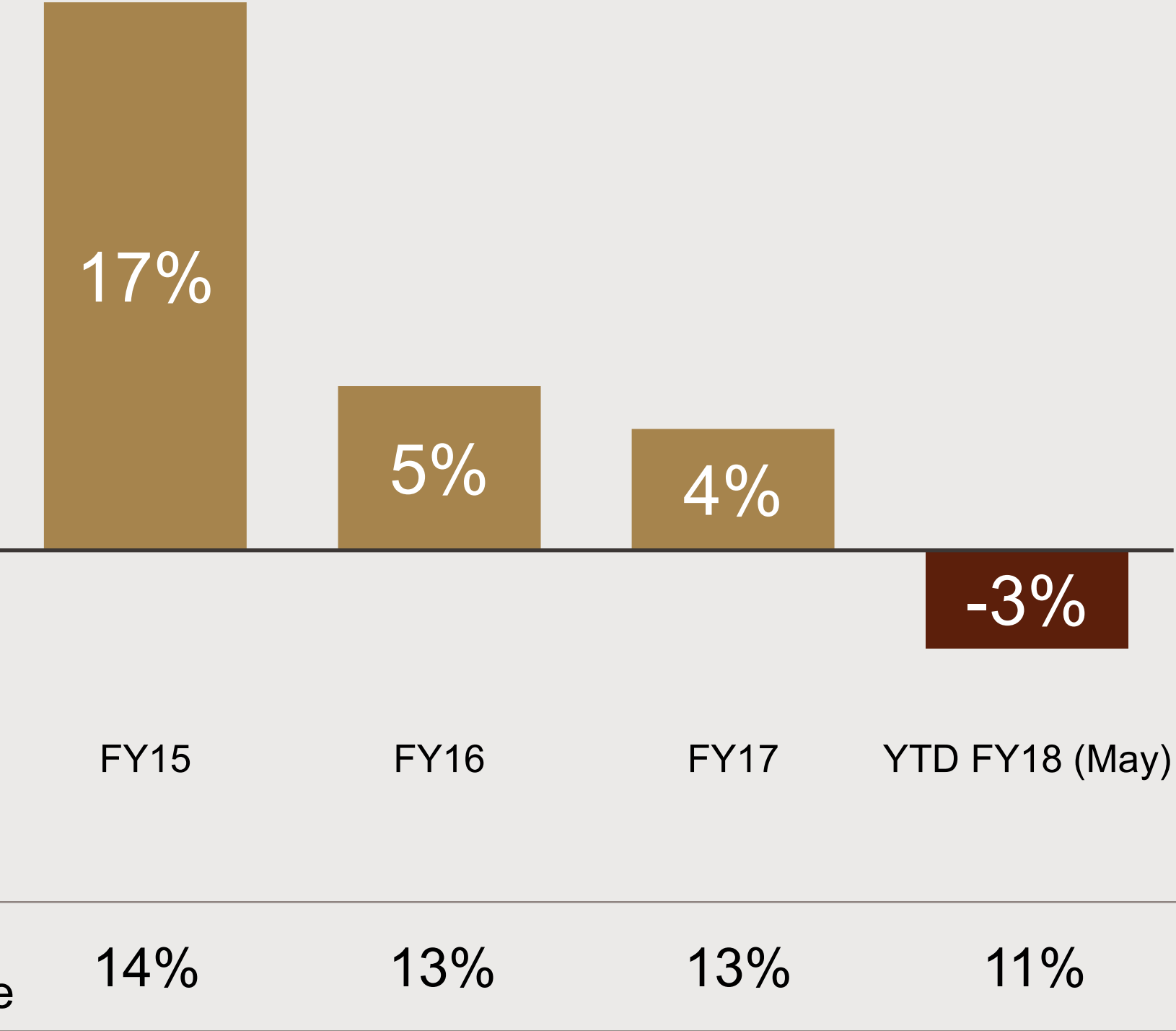
HEALTH & WELLNESS



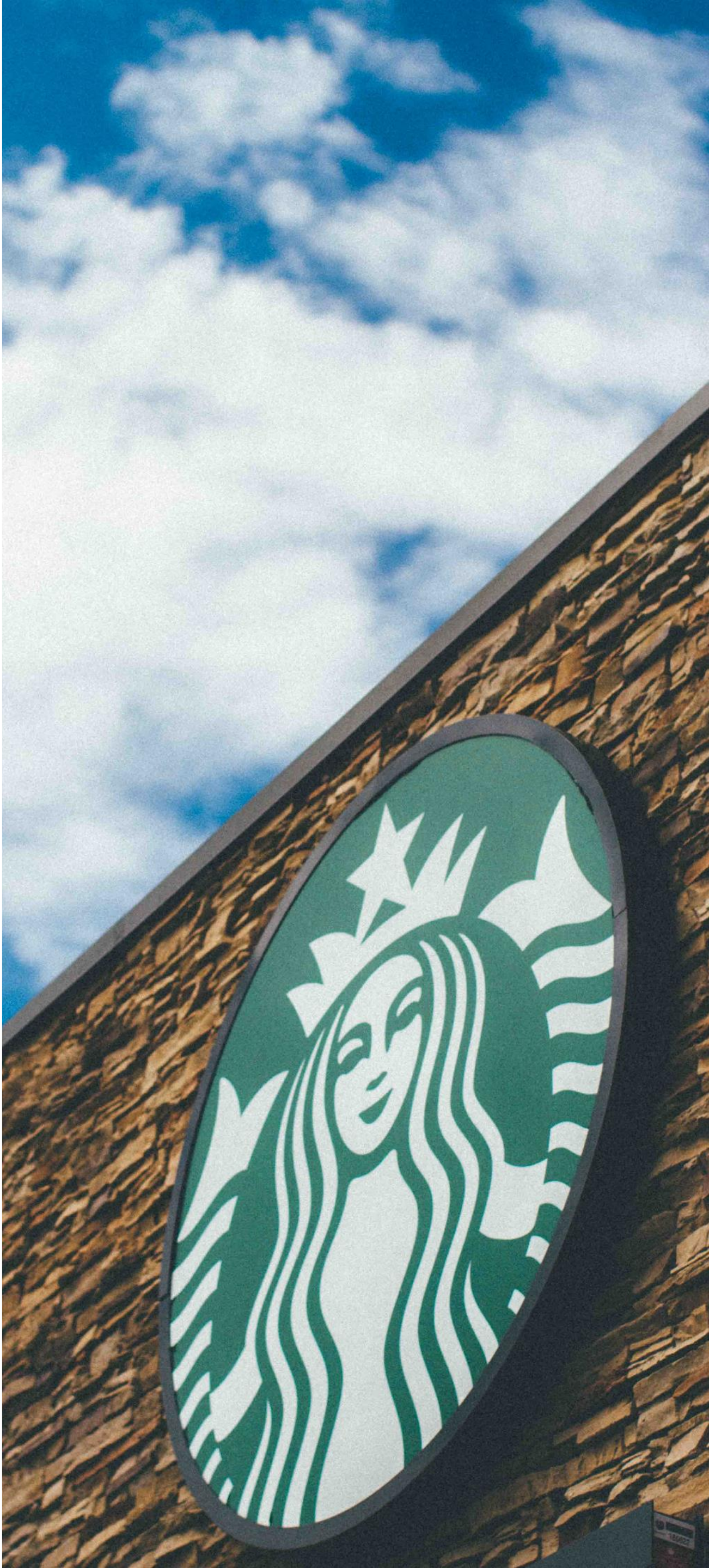
