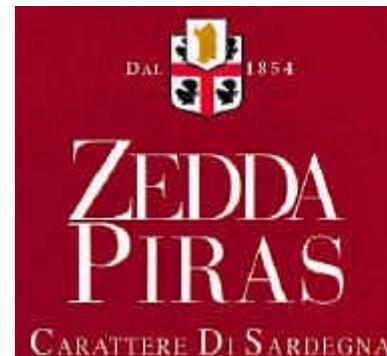




Acquisition of Sella & Mosca S.p.A. and Zedda Piras S.p.A.



Conference Call - Milan, 28 January 2002

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Agenda

SLIDE 2

- ◆ Deal terms
- ◆ Company descriptions
 - Sella & Mosca
 - Zedda Piras
- ◆ Consolidated financial highlights
- ◆ Rationale for acquisition and strategic implications



Deal terms

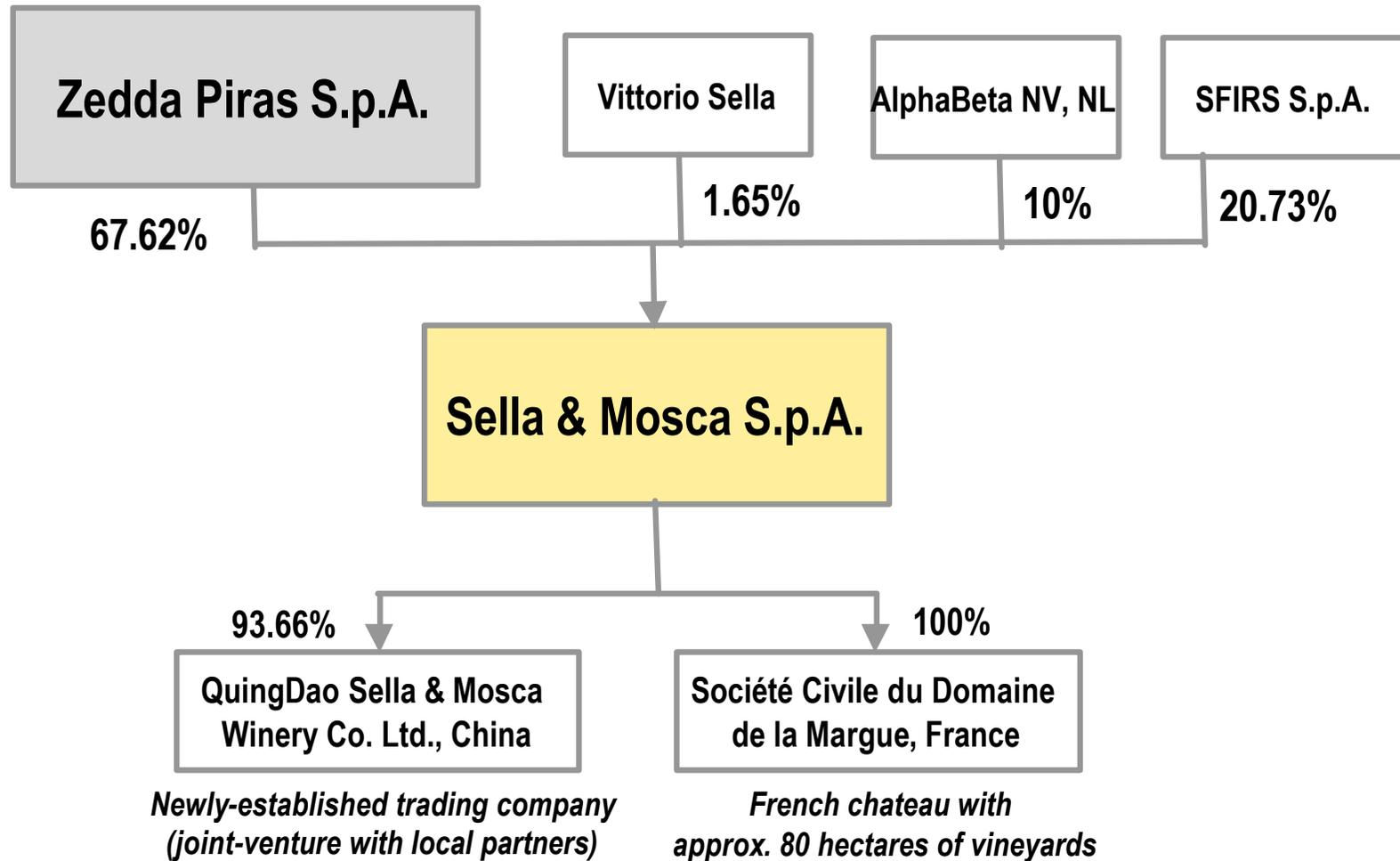
Executive summary

- ◆ On 25 January 2002 Campari announced the acquisition of the privately-owned companies Sella & Mosca S.p.A., prominent player in the premium wines category and Zedda Piras S.p.A., the leading company in the liqueur market in Sardinia
- ◆ The price paid for the acquisition of 100% equity shares of Zedda Piras and 67.62% stake in Sella & Mosca, held by Zedda Piras, is Euro 68.2 million. Net debt amounts to Euro 21.8 million
- ◆ The two companies are located in Sardinia, Italy, north of Alghero, one of most attractive sites for international tourism in the Mediterranean area
- ◆ The acquisition is a true opportunity for expanding into the premium still wines category as well as strengthening in the spirits segment
- ◆ Reciprocal and significant distribution synergies are expected to be achieved both in Italy and international markets



