IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
CENTRAL EUROPEAN DISTRIBUTION CORPORATION, et al.,	Case No. 13-10738
	Joint Administration Pending
Debtors.[1]	

DECLARATION OF N. SCOTT FINE IN SUPPORT OF CHAPTER 11 PETITIONS AND FIRST DAY PLEADINGS

I, N. Scott Fine, being duly sworn, hereby depose and state as follows:

1. I am Vice Chairman and Lead Director of the Board of Directors of Central European Distribution Corporation ("CEDC"), a company incorporated under the laws of the state of Delaware. I am also the Chairman of each of the Special Committee, Restructuring Committee and Audit Committee of the Board of Directors of CEDC. The Special Committee is comprised of four Independent Directors who collectively constitute a majority of CEDC's seven-member Board of Directors. The three other members of the Special Committee are David Bailey, Markus Sieger, and Joseph Farnan, Jr., former Chief Judge of the United States District Court for the District of Delaware. The Restructuring Committee is comprised of three directors, two of whom are independent.

2. CEDC is the direct parent of CEDC Finance Corporation LLC ("CEDC FinCo LLC"), a Delaware limited liability company, and the indirect parent of CEDC Finance

[1] The Debtors and the last four digits of their taxpayer identification numbers are as follows: Central European Distribution Corporation (5271), CEDC Finance Corporation International, Inc. (0116), and CEDC Finance Corporation LLC (7136). The address for each of the Debtors is 3000 Atrium Way, Suite 265, Mt. Laurel, NJ 08054.

Corporation International, Inc., a Delaware corporation ("CEDC FinCo" and, together with CEDC and CEDC FinCo LLC, the "Debtors"). CEDC also is the indirect parent of numerous non-debtor operating subsidiaries organized under the laws of Poland, Russia, and several other nations (the "Operating Subsidiaries," and together with CEDC, CEDC FinCo and CEDC FinCo LLC, the "Company").

3. As a result of my active involvement as a director of CEDC for more than a decade, my very extensive and deep involvement in the Debtors' restructuring efforts over the course of the last year, my review of voluminous relevant documents, and my many discussions with members of the Debtors' management team and advisors, I am familiar with the Debtors' day-to-day operations, business affairs, and books and records. Accordingly, except as otherwise indicated, I have personal knowledge of the matters set forth herein or have gained knowledge of such matters from the Debtors' employees or retained advisors that report to me in the ordinary course of my responsibilities and, if called as a witness, would testify competently thereto.

4. I submit this Declaration in support of the Debtors' voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") filed on the date hereof (the "Petition Date"), and the relief requested in the Debtors' various "first day" applications and motions (the "First Day Motions"). I am authorized to submit this Declaration on behalf of the Debtors.

I. BACKGROUND

A. Overview of the Company's Business

5. The Company is one of the world's largest vodka producers, and is the largest integrated spirit beverages business by total volume in Central and Eastern Europe. The Company maintains leading positions in all of its key markets – Poland, Russia and Hungary –

and is expanding in the Ukraine where it began operations in 2010. The Company's brand portfolio includes valuable and recognized brands like *BOLS*, *Żubrówka*, *Absolwent* and *Soplica* in Poland; *Green Mark* and *Parliament* in Russia; and *Royal Vodka* in Hungary. Each of these brands is one of the leaders of its segment in those markets. The Company is also an active exporter of its brands, in particular *Żubrówka, Green Mark, Parliament* and *Talka*. *Żubrówka* is delivered to over 40 countries around the world, including the United States, the United Kingdom, France and Japan.

6. The first company in the CEDC corporate family was founded in Poland in 1990. For its first 15 years, the Company concentrated on establishing itself as a leading distributor of alcoholic beverages in Poland. In 2005, the Company entered the vodka manufacturing market. Upon acquiring *Polmos Białystok*, a leading production plant in Poland, and *BOLS*, a leader in the premium vodkas segment, the Company became a major player in the Polish vodka manufacturing market, while retaining its position as a leading spirits distributor. The Company thereafter continued to expand its production business, developing sales of its own vodka brands.

7. In 2006, the Company expanded beyond Poland when *BOLS Hungary* became a member of the CEDC corporate family. With the acquisition of *BOLS Hungary*, the Company acquired the rights to the *Royal Vodka* trademark, the most popular brand in the Hungarian vodka market. The Company then turned its focus to expansion eastward, and in 2008, commenced acquisitions of related businesses in Russia, the largest vodka market in the world. By acquiring Russian vodka manufacturers Russian Alcohol Group and Parliament, the Company became the largest vodka producer in Russia and one of the biggest vodka makers in the world.

8. The Company has also continued to develop the other pillar of its business, sales of imported spirits. It is one of the leading importers of alcoholic beverages in Poland, Russia and Hungary. Its portfolio in Poland includes many of the world's biggest and internationally recognized brands, such as *Jim Beam Bourbon*, *Campari*, *Jägermeister*, *Remy Martin Cognac*, *Corona*, *Budweiser (Budvar)*, *Carlo Rossi* wines, *Concha y Toro* wines, *Metaxa Brandy*, *Grant's Whisky*, *E&J Gallo* wines, *Sierra Tequila*, *Teacher's Whisky*, *Cinzano* and *Old Smuggler*.

9. In Russia, the Company's import portfolio includes *E&J Gallo* wines, *Concha y Toro* wines, *Paul Masson* wines, *Jose Cuervo* tequila, and *Great Valley* brandy. In addition, between 2010 and 2011, the Company acquired WHL Holdings Limited and its subsidiaries (the "Whitehall Group"), a leading premium alcohols importer in Russia. Consequently, the Company's portfolio in Russia now includes *Label 5* and *Glen Grant* whiskies, *DeKuyper* liqueurs, and *Constellation* and *Concha y Toro* wines. The Company's portfolio in Hungary includes such well-known brands as *Metaxa*, *Jäegermeister*, *Bols*, *Grant's*, *Remy Martin Cognac*, *Jose Cuervo* and many others.

10. The Company has six operational manufacturing facilities located in Poland and Russia and a total workforce of approximately 4,100 employees. In 2011, the Polish and Russian operations accounted for 27.3% and 69% of revenues, respectively, and excluding impairment and certain unallocated corporate charges, 68.2% and 21.3% of its operating profit, respectively. In 2011, the Company generated approximately $830 million in net sales, an increase of approximately 18.2% over net sales for fiscal year 2010, and net sales of $524.5 million in the nine months ended September 30, 2012.

B. Corporate Organization and Capital Structure

11. CEDC, a Debtor in these chapter 11 cases, is the ultimate parent of the CEDC corporate family. CEDC is a Delaware holding company with very limited operations. It has executive offices in Mt. Laurel, New Jersey and Warsaw, Poland, and it employs mostly executive officers whose services benefit numerous Operating Subsidiaries. Its primary assets are its direct and indirect ownership interests in the two other Debtors in these cases, CEDC FinCo and CEDC FinCo LLC, and the non-Debtor Operating Subsidiaries in Poland, Russia, and other non-U.S. jurisdictions. A simplified corporate organization chart of the Company is attached as Exhibit A.

12. CEDC is a publicly-held corporation whose common stock has been traded on the NASDAQ National Market, and its successor, the NASDAQ Global Select Market, under the symbol "CEDC" since June of 1999. Prior thereto, it traded on the NASDAQ Small Cap Market since its initial public offering in July 1998. On September 22, 2008, CEDC's stock was added to the NASDAQ Q-50 Index. Its stock is also traded on the Warsaw Stock Exchange in Poland.

13. CEDC's largest stockholder is Roust Trading Ltd. (together with its affiliates, "Roust Trading"), which owns 19.5% of CEDC's outstanding common stock. Roust Trading is a holding company of the Russian Standard Group of companies. It is a private company with business interests in premium vodka, spirits distribution, banking and insurance controlled by Russian businessman Roustam Tariko. Mr. Tariko is Chairman of CEDC's Board of Directors. As described further below, the Steering Committees (as defined below) and Roust Trading have agreed to support a comprehensive restructuring of CEDC's balance sheet (the "Proposed Restructuring"). Also as described further below, CEDC, through its Special Committee and

Board of Directors, has agreed, with the support of its major stakeholders, to restructure its affairs in accordance with the terms of the Proposed Restructuring.

14. The Debtors and the Operating Subsidiaries collectively are obligors on three primary sets of debt obligations (other than obligations to Roust Trading, described separately below). First, Debtor CEDC is obligated on approximately $262 million outstanding amount of 3% Convertible Notes due March 15, 2013 (the "Existing 2013 Notes"). The Existing 2013 Notes were convertible into shares of CEDC common stock prior to maturity of those notes. The proceeds from the Existing 2013 Notes were used to partly fund the cash portions of the acquisitions of the Whitehall Group and Copecresto Enterprises Limited, which owns the *Parliament* brand. The Existing 2013 Notes are not secured by any collateral and are not guaranteed by any entity. The Existing 2013 Notes matured on March 15, 2013 and remain unpaid.

15. Second, CEDC FinCo, a wholly-owned (through CEDC FinCo LLC) subsidiary of CEDC, is an obligor on $380 million outstanding principal amount of 9.125% Senior Secured Notes due December 1, 2016 and €430 million outstanding principal amount of 8.875% Senior Secured Notes due December 1, 2016 (collectively, the "Existing 2016 Notes"). The outstanding amount of the Existing 2016 Notes in U.S. dollars is approximately $982 million. The proceeds of the Existing 2016 Notes were used, among other things, to purchase interests in Russian Alcohol Group and to repay all amounts then-outstanding under Russian Alcohol Group credit facilities. The Existing 2016 Notes are guaranteed by CEDC, CEDC FinCo LLC and numerous Operating Subsidiaries. The Existing 2016 Notes and the guarantees thereof are secured by pledges of the stock of such Operating Subsidiaries and certain of their assets.

