



RUSSIAN STANDARD®



RUSSIAN STANDARD CORPORATION ACQUIRES 70% STAKE IN GANCIA

Russian shareholder to acquire a 70% stake in the Canelli-based company. The operation is part of Russian Standard's much broader growth strategy intended to build a vertically-integrated international Group. The marked Italian identity of the Brand and the territory are essential assets for the international market. The Vallarino Gancia family will continue to play an important role in the territory.

Canelli, December 15, 2011 - Russian Standard Corporation, one of Russia's fastest growing and most dynamic companies with leading positions in premium vodka, spirits distribution (Russian Standard Vodka, Imperia Vodka), banking and insurance, announced today that it has closed the acquisition of a 70% stake in Gancia SPA, the legendary Italian wine-making company, established in 1850. The following strategic investment is the next step in Russian Standard's strategy in building vertically-integrated company, ensuring leading position in many key categories of the beverage industry worldwide.

Since 1850 Gancia has become one of the leaders in original sparkling wine and vermouth. With 2000 hectares of controlled vineyards and 5 million kilograms of grapes vinified each year, Gancia produces over 25 million bottles of sparkling wines, wines and aperitifs annually. Gancia's global presence includes over 60 key markets, including Portugal, Japan, Finland, France, Belgium, Korea, China and the United States. As a part of the agreement, beginning January 2012 Roustam Inc. will distribute and provide marketing support for Gancia's sparkling wines and vermouths in Russia.

According to the agreement, announced this morning at Canelli by Gancia President Carlo Pavesio and Russian Standard founder Roustam Tariko, the Vallarino Gancia family will transfer 70% of its shares to the RSC Group.

Roustam Tariko is going to be appointed the new President of the company and has already selected a new Board of Directors including, in addition to representatives of RSC, Edoardo Vallarino Gancia, Lamberto Vallarino Gancia, Paolo Fontana and Carlo Pavesio. Paolo Fontana has been confirmed as CEO and Massimiliano Vallarino Gancia is the global brand ambassador.

According to Roustam Tariko, *"Our strategic long-term investment will provide Russian Standard with a unique opportunity to become one of the dominant players in sparkling wine and vermouth. We have a full scale infrastructure, experience and sufficiently financial resources to build Gancia as a leading brand both in Russia and globally."* As stressed by Roustam Tariko *"Gancia and Canelli are amongst the best ambassadors of Made in Italy all over the world. Italian style, the heritage of the brand and the specific nature of the territory are inestimable assets at international level"*.

As underlined by Carlo Pavesio *"Roustam Tariko and the Russian Standard Group have recognized in Gancia one of the few Italian beverage brands with global characteristics; a factor that was decisive in the decision-making process leading to conclusion of the agreement"* furthermore *"The presence of the family in the Board of Directors and in the shareholder structure guarantees continuity, confirming the Vallarino Gancia family's ability to interpret changes in a world in which globalisation has no bounds."*

CEO Paolo Fontana declared: *"this agreement represents the natural outcome of a path initiated three years ago and it is consistent with the growth strategy to make Gancia a premium Brand worldwide in its category. In 2010/11, Gancia returned to a positive margin, with sales of more than Euro 70 million. In 2011, the group continued its growth trend both abroad and on the Italian market where it re-acquired leadership in terms of volumes sold and Russian Standard is a leader in all the sectors in which it operates, with a premium positioning currently expanding at a fast pace towards new global markets, Gancia's main growth target"*.

RSC has been advised by Alessandro Picchi and Cristina Cengia from the Law Firm Morri, Cornelli & Associati of Milan and by JPMorgan as exclusive financial advisor. The Vallarino Gancia family has been advised by Carlo Pavesio and Marco Tessera Chiesa from the Law Firm Pavesio & Associati of Turin and by Armando de Sanna as financial advisor. Unicredit Turin and Moscow organized the Closing.

About Russian Standard

Russian Standard Corporation is one of Russia's largest and most successful private companies working on the consumer market. Total assets of Russian Standard exceed 5 billion dollars. 19,000 employees of Russian Standard are working in offices throughout Russia, USA, United Kingdom and France. Russian Standard Vodka is the country's number one premium vodka and Russia's only global vodka brand, with distribution in more than 75 export markets and sales of over 2.5 million 9L cases. Roust Inc. is one of the leading distributors of premium spirits brands in Russia, including Rémy Martin, Cointreau, Piper Heidsieck, Metaxa, St Remy, Whyte & Mackay, Dalmore, Isle of Jura Offley, Molinari, Jagermeister. Russian Standard Bank is the leading private consumer lending institution in Russia, with over 150 branches, 25 million clients and \$40 billion in loans issued in Russia. Russian Standard Insurance is a leading credit life insurer in Russia.

About Gancia

F.lli Gancia & C. SpA, founded in 1850 by Carlo Gancia (who created the first Italian sparkling wine) is an international leader in the production sparkling wine and vermouth. With 2000 hectares of vineyards, 5 million kilograms of grapes vinified, Gancia produces around 25 million bottles of sparkling wine, wines and aperitifs each year. The company, based in Canelli (Asti), has 100 employees, annual sales of around Euro 70 million and is present in more than 60 countries including Japan, Korea, China, France, the United States, Belgium and Portugal. In 2000, the company celebrated its 150 years of business. Its most famous brands include: "Gancia", particularly strong in the area of aromatic sparkling wines, "Pinot di Pinot", leader in the sector of single-vine dry sparkling wines, "Gancia Cuvée Platinum", the exclusive line for the modern channel and sparkling wines dedicated to the traditional channel, with its strong point in the new Classical Method range.

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