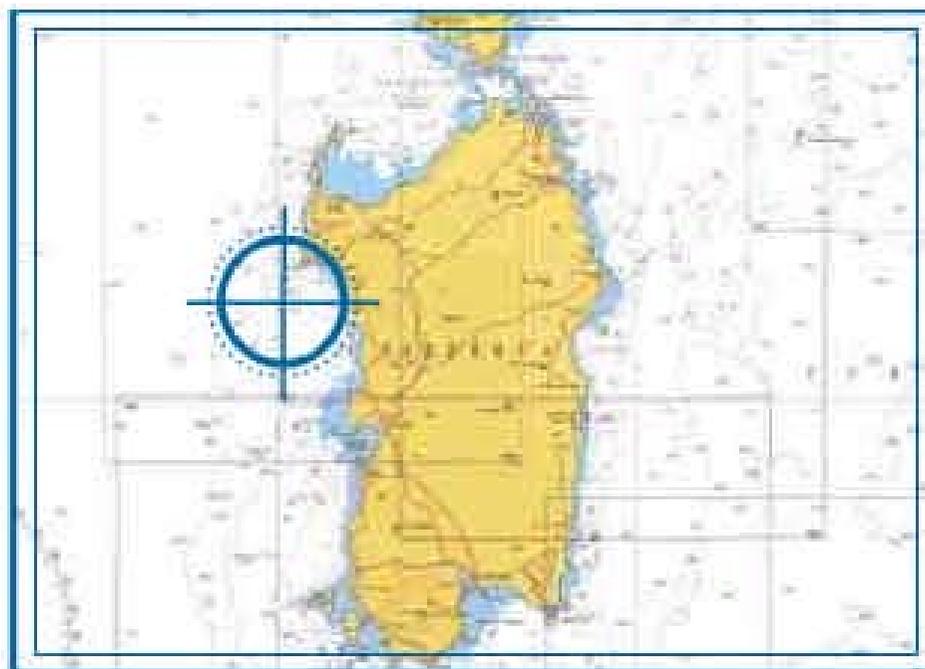
Shareholding structure

SLIDE 5



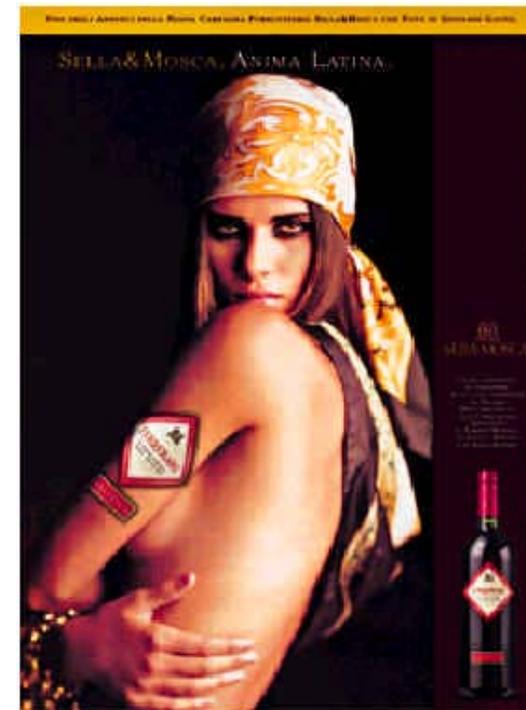
Location of Sella & Mosca and Zedda Piras

SLIDE 6



Company Description I

Sella & Mosca S.p.A.



Sella&Mosca overview

- ◆ Founded in 1899, Sella & Mosca is today the most important winery in Sardinia covering an area of 600 hectares (540 devoted to vineyards with an estimated value of approx. Euro 30 million)
- ◆ The company is a full cycle producer of fine wines made from grapes grown and harvested in its own vineyards
- ◆ Sella & Mosca portfolio includes 21 products with a strong focus on branded premium wines
- ◆ In 2001 the company sold 6.6 million bottles in the wine business and posted a net turnover of Euro 20.3 million with an increase of 7.2% on 2000
- ◆ Approx. 20% of net turnover is exported to Germany, Switzerland, US, Japan and UK



Outlook on the Italian wine market

SLIDE 9

- ◆ Italy is world's largest producer with a total volume of 5,400 million litres and an overall market share of 21% in 1999 ⁽¹⁾
