

Gruppo Campari

Financial Results as of 30 September 2001

Analysts Conference Call
13 November 2001



Marco Perelli-Cippo

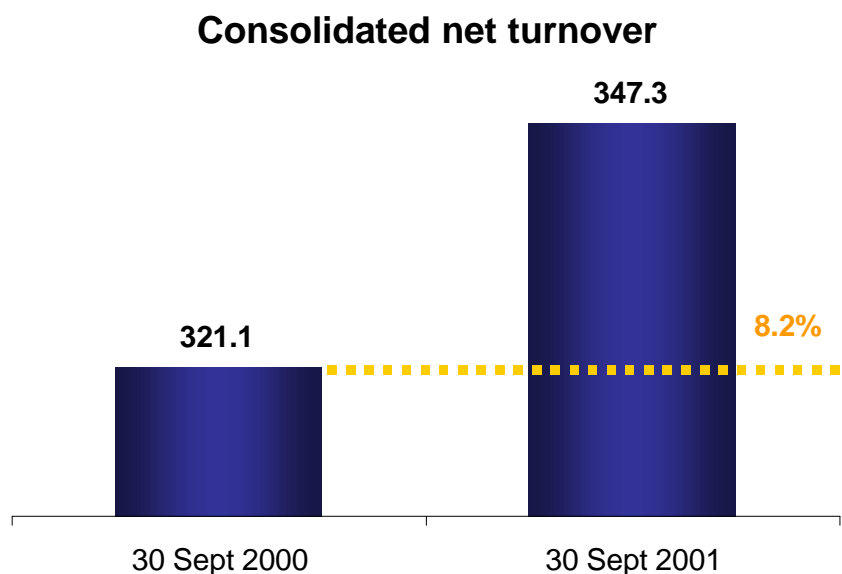
Group Chief Executive Officer



Key items featuring the Third Quarter 2001

- ◆ Good performance of Brazilian activities, in line with expectations
- ◆ Organic growth slowing down in third quarter
- ◆ Change in trade stocking habits after September 11 events

Turnover for the nine months ended 30 September 2001



	Euro mn.	% change
Net turnover 2000	321.1	
<i>Brasilian Acquisition</i>	25.6	
<i>Granini fruit juices *</i>	0.6	
Total external growth	26.2	8.2
Organic growth	2.7	0.8
Exchange rate effect **	(2.7)	(0.8)
Net turnover 2001	347.3	8.2