16. Finally, certain of the Operating Subsidiaries, including in particular Operating Subsidiaries in Poland and Russia, are party to several, separate credit support obligations, facilities and guarantee arrangements provided by several local lenders in those jurisdictions. These obligations include factoring lines and revolving and term lines of credit in the approximate amount of $80.5 million and significant guarantees in the approximate amount of $696 million that support the Company's obligation to collect and remit excise and other taxes to regulatory authorities in Russia. None of these credit support obligations is being restructured in these chapter 11 cases. Indeed, none of CEDC's Polish, Russian or other Operating Subsidiaries are subject to any insolvency proceedings. Those entities are fundamentally sound, profitable and will continue to operate in the ordinary course of business. Accordingly, the Company will continue honoring all its obligations to vendors, employees, and local credit support providers in the ordinary course of business, without interruption.

C. Prior Restructuring Efforts

17. The Company faced a series of challenges immediately after entering the Russian market. Each of the three acquisitions noted above -- Russian Alcohol Group, Whitehall Group, and Copecresto Enterprises Limited -- were made before and during the worst years of the financial crisis, which hit Russia more severely than other countries. In addition, shortly after these acquisitions, the Russian government introduced severe measures to significantly reduce alcohol consumption. It did so by imposing large excise tax increases, sales restrictions, and licensing and advertising restrictions. Moreover, the Company encountered difficulties managing the acquisitions, as they all occurred within a relatively short time-frame.

18. These adverse factors created a difficult trading environment for the Company that continued through the fourth quarter of 2011. Moreover, shelf prices reduced total market

consumption more than forecasted, and substantially higher spirit pricing negatively impacted the cost of goods sold. Extra-heavy competitive investments resulted in discounts at Russian Alcohol Group that also were higher than forecasted. Finally, between 2009 and 2011, the Company experienced large foreign exchange losses as local currencies experienced declines against the euro and the U.S. dollar. In early 2012, as a result of the challenging market conditions and difficult operating environment, the Company determined that it should begin to review all of its strategic alternatives, especially in light of the fact that the Existing 2013 Notes were set to mature within the coming year.

19. In addressing these concerns, the Company announced in early 2012 that in order to combat the issues facing the Company in Russia, a new general manager would be appointed with a strong background in Russian, fast-moving, retail goods. The new general manager for the Russian Alcohol Group, Grant Winterton, joined on April 2, 2012. Moreover, the Company, with the assistance of outside financial advisors, conducted an extensive process in an effort to identify one or more strategic or financial partners or sources of capital to bolster the Company's business and repay the Existing 2013 Notes. As a result of these efforts, the Company ultimately agreed to form a strategic alliance with Mr. Tariko and Roust Trading, both of whom, as noted above, are highly experienced in the Russian and international alcohol and spirits industries.

20. In March of 2012, the Company authorized its financial and legal advisors to negotiate definitive documentation of the Roust Trading strategic alliance. To that end, on April 23, 2012, CEDC and Roust Trading entered into, among other agreements, a Securities Purchase Agreement ("SPA") and a related governance agreement (the "Governance Agreement"). Pursuant to the SPA, Roust Trading agreed to assist CEDC in restructuring the Existing 2013 Notes by making significant investments in the Company in three stages. In the first stage, Roust

Trading agreed to invest $100 million into CEDC. That investment, which was made on May 4, 2012, took the form of (i) a $30 million purchase by Roust Trading of approximately 5.7 million newly issued shares of CEDC's common stock at $5.25 per share (the "Initial Shares") and (ii) a $70 million purchase of unsecured CEDC notes due March 18, 2013 made by an affiliate of Roust Trading (the "RTL Notes"). Under the SPA, the proceeds of this $100 million investment were to be used by CEDC solely to repurchase Existing 2013 Notes. In due course, approximately half this amount was utilized to make Existing 2013 Note repurchases.

21. Under the SPA, the RTL Notes were intended to be effectively converted into shares of CEDC common stock. To that end, Roust Trading's agreed investment in CEDC contemplated the purchase of an additional 13.3 million shares of CEDC common stock at $5.25 per share, the proceeds of which would be used to pay off the $70 million RTL Notes issued by CEDC as part of the first stage of Roust Trading's investment. This effective conversion required approval of CEDC's shareholders, as it contemplated a significant increase in the percentage of stock that would be held by Roust Trading. Roust Trading was also granted a right to put the Initial Shares, described above, back to CEDC in exchange for repayment of the original $30 million purchase price in the event the SPA was terminated after the closing of the initial stage and prior to the closing of the second stage of the investment.

22. As part of the second stage of Roust Trading's contemplated investment, Roust Trading agreed to purchase a new debt security with a principal aggregate amount of $102.6 million maturing on July 31, 2016. CEDC agreed to use the proceeds from the sale of this debt security to purchase the Existing 2013 Notes then held by Roust Trading, which totaled approximately $102.6 million.

23. In the third and final stage of Roust Trading's contemplated investment, CEDC would have had the right, in the event it had not otherwise refinanced or repurchased the remaining Existing 2013 Notes, to put to Roust Trading a debt security maturing on July 31, 2016 in the aggregate principal amount of up to $107,500,000. CEDC agreed to use the proceeds from the sale of this debt security to purchase the remaining outstanding Existing 2013 Notes, thereby addressing the maturity of the full principal amount of Existing 2013 Notes.

24. Under the Governance Agreement, CEDC and Roust Trading agreed on a protocol regarding governance of CEDC. In particular, Roust Trading received various governance rights related to its debt and equity investments in the Company, including CEDC director nomination rights and veto rights relating to certain restructuring transactions, certain acquisitions or business combinations, certain sales of assets and equity issuances, and certain deviations from the Company's annual capital expenditure budget approved by the Company's Board of Directors. The Governance Agreement also provided Roust Trading with joint appointment and removal rights with CEDC regarding certain senior Russian management positions.

D. Accounting Restatement and Renegotiation of Agreements with Roust Trading

25. After execution of the foregoing agreements in April of 2012 and receipt of the initial $100 million from Roust Trading and CEDC's appointment of its new management team, CEDC was confident that it would be able to make the necessary changes in Russia to establish improved results. Indeed, as a result of the numerous changes the Company made in its other businesses across Central and Eastern Europe during the previous two years, each of the Company's business lines was beginning to deliver improved results. Most significantly, the Company also believed that it had resolved the issues it faced in connection with the approaching

maturity of the Existing 2013 Notes in March of 2013, due to its strategic alliance with Roust Trading and Roust Trading's anticipated future cash investments in the Company.

26. Unfortunately, following a review of its financial accounts by the new CEDC management team in Russia, the Company determined and announced in June 2012 that its financial statements for all financial reporting periods from and after January 1, 2010 should no longer be relied upon. The Company announced plans to restate those financial statements to correct errors resulting from a failure to properly account for certain retroactive trade rebates with respect to the Company's net sales from the Russian Alcohol Group. These and related matters were reported promptly to the U.S. regulatory and enforcement authorities, including the U.S. Securities and Exchange Commission. The Company postponed its 2012 Annual Meeting of Stockholder's previously scheduled for June 29, 2012 as a result of this necessary restatement. The Audit Committee retained independent counsel and a full investigation of these issues was begun.

27. CEDC’s assessment of and response to these accounting matters eventually resulted in the replacement of CEDC's then Chief Executive Officer and Chief Financial Officer. More significantly, the restatement resulted in potential breaches of certain financial representations given by CEDC in the SPA, thereby necessitating certain changes to the SPA and Governance Agreement with Roust Trading. To address these matters, the Board formed a Special Committee comprised entirely of independent directors. After extensive negotiations between CEDC (acting with the benefit of input from the Special Committee) and Roust Trading, the SPA was amended and restated in its entirety on July 9, 2012. Importantly for CEDC, Roust Trading largely re-affirmed all of its significant financial commitments to CEDC, including its commitments to make the second and third stage investments in CEDC described

above, and waived its rights with respect to any prior breach of the SPA and Governance Agreement that may have been associated with the financial restatement.

28. However, this waiver of Roust Trading's right to claim a breach of the SPA and Governance Agreement based on the financial restatement was conditional on the impact of the restatement being within certain financial thresholds. Moreover, Roust Trading would have had the right to terminate the SPA and Governance Agreement if shareholder approval of the conversion of the RTL Notes and the second and third stages of Roust Trading's investments was not obtained by December 31, 2012.

29. Finally, under the amended and restated SPA, Roust Trading was afforded the right to appoint an additional director to CEDC's Board of Directors. Roust Trading appointed Mr. Tariko, who became Chairman of the Board of Directors and Interim President. Separately, however, CEDC continued to maintain its Special Committee of Independent Directors which, as noted above, is comprised of four Independent Directors unaffiliated with Mr. Tariko or Roust Trading.

30. In October 2012, the Company filed its restated financial statements for 2010 and 2011. Unfortunately, however, the cumulative impact of these restatements exceeded the thresholds set out in the amended SPA. Accordingly, Roust Trading advised CEDC that it reserved all its rights under the SPA. The cumulative impact of the restatements made clear to CEDC that Roust Trading may no longer have been obligated to consummate the funding transactions associated with the SPA, and that Roust Trading moreover may have had claims against the Company, including claims with respect to a potential event of default under the RTL Notes. Accordingly, the Company had no assurance that Roust Trading would consummate the

second and third stages of the investments, or if it would propose new terms to an amended or alternative transaction, that would address the approaching maturity of the Existing 2013 Notes.

31. In addition to the uncertainties surrounding the amended SPA, it became apparent during the fourth quarter of 2012 that CEDC's improving performance, while profitable and resulting in meaningful EBITDA generation, likely was not sufficient to support its existing capital structure, including not only the Existing 2013 Notes, but also the Existing 2016 Notes. The prospects and rationale for a refinancing of the Existing 2013 Notes or a repurchase by CEDC of the Existing 2013 Notes at a significant percentage of par therefore became more and more remote.