- ◆ The industry is highly fragmented (nearly 43,000 players) except for a very limited number of larger companies with a turnover higher than Euro 50 million (Caviro, Cantine Riunite, Coltiva, Gruppo Italiano Vini among the co-operative structures, and Zonin, Antinori among the family-owned businesses)
- ◆ After many declining years, domestic consumption volume is stabilising with a considerable scope for premium wines as a consequence of the positive trading up towards drinking better-quality products
- ◆ One-third of Italian production is exported. The biggest importer of Italian wine is Germany where Italy has a 37% volume and 34% market share ⁽¹⁾
- ◆ Therefore opportunities are in export, consumer trading up trend, brandbuilding and consolidation to compete in the export market of good quality wines and achieve cost optimisation and distribution synergies

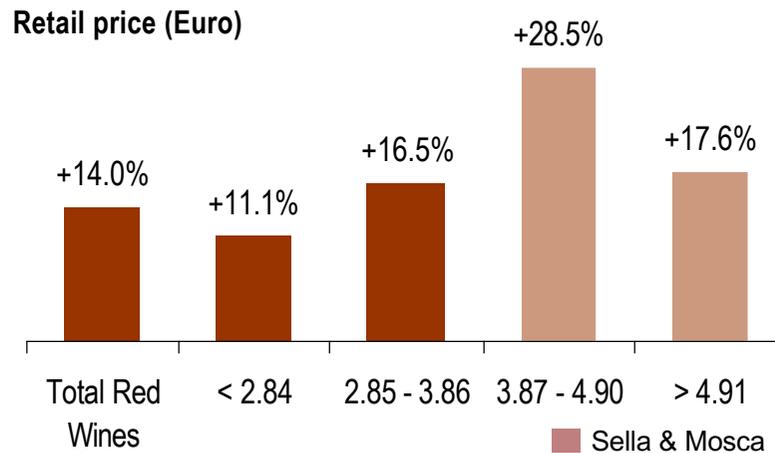
(1) Source: World Drink Trends 2000, Wine Trade



