GRUPPO CAMPARI

PRESS RELEASE

CAMPARI APPROVES FULL YEAR RESULTS TO DECEMBER 31, 2002

Consolidated sales reach € 661 million (up 34%)

EBITDA rises to € 160 million (+40%)

Consolidated net income rises to € 87 million (+37%)

The Group is No. 6 in the world's spirits market[1]

International revenues higher than domestic revenues for the first time ever

Milan, 26 March 2003 - The Board of Directors of Davide Campari-Milano S.p.A. has approved the Group's consolidated results for the fiscal year 2002, which fully confirm the stated growth goals and show substantially increased profits compared to 2001.

- **Consolidated net sales of € 661 million, up 34%**
- **EBITDA of € 160 million, up 40%**
- **EBITA of € 142 million, up 42%**
- **EBIT of € 115 million, up 29%**
- **Consolidated net income of € 87 million, up 37%**
- **EPS of € 2.98, up 37%**

2002 crowns a **highly successful five year period** in which the Campary Group has **grown twice its size**, with consolidated net income leaping from € 334 million in 1998 to € 661 million in 2002, and **doubled its operating income**, with EBITA grown from € 76 million in 1998 to € 142 in 2002.

In the words of the **CEO, Marco Perelli-Cippo:** *"The Group is successfully continuing its expansion in global markets, with results increasing significantly. In 2003 we expect a further growth, despite the unfavourable global economic environment".*

Dividend

At the Ordinary General Shareholders' Meeting convened for 30 April 2003, the distribution of dividend of € 0.88 per share will be proposed (for a total dividend of € 24.7 million), to be paid starting on 22 May (ex-dividend date 19 May).

Sales 2002

The year 2002 closed with **strongly growing results**, thanks also to the **two important acquisitions** completed early in the year: Skyy Spirits, LLC and Zedda Piras S.p.A. and Sella & Mosca S.p.A., **whose integration was successfully completed** during the year.

Group sales were € 660.6 million, up 33.7%. **External growth was 32.4%**, attributable to Skyy Spirits, LLC (for 26%) and to Zedda Piras S.p.A. and Sella & Mosca S.p.A. (for 6.3%). **Organic growth was 5.1%** (1.3% after exchange rate effect).

Revenues of the **spirits segment**, representing 64.6% of total sales, were € 426.6 million, up 50.3%. An essential contribution to this result came from **SKYY Vodka which confirms its positive sales trend, with**

[1] Source: IMPACT, "Top 100 premium distilled spirit brands world-wide by company" rating, February 2003

double-digit growth both on the US market and on international markets. Organic growth of the spirits segment was 7.3% (1.3% after exchange rate effect), favoured by the **good performance of CampariSoda** (+3.3%), **Ouzo 12** (+4.5%) and **Jägermeister** (+4.3%) **and supported also by the launch of Campari Mixx.** The **performance of the Campari brand was positive at 2.6%** (-1.5% net of the exchange rate effect), showing a positive trend on the Italian and Brazilian market, and a still unsatisfactory performance on the German market. Local Brazilian brands Dreher, Old Eight and Drury's continue to exhibit excellent sales performance in terms of volume and value in local currency (+16%), but are negatively impacted by exchange rates, with a drop of 12.4% if sales are converted to the consolidation currency.

The **wines segment grew by 31.3%**, due to the acquisition of the Sella & Mosca wines (+27.9%), whose performance was positive. The existing portfolio grew by 5.1% (3.4% after exchange rate effect): **Cinzano sparkling wines exhibited particularly positive growth** (+15.5%); Cinzano *vermouth* (-0,8%; -3.5% after exchange rate effect) shows a further significant recovery in the last quarter of 2002.

The **soft drinks segment** slowed by 0.1%; while **Crodino sales** (by far the segment's highest margin brand) **confirmed their highly positive trends**, growing by 4.3%, a less satisfactory performance was recorded by carbonated soft drinks (marginal in terms of profitability), caused mostly by adverse weather during the summer.