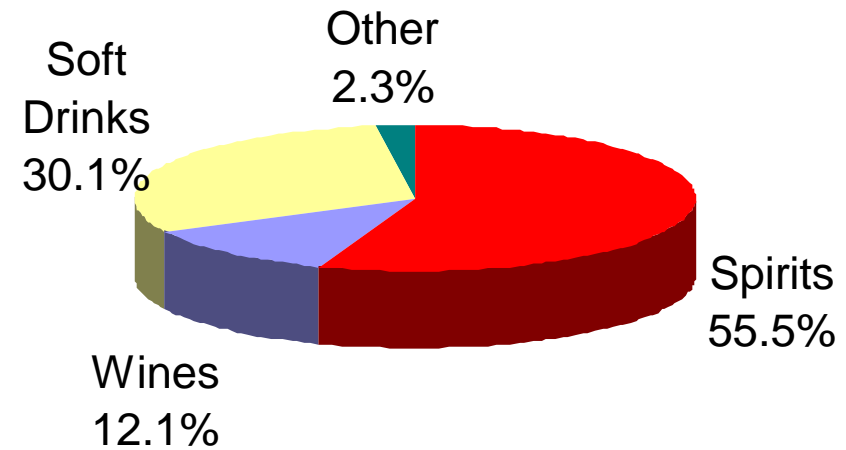
* *Distribution license*

** *Exchange rate variations on existing portfolio*

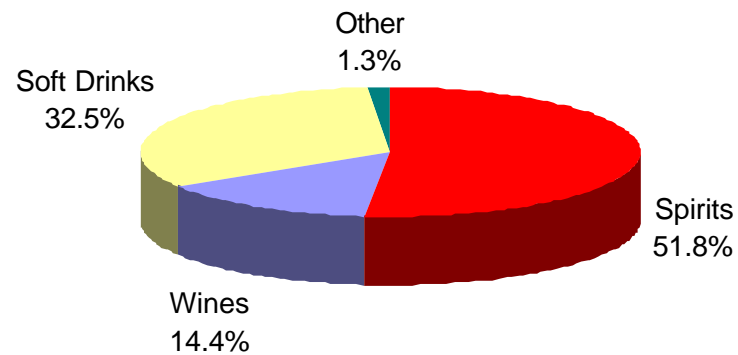
- ◆ Turnover increase is driven by external growth
- ◆ Currency variation is attributable to Brazilian Real (-20.5% on nine months ended 30 September 2000)

Total net sales by segment (as % of net sales)

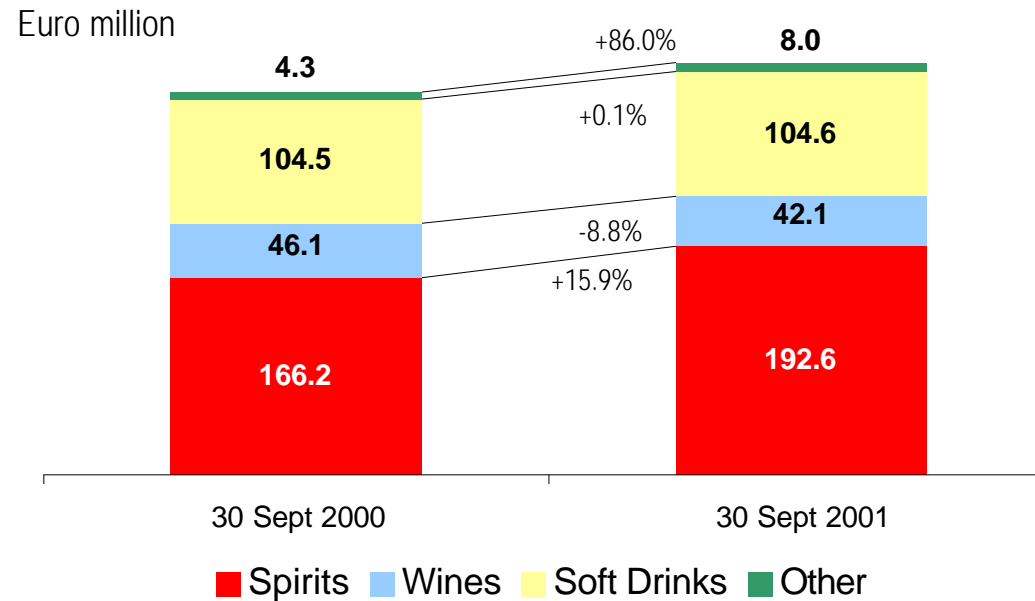
Nine months to 30 Sept 2001



Nine months to 30 Sept 2000



Total net sales by segment (Euro mn. and YoY % growth)

