



Press Release

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BALTIKA - 20 YEARS WITH RUSSIA!

Baltika has reached its 20th anniversary with an updated brand portfolio, billions in investments and tax allowances, a brewing museum, and a new social initiative.

Over its entire 20-year history, Baltika has developed alongside the Russian economy – it has built up, made significant investments, created strong brands, and participated in social projects. The company has invested 59 billion roubles over 20 years of its development. Baltika budgetary allowances at various levels over 20 years have totalled more than 144 billion roubles; the company takes up around 40% of the Russian beer market and is an industry leader.

Baltika breweries are located in 10 cities across Russia; in 2008 the company acquired a brewery in Azerbaijan. The productive capacity of the breweries totals 52 million decalitres of beer per month. Today, Baltika is the largest fast moving consumer goods producer in Russia and Eastern Europe. To provide for Baltika's malt needs, Baltika has built two proprietary malting plants in Tula and Yaroslavl, and is also developing its agricultural project employing some 20,000 landowners in eleven Russian regions.

In developing licensed production abroad as well as export deliveries, Baltika honourably represents Russia on the international market. Over 10 years of exporting, the company has successfully managed to enter the market in over 60 countries worldwide. In 2009 and the first quarter of 2010 alone, Baltika expanded its distribution area and began deliveries to 13 countries.

Innovation is one of the fundamental principles of development for Baltika. This relates to both the development of the brand portfolio through the introduction of fundamentally new products, packaging, and marketing activities to the Russian market, as well as production technologies, logistics, and sales.

Over 20 years Baltika has devoted special attention to issues of quality: the company's breweries use modern equipment and incorporate advanced quality management systems; only the best ingredients are used to make the products. The 30 beer and 11 non-beer brands that make up Baltika products have won over 560 Russian and international awards.

Just this year the company launched the production of new non-beer brands – Life Spring water, Granary Land 7 Grains kvass, and Crazy lemonade. Today, the company announces the launch of a new product – Somersby cider. The cider market in Russia is still in the formation stage, and Baltika, possessing a powerful distribution system, regards the brand's prospects very highly.

On the eve of its 20th anniversary, Baltika has opened a new museum of the history of brewing - in particular, one of the largest collections of glazed earthenware beer taps in Europe and brewing exhibits from the 18th and 19th centuries. Journalists, officials from a number of Russian regions, deputies from the State Duma, company partners, and other celebration guests will be among the first visitors.

Coinciding with the celebration is Baltika's latest social initiative, part of arrangements with other brewing companies, in voluntarily releasing products with a warning label reminding consumers about the potential harm of beer abuse. A similar resolution was passed by the Union of Russian Brewers in April 2010, once again confirming the status of the socially responsible, self-regulating association of companies in the industry.

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