



PRESS RELEASE

PANARIAGROUP Industrie Ceramiche S.p.A.: a joint venture company (JVC) has been incorporated in Ahmedabad, in the Indian state of Gujarat, 50%-owned by Panariagroup and 50%-owned by Asian Granito India Ltd.

The JVC's products will be sold on the Indian market under the new brand "Bellissimo – STILE ITALIANO", owned by Panariagroup.

The purpose of the "Bellissimo" project is to distribute high-end and luxury tiles, which are the result of Italian elegance, technology and innovation meeting the most cutting-edge needs of Indian consumers

Panariagroup, the Italian group which is a world leader in the manufacture and distribution of high-end and luxury porcelain stoneware flooring and wall coverings, has launched in India, entering into a partnership with **Asian Granito India Ltd.**, one of the leading companies in the Indian ceramic tile manufacturing market.

The joint venture is being created in Ahmedabad in the Indian state of Gujarat, through a company 50%-owned by Panariagroup and 50%-owned by Asian Granito India Ltd.

The JVC will offer products comprising a selected range of Panariagroup's best sellers manufactured in Italy and collections produced in Asian Granito's Indian plants under an exclusivity agreement, with support from Panariagroup's technical team to ensure that touch of Italian style. The JVC's sales organisation will bank on the knowledge of the Indian market acquired by the partner Asian Granito, and will operate under the brand "**Bellissimo – STILE ITALIANO**", registered and owned by Panariagroup.

In Asian Granito, Panariagroup has found its ideal partner to give life to a joint venture founded on sharing the "Bellissimo" project. By merging Italian experience, elegance and innovation with the increasingly sophisticated needs of Indian consumers, the joint venture will immediately be positioned on the local market as the brand of choice for high-end and luxury products.

With production of over 600 million square metres/year and annual growth rates exceeding 10%, India is the third-largest ceramic tile market in the world in terms of consumer spending, following China and Brazil.

In 2011, the Group's results on the Far East, Middle East and Oceania markets reported sales up by over 25% on the previous year, even though these areas still have a limited share of the Group's total turnover.

As a result of Asian Granito's production capacity exceeding 24 million square metres, the JVC can count on a comprehensive range of high-end and luxury products for the Indian market, providing special, avant-garde features of technology and design.

All Research and Development activities for the purpose of creating new products and defining marketing concepts to promote "Bellissimo" products and the brand will be handled directly by Panariagroup.

"In contrast with an unfavourable macroeconomic context for the Western Hemisphere, large Asian countries which are significant manufacturers and consumers of ceramic tiles," pointed out **Emilio Mussini, Chairman of Panariagroup**, "are a challenge to be met by Italian companies, in order to win greater shares of these markets, which feature high growth rates in consumer spending, also on high-end and luxury ceramic tiles".

"The plan to enter one of the most vibrant markets in the world, the Indian market," added **Emilio Mussini**, "takes shape through an agreement with one of the leading local players, with a long-term approach in order to achieve a significant market share which can be sustained over time".

"Bellissimo is being positioned," **Emilio Mussini** also added, "as a standard setter for Indian designers, interior designers, architects and consumers looking for products which unite the best technical performance with the refined style of Italian ceramic tile, which has always been a unique symbol of excellence throughout the world."

Panariagroup

Panariagroup Industrie Ceramiche S.p.A., with headquarters in the area known as the "ceramic tile district" between Modena and Reggio Emilia, heads a Group with 30 years' experience in the manufacturing and sale of ceramic materials for flooring and wall coverings, with a focus on the luxury and high-end segments of the market.

With approximately 1,700 employees and 6 production facilities, Panariagroup ranks among the leading national and international manufacturers, distributing its products in more than 100 countries, through a sales network comprising 500 employees and 300 Sales Agents that serve a base of roughly 9,000 customers.

Panariagroup, listed on the Star segment of Borsa Italiana since November 2004, operates through 8 leading brands (Panaria, Lea, Cotto d'Este, Fiordo, Margres, Love Tiles, Florida Tile and Blustyle), all in the high-end and luxury market segments.

Asian Granito India Ltd.

Asian Granito India Ltd., listed on the National Stock Exchange of India since 2007, has a turnover of approximately EUR 107 million, with annual growth rates exceeding 20%. With more than 4,000 customers throughout the country, and 5 production plants in the state of Gujarat, Asian Granito has reached production capacity of 81,000 square metres/day.

Asian Granito is now one of the top 5 Indian ceramic tile manufacturers and one of the leading manufacturers of porcelain stoneware in India. The company owns 20 showrooms throughout the country.

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