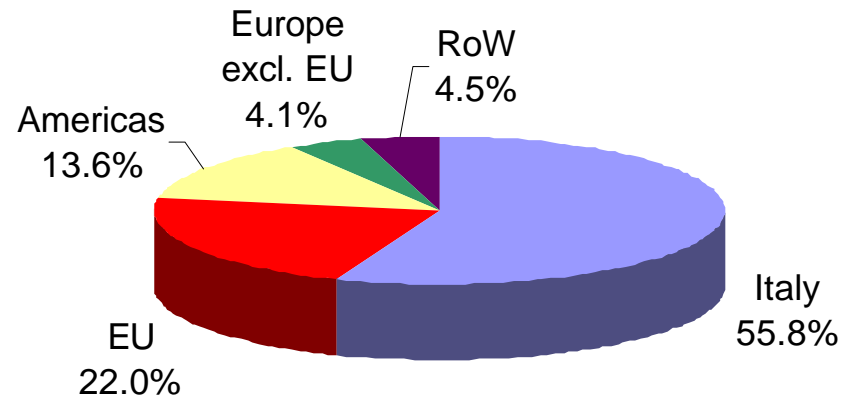


- ◆ Spirits revenues driven by 14.2% external growth and 1.7% organic growth
- ◆ Wines segment (Cinzano) facing difficulties in supply chain and increasing competition in some markets
- ◆ Soft drinks recovering in third quarter, good performance of Crodino

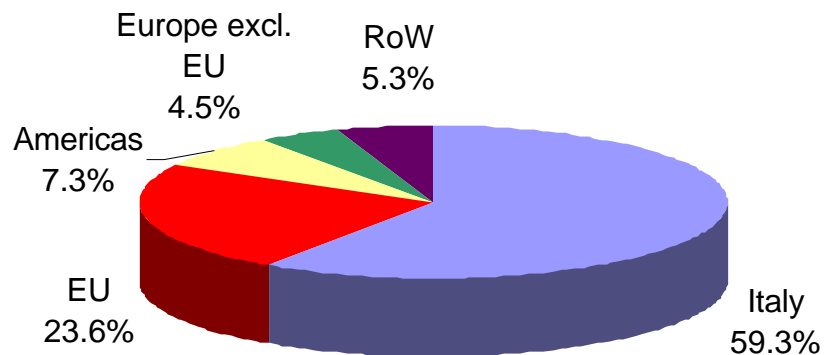


Total net sales by geographical area (as % of net sales)

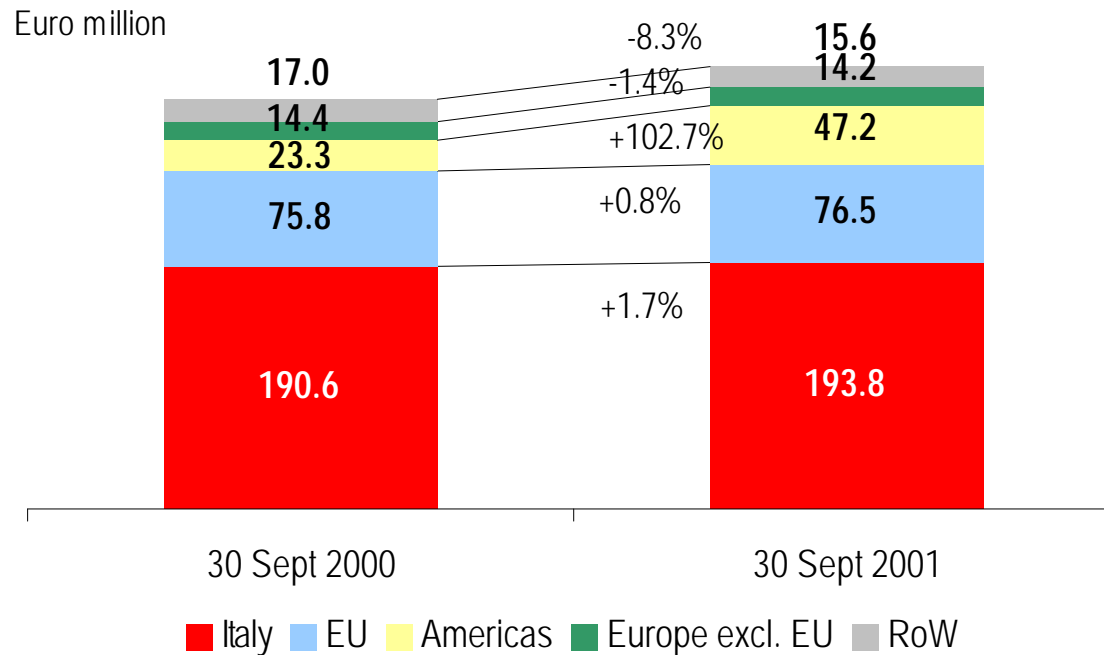
Nine months to 30 Sept 2001



Nine months to 30 Sept 2000



Total net sales by geographical area (Euro mn. and YoY % growth)