32. Indeed, as the Company entered November 2012, it faced growing liquidity issues as well, including local banks' withdrawal of credit lines from Operating Subsidiaries due to the pending March 2013 maturity of the Existing 2013 Notes, compounded by the lack of certainty around the status of the Roust Trading strategic transaction. The Company was holding approximately $50 million in cash proceeds from Roust Trading's initial investment under the SPA. As noted above, that initial investment totaled $100 million, but roughly half of it had been utilized in purchasing Existing 2013 Notes in the early part of 2012. However, the remaining $50 million was not available for general use by CEDC, as it was segregated and earmarked for repurchases of the Existing 2013 Notes.

33. Given the issues under the SPA, CEDC's growing liquidity issues, and the approaching maturity of the Existing 2013 Notes, CEDC began to explore all of its strategic alternatives. To assist it in doing so, CEDC retained Houlihan Lokey Capital, Inc. ("Houlihan") as its investment banker and Alvarez & Marsal North America LLC ("A&M") as financial advisor. It appointed Maxim Frangulov of A&M's Russian office as its Chief Restructuring

Officer. Most importantly, CEDC, through its Special Committee, engaged in intensive negotiations with Roust Trading about the SPA, the Company's possible access to the $50 million for general use, and how the parties could best set the stage for a comprehensive restructuring of CEDC's financial affairs in the first quarter of 2013. To assist it in its negotiations, Roust Trading retained its own legal and financial advisors.

34. December 2012 was a critical month for CEDC. There were a number of Special Committee and Board meetings about the Company's situation; its financial reporting issues; its long-term options; it relationship with Roust Trading; and its looming liquidity problems. The Company, again through its Special Committee and advisors, engaged in numerous negotiations with Roust Trading and its advisors, many of which were difficult, intense, and at times, very spirited. The Company's range of options in December was very limited: it either obtained immediate access to liquidity, including possibly the $50 million noted above, or it would be forced to file a series of unplanned, domestic entity insolvency proceedings that very likely would severely jeopardize franchise value for it and its stakeholders.

35. Moreover, the Company's ability to obtain liquidity from outside sources was very restricted. While certain of the Company's Polish and Russian Operating Subsidiaries had unencumbered assets that could have served as collateral for a new loan, the terms of the indenture relating to the Existing 2016 Notes virtually foreclosed this possibility. The Company did not have sufficient time before it faced a serious liquidity crisis to obtain the consents necessary from holders of these instruments to modify the terms of the indenture to allow the Company to incur additional indebtedness. Moreover, the Company had no reasonable expectation that holders of those notes would consent to such modifications. While CEDC, through its advisors, nonetheless continued to explore its options under the indenture and

contacted several possible outside sources of capital, CEDC also focused on discussions with Roust Trading about obtaining access to the $50 million remaining from Roust Trading's initial investment described above.

36. These negotiations ultimately bore significant fruit for CEDC. On December 28, 2012, after extensive efforts by CEDC and Roust Trading and their respective advisors, CEDC and Roust Trading entered into a Binding Term Sheet (the "Binding Term Sheet") that terminated the SPA and Governance Agreements, resolved the Company's near-term liquidity issues and set the stage for a more comprehensive restructuring of CEDC's balance sheet during the first quarter of 2013. Importantly, Roust Trading agreed in the Binding Term Sheet to eliminate the contractual restriction on use of the $50 million so that such amounts could be utilized immediately by the Operating Subsidiaries for working capital purposes, and released the Company from any liability for breaches of the SPA.

37. In exchange for these significant concessions, which allowed the Company to avoid disastrous, unplanned local subsidiary insolvency proceedings that likely would have destroyed franchise value, CEDC and Roust Trading agreed that CEDC would secure CEDC's obligations with respect to the $50 million by converting that debt into a new secured credit facility (the "RTL Credit Facility"). Roust Trading agreed to do so upon economic terms that were unavailable from any other lending sources. Moreover, Roust Trading agreed to provide a new $15 million secured revolving credit facility to certain Operating Subsidiaries if CEDC, through its Restructuring Officer, determined that it needed access to such liquidity. CEDC ultimately determined that it did, in fact, need such access. Roust Trading therefore provided the additional $15 million as promised.

38. The Binding Term Sheet also provided for the formation of the Restructuring Committee comprised of a majority of independent directors.

E. Development of the Restructuring Proposal

39. With CEDC's liquidity issues behind it, the Company turned its attention in January 2013 to consideration and development of a more comprehensive restructuring of its balance sheet. An important aspect of this process entailed CEDC's appointment of a new Chief Executive Officer and Chief Financial Officer, Mr. Grant Winterton and Mr. Ryan Lee, respectively. As noted above, Messrs. Winterton and Lee had worked for CEDC's Russian operations since early 2012. In early 2013, however, they were elevated and charged with the oversight of all of CEDC's operations.

40. They and their management teams worked throughout January, with the significant assistance of Houlihan, A&M, and CEDC's Chief Restructuring Officer, to develop a comprehensive, bottom-up, go-forward five-year business plan and related projections. The business plan and projections formed CEDC's and its stakeholders' view of the Company's go-forward debt capacity and hence, formed the basis for restructuring negotiations among CEDC and its various stakeholders. As work progressed on these matters, it became apparent that not only were the Existing 2013 Notes impaired, but the Existing 2016 Notes were impaired as well. Put simply, the Company could not service either tranche of debt: it could not repay the Existing 2013 Notes, and there was growing doubt about CEDC's ability to honor debt service obligations with respect to the Existing 2016 Notes.

41. CEDC, through members of its Special Committee and the Restructuring Committee, and with the assistance of CEDC's legal and financial advisors, met several times in January 2013 with Roust Trading, through Mr. Tariko and its separate legal and financial

advisors, in order to discuss possible options. Roust Trading continued to express a strong interest in maintaining its alliance with CEDC and in working with CEDC to provide a solution to its financial difficulties. In particular, Roust Trading expressed a desire to possibly provide significant cash to CEDC and, ultimately, to acquire significant ownership and/or control of a restructured CEDC as part of a comprehensive restructuring solution. CEDC agreed to work with Roust Trading in exploring these and other options, though the Company also, consistent with its fiduciary duties, continued to consider other possible alternatives, including those described in greater detail below.

42. Accordingly, in January 2013, certain large holders of the Existing 2013 Notes and the Existing 2016 Notes organized themselves into steering committees (the "2013 Steering Committee" and the "2016 Steering Committee," respectively and, together, the "Steering Committees"); retained very experienced legal and financial advisors; signed confidentiality agreements; received detailed five-year business plan presentations and related due diligence about CEDC's go-forward business plan and projections from Messrs. Winterton and Lee; and entered into discussions with CEDC about possible restructuring alternatives. Separately, Roust Trading and its legal and financial advisors developed various restructuring proposals that were presented to CEDC and the Steering Committees. There was considerable urgency to these matters in light of the approaching March 15, 2013 maturity of the Existing 2013 Notes.

43. After a series of marathon meetings and intense negotiation sessions that occurred in a highly-compressed time-frame, on February 28, 2013, Roust Trading and the 2016 Steering Committee entered into a joint summary term sheet (the "2016 Notes Term Sheet") relating to a proposed financial restructuring of the Existing 2016 Notes. Shortly thereafter, on March 14, 2013 – the day before the March 15 maturity of the Existing 2013 Notes -- Roust Trading and the

2013 Steering Committee entered into an agreement on material terms (the "2013 Notes Term Sheet") relating to a proposed financial restructuring of the Existing 2013 Notes. Ultimately, CEDC's Special Committee, Restructuring Committee and full Board of Directors agreed to pursue the restructurings contemplated by the 2016 Notes Term Sheet and the 2013 Notes Term Sheet.

44. Under the 2016 Notes Term Sheet, Roust Trading will contribute $172 million in cash to CEDC. Holders of the Existing 2016 Notes will receive (i) the option to receive this $172 million in cash pursuant to a "Dutch Auction" procedure (the "Cash Option") and (ii) to the extent Existing 2016 Notes are not accepted in the Cash Option, or at the option of the individual holders, their pro rata share of (a) new secured notes due 2018 in an aggregate principal amount equal to $450 million plus a portion of the aggregate interest accrued but unpaid on the Existing 2016 Notes not accepted for tender in the Cash Option (the "New Secured Notes"), (b) new convertible secured notes due 2018 in the aggregate principal amount of $200 million (the "New Convertible Notes"), and (c) any portion of the $172 million in cash not otherwise distributed pursuant to the Cash Option.

45. Under the 2013 Notes Term Sheet, Roust Trading has offered to holders of the Existing 2013 Notes (other than those held by Roust Trading) their pro rata share of $25 million in cash and $30 million in secured notes issued by Roust Trading or an affiliate. This offer is being effectuated through a private offering made directly by Roust Trading to holders of the Existing 2013 Notes. Closing on such offering shall occur simultaneously with the Effective Date of the Plan. Those holders of the Existing 2013 Notes who do not participate in Roust Trading's offering shall receive their pro rata share of $16.9 million in cash to be provided by Roust Trading to CEDC in connection with its reorganization efforts.

46. In addition to the foregoing, Roust Trading will compromise almost all its debt claims (including accrued interest) against CEDC. These debt claims fall into three categories. The first category is the $50 million RTL Credit Facility. As described above, this Facility arose out of Roust Trading's agreement to allow CEDC to use for general corporate purposes $50 million previously provided by Roust Trading, thereby allowing CEDC to avoid a serious liquidity crisis and unplanned insolvency proceedings. The second category includes approximately $102.6 million principal amount of Existing 2013 Notes that Roust Trading acquired in the secondary market. The final category of Roust Trading debt to be compromised includes $20 million principal amount in remaining RTL Notes held by Roust Trading in connection with its initial investment in CEDC made in May 2012.

