



PRESS RELEASE

MASI AGRICOLA ACQUIRES 60% OF CANEVEL (*PROSECCO DI VALDOBBIADENE*)

**Joint Venture with Carlo Caramel, son of the founder who keeps 40%,
to strengthen the brand Canevel**

Sant’Ambrogio di Valpolicella, 27 September 2016: Masi Agricola S.p.A. (“Masi Agricola” or “Masi”), among the main producers of quality Italian wine, with deep roots in the Valpolicella Classica area and in the best terroirs of the Triveneto region, known worldwide for its *Amarone*, announces that it has today acquired 60% of Canevel Spumanti S.p.A. (“Canevel”), which is located in Valdobbiadene (province of Treviso), as well as an equal stake in Società Agricola Canevel a r.l. and in Canevel Spumanti Tenuta Le Vigne Società Agricola a r.l., both based in Refrontolo (province of Treviso).

The transaction is worth around 7 million Euro, wholly paid in cash, and considers also the fact that the three companies own around 26 hectares of land – of which around 15 hectares given over to grapes – in the area of Valdobbiadene Superiore DOCG.

Masi has acquired the aforementioned stakes from the historic shareholders Carlo Caramel, Tatiana Milanese, Silvia Caramel, Roberto De Lucchi and Roberto Covre.

At the end of the transaction, Carlo Caramel, son of the founder Mario Caramel who ensures continuity with the company and the Canevel brand’s key values, holds 40% of the three companies’ share capital; Caramel has been appointed Chairman of the Board of Directors of such companies and will also act as Brand Ambassador. Upon the execution of the sale and purchase agreement, Masi Agricola and Caramel finalised a shareholders’ agreement including the corporate governance rules and the regulation for the circulation of the stakes in the three companies involved in the operation.

Since 1979, Canevel – supported by Società Agricola Canevel and Tenuta Le Vigne – has been producing and selling in Italy and various other countries (including Germany, United States, Switzerland, United Kingdom, and Austria) premium sparkling wines, and in particular *Valdobbiadene Prosecco Superiore DOCG*, with turnover of around 4.2 million Euro and production of around 800,000 bottles. The product is obtained from its own vineyards, but also (and mainly) from a stable network of local growers, who work by applying Canevel production protocols, following a procurement model similar to that used by the Masi Group. The distribution mainly involves the Ho.re.ca. channel in Italy, through a network of around sixty agents on a multi-agency basis.

Besides the Valdobbiadene Prosecco Superiore DOCG Charmat in the Brut, Extra Dry, Extra Dry “Il Millesimato” and Cartizze versions, Canevel also offers a line of crus from its own vineyards (Valdobbiadene Prosecco Superiore Frizzante DOCG Vigneto San Biagio bottle conditioned, Valdobbiadene Prosecco Superiore Spumante Dosaggio Zero DOCG Vigneto del Faè) and the line Canevel La Vi (Prosecco Spumante Aromatico di Qualità Colli Trevigiani IGT, Spumante Rosé Vsq La Vi in Rosa, La Vi Cuvée tradizionale Brut and La Vi Cuvée tradizionale Extra Dry).



Sandro Boscaini, Chairman at Masi Agricola, stated: *«We are proud to have completed this operation, which shows once again that in the premium wine sector it is possible to overcome the fragmentation of producers and create more significant critical masses, thus improving companies' competitiveness, and respecting, at the same time, quality brands and roots in the local area, doing business with a long-term perspective and bearing in mind the values of the founding families».*

Carlo Caramel, Chairman at Canevel Spumanti, added: *«For the Canevel company the operation with Masi represents the chance to be part of a leading platform, which will enable synergies and additional resources to be made use of at several levels of the value chain, without however changing the nature of our brand and the company identity which we have built up over almost forty years. Having managed to meet the right partner at the right time is a source of great satisfaction for all the work we have done and equally a source of great enthusiasm as we look at the new perspectives which will open up for the near future».*

Federico Giroto, CEO at Masi Agricola and Canevel Spumanti, concluded: *« Canevel fully meets the requirements which Masi had drawn up for a new partnership as part of its strategic plan: a leading and renowned premium brand, rooted in the "cultural terroir" of the Triveneto region, with products which perfectly complement Masi's wine selection. And with great growth potential. This feature is very important for Masi, given that growth by acquisitions is an important strategic variable, considering the maturity of the still wine sector, which, owing to the length of the distribution chains, can also see marked sales fluctuations in the short term. For example, after a brilliant first half, a reversal is taking place in the third quarter, albeit we are still optimistic of being able to end 2016 with improved results. Growing by acquisitions can be a way to acquire greater stability also in the short term».*

For this transaction, Masi Agricola was assisted by Ambromobiliare S.p.A. as financial advisor, by Nctm – Studio Legale as legal advisor, by Alberti e Associati in Verona as tax advisor, by Avvocati Associati Feltrinelli & Brogi as brand consultant and by EY S.p.A. as independent auditor.

The selling shareholders were assisted by Pro.Dev.In. S.r.l. – Studio NEC in Udine as financial advisor, by Studio Legale Laghi Leo Spangaro in Milan as legal advisor, and by Lucio Bevilacqua in Treviso as tax advisor.

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MASI AGRICOLA

Masi Agricola is a winery based in Valpolicella Classica, producing and distributing fine wines firmly rooted in the values of the Triveneto region. By using indigenous grape varieties and methods, as well as constantly conducting experiments and research, today Masi is one of the best-known Italian producers of fine wines in the world. Its products, and especially its Amarone wines, have won several international awards. The Group's business model combines high quality and efficiency with the modernization of local values and traditions. All this forms part of a vision that allows Masi to stand out not only for its core business, but also for how it carries out research and experimentation in agriculture and winemaking, seeking to promote the territory and the cultural heritage of the Triveneto region. The Group boasts an increasingly strong international outlook: it operates in almost 100 countries, with exports representing over 90% of overall sales. In 2015, the Masi Group generated approximately 61 million euros in sales, with an EBITDA margin of around 28%. Masi has a detailed growth strategy based on three pillars: broadening the offering of wines associated with the territory and techniques of the Triveneto region, including through acquisitions; growing organically by strengthening its position in the several markets where it already operates; establishing a more direct relationship with end consumers (also through the *Masi Wine Experience* project), making its internationally famous brand resonate more strongly.

Masi shares trade under the ticker symbol "MASI" and the ISIN code IT0004125677. The minimum trading lot is 250 shares. The company's Nomad and Specialist is Equita Sim S.p.A.

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