- ◆ Growth in Americas as a consequence of Brazilian acquisition
- ◆ Good performance of sales in the domestic market
- ◆ Weak sales performance and currency effect in the Far East

Products overview

**% change in Net Sales Value
Nine Months ended 30 Sept 2001**

Spirits

Campari	(2.0)
CampariSoda	0.5
Cynar	16.2
Jaegermeister (*)	6.5
Skyy Vodka (*)	31.6

Wines

Cinzano Vermouth	(12.2)
Cinzano Sparkling wines	(11.3)

Soft drinks

Crodino	3.3
Lemonsoda, Oransoda, Pelmosoda	(3.7)

() third party brand*



Paolo Marchesini

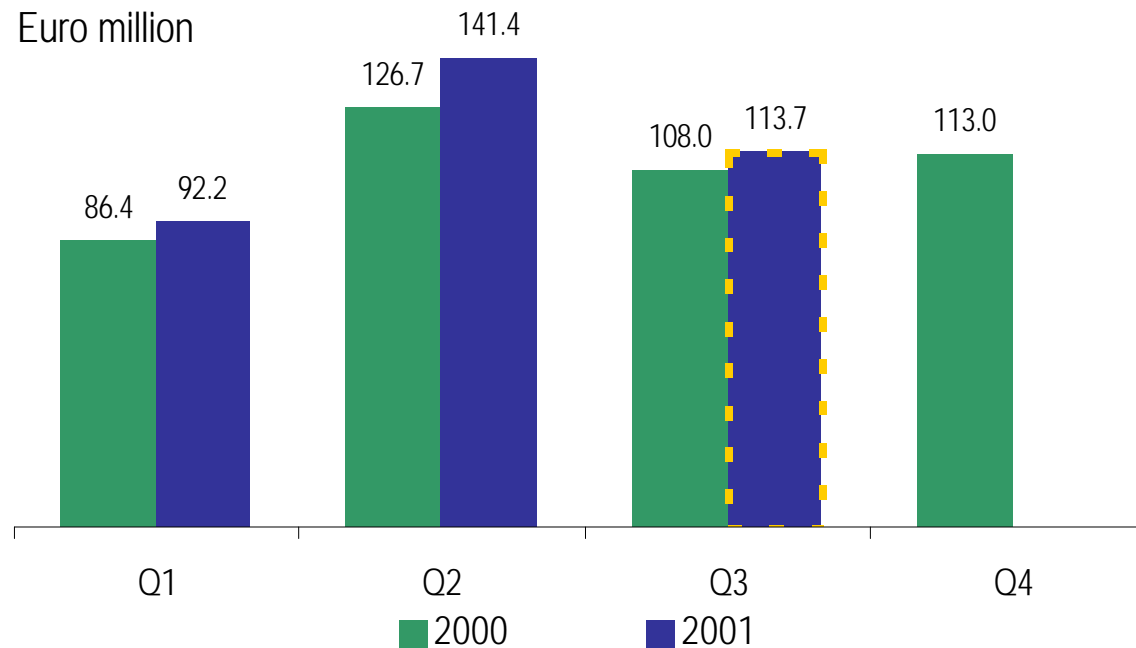
Group Chief Financial Officer



Consolidated income statement

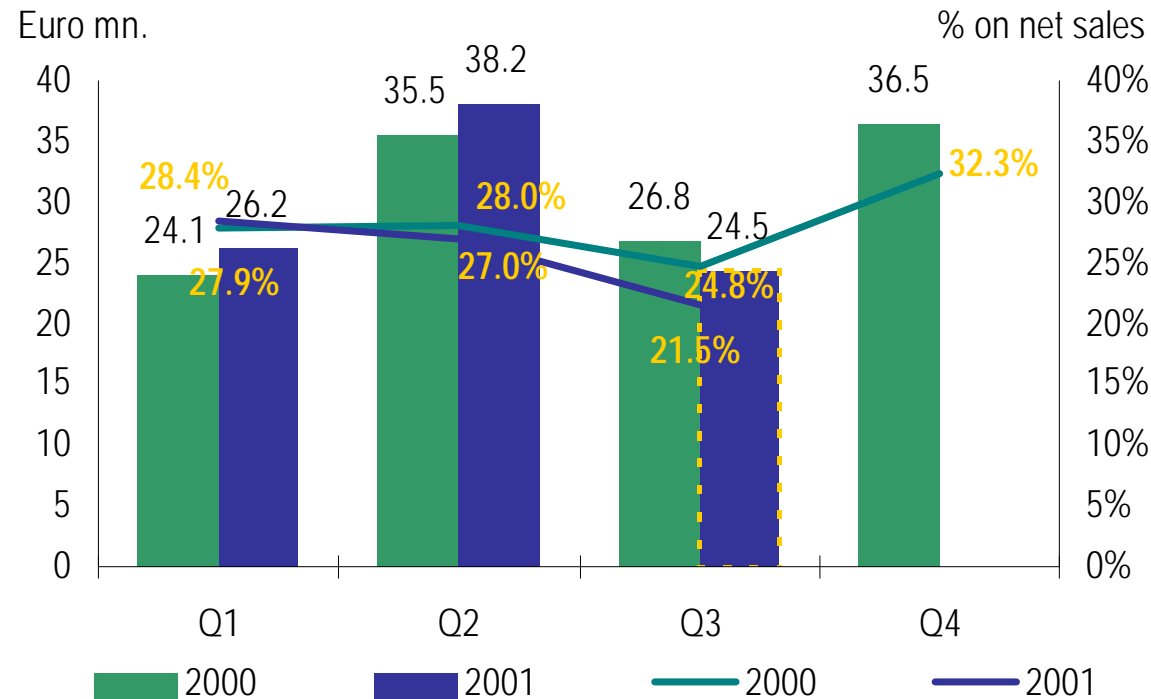
	Nine months to 30 September 2000		Nine months to 30 September 2001		Change
	Euro mn.	%	Euro mn.	%	%
Net sales *	321.1	100.0	347.3	100.0	8.2
Cost of sales	(133.0)	(41.4)	(151.7)	(43.7)	14.0
