



SPI Group

Luxembourg, July 25, 2013

An Open Letter from the CEO of Stolichnaya Vodka to the LGBT community.

The recent dreadful actions taken by the Russian Government limiting the rights of the LGBT community and the passionate reaction of the community have prompted me to write this letter to you.

I want to stress that Stoli firmly opposes such attitude and actions. Indeed, as a company that encourages transparency and fairness, we are upset and angry. Stolichnaya Vodka has always been, and continues to be a fervent supporter and friend to the LGBT community. We also thank the community for having adopted Stoli as their vodka of preference.

In the US, the brand's commitment to the LGBT community has been ongoing for years. Among the best examples, I can cite the series produced by Stoli in 2006 called "Be Real: Stories from Queer America" which featured short documentaries on real life stories depicting the challenges and accomplishments of the LGBT community in the United States (http://www.logotv.com/shows/dyn/be_real_series/series.jhtml)

Stoli is very proud of its current exclusive national partnership with Gaycities.com and Queerty.com in search of the Most Original Stoli Guy. This is a fantastic program that started as a local initiative in Colorado and became a national platform. Previous national initiatives included serving as the official vodka of the Miami Gay Pride Week as well as ongoing events with focus on Pride month.

Some great examples from other parts of the world are the support to the Durban Gay Pride, in South Africa (<http://www.durbanpride.org>), the Pride Parade in Vienna, in cooperation with HOSI and CT, the largest LGBT communities in Austria and the Tel Aviv Pride Parade, taking place this weekend.

This letter also gives me the opportunity to clear some of the confusion surrounding the Stolichnaya brand, based on facts found online that often inaccurately link our company to the Russian Government. The Russian government has no ownership interest or control over the Stoli brand that is privately owned by SPI Group, headquartered in Luxembourg in the heart of Western Europe.

Stoli's production process involves both Russia and Latvia. Stoli is made from Russian ingredients (wheat, rye and raw alcohol) blended with pure artesian well water at our historic distillery and bottling facility Latvijas Balzams (www.lb.lv) in Riga, Latvia (formerly part of the Russian Empire and then of the Soviet Union). Latvijas Balzams did not recently become part of the Stoli heritage, but has been one of its main production and bottling facilities since 1948. This has allowed the brand to deliver the outstanding quality it is recognized for consistently across the years. What changed in the last years is politics, with Latvia becoming an independent state part of the EU.

We fully support and endorse your objectives to fight against prejudice in Russia. In the past decade, SPI has been actively advocating in favor of freedom, tolerance and openness in society, standing very passionately on the side of the LGBT community and will continue to support any effective initiative in that direction.

Sincerely yours

Val Mendeleev
Chief Executive Officer
SPI Group