The following chart shows net consolidated sales by segment.

	1 January - 31 December 2002		1 January - 31 December 2001		Change
	€ million	**%**	**€ million**	**%**	**%**
Spirits	426.6	64.6%	283.8	57.4%	50.3%
Wines	96.6	14.6%	73.6	14.9%	31.3%
Soft Drinks	127.3	19.3%	127.4	25.8%	-0.1%
Other revenues	10.1	1.5%	9.5	1.9%	6.8%
Total	**660.6**	**100.0%**	**494.3**	**100.0%**	**33.7%**

For the first year in the Group's history **sales on international markets overtook those on the Italian market**, demonstrating the Group's success in the pursuit of its strategy, focused on international expansion.

The **Italian market** (47.1% of sales) grew by 18%, thanks to the contribution by Zedda Piras S.p.A. and Sella & Mosca S.p.A. (+11.1%), and to significant organic growth (+6.9%), resulting from the good performance of Campari, CampariSoda, Crodino, Cinzano sparkling wines and to the launch of Campari Mixx. The **Americas** accounted for 30.3% of total sales, with growth wholly generated by the US market, as an effect of the consolidation of Skyy Spirits, LLC. In particular the United States, accounting for 20.9% of total sales, become the second most important market for the Group. The **Brazilian business**, amounting to 8.4% of consolidated sales, recorded a 14.3% revenue growth in local currency which, due to the exchange rate effect, translates into a 15% drop in consolidation currency.

The following chart shows a breakdown of net consolidated sales by geographic area.

	1 January - 31 December 2002		1 January - 31 December 2001		Change
	€ million	**%**	**€ million**	**%**	**%**
Italy	311.0	47.1%	263.5	53.3%	18.0%
Europe	127.3	19.3%	131.2	26.5%	-2.9%
Americas	200.2	30.3%	76.7	15.5%	161.0%
Rest of the world	22.2	3.3%	22.9	4.6%	-3.5%
Total	**660.6**	**100.0%**	**494.3**	**100.0%**	**33.7%**

The positive impact of the acquisitions is reflected on the growth rates of all income levels.

Trading profit was € 180.8 million, **up 32.5%** and amounting to 27.4% of sales.

EBITDA was €160.0 million, **up 39.7%** and amounting to 24.2% of sales.

EBITA was €142.4 million, **up 42.3%,** with a percentage of sales of 21.6%.

EBIT was € 114.7 million, up **29.4%**, with a percentage of sales of 17.4%, also benefiting from a royalty stream of € 5.3 million from SKYY Blue, the ready to drink launched in 2002 in partnership with SABMiller and now one of the three leading brands in the market.

Consolidated net income was € 86.7 million, **up 36.7%**. A contribution to this result comes, among other things, from the tax cuts provided by the Tremonti *bis* law investments pertaining to the construction of the new plant in Novi Ligure.

Shareholders' equity and indebtedness

Consolidated shareholders' equity as of 31 December 2002 amounted to € 478.9 million.

As of 31 December 2002 **net financial debt** was € 198.8 million. The change in the net financial position from 31 December 2001, when it was positive for € 96.6 million, is due to payments for the acquisitions made. It should be noted that the Group's debt has been significantly reduced from € 239.4 million as of 30 June 2002, thanks to considerable cash generation.

2003 Outlook

As to 2003, we expect the positive trend in consolidated sales to be driven, with respect to external growth, by contributions from the sales of Tequila 1800 in the United States, for which the distribution agreement was stipulated in 2002, and with respect to the existing portfolio, by the widened distribution of Campari Mixx in the German and Austrian markets.