Gross Margin	188.1	58.6	195.6	56.3	4.0
Advertising and promotion	(65.1)	(20.3)	(67.3)	(19.4)	3.4
Selling and distribution expenses	(36.6)	(11.4)	(39.4)	(11.3)	7.7
Trading margin	86.4	26.9	88.9	25.6	2.9
General and administrative expenses	(20.6)	(6.4)	(21.7)	(6.2)	5.5
Amortisation of goodwill and trademarks	(5.8)	(1.8)	(8.7)	(2.5)	50.7
Operating income before non-recurring costs	60.0	18.7	58.5	16.8	(2.5)
Non-recurring costs	(0.7)	(0.2)	(4.6)	(1.3)	
Operating margin = EBIT	59.3	18.5	53.9	15.5	(9.1)
Net interest income (charges)	2.7	0.8	2.5	0.7	(7.3)
Exchange-rate gains (losses), Net	(0.1)	(0.0)	(1.6)	(0.5)	
Other, Net	6.5	2.0	1.0	0.3	(84.9)
Minority interests	0.0	0.0	0.0	0.0	0.0
Income before taxes	68.4	21.3	55.8	16.1	(18.3)
Depreciation	7.5	2.3	8.1	2.3	8.1
Amortisation	6.9	2.2	10.6	3.1	53.4
EBITDA before non-recurring costs	74.5	23.2	77.3	22.3	3.8
EBITDA	73.7	23.0	72.6	20.9	(1.5)

