GRUPPO CAMPARI

PRESS RELEASE

2004 FULL YEAR RESULTS

Growth continues in sales and at all levels of operating profitability

- **Consolidated net sales € 779.2 million (+9.1%)**
- **EBITDA € 183.6 million (+8.5%)**
- **EBIT € 129.8 million (+6.2%)**
- **Net profit adjusted for exceptional items € 67.8 million (+5.1%)**

Proposed stock split at the rate of 10 shares for each existing share

Proposed dividend of € 0.10 per share after the stock split, up by 13.6%

Milan, 21 March 2005 - The Board of Directors of Davide Campari-Milano S.p.A. has approved the consolidated results for 2004. **Growth in sales and at all levels of operating profitability continued**, thanks to the consolidation of the newly-acquired Barbero 1891 and to a good performance from the Group's existing business, despite the impact of negative exchange rate movements.

Moreover, if sales and all profitability indicators were considered before the impact of exchange rates (i.e. using average rates for 2003), they would show **double-digit growth** in 2004 versus the previous year.

Consolidated results	2004 € million	2003 € million	Change at actual exchange rates	Change at constant exchange rates
Net sales	779.2	714.1	+9.1%	+11.9%
EBITDA	183.6	169.2	+8.5%	+12.1%
EBITA(1)	164.9	150.7	+9.5%	+13.3%
EBIT = Operating profit	129.8	122.2	+6.2%	+11.0%
Group's net profit(2)	69.3	79.8	-13.2%	-9.5%

(1) EBITA = EBIT (operating income) before amortisation of goodwill and trademarks.
(2) **Net profit adjusted for extraordinary items** was € 67.8 million, **up by 5.1%** at actual exchange rates.

Enzo Visone, **Chief Executive Officer**, said: *"The Group achieved very good results again this year. We look to the development of our business with confidence for 2005 and more generally in the medium term, and expect to continue to achieve satisfactory organic growth".*

2004 CONSOLIDATED RESULTS

In 2004, **Group sales** totalled € 779.2 million, **an increase of 9.1%** (+11.9% at constant exchange rates). **Organic growth** was **3.8%**, while exchange rate movements had a negative effect of 2.8%, mainly because of the fall in value of the US dollar. **External growth of 8.2%** was due almost entirely to the newly-acquired Barbero 1891.

Trading profit increased by **13.5%** to € 219.1 million (+17.0% at constant exchange rates), or 28.1% of sales.

EBITDA rose by 8.5% (+12.1% at constant exchange rates) to € 183.6 million, or 23.6% of sales.

EBITA increased by 9.5% (+13.3% at constant exchange rates) to € 164.9 million, or 21.2% of sales.

EBIT went up by 6.2% (+11.0% at constant exchange rates) to € 129.8 million, or 16.7% of sales.

Profit before taxes and minority interests was € 123.2 million, a fall of 10.8% (-6.8% at constant exchange rates). This was **due entirely to the significant drop in extraordinary income, which in 2003 included the capital gain resulting from the sale of the building in Via Filippo Turati, Milan, for € 33.7 million.**

Net profit attributable to the Group was € 69.3 million, a fall of 13.2% (-9.5% at constant exchange rates). However, **the net profit adjusted for exceptional income, with particular reference to the** capital gain mentioned above, and the associated taxes, was € 67.8 million (+**5.1%).**

Group shareholders' equity was € 596.0 million at 31 December 2004.

At 31 December 2004, **net financial debt** was € 228.7 million (€ 297.1 million at 31 December 2003). **The debt to equity ratio** at 31 December 2004 was 38.4%.

2004 SALES

The **spirits segment**, which accounted for 65.2% of total sales, recorded **growth of 8.7%**, the combination of **organic growth of 3.7%,** external growth of 9.0% and a negative exchange rate effect of 4.0%. The **Campari** brand posted **growth of 3.0%** at constant exchange rates (1.4% at actual exchange rates). The positive performances recorded in Brazil, Italy and Japan more than offset poor sales in the German market, caused by economic factors and bad weather. Sales of **SKYY Vodka rose by 8.3%** at constant exchange rates. The **SKYY flavoured** vodka range, which accounted for 13% of total SKYY brand sales, fell by 4.6% at constant exchange rates, owing to an unfavourable comparison base with the same period of 2003 (sales jumped following some new product launches). Overall, **SKYY brand sales, including the flavoured range, rose by 6.3%** at constant exchange rates (-2.9% at actual exchange rates). Regarding the other main brands, the spirits segment benefited from a good performance from **CampariSoda (+5.1%**), the **Brazilian brands** (**+5.1%** at constant exchange rates), **Ouzo 12** (**+8.3%** at constant exchange rates) and **Cynar** (**+8.2%** at constant exchange rates). The segment also received a boost from buoyant sales of **tequila 1800**, a brand sold under licence **(+21.3% at constant exchange rates). External growth** was entirely due to Barbero 1891, and benefited from the **positive contribution** made in particular by **Aperol**, which recorded **volume growth in excess of 20%** compared with 2003.