Management

The Board of Directors has acknowledged that CEO Marco Perelli-Cippo, after 30 years of intelligent and dedicated work with Campari, requested for his office not to be renewed at the time of natural expiry, i.e. at the Shareholders' Meeting to approve the 2003 Financial Statements, at that time being aged 60.
Marco Perelli-Cippo will act as CEO until April 2004, and will subsequently continue to provide his valuable contribution within the Board of Directors.
As his successor, which favours also the Company's generational succession, the Board of Directors has designated Enzo Visone, aged 47, who has been with the Group since 1987, and is currently in charge of International Operations. Enzo Visone has been appointed as Deputy CEO, effective immediately.
Enzo Visone will work side by side with Marco Perelli-Cippo until the end of the latter's term of office, and thereafter will be appointed CEO of the Group.
The Board of Directors acknowledged Marco Perelli-Cippo's decision, prompted by personal reasons, and unanimously expressed its appreciation for the exceptional efforts made in expanding Campari worldwide and the outstanding results achieved.
Chairman Luca Garavoglia said: "*I understand the reasons that lead Marco Perelli-Cippo to plan ahead for a turnover in Group leadership, and to dedicate himself entirely to his private life after many years of commitment, hard work and exceptional professional success. For one year he will continue to be fully in charge of the business, and then he will pass on his responsibilities according to plans, in total strategic continuity, to Enzo Visone. Marco Perelli-Cippo*, *to whom Campari owes a lot, however, will remain a member of the Board, so that even after 2004 the Group will continue to benefit from his incomparable contribution.*

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ANALYST CONFERENCE CALL

At 5:00 p.m. (CET) today, Wednesday 26 March 2003, a conference call will be held during which Campari Group's management will present the results of the first nine months of 2002 To participate in the conference call, simply dial one of the following numbers (pass code: C481231):

- From Italy: 800.914.551 (toll-free number)
- From abroad: +39.02.3700.8206

PRESENTATION TO THE FINANCIAL COMMUNITY AND THE PRESS

At 10:00 a.m. (CET) tomorrow, Thursday 27 March 2003, Campari Group's management will present the 2002 results at a meeting with analysts, investors and the press. The meeting will be held in the Sala Assemblee at Banca Intesa, Piazza Belgioioso 1, Milan.

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Annex A)
Campari Group - 2002 Consolidated Income Statement

	1 January - 31 December 2002		1 January - 31 December 2001		Change
	€ million	%	€ million	%	%
Net revenues (1)	**660.6**	**100.0%**	**494.3**	**100.0%**	**33.7%**
Cost of sales	(276.3)	-41.8%	(211.5)	-42.8%	30.6%
Gross Margin	**384.3**	**58.2%**	**282.8**	**57.2%**	**35.9%**
Advertising and promotion	(130.8)	-19.8%	(91.3)	-18.5%	43.3%
Selling and distribution expenses	(72.7)	-11.0%	(55.0)	-11.1%	32.2%
Trading margin	**180.8**	**27.4%**	**136.5**	**27.6%**	**32.5%**
General and administrative expenses	(43.3)	-6.6%	(31.6)	-6.4%	37.4%
Other operating income	5.8	0.9%	0.7	0.1%	699.3%
Amortisation of goodwill and trademarks	(27.8)	-4.2%	(11.4)	-2.3%	142.6%
EBIT before non-recurring expenses	**115.5**	**17.5%**	**94.2**	**19.1%**	**22.6%**
Non-recurring expenses	(0.8)	-0.1%	(5.6)	-1.1%	-85.5%
EBIT after non-recurring expenses	**114.7**	**17.4%**	**88.6**	**17.9%**	**29.4%**
Net interest income (charges)	(6.1)	-0.9%	3.2	0.6%	-292.7%
Exchange-rate gains (losses), net	8.2	1.2%	(3.9)	-0.8%	-310.8%
Other non operating income (charges)	6.6	1.0%	6.1	1.2%	10.0%
Income before taxes	**123.4**	**18.7%**	**94.0**	**19.0%**	**31.3%**
Minority interests	(15.8)	-2.4%	0.0	0.0%	-
Group income before taxes	**107.6**	**16.3%**	**94.0**	**19.0%**	**14.5%**
Taxes	(20.9)	-3.2%	(30.6)	-6.2%	-31.6%
Net income	**86.7**	**13.1%**	**63.4**	**12.8%**	**36.7%**
Depreciation	(14.4)	-2.2%	(11.3)	-2.3%	27.0%
Amortisation of goodwill, trademarks and other intangibles	(30.9)	-4.7%	(14.5)	-2.9%	113.0%
Total depreciation and amortisation	**(45.3)**	**-6.9%**	**(25.8)**	**-5.2%**	**75.4%**
EBITDA before non-recurring expenses	**160.8**	**24.3%**	**120.0**	**24.3%**	**33.9%**
EBITDA	**160.0**	**24.2%**	**114.5**	**23.2%**	**39.7%**
EBITA before non-recurring expenses (2)	**143.2**	**21.7%**	**105.7**	**21.4%**	**35.6%**
EBITA (2)	**142.4**	**21.6%**	**100.1**	**20.3%**	**42.3%**