Net turnover by Quarter (Euro million)



- ◆ Sales slowing down in third quarter as a consequence of poor performance of Campari in Brazil and Germany
- ◆ 5.3% increase on Q3 2000, of which +7.2% external growth, -0.3% organic decrease and -1.6% exchange rate effect

Trading Margin by Quarter

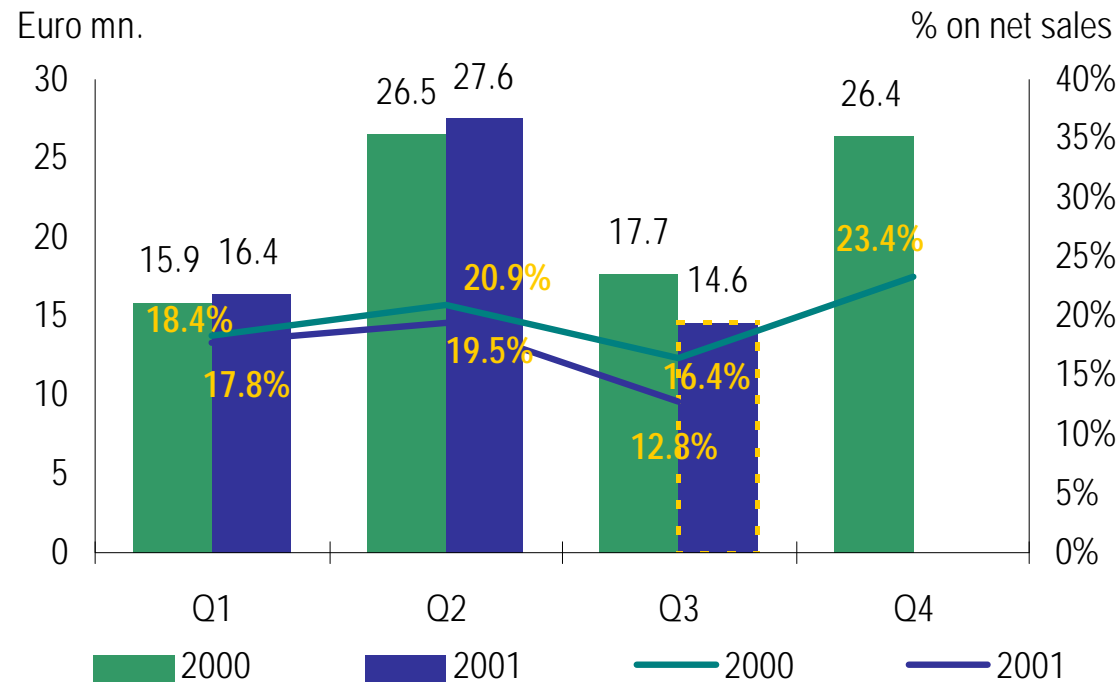


- ◆ Cost of sales progressively increasing due to integration of Brazilian activities and increase in cost of raw materials (+14% for first nine months, +16.4% in Q3)

Trading Margin by Quarter (cont.)