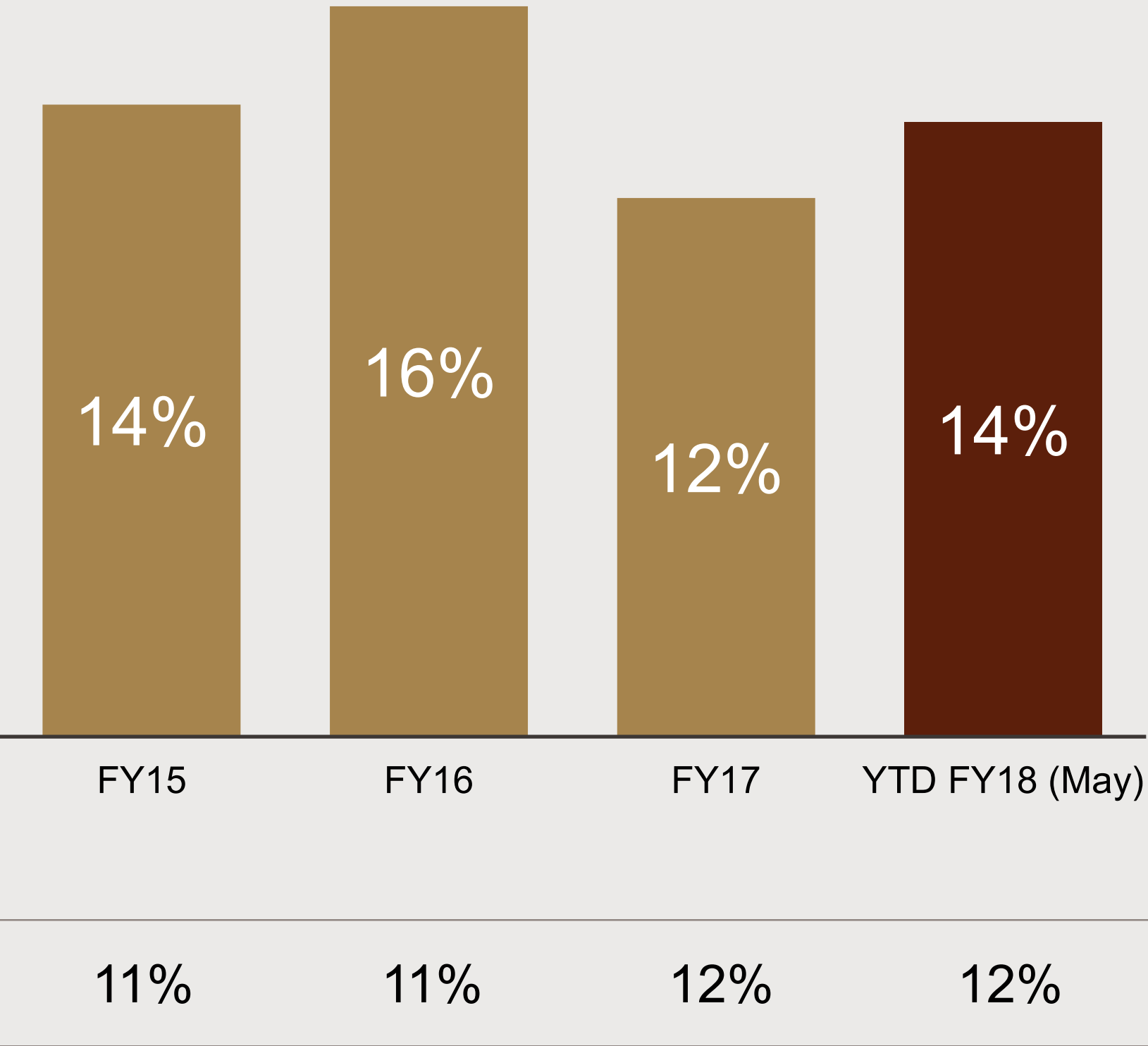
Changing Consumer Trends at Starbucks