(1) Net of discounts and excise duty
(2) EBITA = EBIT before amortisation of goodwill and trademarks

Annex B)
Campari Group - 2002 Consolidated Balance Sheet

	31 December 2002	31 December 2001	Change
	€ million	**€ million**	**€ million**
Cash and banks	103.5	177.8	(74.3)
Marketable securities	4.2	46.4	(42.2)
Accounts receivable, net of devaluation reserve	132.9	108.3	24.6
Inventories	94.9	64.4	30.5
Other current assets	49.0	29.7	19.3
Total current assets	**384.5**	**426.6**	**(42.1)**
Tangible assets	144.2	91.0	53.2
Goodwill	437.3	152.6	284.7
Other intangible assets	16.0	18.3	(2.3)
Financial assets	8.7	18.8	(10.1)
Other non-current assets	3.4	3.5	(0.1)
Treasury	31.0	31.0	0.0
Total non-current assets	**640.6**	**315.2**	**325.4**
Total assets	**1,025.1**	**741.8**	**283.3**
Short-term financial debt	122.1	114.1	8.0
Accounts payable	134.3	86.7	47.6
Other current liabilities	53.7	44.0	9.7
Total current liabilities	**310.1**	**244.8**	**65.3**
Medium and long term loans	181.0	13.5	167.5
Employee's termination pay	13.1	10.9	2.2
Other non-current liabilities	32.0	40.0	(8.0)
Minority interests	10.0	2.3	7.7
Total non-current liabilities	**236.1**	**66.7**	**169.4**
Shareholders' equity	**478.9**	**430.3**	**48.6**
Total liabilities and shareholders' equity	**1,025.1**	**741.8**	**283.3**

The Campari Group

The Campari Group is the sixth player in the global spirits sector, trading in over 190 markets around the world with a leading position in the Italian and Brazilian markets and a strong presence in the USA, Germany and Switzerland. Following an intensive acquisition campaign undertaken over the last few years, the Group has an extensive portfolio that spans three business segments: spirits, wines and soft drinks. The Group's portfolio includes a combination of strong international brands, such as Campari, SKYY Vodka, Cynar and Cinzano and leading local brands, such as CampariSoda, Campari Mixx, Crodino, Sella & Mosca, Zedda Piras, Biancosarti, Lemonsoda, Oransoda and Pelmosoda in Italy, SKYY Blue in the United States, Ouzo 12 in Greece and in Germany, Dreher, Old Eight, Drury's and Liebfraumilch in Brazil and Gregson's in Uruguay. The Group has 1,350 employees, and shares of the parent company Davide Campari-Milano S.p.A have been listed on the Milan stock exchange since July 2001 (Reuters CPR.MI, Bloomberg CPR IM).

FOR FURTHER INFORMATION:

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