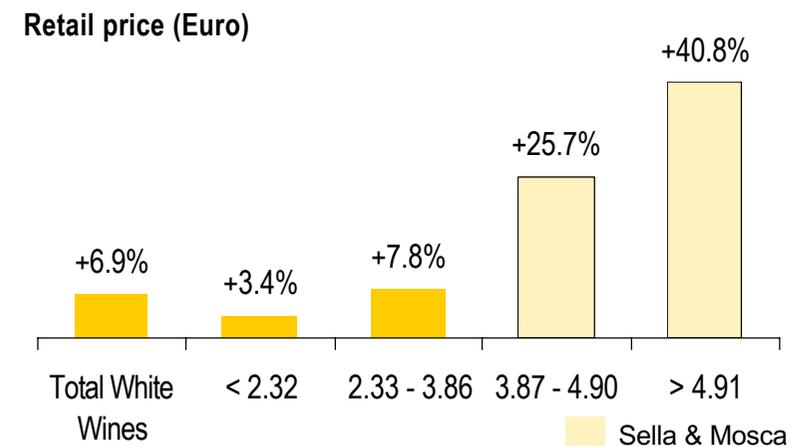
Volume growth in the Modern Trade in Italy

SLIDE 10

Modern Trade by price category in 2000
RED WINES



Modern Trade by price category in 2000
WHITE WINES



Source: Nielsen - Super + Hyper

- ◆ Sella & Mosca branded wines cover the premium market segment in the modern trade (*Cannonau di Sardegna, Vermentino di Sardegna, Rosé, Raim, Le Arenarie*)



Sella & Mosca wine portfolio

SLIDE 11

Premium wines



Branded wines



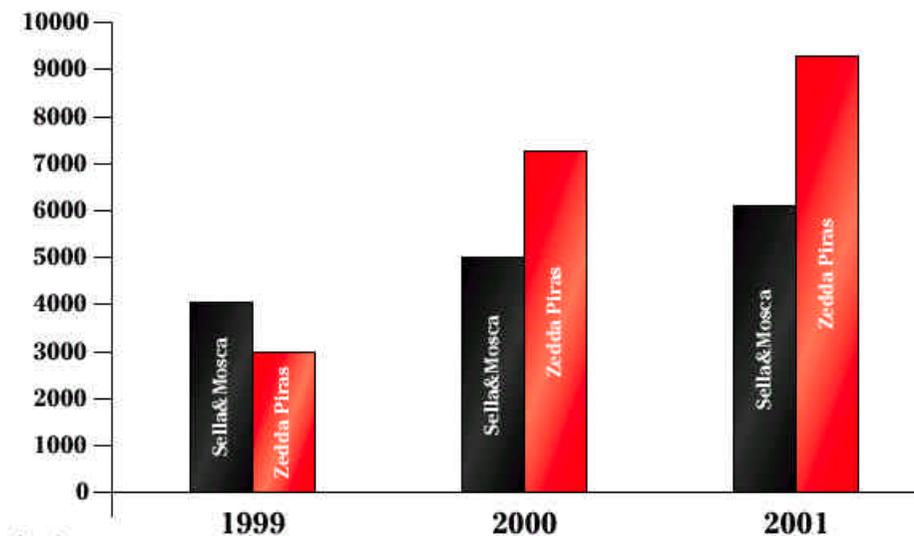
Presence in the trade channels

**Total number of direct clients served in 2000
by trade channel (1)**

Channel	No. of clients
Grocery shops	232
Specialists	645
Restaurants	2,054
Wholesalers	286
Modern trade	173
Other	231
Total	3,621

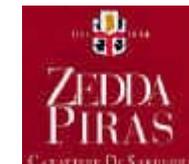
(1) Italy, excluding Sardinia

**Total number of restaurants selling
Sella & Mosca and Zedda Piras products (1)**



Source: Nielsen

(1) Italy, excluding Sardinia



Sella & Mosca strategic goals

SLIDE 13

- ◆ Develop brand image and brand awareness (today of 23.6% (1))
 - target the premium end category of wine market
 - implement selective trade marketing activities and initiatives targeted at the end consumer
- ◆ Leverage distribution in the domestic and international markets
- ◆ Exploit the ownership of vineyards and manage the full cycle production to increase product quality

(1) Source: Astra Demoskopea, Survey among regular spirits and wines consumers



Company Description II

Zedda Piras S.p.A.