US Company-Operated Measures

BLENDED FRAPPUCCINO
YEAR-OVER-YEAR REVENUE GROWTH



TEAVANA & REFRESHMENT
YEAR-OVER-YEAR REVENUE GROWTH

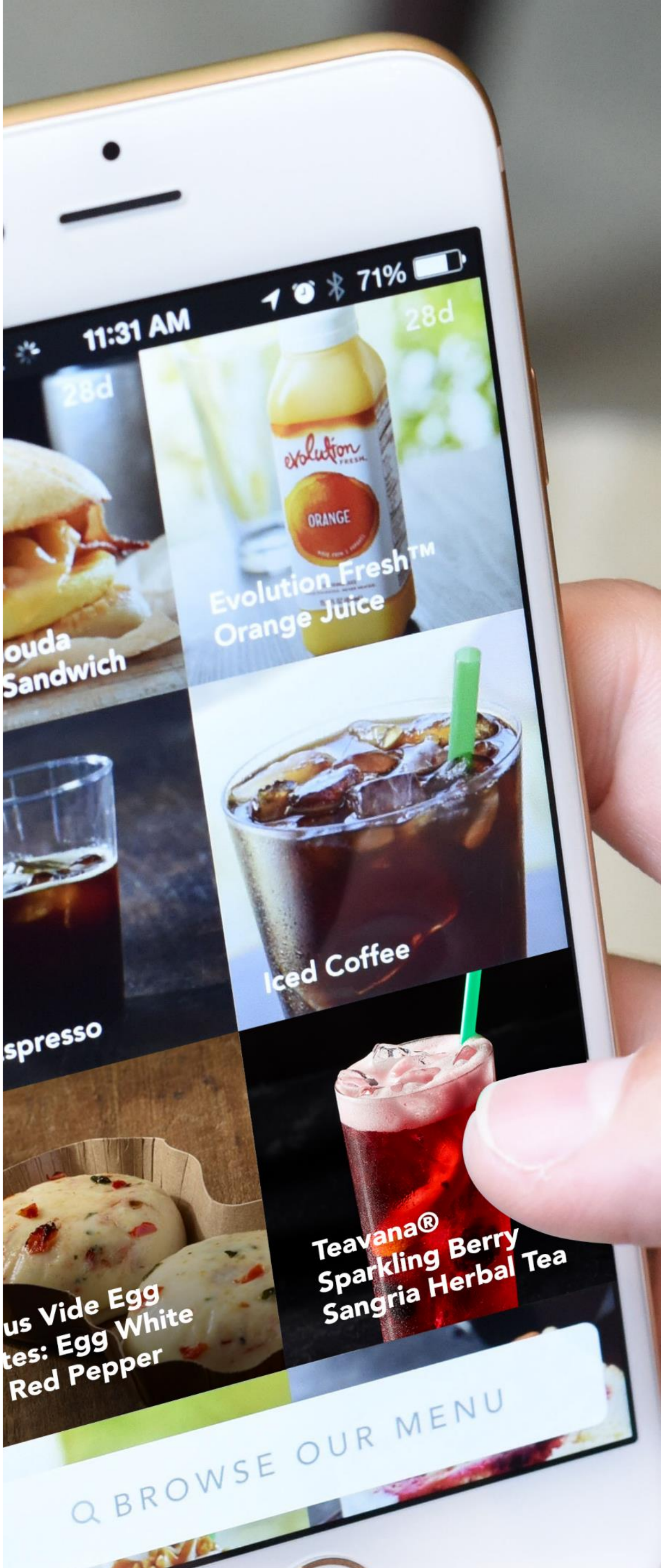
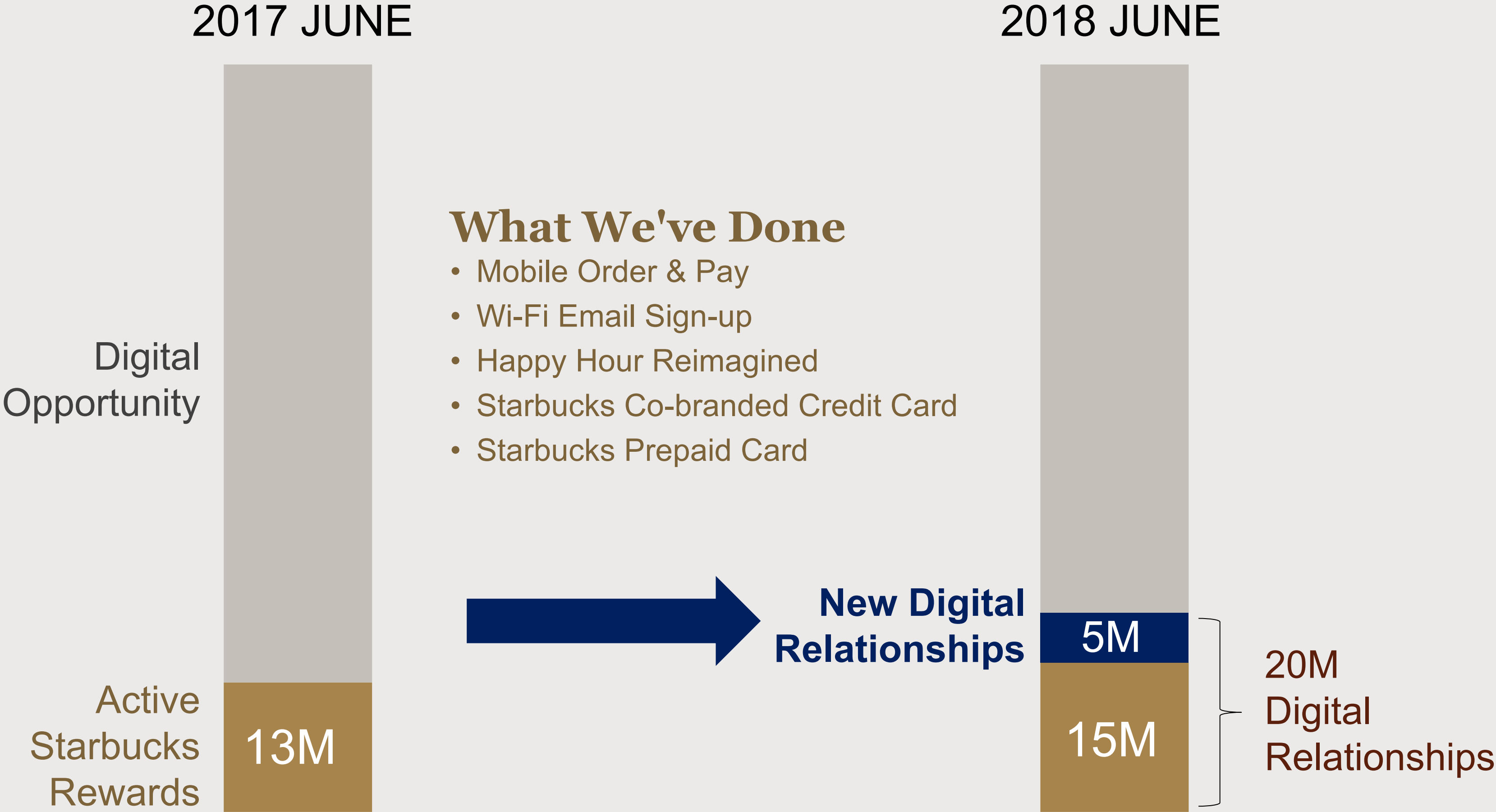




Accelerate Relevant
Product Innovation
Around Core Beverage



Expand Breadth of Digital Relationships



Three Major Initiatives will Enable Acceleration of Digital in FY 2019

NEXT WAVE OF CUSTOMER ACQUISITION

DEEPEN ENGAGEMENT

MULTI-TIER REDEMPTION

“STARS FOR EVERYONE”

