

Russian Standard Vodka Makes Major Investments to Expand Production and Distribution

Company Acquires Warehousing Facility with Plans to Develop High-Tech Logistics Center for Global Distribution

Actions to Support Rapid Growth of Russian Standard Vodka Brands Around the World

St. Petersburg, Russia, March 27 – Russian Standard Vodka, the number one premium vodka in Russia, today announced that it has acquired a major distribution warehouse and also just completed a significant enhancement of its vodka production line that will support the rapid growth of Russian Standard vodka brands around the world.

The newly acquired warehousing facility is 8,900 square meters in size and will be converted into a high-tech logistics and warehousing center for production materials storage. It will also serve as a first-stage distribution point for Russian Standard Vodka to Russian and international markets. The facility is situated on 54,500 square meters of land and located less than one kilometer from Russian Standard’s state-of-the-art distillery in St. Petersburg.

The new facility will also house logistics operations for Roust Inc., Russian Standard’s premium spirits distribution company. Roust Inc. is the Russian distributor for Russian Standard vodkas and imported premium brands, including Rémy Martin, Campari, Grant’s, Cinzano and Jägermeister. Over 200 Russian Standard Vodka and Roust Inc. employees will be located in the new facility, which will become a major supply hub for Russian Standard’s alcohol-related businesses. The new logistics center is just one part of Russian Standard Vodka’s multi-staged worldwide expansion program.

In addition, the Company just completed a 30% expansion of its vodka production area with the installation of additional maturation tanks, providing even more flexibility to meet the increasing global demand for Russian Standard vodkas. By expanding the vodka production area and relocating material storage and distribution to its new logistics and warehouse facility, Russian Standard Vodka has enhanced the ability of the distillery, which opened in October 2006, to extend existing production lines and prepare for new product development.

“These are strategic investments designed to allow us to accelerate our growth and meet increasing global demand for our products,” said Ilya Blinov, Russian Standard Vodka’s Chief Operations Officer, who is responsible for distillery operations. “It is well known that we have significant global aspirations for the brand. Right now we are putting in place all the mechanisms needed to meet the demands of our distributors and consumers around the world, and to reach our global objectives.”

About Russian Standard Vodka

Russian Standard Vodka is the global leader in authentic Russian premium vodka. The Russian Standard vodka portfolio dominates the premium segment in Russia with a 60 percent market share and sales of over 1.9 million cases per year in Russia and 49 export markets across Europe, the U.S. and Asia. Roustam Tariko, the founder of Russian Standard, introduced Russian Standard Original in 1998 as the first authentic Russian premium vodka. Russian Standard vodkas are made with only the finest Russian ingredients, conforming to the formula for vodka established in 1894 by famed Russian scientist Dimitri Mendeleev for Russia’s Czars. Two years after launch, sales of Russian Standard Original surpassed all imported premium vodkas on the Russian market, leading to broad international expansion and the launch of Russian Standard

Platinum in 2001, and Imperia Vodka, the company's luxury brand, in 2004.
www.russianstandard.com

About the Russian Standard Vodka Distillery

The Russian Standard Vodka Distillery in St. Petersburg, inaugurated in October 2006, establishes new benchmarks of technical excellence and craftsmanship in the production of vodka. The distillery features exclusive new technologies for all stages of production and employs state-of-the-art equipment sourced from the best Russian and international suppliers. Built at a cost of \$60 million, the distillery produces 100% of Russian Standard's vodka and uses high automation in production and process control to achieve a production capacity of 27,500 bottles per hour and 4 million cases annually. The distillery building site encompasses 22,000 square meters.