The **wines segment** (16.2% of total sales) **posted growth of 27.5%**. **Organic growth (+18.2%)** benefited from a **good performance** by all the main brands: **Cinzano sparkling wines** grew by **+8.9%** at constant exchange rates, thanks to a good showing in Italy, Japan and other major European markets. **Cinzano vermouth** posted growth of **+13.2%** at constant exchange rates, thanks to a positive trend on the main European markets and in Japan. Sales of wines were also supported by a sound performance from **Sella & Mosca (+14.2%)**, partly because of a good sales mix, and from **Riccadonna**. **External growth (+10.7%)** was almost entirely due to Barbero 1891, particularly the Mondoro and Enrico Serafino brands.

Soft drink sales (17.3% of total sales, almost entirely on the Italian market) fell **by 4.0%**. The **6.3% increase posted by Crodino**, due to the well-established nature of the brand, was more than offset by a decline in all of the Group's other soft drinks, which was largely the result of adverse weather conditions. Specifically, sales of the **Lemonsoda, Oransoda and Pelmosoda** range dropped by **12.8%**, while **Lipton Ice Tea** sales slid by **12.4%**.

Looking now at **results by region**, 2004 sales on the **Italian** market, which accounted for 50.1% of total Group sales, posted **organic growth of 2.4%**, thanks to a good performance from all the main wines and spirits brands. In addition, the Italian market also saw a positive contribution from the newly-acquired Barbero 1891 **(+12.5%)**. **Sales in Europe**, accounting for 19.2% of the total, also benefited from **external growth of 9.4%**, almost entirely generated by Barbero 1891. The 1.0% contraction in organic growth was largely attributable to a negative performance on the German market. This was due to the ongoing economic slowdown and to the suspended distribution of Campari Mixx following the sharp rise in duty on ready-to-drink products. In the Americas, which accounted for 27.8% of total sales, the **US market** posted **growth of 6.5%** at constant exchange rates, which was completely wiped out by negative exchange rate movements (-9.6%), while sales in **Brazil grew by 4.7%** in local currency terms (unchanged at actual exchange rates). Sales to the **rest of the world**, accounting for 2.9% of the total, **shot up by 29.8% in organic terms at constant exchange rates**. The performance here was boosted in particular by the turnaround on the Japanese market and by good performances from the Australian and New Zealand markets.

EVENTS TAKING PLACE AFTER THE END OF 2004

On 25 February 2005, the Campari Group acquired a further 30.1% shareholding in Skyy Spirits, LLC via the exercise of a call option, under the terms agreed in January 2002 when Campari bought a majority shareholding in the company. The payment of US$ 156.6 million (equivalent to around € 118 million at the exchange rate on the date of the transaction) was made in cash. The acquisition was financed partly using own funds and partly via bank debt.

OUTLOOK

This year, economic forecasts for the Group's main strategic areas appear generally to confirm the current trends of modest growth in the eurozone and stronger growth in the US and especially Brazil. In any case, thanks to our well-established, leading premium brands, which are our main strength, we are confident about our business performance in 2005 and for the medium term, and we expect to continue to achieve a positive development of our business.

ADOPTION OF INTERNATIONAL ACCOUNTING STANDARDS (IAS)

During 2004, we began analysing the new accounting principles and the impact these will have on Group companies and the consolidated results. More particularly, we analysed individual IAS/IFRS standards and identified differences between these and the principles currently used. Where the information needed for the preparation of the annual and interim reports according to the new standards required the implementation of new IT processes, we developed and introduced these processes. The Group has almost finished quantifying the main effects of the new principles on the opening balances at the date of transition, and on the comparative figures for 2004. As regards the timing of the application of the new principles to 2005 results releases, the Group plans to take advantage of the option to draw up its first quarter 2005 report using the old criteria. IAS 34 ("Interim financial reporting") will be adopted for the half-year report to 30 June 2005.