47. If effectuated, the foregoing restructuring will result in Roust Trading owning 100% of the outstanding stock of reorganized CEDC. Holders of Existing 2016 Notes will receive total consideration of at least $822 million with respect to their claims, which total approximately $982.2 million in U.S. dollars. To repeat, this minimum consideration of $822 million is comprised of $172 million in cash, $450 million (plus certain accrued but unpaid interest) in New Secured Notes, and $200 million in New Convertible Notes that together will afford holders of Existing 2016 Notes a minimum estimated recovery of approximately 83.7%. Holders of Existing 2013 Notes other than Roust Trading who participate in the Roust Trading offer will receive total consideration of $55 million, comprised of $25 million in cash and $30 million in secured notes issued by Roust Trading, thereby affording such holders an estimated recovery of 35.4%. Holders of Existing 2013 Notes that do not participate in Roust Trading's offer will receive their proportionate share of $16.9 million in cash under the Plan (shared with

the RTL Notes). Holders of Existing 2013 Notes that participate in Roust Trading's offer will not receive a distribution under the Plan.

48. The restructuring will result in the elimination of approximately $665.2 million in debt from CEDC and CEDC FinCo's balance sheets, comprised of (i) the reduction of approximately $332.2 million in debt represented by the Exiting 2016 Notes; (ii) the elimination of the full outstanding balance of the Existing 2013 Notes of approximately $262 million and the $20.3 million of RTL Notes; and (iii) the conversion to equity of the $50.7 million RTL Credit Facility. A summary chart of the capital structure of the Company both before implementation of the restructuring and after is attached as Exhibit B.

49. The restructuring is being made possible by Roust Trading's contribution of enormous value to CEDC and its stakeholders. In exchange for Roust Trading's receipt of 100% of the equity of reorganized CEDC, Roust Trading is contributing $277 million of value comprised of (i) its $172 million in cash to be paid to holders of the Existing 2016 Notes, (ii) the $25 million in cash and $30 million in secured notes being provided to holders of the Existing 2013 Notes, and (iii) the conversion of the RTL Credit Facility to equity. In addition, Roust Trading is agreeing to compromise its $124.4 million of unsecured claims, including (i) approximately $102.6 million in principal amount of Existing 2013 Notes it holds, (ii) $20 million in RTL Notes it holds and (iii) approximately $1.8 million in accrued interest on unsecured claims in (i) and (ii) calculated through March 15, 2013.

50. Separately, and in the last several days, Roust Trading procured for CEDC a new $100 million unsecured credit facility, to be provided by an affiliate of Alfa Bank, for the benefit of CEDC's Russian operations, JSC Russian Alcohol Group ("RAG"). The facility has a one year term that may be extended by RAG for an additional two years. RAG's obligations under

the new facility will be guaranteed by Roust Trading and its affiliate, Russian Standard Corporation. RAG's obligations under the new facility will be subordinate to the Company's obligations under the New Secured Notes and New Convertible Notes to be issued to holders of Existing 2016 Notes under the Plan. Roust Trading is paying the origination and similar fees associated with this facility.

F. Consideration of Alternative Restructuring Proposals

51. Concurrent with the development and consideration of the Proposed Restucturing, CEDC separately considered and encouraged the development of other possible restructuring alternatives with several other major parties. These parties include (i) Dr. Mark Kaufman, the former owner of the Whitehall Group and a veteran of the spirit business in Russia, (ii) A1 Investment Company ("A1"), a member of the Alfa Group, one of the largest and most successful industrial and financial groups in Russia whose affiliate, Alfa Bank, is the largest private bank in Russia and one of the Company's largest providers of excise tax guarantees, and (iii) SPI Group ("SPI"), a leader in the production and distribution of spirits and alcoholic beverages worldwide.

52. Between January 2013 and the date of the filing of CEDC's chapter 11 cases, and simultaneous with development of the Proposed Restructuring outlined above, CEDC, through its Special Committee, CEDC's management, and CEDC's restructuring advisors, collectively met several times with Mr. Kaufman, A1 and SPI to discuss the possibility of one or more of them developing a restructuring proposal that afforded higher and better recoveries to CEDC's stakeholders than the Proposed Restructuring. Each of these parties retained highly-experienced legal and financial advisors; executed confidentiality agreements and received extensive, material, non-public information; and undertook extensive due diligence, including through in-

person diligence and negotiating sessions in London and Paris among their advisors, members of CEDC's Special Committee, and CEDC's legal and financial advisors. Each of Mr. Kaufman, A1, and SPI also received extensive briefings and follow-up discussions from CEDC management about the go-forward business plan and related projections.

53. Mr. Kaufman initially delivered to CEDC a written expression of interest in working with CEDC in developing a restructuring proposal; this expression of interest was publicly filed on account of Mr. Kaufman's extensive holdings of CEDC common stock. As part of this expression of interest, Mr. Kaufman stated that he would be willing to provide an investment of up to $75 million in CEDC. Shortly thereafter, Mr. Kaufman and A1 joined forces and submitted a new, more comprehensive restructuring proposal to CEDC. Mr. Kaufman and A1 then teamed up with SPI and formed a three-party consortium (the "Consortium") that worked together, with the assistance of their outside legal and investment banking advisors, in developing even more comprehensive restructuring proposals. The Consortium prepared and submitted two such restructuring proposals, the most recent of which was dated March 21, 2013 and was publicly filed. This proposal is described in more detail below.

54. CEDC, through its Special Committee and its advisors, carefully considered each of the four proposals that it received from Mr. Kaufman, A1 and/or SPI. It did so in conjunction with the 2016 Steering Committee, who are the representatives of almost $1 billion of CEDC's fulcrum securities. Indeed, representatives of the Consortium separately spoke with representatives of the 2016 Steering Committee to discuss the Consortium's proposals. Throughout this process, and consistent with its fiduciary duties, CEDC's Special Committee actively encouraged the Consortium to develop restructuring proposals that were higher and better than the Proposed Restructuring.

55. The proposal submitted by the Consortium on March 21, 2013, noted above, was the Consortium's most recent and evolved proposal. It was delivered in response to a public letter submitted by CEDC in response to the Consortium's previous proposal, which letter outlined CEDC's views of the shortcomings of the Consortium's previous proposal compared to the Proposed Restructuring. In short, the Consortium's March 21, 2013 proposal would have afforded to holders of the Existing 2016 Notes new notes on the same terms as contained in the Proposed Restructuring. However, the Consortium's proposal would have provided $58 million more in cash to such holders, for a total of $230 million in cash, whereas the Proposed Restructuring contemplated $172 million in cash to such holders.

56. While the Consortium's proposal therefore afforded additional value to the Existing 2016 Notes, the Consortium proposal afforded no recovery to holders of the Existing 2013 Notes and no recovery on account of the $50 million RTL Credit Facility. As a result, the collective recoveries to stakeholders was less under the Consortium proposal than under the Proposed Restructuring. Moreover, the estimated enterprise value of CEDC implied by the Consortium proposal virtually mirrored the value implied by the Proposed Restructuring. The Consortium proposal also contemplated a pre-negotiated, rather than a pre-packaged, plan of reorganization, whereas the Proposed Restructuring is being implemented through a pre-packaged proceeding.

57. CEDC, through its Special Committee and with the assistance of its legal and financial advisors, carefully considered the Consortium's proposal. In doing so, it worked with and solicited the views of the advisors to the 2016 Steering Committee. The 2016 Steering Committee separately met and discussed the Consortium's proposal with the Steering Committee's advisors. Ultimately, both CEDC and the 2016 Steering Committee determined

that the Proposed Restructuring was the highest and best proposal for CEDC. While the Consortium's proposal afforded additional value to holders of the Existing 2016 Notes, its failure to provide any value to other stakeholders posed unacceptable litigation and execution risks that, in the view of CEDC and the 2016 Steering Committee, would have jeopardized CEDC's restructuring efforts, franchise value, and hence, recoveries to holders of the Existing 2016 Notes.

58. In particular, CEDC and the 2016 Steering Committee believed that the Consortium's proposal to afford no recovery to holders of the Existing 2013 Notes would have invited costly and protracted valuation and other litigation that would have been inimical to CEDC's restructuring efforts and preservation of franchise value. Moreover, CEDC did not share the Consortium's view that the $50 million secured RTL Credit Facility should receive no recovery. Members of the Consortium publicly had expressed the view that CEDC's subsidiaries should not have granted Roust Trading any collateral to secure that $50 million in exchange for Roust Trading's agreement to remove the contractual restrictions on CEDC's use of the funds. CEDC respectfully disagrees: that $50 million saved the Company during a time of crisis, when CEDC had no other viable alternatives. Accordingly, CEDC was not prepared to embark upon a strategy that requires it to renege on a commitment that would, in turn, engender wasteful and value-jeopardizing litigation between it and Roust Trading.

59. For all of the foregoing reasons, CEDC, through its Special Committee and with the assistance of its legal and financial advisors, and after obtaining the separately informed views of the 2016 Steering Committee and its legal and financial advisors, determined to proceed with the Proposed Restructuring. Accordingly, CEDC and the members of the 2016 Steering Committee executed a plan support agreement with Roust Trading that committed the parties to

pursuit of the Proposed Restructuring, subject to customary, contractual "fiduciary-out" clauses for the benefit of CEDC and its stakeholders. Shortly thereafter, on March 28, 2013, each member of the Consortium either advised CEDC and/or issued a public statement indicating that it was withdrawing the restructuring proposals made by the Consortium to CEDC.

G. Solicitation, Voting Results, Consent Solicitation Results, and the Need for Prompt Confirmation of CEDC's Plan of Reorganization

60. The Proposed Restructuring, as embodied in the 2013 Notes Term Sheet and the 2016 Notes Term Sheet and approved by CEDC and the 2016 Steering Committee and the 2013 Steering Committee, is embodied in an Amended and Restated Offering Memorandum, Consent Solicitation Statement and Disclosure Statement Soliciting Acceptances of a Prepackaged Plan of Reorganization, dated March 8, 2013, as supplemented by a supplement dated March 18, 2013, both of which have been filed concurrently herewith (the "Offering Memorandum and Disclosure Statement"). Under the Prepackaged Plan of Reorganization attached to the Offering Memorandum and Disclosure Statement (the "Plan"), impaired creditors entitled to vote on the Plan include holders of the Existing 2013 Notes, holders of the Existing 2016 Notes, and Roust Trading.