PERSONALIZATION

x STARS


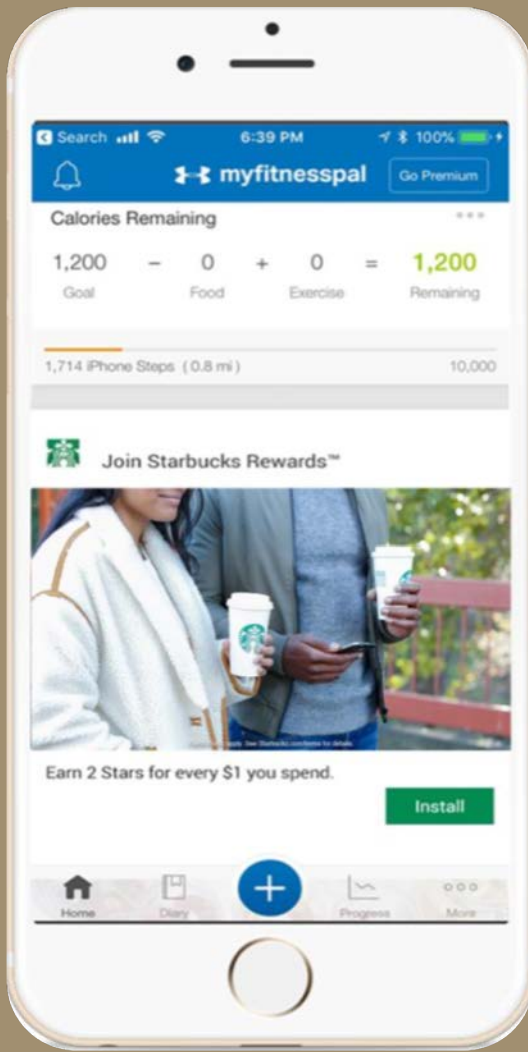




y STARS



z STARS









EXPECTING ~1-2% ATTRIBUTABLE COMP IN FY19 FROM THREE NEWER MAJOR DIGITAL INITIATIVES

Growing Our Store Portfolio

1

Grow store portfolio targeting under-penetrated geographies

2

Leverage store formats

3

Relocate, reposition and close certain stores

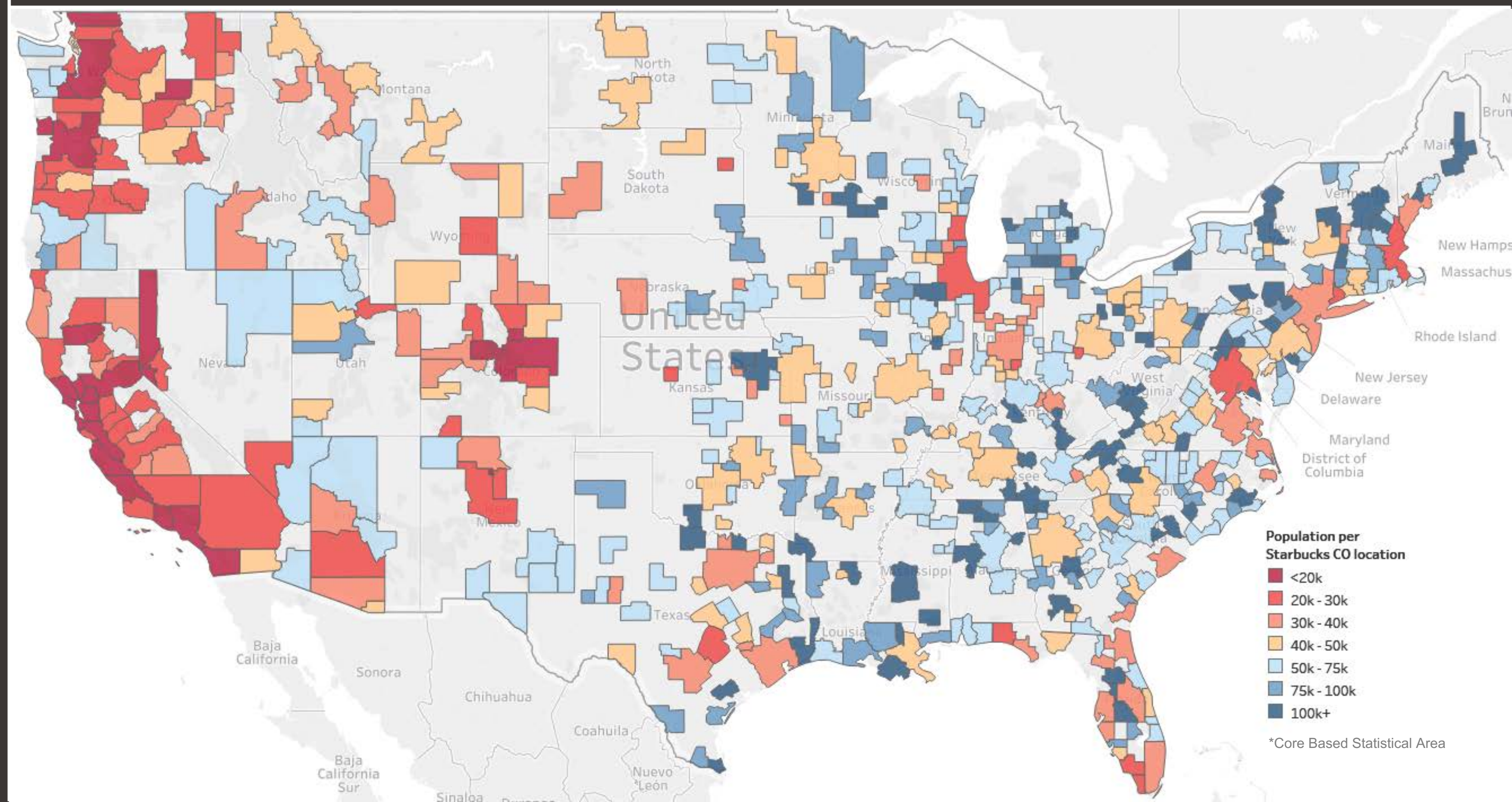


Optimizing Store Portfolio

Focus company-operated
store growth in
underpenetrated markets



POPULATION PER STARBUCKS COMPANY-OPERATED STORE