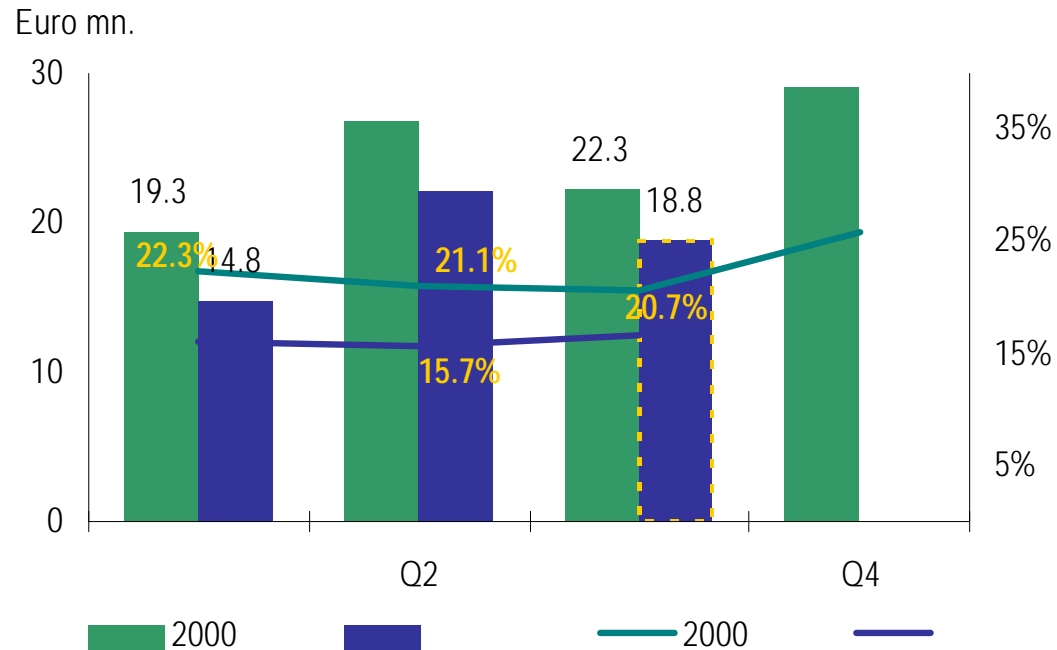
- ◆ A&P decreasing as % of net sales due to lower cost per contact in A&P spending in Brazil: 19.4% in first nine months 2001 (vs. 20.3% in first nine months 2000)
- ◆ Lower profitability due to:
 - higher cost of sales of Brazilian brands
 - increase in cost of raw materials
 - unfavourable sales mix of existing portfolio in Third Quarter

EBIT before non-recurring costs by Quarter



- ◆ G&A increasing by 5.5% in the first nine months 2001 mostly attributable to consolidation of Brazilian activities
- ◆ Significant impact of goodwill of Brazilian acquisition on operating

Income Before Taxes by Quarter



- ◆ Non recurring costs attributable to IPO and restructuring expenses (charged to 1H 2001)
- ◆ Lower extraordinary income from disposal of non-operating assets in 2001, unrealised exchange rate loss and lower financial income due to lower net cash position

Net financial position

Euro mn.	31 Dec 2000	30 Sept 2001	30 Sept 2001
Cash	167.7	137.7	147.4
Bank borrowing	(11.5)	(88.2)	(85.6)
Debt due to real estate leasing and other financial debt	(16.9)	(16.1)	(15.8)
Net cash	139.3	33.4	46.0
Marketable securities *	48.9	41.3	42.4
Net cash and marketable securities	188.2	74.7	88.4

* does not include Treasury (Euro 31 million)

- ◆ Purchase of 1 million own shares by Davide Campari-Milano S.p.A. in July for a total value of Euro 31 million as part of the Group's stock option plan

Marco Perelli-Cippo

Group Chief Executive Officer



Outlook on 2001

- ◆ Q4 results are expected to be affected by reduction of stock levels by the trade and a possible change in consumer habits after September 11 events
- ◆ Recession in Brazil is expected to start recovering in 2H 2002
- ◆ New marketing actions to start in Germany
- ◆ Investment in new plant in Piedmont for the production of Cinzano has been approved (expected to start operations in 2003)

Questions & Answers

Thank you