61. Voting on the Plan closed on April 4, 2013. According to the official vote tabulation prepared by CEDC's voting and information agent, impaired creditors have voted overwhelmingly to accept the Plan. In particular, approximately 95% of all Existing 2013 Notes were voted. The Plan was accepted by approximately 99% in number and 99.99% in amount of those Existing 2013 Notes that voted on the Plan. Approximately 95% of all Existing 2016 Notes were voted. Approximately 97% in number and 97% in amount of those Existing 2016 Notes that voted on the Plan voted to accept the Plan.

62. In addition, as part of the restructuring of the Existing 2016 Notes, CEDC FinCo sought the consent from holders of Existing 2016 Notes to certain amendments to the indenture governing such Notes to, among other things, provide for the release of all of the liens on the collateral securing the Existing 2016 Notes and all Operating Subsidiary guarantees of the Existing 2016 Notes. According to the official consent tabulation prepared by the Company's tabulation agent, CEDC FinCo received the requisite consent of almost 95% of holders of Existing 2016 Notes necessary to effect these amendments. The ability to effectuate these amendments is a vital part of the restructuring of the Existing 2016 Notes: under the indenture, the subsidiary guarantees and liens could be released only with the consent of at least 90% of the holders. Accordingly, not only will the Existing 2016 Notes be compromised under the Plan, but no non-consenting holder will have any basis to attempt to assert any guarantee or lien rights against any of the Operating Subsidiaries in Poland or Russia.

63. Concurrently herewith, CEDC has requested this Court to set a combined hearing on approval of the adequacy of the information contained in the Offering Memorandum and Disclosure Statement, and confirmation of the Plan. It is important that these matters be considered, and that CEDC brings its formal restructuring to a successful conclusion, relatively quickly. While none of CEDC's Polish, Hungarian or Russian Operating Subsidiaries is subject to any insolvency proceedings, chapter 11 is a concept that is very alien to CEDC's non-U.S. employees, vendors and local credit support providers. Moreover, I understand from CEDC's advisers that there is no effective legal avenue available to CEDC in any of its non-U.S. jurisdictions for obtaining local recognition or support of these chapter 11 cases.

64. The ultimate success of these cases, therefore, depends significantly upon the willingness of local employees, vendors and credit support providers to continue doing business

with the Company. That willingness, in turn, will depend on the speed and course of these chapter 11 cases: whether they are relatively brisk and uneventful, or whether they become protracted and litigious. Indeed, it is especially important that confirmation occur in May 2013: not only is that timing required by the parties' plan support agreement, but it will be especially important in connection with the Company's renewal of its local excise tax guarantee lines in Russia, a process that must occur in June and is mandatory for ongoing successful production and sales in Russia.

65. Briefly, Russia imposes very significant excise taxes on the sale of alcohol. Distributors such as the Company are required to collect and remit those excise taxes to the applicable taxing authorities. Significantly, the Company must pay those excise taxes before it actually sells its product to consumers. It may avoid doing so, however, if it instead procures guarantees from established financial institutions for the benefit of local taxing authorities. Those guarantees, which in the Company's case total approximately $696 million, are critically important: without access to these guarantees, the Company would need to obtain access to enormous additional working capital that simply is not available to it.

66. CEDC should have a much better prospect of renewing its excise tax guarantees if its local guarantee providers understand that it has obtained confirmation of its Plan. Accordingly, it is imperative that CEDC obtain a confirmation date for its Plan in early May.

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II. FIRST DAY MOTIONS

67. In furtherance of these objectives, the Debtor expect to file a number of First Day Motions and proposed orders and respectfully request that the Court consider entering the proposed orders granting such First Day Motions. I have reviewed each of the First Day

Motions and Orders (including the exhibits to the Motions and Orders) and the facts set forth therein are true and correct to the best of my knowledge, information and belief, based upon my personal knowledge or the knowledge gained of such matters from the Debtors' employees or retained advisors. Moreover, I believe that the relief sought in each of the First Day Motions and Orders (a) is vital to enable the Debtors to make the transition to, and operate in, chapter 11 with minimum interruption or disruption to their businesses or loss of productivity or value and (b) constitutes a critical element in achieving the Debtors' successful reorganization.

A. Administrative and Procedural Matters

Joint Administration of Cases

68. CEDC is the direct parent of CEDC FinCo LLC. Similarly, CEDC FinCo is the wholly-owned subsidiary of CEDC FinCo LLC.

69. I anticipate that the notices, applications, motions, other pleadings, hearings and orders in these cases will affect each of the Debtors. Thus, I believe that the joint administration of these cases will avoid the unnecessary time and expense of duplicative motions, applications, orders and other pleadings, thereby saving considerable time and expense for the Debtors and resulting in substantial savings for their estates. I also believe that such duplication of substantially identical documents would be extremely wasteful and would unnecessarily overburden the Clerk of the Court with voluminous filings. Finally, I believe that the use of a simplified caption for the jointly administered cases will enable parties-in-interest in each of the above-captioned cases to be apprised of the various matters before the Court.

Notification of Creditors

70. The Debtors have numerous record holders of securities, creditors, and other parties in interest whom the Debtors and/or the office of the Clerk of the United States

Bankruptcy Court for the District of Delaware (the "Clerk") must serve various notices, pleadings and other documents filed in these cases. To relieve the Clerk of these burdens, the Debtors seek to engage The Garden City Group, Inc. ("GCG") as noticing and claims agent in these chapter 11 cases. In light of the magnitude of the Debtors' numerous record holders of securities and the tight timelines that frequently arise in chapter 11 cases, the Debtors believe that the appointment of GCG as an outside noticing and claims agent is the most effective and efficient manner by which to provide noticing and claims administration in these chapter 11 cases and is in the best interests of the Debtors, their estates, and creditors.

71. I believe that such assistance will expedite service of notices, streamline the case administration process and permit the Debtors to focus on their reorganization efforts. I believe that GCG is well-qualified to provide such services, expertise, consultation and assistance.

Voting and Special Noticing Agent

72. The Debtors also seek authority to retain GCG as voting agent and special noticing agent in these chapter 11 cases. GCG rendered services in connection with the out-of-court exchange offers, the consent solicitation, and the solicitation of votes for the Plan prior to the commencement of these chapter 11 cases. A representative of GCG is prepared to testify competently to the facts regarding the solicitation of votes on the Plan and the tabulation of such votes, if called upon to do so.

B. Business Operations of the Debtor

Cash Management, Bank Accounts and Business Forms

73. The Company maintains a coordinated cash management system to collect, transfer and disburse funds generated by its foreign operations and to record accurately all such transactions as they are made in the ordinary course of business (collectively, the "Cash

Management System").[2] Because the Debtors are holding companies, they do not have operating receipts and are funded by their Operating Subsidiaries. Funds flow to the Debtors' bank accounts from the Operating Subsidiaries' accounts as necessary to cover debt servicing obligations of the Debtors as well as CEDC's corporate expenses, such as taxes, insurance, professionals, payroll and employment related expenses for CEDC's U.S. employees, officers, and directors,[3] and limited operational costs (including rent for the Debtors' Mt. Laurel, New Jersey office space, phones, mail, nominal marketing costs, and vendor payments).

74. All cash disbursements from, and inflows to, the Debtors are approved and monitored by the Debtors' personnel located at the Debtors' headquarters in Mount Laurel, New Jersey and by Company personnel in Warsaw, Poland. By centralizing oversight of the Cash Management System, the Company is able to facilitate cash forecasting and reporting, monitor collections and approve disbursement of funds, reduce administrative expenses by facilitating the movement of funds and the conversion to appropriate currencies, develop timely and accurate balance and presentment information, and administer the various bank accounts required to effect the collection, disbursement and movement of cash.

75. Although the Operating Subsidiaries maintain over 150 bank accounts to collect, transfer and disburse funds generated by their operations in several countries in Central and Eastern Europe as part of the Company's sophisticated cash management system, the Debtors' cash management system is relatively simple. The Debtors own thirteen (13) accounts (the

[2] Although for convenience of reference the defined term Cash Management System refers to the Company's global cash management system, the relief requested by the Debtors is limited to the bank accounts held by the Debtors.

[3] Payroll and employment-related expenses for the Debtors' foreign employees and directors are paid from accounts maintained by Non-Debtor Subsidiaries under separate contractual relationships with such Non-Debtor Subsidiaries.

"Bank Accounts"). A schedule of the Bank Accounts, including the names and addresses of the institutions and the Bank Account numbers is attached as Exhibit A to the Debtors' underlying First Day Motion.

76. CEDC FinCo maintains an account at PNC Bank, three accounts at Bank Pekao S.A. (a Polish bank), and two accounts with Deutsche Bank AG London (a London branch). Prior to the Petition Date, all of these accounts were used primarily to service obligations under and pay other fees and expenses related to the Existing 2016 Notes issued by CEDC FinCo. Such accounts were funded on an as needed basis and otherwise hold only nominal amounts, if any, typically less than $10,000. Because no payments will be made on account of the Existing 2016 Notes during the chapter 11 cases, there will be no receipts to or disbursements from these accounts during the chapter 11 cases.[4]

77. Similarly, CEDC also maintains three accounts at Bank Pekao S.A. (a Polish bank) that historically have been used as operating accounts and to service financing obligations and pay other fees and expenses related to the Existing 2013 Notes. In addition, CEDC maintains three accounts with ING Bank Śląski S.A. (a Polish branch) as back-up for the Bank Pekao S.A. accounts. As with the CEDC FinCo accounts, these accounts were funded on an as-needed basis and otherwise hold only nominal amounts, if any. These accounts also will be dormant during the pendency of the chapter 11 cases.