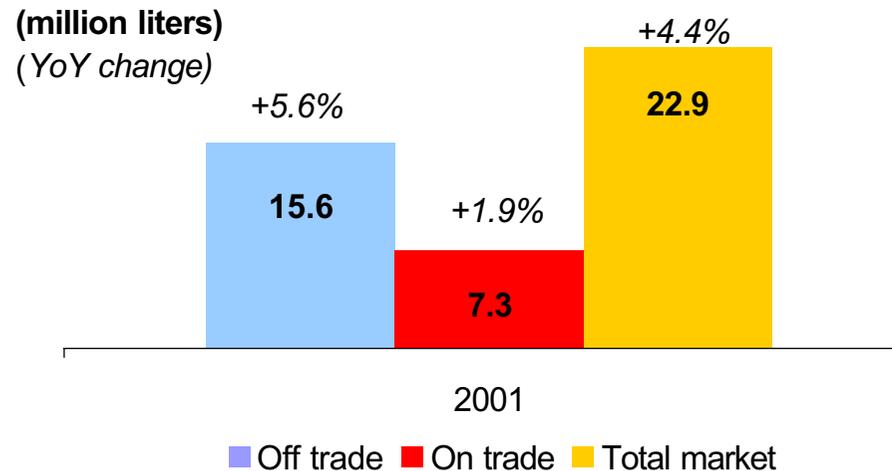
Zedda Piras overview

- ◆ Zedda Piras S.p.A., established in 1854 to produce and distribute classic regional liqueurs, today has the absolute leadership in the *mirto* category with a higher than 50% market share
- ◆ *Mirto di Sardegna*, derived from the myrtle berry which grows in the island, is the company main product and represents the key growth driver for expansion in continental Italy
- ◆ The company products, in particular *Mirto di Sardegna*, have been successfully distributed outside Sardinia since 1999, thus transforming Zedda Piras from a local into a national brand
- ◆ In 2001 Zedda Piras sold 2.5 million litres, of which 1.8 in Sardinia and 0.7 in continental Italy, with an increase of 11.3% over 2000 (8.1% in Sardinia and 16.5% in continental Italy)
- ◆ In 2001 Zedda Piras posted a net turnover of Euro 10.4 million, growing by a CAGR 99/01 of 16.2%
- ◆ Continental Italy represents the key market for the future: in 2001 it accounts for 22% of total volumes and 35.6% of net turnover and grows by a CAGR 99/01 of 45.5% and 51.8% respectively



Sweet liqueurs⁽¹⁾: market size and performance

SLIDE 16



- ◆ Italian sweet liqueur market is estimated to be 22.9 million litres, accounting for 15.5% of total spirits market and increasing by 4.4% in volume in 2001 ⁽²⁾
- ◆ Within the sweet liqueurs segment, *mirto* category has the highest growth potential

(1) According to Nielsen classification it includes fruit, lemon, coffee, chocolate based products, sambuca, etc.

(2) Source: Nielsen Y.E. AM 2001



Price and consumer positioning

SLIDE 17

Brand (Company)	Average price per 1 liter (Euro)*
Mirto di Sardegna (Zedda Piras)	12.58 (13.05 non discounted price)
Mirtocè (Stock)	12.49
Limoncè (Stock)	10.86
Other labels	8.89

* Average prices as of June 2001

- ◆ Zedda Piras is positioned in the premium price category (+16% vs. leading *limoncello* brand)
- ◆ Target consumer is
 - affluent
 - educated
 - young adult
 - stylish



Market positioning in continental Italy

SLIDE 18

- ◆ Brand and product category awareness in Sardinia is absolutely global
- ◆ In continental Italy:

