



## **Dreyer's Develops Revolutionary "Slow Churned" Technology That Makes Light Ice Cream Taste as Good as the Full-Fat Variety**

### **1st Product Using New Blending Method, New Dreyer's and Edy's Grand Light, Debuts in May**

OAKLAND, Calif., Jan 22, 2004 (BUSINESS WIRE) -- Dreyer's Grand Ice Cream Holdings, Inc. (NNM:DRYR), investing five years of research and millions in new technology, has developed a proprietary "slow churned"(TM) method of making ice cream that delivers the taste and texture of full-fat ice cream in a light product. In a first application of this groundbreaking technology, the company is launching new Dreyer's Grand Light (available west of the Rockies) and Edy's Grand Light (available east of the Rockies) nationwide this May.

In blind national taste tests, nearly eight of 10 consumers concluded the new Dreyer's/Edy's Grand Light was either a full-fat premium or superpremium ice cream. This is great news for both consumers and for grocery retailers, who have seen flat-to-declining light ice cream sales the past few years.

While the new light ingredients match those in the current Dreyer's/Edy's Grand Light, slow churning the ice cream kneads fat molecules at a colder temperature, stretching and distributing them widely so the ice cream tastes like it contains more butterfat. Slow churning involves no fat substitutes or artificial sweeteners.

As Americans grapple with fitness and weight-management issues, Dreyer's believes its new light ice cream offers a comparable alternative to the full-fat variety for ice cream lovers who want to reduce fat and calories. And since slow churning works equally well on ice creams with higher fat formulas, Dreyer's anticipates applying its slow-churned technology to other products in the future.

"By 2005, we will have invested a record \$100 million in bringing this new and innovative method of making ice cream to American consumers," said T. Gary Rogers, Dreyer's chairman and chief executive officer. "Our slow-churned technology will change dramatically the way ice cream is made in the future. This is the first major technological innovation in ice cream since the hand-cranked churn and milk pasteurization. The potential is huge."

Dreyer's -- which introduced the country's first light ice cream (50% less fat and 30% fewer calories) in 1987 -- saw a 75% increase in light sales in market tests of the slow-churned ice cream this past year.

For the past three years, the light ice cream category has posted flat sales primarily because consumers complain that low-fat varieties don't taste as good and don't provide the same satisfaction as their full-fat counterparts. Data from both the Food Marketing Institute and the American Dietetic Association show that consumers consider taste the most important factor when choosing what to eat. And, consumers perceive foods labeled as having less fat and calories as not tasting as good.

"Dreyer's is providing what consumers have demanded for a long time -- light products that taste like 'the real thing,'" said Phil Lempert, The Supermarket Guru(R) and noted food-trends expert. "When the low-fat, no-fat craze hit in the late 1980s, consumers grabbed up all kinds of light products. Eventually, they became disenchanted because the products just didn't taste like the full-fat varieties they were used to."

Dreyer's has spent the last five years perfecting its new technology. The company believes that if this type of breakthrough can be developed for ice cream, other food manufacturers can also find ways to produce Better-For-You products that truly meet or beat the taste of their full-fat counterparts. "If you can have a product that provides both satisfying taste and less fat and calories, why wouldn't you choose it?" Lempert asks.

Backed by the largest marketing campaign in Dreyer's history, new Dreyer's/Edy's Grand light will be supported by print, radio and national TV advertising. Consumer programming initiatives will include national in-store point-of-sale programs, newspaper inserts, sampling and public relations. Dreyer's/Edy's Grand Light -- identified by the word "New!" on the lid and a magenta banner across the carton proclaiming "Unbelievably Rich and Creamy" and "Slow Churned" -- will be available in 16 flavors nationwide by May 2004.

Besides classic favorites such as Vanilla and Chocolate, Dreyer's Grand Light will be available in Butter Pecan, Chocolate Chip, Cookie Dough, Cookies 'N Cream, Eggnog (Seasonal Limited Edition), French Vanilla, French Silk, Fudge Tracks, Mint Chocolate Chips, Mocha Almond Fudge (Dreyer's only), Neapolitan, Pumpkin (Seasonal Limited Edition), Rocky Road, and Strawberry.

Dreyer's Grand Ice Cream Holdings, Inc., and its subsidiaries manufacture and distribute a full spectrum of ice cream and frozen dessert products. Brands of frozen dessert products currently manufactured or distributed by Dreyer's in the United States include Grand, *Slow Churned*®, *Dibs*®, *Häagen-Dazs*®, *Nestlé*® *Drumstick*®, *Nestlé*® *Crunch*®, *Nestlé*® *Butterfinger*®, *Nestlé*® *Toll House*®, *Nestlé*® *Carnation*®, *Nestlé*® *Push-Up*®, *Frosty Paws*®, Fruit Bars, Starbucks® and *The Skinny Cow*®. The company's premium products are marketed under the *Dreyer's* brand name throughout the Western states and Texas, and under the *Edy's*® brand name throughout the remainder of the United States. Internationally, the *Dreyer's* brand extends to select markets in the Far East and the *Edy's* brand extends to the Caribbean and South America. For more information on the company, please visit [www.dreyersinc.com](http://www.dreyersinc.com).

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