78. Finally, CEDC utilizes a United States based operating account with PNC Bank (account ending with 8606). To avoid any concerns that may arise by estate funds being held in a foreign account, the Bank Pekao and ING accounts will maintain a zero (or nominal) balance

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[4] CEDC FinCo LLC, which guarantees the Existing 2016 Notes, does not hold any bank accounts.

and the Debtors' funds (other than nominal amounts that may be held in the other Bank Accounts) will be held in the United States in CEDC's PNC Bank account[5] and the Debtors will rely exclusively on this account for all transactions under the Cash Management System involving the Debtors during the pendency of the chapter 11 cases.

79. I believe that the Cash Management System allows for (a) overall oversight and management of funds, (b) cash availability when and where needed among the Debtors and their non-Debtor Operating Subsidiaries, and (c) the reduction of administrative costs through a method of coordinating funds collection, currency conversion and funds movement. I believe the Debtors' smooth transition into, and out of, chapter 11, while preventing disruption at their non-debtor Operating Subsidiaries, will be facilitated by their ability to maintain these Bank Accounts and operate this Cash Management System without interruption. Moreover, the Debtors intend to use funds flowing through the Cash Management System to fund these cases. The Cash Management System allows the Company to manage all of their cash flow needs and includes the necessary accounting controls to enable the tracing of funds through the system to ensure that all transactions are adequately documented and readily ascertainable. The Debtors will continue to maintain detailed records reflecting all transfers of funds made through the Cash Management System.

80. I believe that the cash management procedures utilized by the Debtors constitute ordinary, usual and essential business practices and are similar to those used by other major corporate enterprises. The Cash Management System benefits the Debtors in significant ways, including the ability to (i) provide oversight and management of funds in an integrated manner,

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[5] It is my understanding that PNC Bank is on the Office of the United States Trustee's list of approved depository banks.

(ii) ensure availability of funds when necessary, and (iii) reduce administrative expenses by facilitating movement of the funds and currency conversions and the development of more timely and accurate balance and presentment information. I believe that requiring the Debtors to adopt a new cash management system for the short duration expected for these chapter 11 cases, and to integrate that system with the non-Debtor Operating Subsidiaries' Cash Management System, would create unnecessary administrative problems and would be much more disruptive than productive. It is my belief that such disruption could have a negative impact on the Debtors' chapter 11 cases and their goal to reorganize expeditiously. Consequently, I believe that the maintenance of the existing Cash Management System is in the best interests of all creditors and other parties-in-interest.

81. I understand that the U.S. Trustee has established certain operating guidelines for debtors-in-possession in order to supervise the administration of chapter 11 cases. I believe that under the circumstances, a waiver of the U.S. Trustee's requirement that the Bank Accounts be closed and that new post-petition bank accounts be opened is warranted. The Debtors expect to seek confirmation of their prepackaged Plan as soon as possible after the Petition Date. During the pendency of these cases, the Debtors anticipate that the efforts of the Debtors' few employees will be focused on emergence from chapter 11. As a result, I believe that enforcement of the United States Trustee's requirement to close the Bank Accounts and open new bank accounts for the anticipated short period of the chapter 11 cases would be unnecessarily burdensome and would divert the attention of key individuals whose efforts will be needed for the Debtors to successfully reorganize on an expedited timeline. Moreover, although the Debtors seek to use only CEDC's PNC Bank account during these chapter 11 cases, I believe that permitting the Debtors to keep all other Bank Accounts open will aid the Debtors in expeditiously and

efficiently resuming use of such accounts as part of the Cash Management System at the conclusion of the chapter 11 cases. I also believe that this relief is necessary to aid the Debtor in their collective efforts to complete their reorganization efforts successfully and rapidly.

82. In order to minimize expenses to their estates, and in light of the expected short duration of these chapter 11 cases, the Debtors are also seeking authorization to continue using all correspondence and business forms (including without limitation, letterhead, purchase orders, and invoices), without reference to the Debtors' status as debtors in possession. I believe that a requirement that the Debtors change correspondence and business forms would be burdensome to the Debtors' estates and disruptive to the Company's business operations, without conferring any benefit upon those dealing with the Debtors. Most parties doing business with the Debtors undoubtedly will be aware of the Debtors' status as debtors in possession as a result of the notoriety of these cases, the press releases issued by the Debtors, and any additional press coverage. Moreover, each of the Debtors' creditors and stockholders will receive direct notice of the commencement of these cases. Indeed, all holders of impaired debt claims have received notice of the chapter 11 cases by virtue of the prepetition solicitation of the Plan. I believe that this expense and disruption is further unnecessary because of the anticipated short duration of these chapter 11 cases and because the Plan contemplates that all general unsecured creditors will be paid in full, while all impaired classes are holders of debt or equity securities that do not transact business with the Debtors.

83. Prior to the Petition Date, the Debtors engaged in intercompany transactions with each other and with their non-Debtor Operating Subsidiaries (collectively, the "Intercompany Transactions"). Historically, the Debtors have invested in the non-Debtor Operating Subsidiaries, including through the investment of the proceeds of the Existing 2013 Notes,

Existing 2016 Notes, and other debt. In turn, the non-Debtor Operating Subsidiaries upstreamed cash payments to the Debtors in order to service such debt obligations and to provide the Debtors with necessary liquidity for corporate overhead. The Intercompany Transactions were reflected in the books and records of each individual Company entity. Accordingly, the Company maintains records of all Intercompany Transactions and can ascertain, trace, and account for all Intercompany Transactions.

84. To minimize the relief requested hereby, CEDC will not transfer funds to the other Debtors during the chapter 11 cases, and will only transfer funds to non-Debtor Operating Subsidiaries to the extent necessary to satisfy payments authorized by separate order of the Court. The Debtors, however, may require continued intercompany advances from their non-Debtor Operating Subsidiaries in order to maintain their liquidity and going concern value. These Intercompany Transactions will be used to fund these chapter 11 cases, including payment of professional fees, U.S. Trustee fees and any other administrative costs that may arise while the Debtors remain in chapter 11. Accordingly, I believe that approval and authorization to continue to undertake the Intercompany Transactions in the ordinary course and consistent with past practice is appropriate and warranted under the circumstances.

Employees

85. As set forth above, CEDC is a Delaware holding company with very limited operations. CEDC is governed by a seven member board of directors. Currently, CEDC has only two officers, its chief executive officer and chief financial officer, and one employee, its general counsel.[6] Only its general counsel is a United States based employee.[7] CEDC currently

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[6] The Debtors' chief executive officer and chief financial officer (together, the "Foreign Officers"), who are not U.S. citizens and are located in Russia, are also officers of a non-Debtor Operating Subsidiary and have separate *(cont'd)*

also has an arrangement with one independent contractor who provides import/export and sales support; as needed, CEDC also engages temporary workers in the ordinary course of business (collectively, "Independent Contractors"). CEDC FinCo and CEDC FinCo LLC do not have independent employees, but are managed by individuals who are also officers of the Debtors for no additional compensation.

86. CEDC is also party to two separation agreements (together, the "Separation Agreements"), one with CEDC's former chief executive officer and one with CEDC's former chief financial officer. The Separation Agreements provide for, among other things, the provision of certain consulting services to CEDC and the payment of certain severance obligations to such individuals. CEDC is also a party to a letter agreement (the "Letter Termination Agreement") terminating the employment contract of its former chief operating officer. The Letter Termination Agreement provides for, among other things, the payment of certain obligations due under the former executive's original employment agreement, as well as mutual releases between the former executive and CEDC. The Debtors are not seeking, pursuant to the underlying First Day Motion, to satisfy any prepetition monetary obligations that are outstanding to these former executives, other than allowing such parties to continue to participate in ongoing medical benefits to the extent applicable.[8]

(cont'd from previous page)
contracts with such subsidiary that provides for the payment of their compensation directly by such non-Debtor Operating Subsidiary.

[7] The Debtors' chief executive officer and chief financial officer (together, the "Foreign Officers"), who are not U.S. citizens and are located in Russia, are also officers of a non-Debtor Operating Subsidiary and have separate contracts with such subsidiary that provides for the payment of their compensation directly by such non-Debtor Operating Subsidiary.

[8] To the extent a direct contractual obligation is owed by a non-Debtor Operating Subsidiary to such party, the non-Debtor Operating Subsidiary may honor such obligation in the ordinary course of business.

87. Employees. Paychex, Inc. ("Paychex") administers the Debtors' U.S. payroll, which the Debtors pre-fund to Paychex. Specifically, the Debtors provide funds sufficient to cover payroll to Paychex which in turn administers applicable deductions and withholdings, and distributes paychecks or effects direct deposit or wire transfers to the employees. Employees are typically paid monthly in arrears. The Debtors' monthly employee payroll expenditure for its United States employees is expected to be approximately $18,000. Prior to the Petition Date, the Debtors made a supplemental payroll payment for the period through April. As such, I do not believe that any employee salary or wage claims are outstanding.

88. Independent Contractors. Similarly, Independent Contractors are typically paid monthly, or otherwise in accordance with their arrangements with the Debtors. The Debtors do not provide health insurance, other insurance, or other similar benefits to the Independent Contractors. The Debtors pay approximately $11,000 in Independent Contractor obligations on a monthly basis. Prior to the Petition Date, the Debtors made a supplemental payment to its sole current Independent Contractor. As such, I believe that no Independent Contractor has a claim for pre-Petition Date compensation.

89. Board of Directors. In the ordinary course of business, the Debtors compensate the members of the board of directors of CEDC for the time and effort spent overseeing the governance and operation of the Debtors' businesses. For services rendered, each member of the board receives annual compensation equal to $100,000 in an annual grant of restricted stock (supplemented by an additional $2,500 per meeting). Additionally, annual director fees consist of a base cash fee of $75,000, and the chairpersons of the board, the Audit Committee, the Compensation Committee, the Corporate Governance Committee, the Special Committee, the Operational Management Committee, the Russian Standard Relationship Committee and the

Restructuring Committee receive additional annual, monthly and/or per meeting cash compensation for serving in those capacities. I believe that the Debtors have paid all outstanding fee accruals owed to directors through March 31, 2013, and that there are limited outstanding fee accruals owed to directors for the period from April 1, 2013 through the Petition Date.