Elevating the Third Place Experience



Partner Experience and Customer Connection

INVESTING IN PARTNERS

ENHANCE CUSTOMER EXPERIENCE

WAGE

BEST-IN-CLASS
BENEFITS

DEPLOYMENT 2.0

SKU OPTIMIZATION





Nestlé

GLOBAL COFFEE ALLIANCE

GLOBAL REACH

OVER 5 MILLION
POINTS OF PRESENCE
IN 189 COUNTRIES



NEW PLATFORMS



NESPRESSO®

SUSTAINABILITY





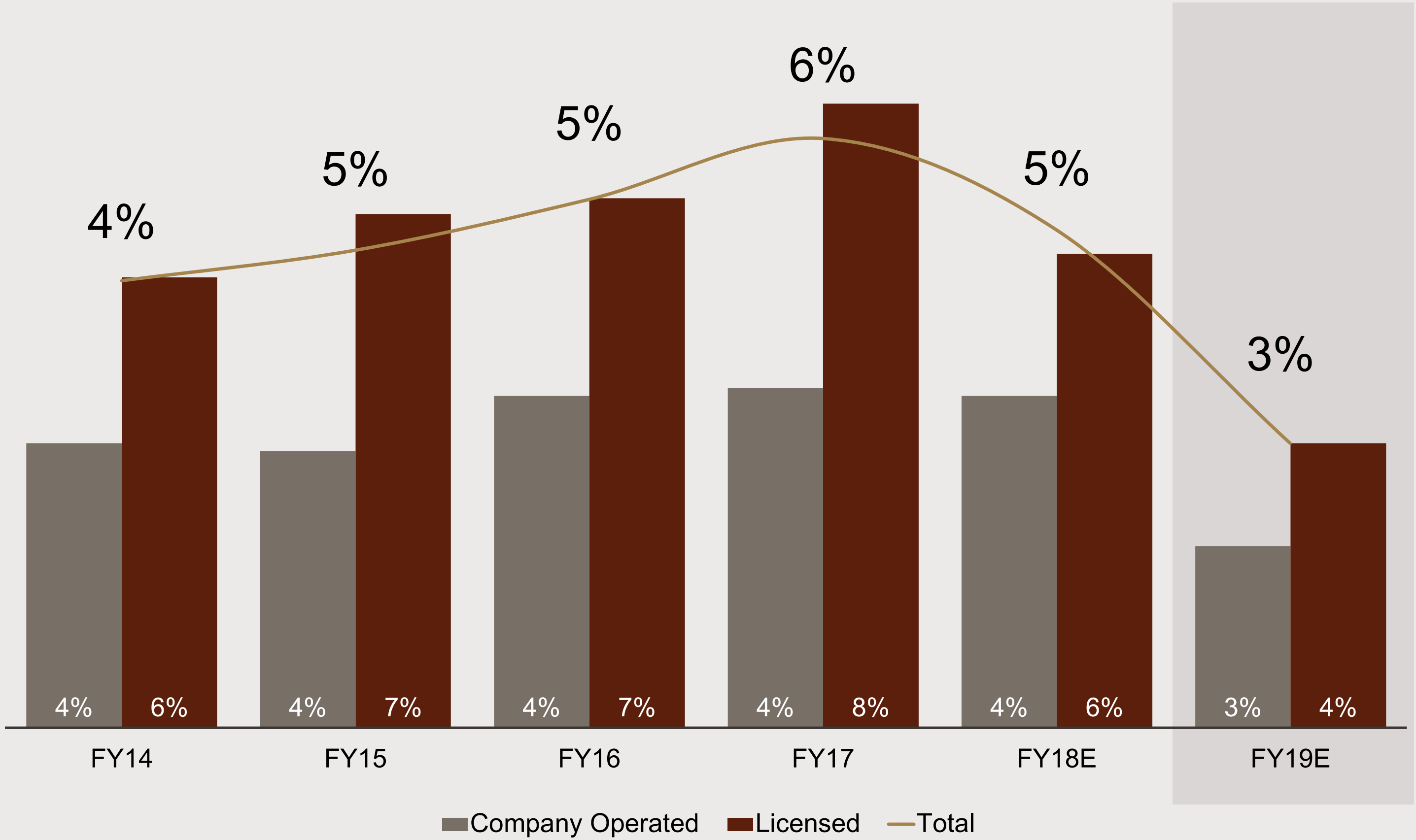
SCOTT MAW

CHIEF FINANCIAL OFFICER

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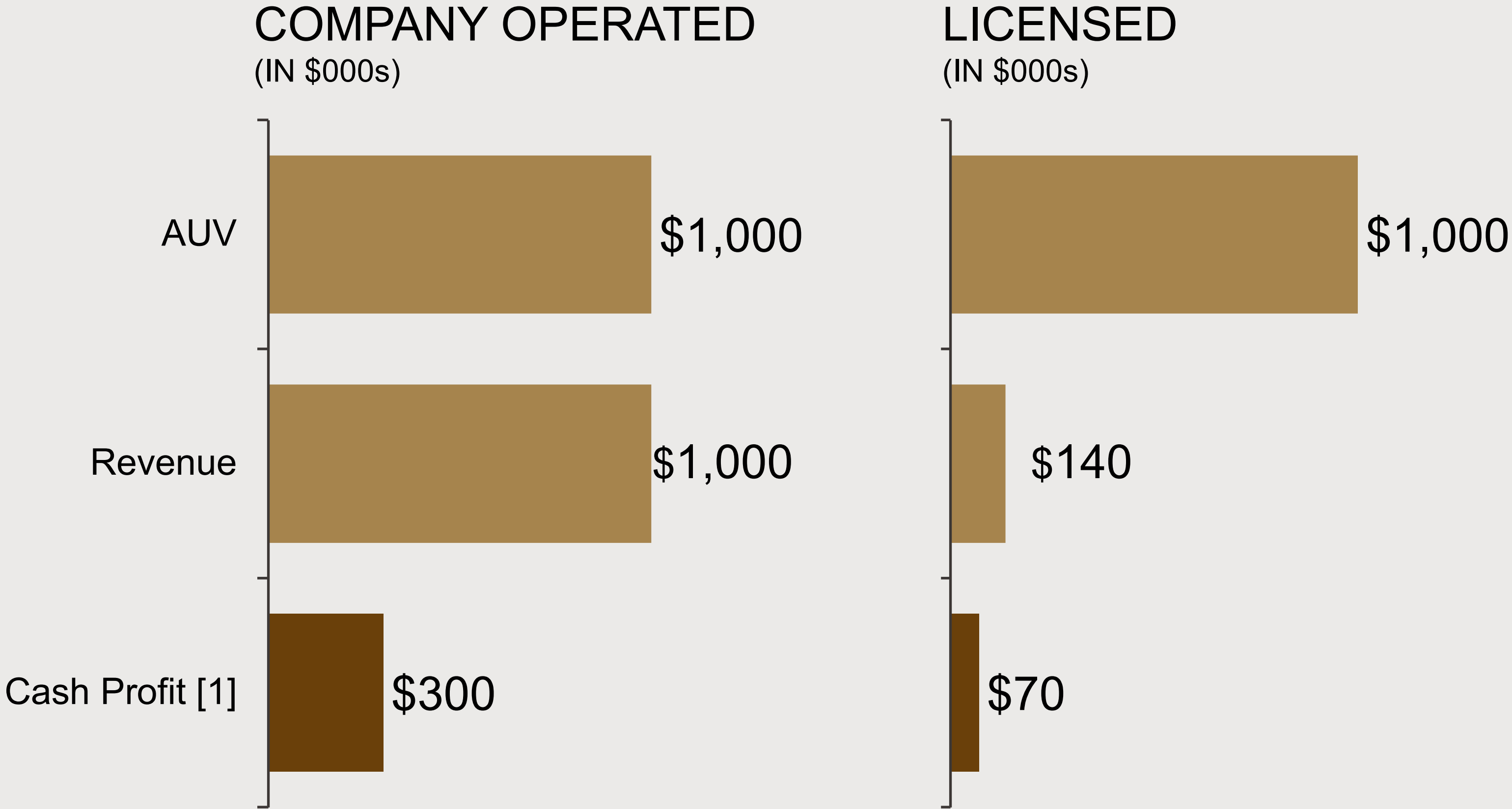
US: Managing Store Portfolio