Indicators	Launch in 1999	June 2001
Brand awareness	4%	26.4%
Product category awareness	19.8%	39.5%
Increase in No.of consumers on previous year	n.a.	96.7%
Share of sweet liqueur market ⁽¹⁾	1.5%	4.2%

(1) Scantrack Nielsen: super + hyper; lemon + myrtle based products

- ◆ Zedda Piras has progressively grown outside Sardinia since its launch in continental Italy in 1999

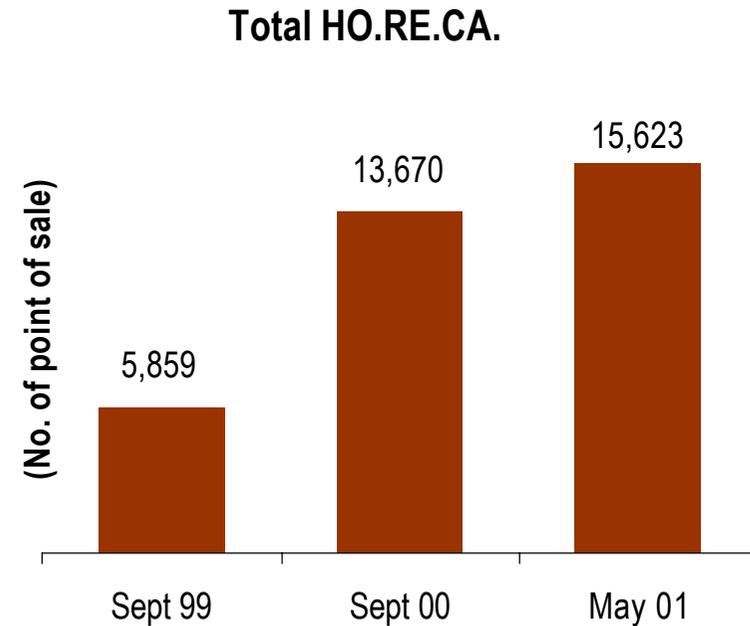


Presence in the trade channels

- ◆ Weighted distribution in Sardinia is 100%
- ◆ In continental Italy:

Total number of direct clients served in 2000
by trade channel

Channel	No. of clients
Grocery shops	117
Specialists	364
HO.RE.CA.	719
Wholesalers	172
Modern trade	149
Other	36
Total	1,557



Source: Nielsen



Zedda Piras strategic goals

SLIDE 20

- ◆ Exploit the growing trend in consumption of genuine regional products following the success of *limoncello* and establish *Mirto di Sardegna* as the alternative to *limoncello*
- ◆ Strengthen Zedda Piras as a national brand and establish it as the reference brand in the *mirto* liqueur category
- ◆ Increase presence in the off-trade and on-trade channels, in particular HO.RE.CA., also leveraging both Sella & Mosca and Campari distribution network