90. Although I believe that the Debtors are current on all wages, salaries and fees to officers, directors, employees, and Independent Contractors (other than in the case of director fees, as noted above), the Debtors are, out of an abundance of caution, seeking authority to pay any pre-petition compensation obligations to such individuals up to $12,475.

91. Employee Benefit Plans and COBRA. In the ordinary course of business, the Debtors offer their employees other forms of compensation, including, but not limited to, employee medical and dental coverage, COBRA benefits, workers compensation and paid time off. These forms of compensation are usual, customary, and necessary for large businesses and are essential to the Debtors' ability to retain qualified employees.[9]

92. Workers' Compensation. The Debtors provide workers' compensation benefits to the employees. The workers' compensation benefits provided by the Debtors are covered primarily under the Debtors' workers' compensation insurance program administered by The Hartford Insurance Company ("Hartford"). For the current policy year, premiums to Hartford for workers' compensation and employer's liability coverage are approximately $3,000. It is my understanding that failure to maintain workers' compensation insurance could result in administrative or legal proceedings against the Debtors and their officers and/or directors. Accordingly, the Debtors are seeking authority to pay all workers' compensation obligations,

[9] The Foreign Officers receive health and dental insurance through the non-debtor foreign subsidiary.

including any outstanding insurance premiums and any other amounts related to prepetition workers' compensation claims as they become due in the ordinary course of the Debtors' businesses.

93. Vacation, Holidays, and Other Paid Time Off. Subject to certain eligibility requirements and applicable accrual and use limitations, the employees accrue and/or may take vacation and sick, bereavement, military, family, personal, and other leave (collectively, "Paid Time Off"). The employees are not compensated for unused Paid Time Off, except that accrued but unused Paid Time Off is paid out upon termination of employment. As of the Petition Date, the Debtors estimate that there is approximately $16,000 in accrued but unpaid Paid Time Off outstanding. The Debtors are seeking authority to honor, but not pay any amounts on account of Paid Time Off in the ordinary course of business, including any Paid Time Off accrued prepetition, subject to applicable restrictions under the Debtors' policies.

94. Reimbursable Expenses. Consistent with applicable policies, the Debtors routinely reimburse officers, directors, employees and Independent Contractors for expenses that such person incurs in the course of its employment or contractual arrangement with the Debtors (the "Reimbursable Expenses"). Reimbursable Expenses include, among others, business-travel expenses, business-related lodging, and business meals. The Debtors reimburse approximately $100,000 in expenses per month on average. As of the Petition Date, I am not aware of outstanding Reimbursable Expenses; however, individuals may not have submitted requests for reimbursement as of the Petition Date. The Debtors are seeking authority to pay all Reimbursable Expenses, including those incurred prepetition, in the ordinary course of business and in accordance with applicable procedures and policies.

95. Payroll Taxes. Paychex routinely withholds the employee withholdings (the "Employee Withholdings") from employees' paychecks. In accordance with applicable legal requirements, the Debtors pay from their own funds their obligations with respect to social security and Medicare taxes. Based on a percentage of gross payroll, the Debtors also pay additional amounts for state and federal unemployment insurance as required under applicable law.

96. It is my understanding that the Employee Withholdings, to the extent that they remain in the Debtors' possession, constitute monies held in trust and therefore are not property of the Debtors' bankruptcy estates. Thus, I believe that the Debtors are authorized to direct such funds to the appropriate parties in the ordinary course of business. Out of an abundance of caution, however, the Debtors are seeking entry of an order granting them the authority to continue to honor and process the Employee Withholdings on a postpetition basis. The Debtors are also seeking authority to pay any outstanding prepetition obligations consistent with their obligations under applicable law.

C. Plan-Related Relief

Combined Hearing

97. As set forth above, the Debtors solicited votes on the Plan prior to commencing these cases, and have received overwhelming support for the Plan. Accordingly, the Debtors are requesting a combined hearing for approval of the Offering Memorandum and Disclosure Statement and confirmation of the Plan, to be set on or about thirty-five days from the Petition Date, as well as deadlines associated with the requested combined hearing. I believe that such a combined hearing in these chapter 11 cases would promote judicial economy and the expedient reorganization of the Debtors. Any adverse effects of the chapter 11 filings upon the Debtors'

businesses and going concern value will be minimized, and the benefit to creditors maximized, through prompt distributions and the reduction of administrative expenses of the estate – which are the hallmarks of a prepackaged plan of reorganization.

98. The Debtors are also seeking approval of a form of notice of the requested combined hearing, and publication and noticing procedures in connection with that notice. Additionally, the Debtors are seeking approval of the prepetition procedures used to solicit the Plan, the Solicitation Package sent to creditors entitled to vote, and the Voting Agent's method of tabulating votes on the Plan.

99. In light of the prepackaged nature of these cases, the short duration of the time during which the Debtors expects to be in bankruptcy, and the fact that the Debtor's Plan has been overwhelmingly accepted by creditors entitled to vote thereon, I believe that the relief requested in this First Day Motion is in the best interests of the Debtors, their estates, their creditors and other stakeholders.

RTL Investment Agreement Motion

100. As noted above, in connection with the Plan, the Disclosure Statement and the Restructuring Term Sheet, Roust Trading has agreed to convert its secured debt claims against CEDC into equity in reorganized CEDC, and contribute additional value to the Debtors' creditors in the form of cash and notes. In connection with the contemplated restructuring, CEDC and Roust Trading entered into a Securities Purchase Agreement, which became effective as of March 8, 2013 when executed by JSC "Russian Alcohol Group" (the "RTL Investment Agreement"). One of the key aspects of the Plan is the RTL Investment Agreement. Under the RTL Investment Agreement, Roust Trading has agreed to invest $172 million in CEDC and

terminate the $50 million RTL Credit Facility in exchange for equity in reorganized CEDC.[10] The RTL Investment represents, in the aggregate, at least $222,000,000.00 of value to the Debtors. Without this investment, I believe that the Debtors could not complete their planned restructuring, which has received the overwhelming support of impaired creditors who voted on the Plan.

101. The RTL Investment Agreement includes a "fiduciary out" provision, providing that CEDC's Board of Directors may, in response to a "Superior Proposal", cause CEDC to terminate the RTL Investment Agreement. As a result of the inclusion of the fiduciary out provision and for the other consideration provided under the RTL Investment Agreement, Roust Trading is entitled to certain termination fees, expense reimbursement and other protections.

102. Moreover, the RTL Investment Agreement provides that CEDC and JSC "Russian Alcohol Group", a non-Debtor Operating Subsidiary that is jointly and severally obligated on CEDC's obligations under the RTL Investment Agreement, shall jointly and severally indemnify and hold harmless Roust Trading and other related persons from and against any and all losses claims, damages, liabilities, and reasonable expenses (including legal or other expenses), joint or several, that each such person incurs or may incur arising out of or in connection with any third party claim against any such person, in each case which relates to the failure of any representation or warranty made by CEDC to be true and correct as of the date of the RTL Investment Agreement and as of the effective date, and/or any breach by CEDC of any covenant or agreement contained in the RTL Investment Agreement. It is my understanding that any indemnification obligation under the RTL Investment Agreement would not apply to any loss

[10] Under the Plan, Roust Trading will be providing additional consideration to holders of Existing 2013 Notes, which consideration, together with the RTL Investment Agreement, will entitle Roust Trading to receive 100% of the equity of reorganized CEDC.

resulting from either material breach of the RTL Investment Agreement by an indemnified person or willful misconduct or gross negligence of such indemnified person.

103. I believe that the fees, indemnification, and other obligations provided in the RTL Investment Agreement are warranted because of the critical role that Roust Trading has played, and which Roust Trading continues to play, in the development and solicitation of the Plan and the transactions contemplated therein. Additionally, the fees, indemnification, other obligations, and other terms set forth in the RTL Investment Agreement are the product of a vigorous, arms-length negotiation between Roust Trading and CEDC and were approved by CEDC's Special Committee[11] and full Board of Directors. While the Debtors are filing a motion on the "first day" of these cases to approve the RTL Investment Agreement, the Debtors are not seeking to have such relief heard or approved at the "first day" hearing in these cases; rather the RTL Investment Agreement requires only that a final order approving the RTL Investment Agreement be entered no later than thirty-five days after the Petition Date.[12] Accordingly, the Debtors will be seeking to assume the RTL Investment Agreement at a hearing to follow the "first day" hearings in these chapter 11 cases, and approval of the fees, indemnification, and other obligations set forth therein, which efforts I believe are an exercise of sound business judgment.

D. Ernst & Young LLP Motion to Shorten

104. The Debtors will also be seeking expedited approval of the retention of Ernst & Young LLP ("E&Y") as auditors on shortened notice, to be heard shortly following the Petition Date. Specifically, CEDC's annual report on Form 10-K (the "Annual Report") was due to be

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[11] The Special Committee is comprised of four independent directors who collectively constitute a majority of CEDC's seven-member Board of Directors.

[12] The Debtors have filed on the Petition Date a motion to shorten time, to the extent necessary, to have the motion to assume the RTL Investment Agreement heard within twenty-one days after Petition Date.

filed with the Securities Exchange Commission ("SEC") on March 18, 2013. Due to the resources required of the Debtors and their management in regard to the restructuring transactions contemplated by the Plan and Offering Memorandum and Disclosure Statement, as well as deeper audit procedures following the 2012 financial restatement, CEDC was unable to timely file its Annual Report. CEDC expects to complete its audit procedures and associated Annual Report as soon as possible after the Petition Date. In order to file its Annual Report, CEDC requires an audit opinion issued by E&Y. E&Y cannot issue the required audit opinion unless they are retained in these cases. The prompt filing of the Annual Report is of utmost importance and urgency for CEDC, as CEDC is no longer in compliance with its SEC reporting obligations in this regard. Moreover, CEDC cannot file a definitive proxy statement and hold its delayed annual general meeting until the filing of the Annual Report. I believe that prompt approval of the Debtors' retention of E&Y is necessary to allow CEDC to complete its audit process and file its Annual Report with the SEC (and obtain the necessary opinions of E&Y in connection with such efforts) and should be approved on an expedited basis.