NET US STORE GROWTH



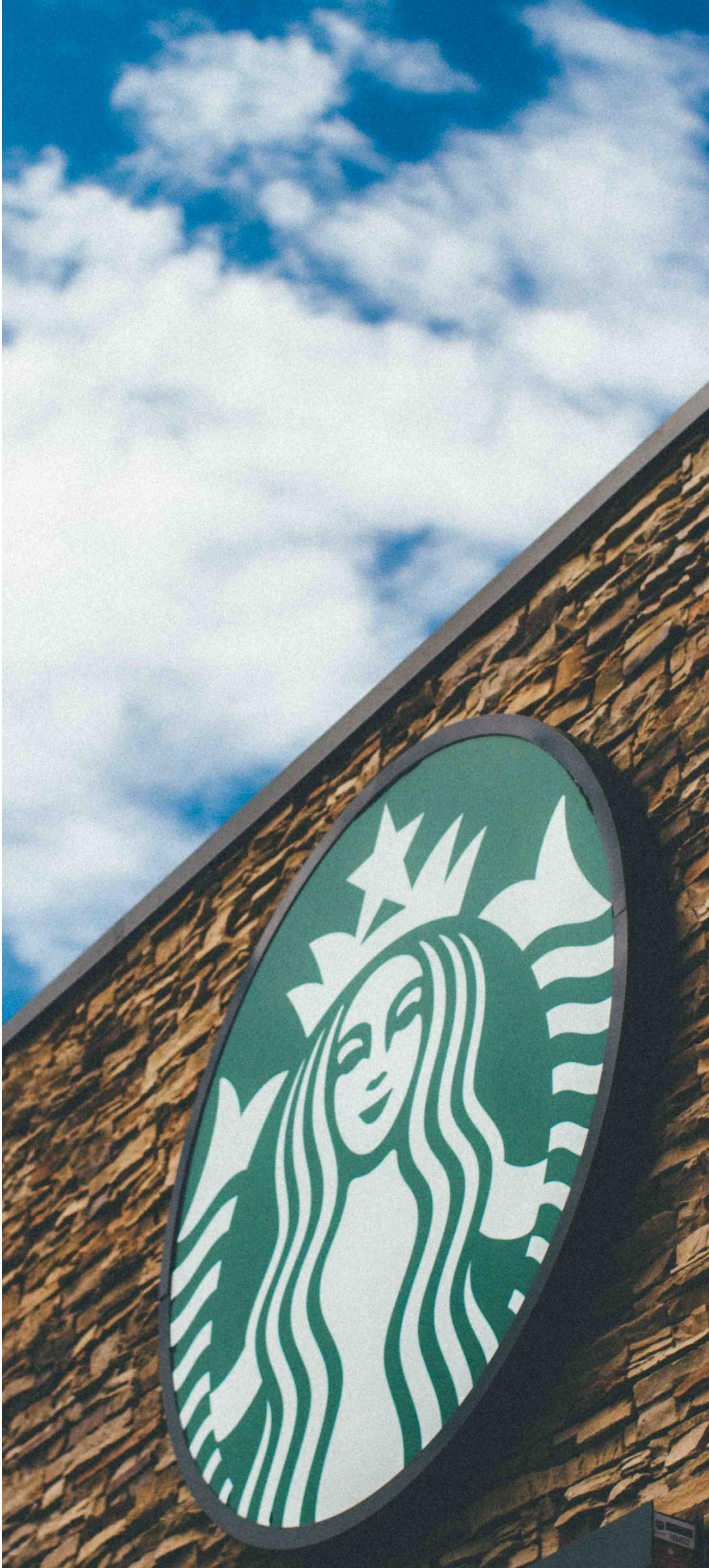
- Accelerate closure of underperforming company-operated stores to ~150 in FY19
- Slow store expansion by ~125 in FY19
 - ~100 fewer Licensed units
- Planned FY19 Net Store Growth ~3%

Company-owned Stores Deliver Significant Total Return

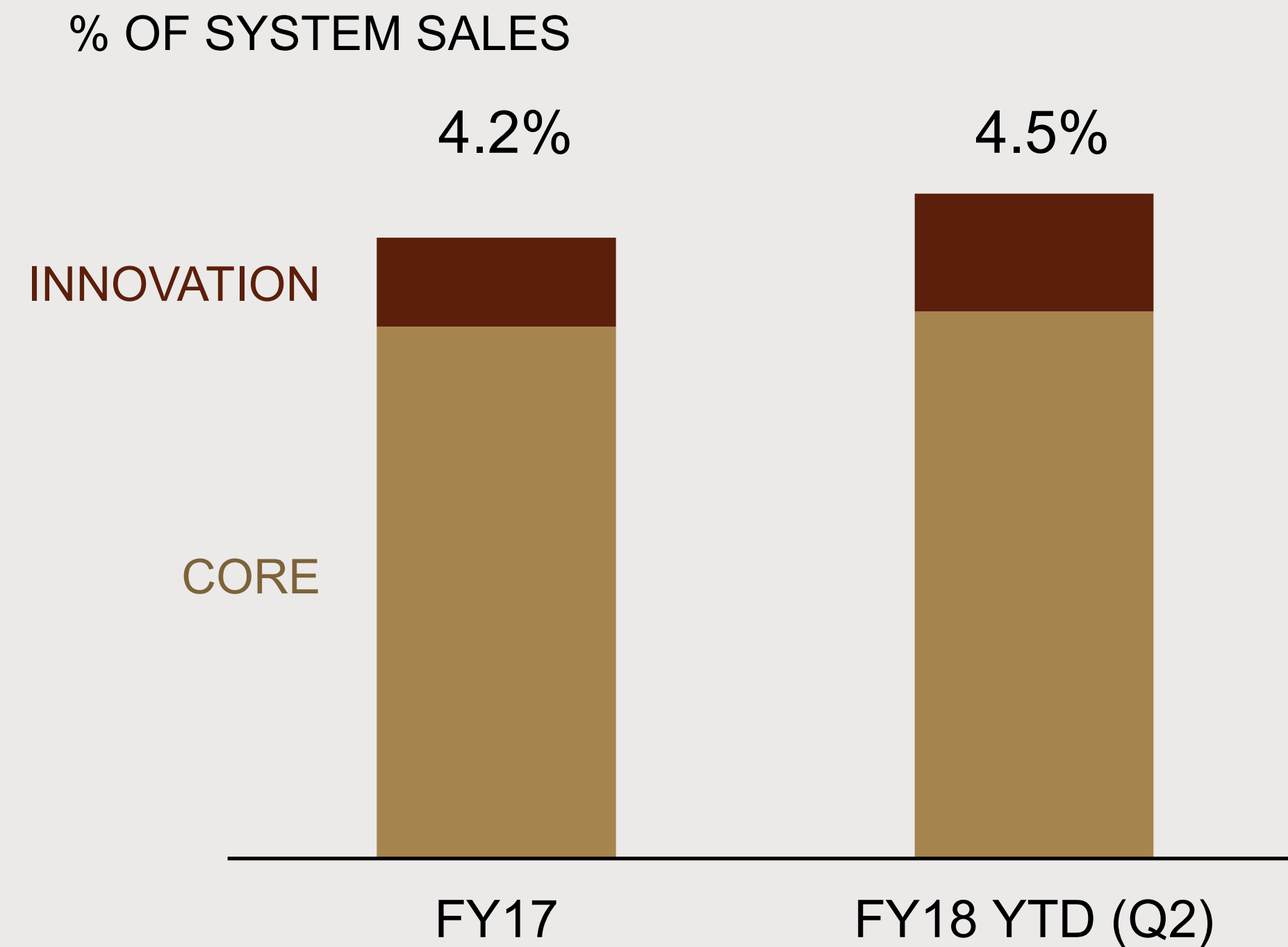


[1] Cash Profit is pre-tax and is represented as store level profit excluding depreciation and non-cash rent.

CASH PROFIT 4X HIGHER IN LARGEST COMPANY-OWNED MARKETS



Sharpen Focus on Profitability: G&A



Calculated on non-GAAP G&A. Please refer to the Investor Relations website for details of non-GAAP adjustments.