Consolidated financial highlights

Consolidated financial results

SLIDE 22

Zedda Piras and Sella & Mosca	1999 A	2000 A	YoY change	2001 E	YoY change
	(Euro '000)	(Euro '000)	%	(Euro '000)	%
Net turnover (1)	25,673	28,188	9.8%	30,711	9.0%
Cost of good sold	(12,023)	(13,414)	11.6%	(13,991)	4.3%
Gross margin	13,649	14,773	8.2%	16,720	13.2%
Advertising & promotion	(3,022)	(3,206)	6.1%	(3,656)	14.0%
Selling and distribution costs	(3,357)	(3,705)	10.4%	(4,062)	9.6%
Trading profit	7,270	7,863	8.1%	9,002	14.5%
<i>as % of net turnover</i>	<i>28.3%</i>	<i>27.9%</i>		<i>29.3%</i>	
G&A	(2,972)	(2,990)	0.6%	(3,293)	10.1%
Amortisation of GW and TM	(674)	(674)	0.0%	(674)	0.0%
EBIT	3,624	4,198	15.8%	5,034	19.9%
<i>as % of net turnover</i>	<i>14.1%</i>	<i>14.9%</i>		<i>16.4%</i>	
Net financial income/(expenses)	(810)	(1,011)		(1,209)	
Other non operating income/(expenses)	470	(19)		0	
Income before taxes	3,284	3,169	-3.5%	3,826	20.7%
Taxes	(1,990)	(1,677)		(2,141)	
Net income	1,294	1,492	15.3%	1,685	12.9%
Minorities	(476)	(411)		(511)	
Group net income	819	1,081	32.1%	1,174	8.6%
<i>as % of net turnover</i>	<i>3.2%</i>	<i>3.8%</i>		<i>3.8%</i>	
Depreciation	(1,305)	(1,460)		(1,492)	
Amortisation	(751)	(727)		(726)	
Total D&A	(2,056)	(2,187)		(2,218)	
EBITDA	5,680	6,385	12.4%	7,253	13.6%
<i>as % of net turnover</i>	<i>22.1%</i>	<i>22.7%</i>		<i>23.6%</i>	

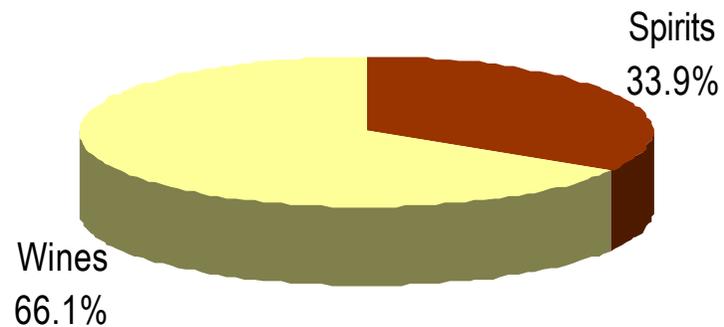
Note:

(1) 2001E net turnover does not include sales from Quingdao and Chateau La Margue, amounting to approx. Euro 1.4 mn.