E. Schedules and Statements

105. The Debtors seek to extend the current deadline to file their schedule of assets and liabilities, schedule of current income and current expenditures, schedule of executory contracts and unexpired leases, and statement of financial affairs (the "Schedules and Statements") by forty-four (44) days, until seventy-four (74) days after the Petition Date, subject to a final waiver of the requirement that the Schedules and Statements be filed if a plan of reorganization is confirmed before such date, and without prejudice to the Debtor's ability to request additional time should it become necessary. At the request of the United States Trustee, the Debtors are not

seeking to have this motion heard at the "first day" hearing in these cases, but will seek to have this motion heard at a subsequent hearing on notice to parties-in-interest.

106. I believe that the request for a final waiver of the requirement to file the Schedules and Statements is appropriate in a prepackaged case. In general, it is my understanding that a debtor is required to file the Schedules and Statements in order to permit parties in interest to understand and assess the Debtors' assets and liabilities and thereafter negotiate and confirm a plan of reorganization. In these chapter 11 cases, the Debtors have already negotiated the Plan and solicited votes from those parties impaired under the Plan and entitled to vote thereon. Accordingly, the primary justifications for requiring the filing of Schedules and Statements do not exist in this case. Requiring the Schedules and Statements to be filed other than as requested in this motion would only impose an additional administrative burden on and expense to the Debtors' estate, without any corresponding benefit to parties in interest. In addition, much of the information that would be contained in the Schedules and Statements is already available in the Offering Memorandum and Disclosure Statement related to the Plan. I believe that to require the Debtors to file the Schedules and Statements would be impracticable, duplicative, and unnecessarily burdensome to the Debtors' estates.

107. The Debtors are also requesting that the Court, under section 341(e) of the Bankruptcy Code, order the Office of the United States Trustee (the "U.S. Trustee") not convene a meeting of creditors or equity security holders in these chapter 11 cases (a "Section 341 Meeting"). It is my understanding that the purpose of a Section 341 Meeting is to provide parties in interest with a meaningful opportunity to examine the debtor and obtain important information about the debtor. In these cases, however, the Plan has been negotiated and voted on. Therefore, I believe that parties are not likely to receive any significant benefit from a Section

341 Meeting. In addition, the notice and scheduling requirements associated with convening such a meeting during these chapter 11 cases may cause an unwarranted delay in consummating the Plan.

108. The Debtors filed these chapter 11 cases to implement and effectuate the Plan and, as described above, the Debtors solicited the requisite acceptances of the Plan prior to commencing these chapter 11 cases. The Debtors intend to proceed expeditiously to confirm the Plan and emerge from chapter 11 as quickly as possible. Accordingly, I believe that cause exists for the U.S. Trustee not to convene a Section 341 Meeting unless a Plan is not confirmed in these cases by June 20, 2013.

III. CONCLUSION

109. The Debtors' ultimate goal is to reorganize their financial affairs under the terms of a confirmed chapter 11 plan. In the near term, however, to minimize any loss of value of their business during their restructuring, the Debtors' immediate objective is to maintain "business-as-usual" during the pendency of these chapter 11 cases, with as little interruption or disruption as possible to the operations of the Debtors and the non-Debtor Operating Subsidiaries. I believe that if the Court grants the relief requested in each of the First Day Motions, the prospect for achieving these objectives and completing a successful, rapid reorganization of the Debtors' business will be substantially enhanced.

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I declare under penalty of perjury that the foregoing is true and correct.

Executed this 7th day of April 2013

By: */s/ Scott Fine*

N. Scott Fine

Vice Chair of the Board of Directors of
Central European Distribution Corporation

EXHIBIT A

Corporate Organizational Chart

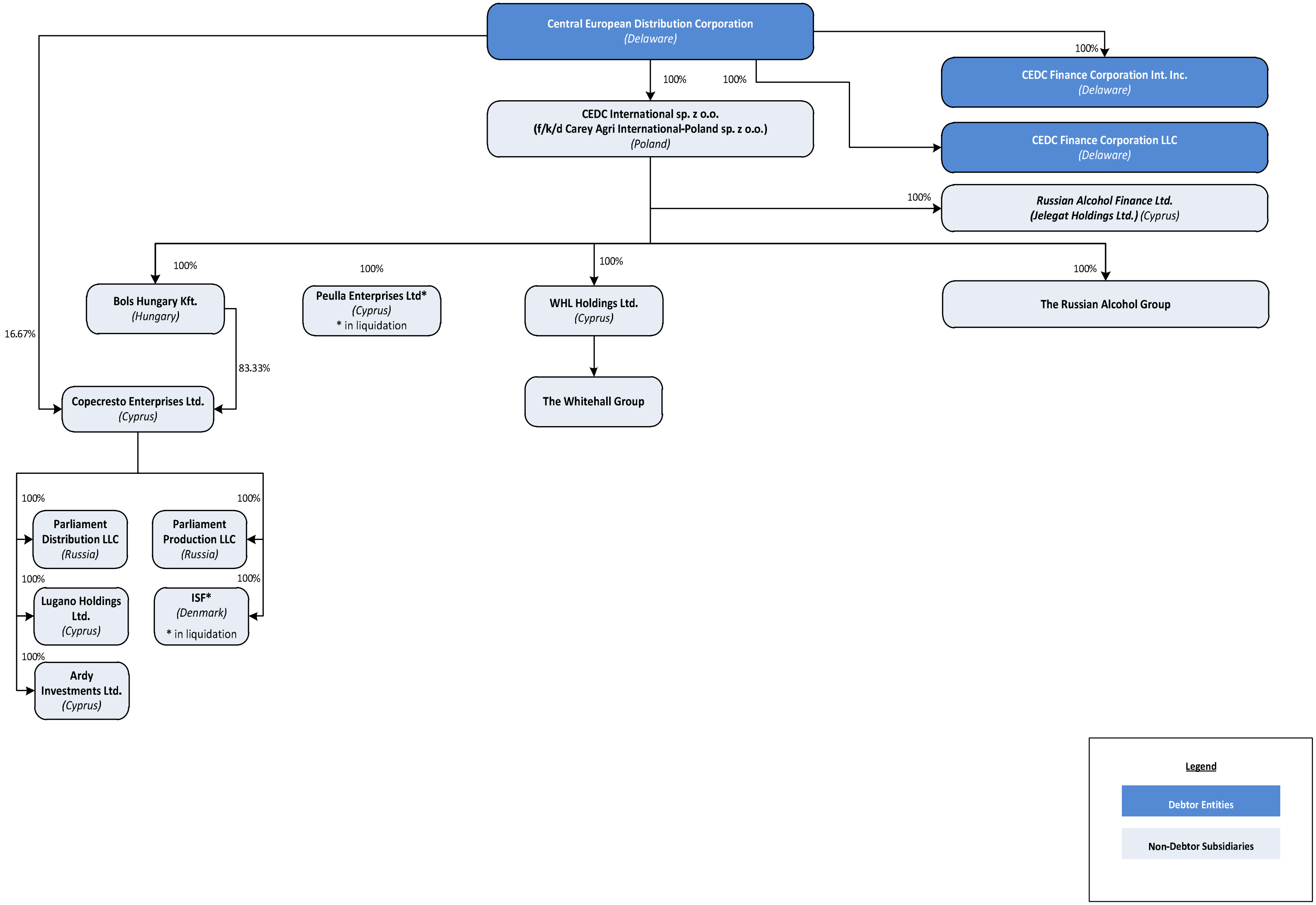
Central European Distribution Corporation
(Delaware)
100%
CEDC Finance Corporation Int. Inc.
(Delaware)
100%
100%
CEDC International sp. z o.o.
(f/k/d Carey Agri International-Poland sp. z o.o.)
(Poland)
CEDC Finance Corporation LLC
(Delaware)
100%
Russian Alcohol Finance Ltd.
(Jelegat Holdings Ltd.) (Cyprus)
100%
Bols Hungary Kft.
(Hungary)
100%
Peulla Enterprises Ltd*
(Cyprus)
* in liquidation
100%
WHL Holdings Ltd.
(Cyprus)
100%
The Russian Alcohol Group
16.67%
83.33%
The Whitehall Group
Copecresto Enterprises Ltd.
(Cyprus)
100%
Parliament Distribution LLC
(Russia)
100%
Parliament Production LLC
(Russia)
100%
Lugano Holdings Ltd.
(Cyprus)
100%
ISF*
(Denmark)
* in liquidation
100%
Ardy Investments Ltd.
(Cyprus)
Legend
Debtor Entities
Non-Debtor Subsidiaries

EXHIBIT B

CAPITAL STRUCTURE CHART

($ in millions)	Capital Structure				
	Beginning Balance	**Leverage[1]**	**Plan of Reorg. Adjustments**	**Pro Forma Balance**	**Leverage[1]**
Local Credit Facilities	$80.5			$80.5	
9.125% Senior Secured Notes[2]	390.0		($390.0)	–	
8.875% Senior Secured Notes[2][3]	592.2		(592.2)	–	
RTL Credit Facility[2]	50.7		(50.7)	–	
New Secured Notes	–		450.0	450.0	
New Convertible Notes	–		200.0	200.0	
Total Secured Debt	**$1,113.4**	**10.5x**	**($382.9)**	**$730.5**	**6.9x**
Existing 2013 Notes[2]	$261.7		($261.7)	–	
RTL Notes[2]	20.3		(20.3)	–	
Total Unsecured Debt	**$282.0**		**($282.0)**	**–**	
Total Debt	**$1,395.5**	**13.2x**	**($665.0)**	**$730.5**	**6.9x**

Footnote:

(1) Based off of 2012 estimated EBITDA of $105.6 million.

(2) Includes accrued interest to March 15, 2013.

(3) Per Amended and Restated Offering Memorandum, based off of 30-day trailing exchange rate of 1.3427 as of February 22, 2013. Per Bloomberg L.P.