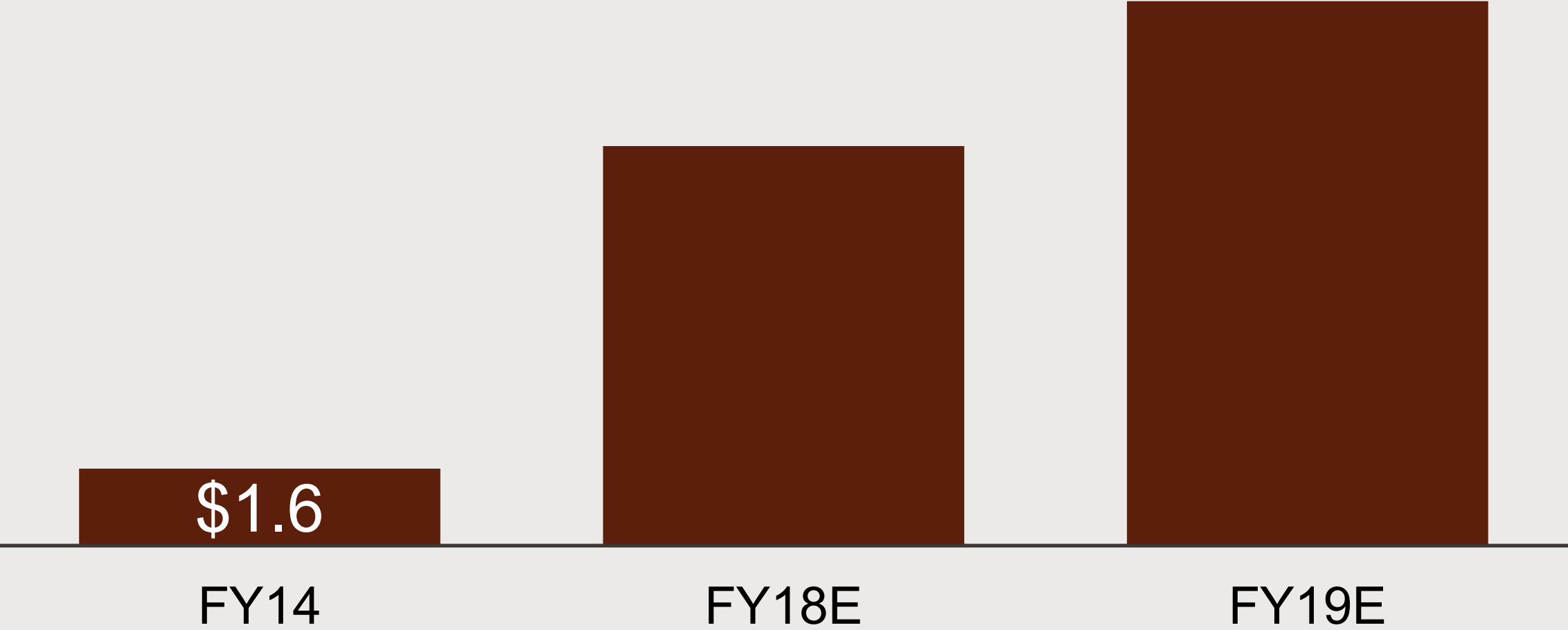
CHANGING HOW WE WORK

- Benchmarking analysis reflects opportunity
- Partnering with external consultant to drive speed and leverage best practices
- Highlights of detailed plans on Q3 FY18 Earnings conference call



Sharpen Focus on Shareholder Returns

CAPITAL RETURNED TO SHAREHOLDERS
DIVIDEND AND SHARE REPURCHASES
(IN BILLIONS)

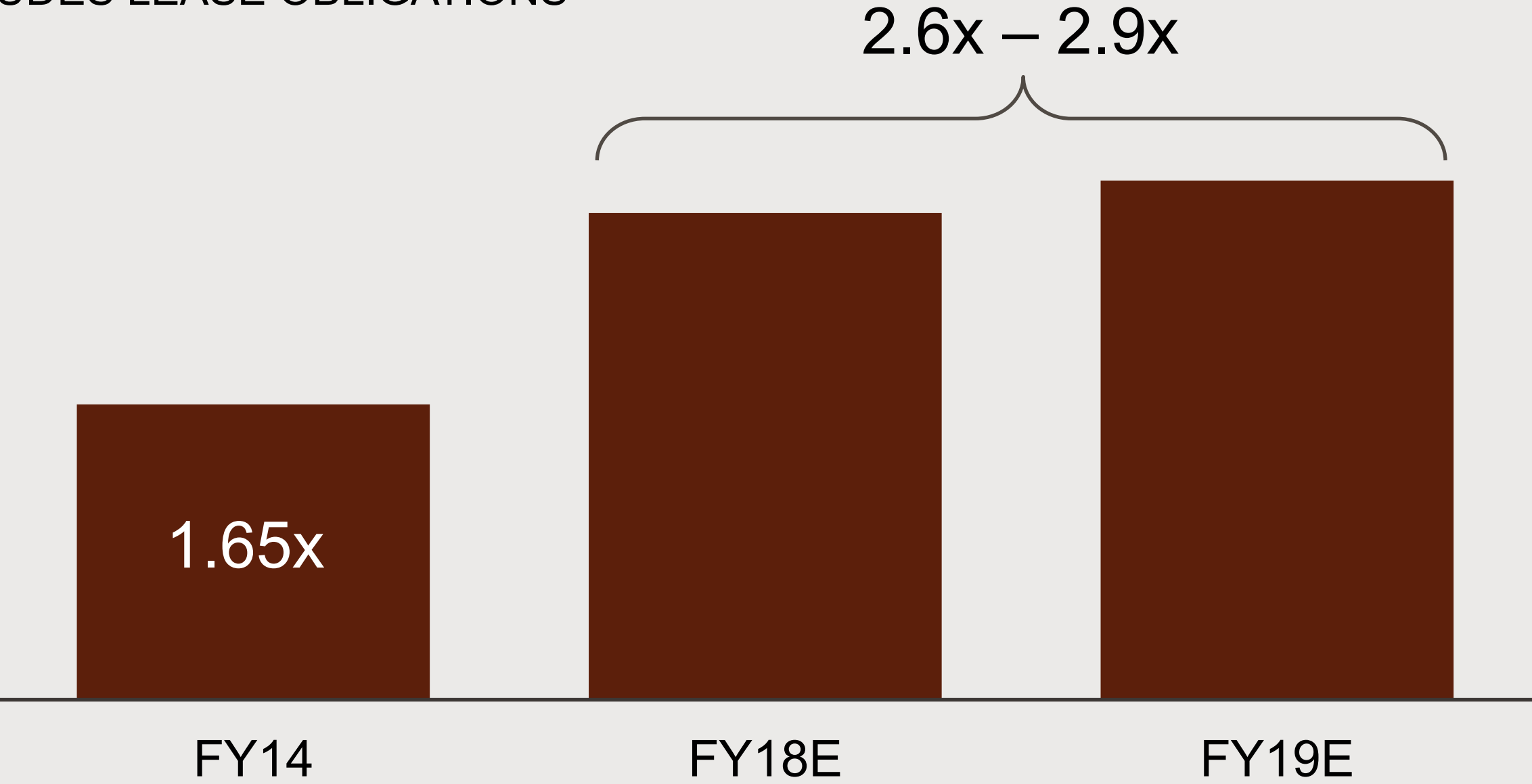


INCREASE TOTAL SHAREHOLDER RETURN TARGET TO \$25B (FY18-FY20)
INCREASE QUARTERLY DIVIDEND 20% TO \$0.36



Sharpen Focus on Returns: **Balance Sheet**

LEVERAGE RATIO ^[1]
INCLUDES LEASE OBLIGATIONS



[1] Leverage ratio defined as adjusted debt / EBITDAR. Adjusted debt includes lease obligations calculated at 6x rent.