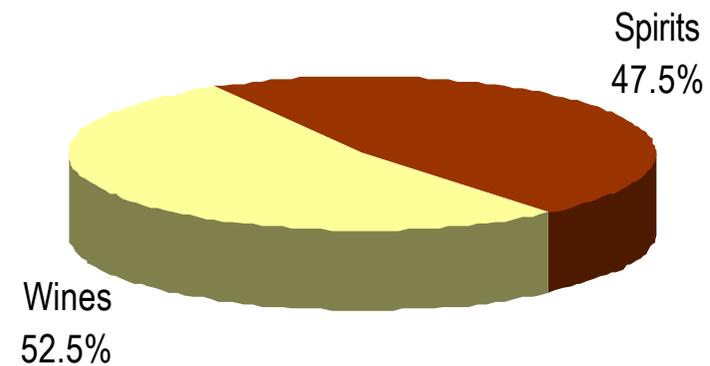


Net turnover and profitability breakdown

Net turnover breakdown by segment 201E
Euro 30.7 million

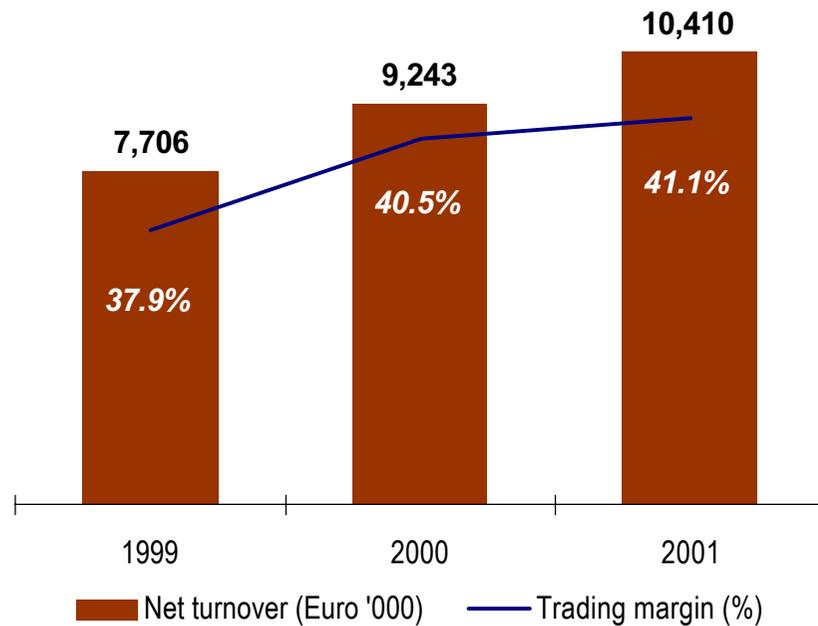


Trading profit breakdown by segment 201E
Euro 9.0 million

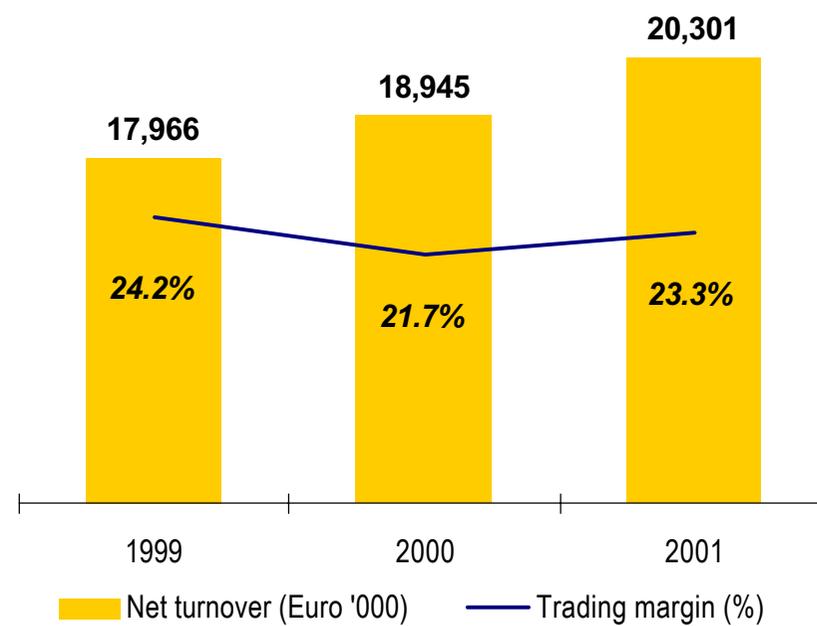


Profitability analysis

SPIRITS (Zedda Piras)
Net turnover and trading profit 1999 - 2001E



WINES (Sella & Mosca)
Net turnover and trading profit 1999 - 2001E



Rationale for acquisition and strategic implications

Rationale and strategic implications

SLIDE 26

- ◆ Strengthen Campari spirits portfolio with the acquisition of the leading brand in the myrtle liqueur category, the fastest growing segment within the Italian sweet liqueur market
- ◆ Exploit a unique acquisition opportunity of a well established and medium-sized business in the premium wine category in Italy with a view to:
 - further expanding the business through selective acquisition in the consolidating wine industry
 - building up a strong and diversified premium wines portfolio
- ◆ Achieve distribution synergies by leveraging:
 - Zedda Piras and Sella & Mosca strength in Sardinia
 - Sella & Mosca distribution network for developing Campari portfolio in the restaurant trade
 - Campari strength for expanding Zedda Piras in continental Italy
 - Campari international distribution network for promoting internationalisation of Sella & Mosca wines



Priorities for 2002

SLIDE 27

- ◆ Integrate the acquisition, not only the brand but the business
- ◆ Deliver synergies with the existing distribution network
- ◆ Optimise A&P spending to strengthen the brands
- ◆ Evaluate further acquisitions within strategic criteria with regard to the still premium wines segment



Questions & Answers



www.sellaemosca.com

Thank you