LEVERAGE RATIO LESS THAN 3.0X
COMMITTED TO CREDIT RATING OF BBB+/Baa1

Q3 FY18 Preliminary Results Reflect May 29th Anti-bias Training and Headwinds

PROJECTING Q3 COMP 1% GLOBALLY

Headwinds

- Blended category & Afternoon in the US
- May 29th anti-bias training
- China

EARNINGS PER SHARE

FY18	Previous Target	Current Estimate ^[2,3]
GAAP	\$3.32 - \$3.36	\$3.23 - \$3.26
NON-GAAP ^[1]	\$2.48 - \$2.53	\$2.39 - \$2.43

[1] A reconciliation of GAAP to non-GAAP earnings per share can be found at the end of this presentation.
[2] Includes \$0.02 net unfavorability associated with May 29th anti-bias training, partially offset by certain compensation costs.
[3] Assumes pending Nestlé transaction closes near or after the final day of fiscal year 2018.





Q&A

Summary of Initiatives

- Accelerate beverage innovation across relevant, core platforms
- Expand customer choice through lens of health & wellness
- Extend digital flywheel and benefits to non-rewards customers
- Amplify digital flywheel through greater personalization
- Invest in Siren Retail with discipline
- Rationalize stores in most densely penetrated markets
- Concentrate store growth to underpenetrated US regions and China
- Slow licensed store growth in the US
- Continue to shift non-core international markets to licensed model
- Sharpen Focus on Profitability: G&A
- Increase quarterly dividend by 20%
- Accelerate cash return to shareholders to \$25B from \$20B



STARBUCKS CORPORATION
HISTORICAL AND PROJECTED EARNINGS PER SHARE DATA
INCLUDING A RECONCILIATION OF SELECTED GAAP TO NON-GAAP MEASURES
(unaudited)

CONSOLIDATED	Quarter Ended				Trailing 12 month EPS ⁽²⁾
	Jun 29, 2014 ⁽¹⁾	Sep 28, 2014 ⁽¹⁾	Dec 28, 2014 ⁽¹⁾	Mar 29, 2015	
Diluted net earnings per share, as reported (GAAP)	\$ 0.34	\$ 0.39	\$ 0.65	\$ 0.33	\$ 1.71
Net benefit from transactions in Q4 2014	-	(0.02)	-	-	(0.02)
CAP transaction and integration-related items	-	-	0.01	0.01	0.02
Starbucks Japan acquisition gain	-	-	(0.26)	-	(0.26)
Income tax effect on Non-GAAP adjustments	-	-	-	-	-
Non-GAAP net earnings per share	\$ 0.34	\$ 0.37	\$ 0.40	\$ 0.33	\$ 1.44

CONSOLIDATED	Quarter Ended				Trailing 12 month EPS ⁽²⁾
	Jul 1, 2017	Oct 1, 2017	Dec 31, 2017	Apr 1, 2018	
Diluted net earnings per share, as reported (GAAP)	\$ 0.47	\$ 0.54	\$ 1.57	\$ 0.47	\$ 3.05
East China acquisition gain	-	-	(0.92)	(0.03)	(0.95)
Sale of Taiwan joint venture operations	-	-	(0.11)	-	(0.11)
Sale of Tazo brand, net of transaction costs	-	-	(0.24)	-	(0.24)
Restructuring, impairment and optimization costs	0.08	0.03	0.02	0.10	0.23
CAP transaction and integration-related items	0.01	0.01	0.01	0.05	0.08
Sale of Singapore retail operations	-	(0.06)	-	-	(0.06)
Loss on sale of Brazil retail operations, net of transaction costs	-	-	-	-	-
The Starbucks Foundation donation	-	0.03	-	-	0.03
Other tax matters	-	-	0.10	0.02	0.12
Income tax effect on Non-GAAP adjustments	(0.02)	(0.02)	0.22	(0.08)	0.10
Non-GAAP net earnings per share	\$ 0.55	\$ 0.55	\$ 0.65	\$ 0.53	\$ 2.28

(1) Historical EPS presented on a split adjusted basis for April 2015 2-for-1 stock split.

(2) Trailing 12 month EPS was calculated based on accumulation of the trailing four quarters' EPS.

See [Starbucks Investor Relations website](#) for additional information regarding historical non-GAAP adjustments.

STARBUCKS CORPORATION
HISTORICAL AND PROJECTED EARNINGS PER SHARE DATA
INCLUDING A RECONCILIATION OF SELECTED GAAP TO NON-GAAP MEASURES (continued)
(unaudited)

CONSOLIDATED	Year Ended Sep 30, 2018 <i>(Projected)</i>
Diluted net earnings per share (GAAP) ^(1,2)	\$3.23 - \$3.26
East China acquisition gain	(0.98)
Sale of Taiwan joint venture operations	(0.11)
Sale of Tazo brand, net of transaction costs	(0.25)
Restructuring, impairment and optimization costs ⁽³⁾	0.14
CAP transaction and integration-related items ⁽⁴⁾	0.18
Sale of Brazil retail operations	0.01
Other tax matters ⁽⁵⁾	0.13
2018 U.S. stock award ⁽⁶⁾	0.03
Income tax effect on Non-GAAP adjustments ⁽⁷⁾	0.01
Non-GAAP net earnings per share	\$2.39 - \$2.43

(1) Assumes pending Nestlé transaction closes near or after the final day of fiscal year 2018.

(2) Includes \$0.02 net unfavorability associated with May 29th anti-bias training, partially offset by certain compensation costs

(3) Represents restructuring, impairment and business optimization costs and inventory write-offs related to these efforts recorded within cost of sales including occupancy costs.

(4) Includes transaction costs for the acquisition of our East China joint venture and the divestiture of our Taiwan joint venture; ongoing amortization expense of acquired intangible assets associated with the acquisition of our East China joint venture and Starbucks Japan; and the related post-acquisition integration costs, such as incremental information technology and compensation-related costs.

(5) Represents the estimated impact of the U.S. Tax Cuts and Jobs Act, specifically the transition tax on undistributed foreign earnings and re-measurement of deferred taxes.

(6) Represents incremental stock-based compensation award for U.S. partners.

(7) Income tax effect on non-GAAP adjustments was determined based on the nature of the underlying items and their relevant jurisdictional tax rates.