OTHER RESOLUTIONS

Stock split. The Board of Directors has voted to propose that the 29,040,000 shares with a nominal value of € 1.00 each currently making up the Group's share capital be split, via the issue of ten new shares with nominal value of € 0.10 each for each existing share. The move will be put forward for approval at the ordinary and extraordinary Shareholders' Meeting scheduled for 29 April 2005. The new shares would qualify for dividends from 1 January 2004, and the current fully paid up share capital of € 29,040,000 (which will remain unchanged) would subsequently be divided into 290,400,000 shares.

Dividend. The Board of Directors has also voted to propose the distribution of **a dividend of € 0.10 for each share resulting from the proposed stock split**. This is **an increase of 13.6% on last year's dividend of € 0.088 (adjusted)**. The dividend will be paid from 12 May 2005 (coupon no. 1 will be detached on 9 May 2005) except on own shares. The **proposed dividend totals € 28.1 million**, compared with a figure of € 24.7 million last year.

Own shares. The Board of Directors has approved the report to the Shareholders' Meeting relating to the resolution to authorise the purchase and/or sale of own shares, mainly to be used in the Group's stock option plans. The authorisation shall concern the purchase and/or sale of a total number of shares, including existing own shares, up to 10% of the share capital. As of today, the company has own shares corresponding to 3.22% of the share capital. The authorisation shall remain valid until 30 June 2006. The corresponding minimum and maximum purchase and/or sale price will be determined at a unit price which, as regards the said price range, shall not be less than 25% and shall not exceed 25% than the average reference price determined by the three Stock Market sessions prior to each single transaction.

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CONFERENCE CALL

Please note that at **5.30 p.m. (CET) today, Monday 21 March 2005**, Campari's management will hold a conference call to present the Group's 2004 annual results to analysts, investors and journalists. To participate, please dial one of the following numbers:

- **from Italy: 800 914 576 (toll free number)**
- **from abroad: +39 02 3700 8208**

The **presentation** can be downloaded before the conference call from the investor relations homepage of Campari's website, at www.campari.com/investors

A **recording of the conference call** will be available from 8.00 p.m. (CET) on Monday 21 March until 7.00 p.m. (CET) on Monday 28 March. To hear it, please call +44 1296 618 700 (access code: 310050).

PRESENTATION OF RESULTS TO THE FINANCIAL COMMUNITY AND THE PRESS

At **10.00 a.m. tomorrow, Tuesday 22 March 2005**, Campari's management will present the Group's 2004 results to the financial community in the Guicciardi room at Banca Intesa, Via Monte di Pietà 8, Milan.

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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 US, Germany and Switzerland. 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, Aperol, Aperol Soda, Sella & Mosca, Zedda Piras, Biancosarti, Barbieri, Enrico Serafino, Lemonsoda, Oransoda, Pelmosoda and Tonicsoda in Italy, Ouzo 12 in Greece and in Germany, Dreher, Old Eight, Drury's and Liebfraumilch in Brazil, Gregson's in Uruguay, Riccadonna in Australia and New Zealand and Mondoro in Russia. The Group has over 1,500 employees, and shares of the parent company Davide Campari-Milano S.p.A are listed on the Milan stock exchange.

FOR FURTHER INFORMATION:

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CAMPARI GROUP

Net revenues by segment

	1 January - 31 December 2004		1 January - 31 December 2003		Change
	€ million	%	€ million	%	%
Spirits	508.4	65.2%	467.6	65.5%	8.7%
Wines	126.3	16.2%	99.0	13.9%	27.5%
Soft drinks	134.6	17.3%	140.3	19.6%	-4.0%
Other revenues	9.9	1.3%	7.2	1.0%	37.2%
Total	**779.2**	**100.0%**	**714.1**	**100.0%**	**9.1%**

Net revenues by geographic area

	1 January - 31 December 2004		1 January - 31 December 2003		Change
	€ million	%	€ million	%	%
Italy	390.6	50.1%	339.8	47.6%	14.9%
Europe	150.0	19.2%	138.9	19.4%	8.0%
Americas	216.3	27.8%	218.4	30.6%	-1.0%
Rest of the world	22.3	2.9%	17.0	2.4%	31.2%
Total	**779.2**	**100.0%**	**714.1**	**100.0%**	**9.1%**

CAMPARI GROUP

Reclassified consolidated income statement

	1 January - 31 December 2004		1 January - 31 December 2003		Change
	€ million	%	€ million	%	%
Net revenues [1]	**779.2**	**100.0%**	**714.1**	**100.0%**	**9.1%**
Cost of materials	(264.2)	-33.9%	(256.3)	-35.9%	3.1%
Production costs	(52.5)	-6.7%	(44.9)	-6.3%	16.8%
Total cost of goods sold	**(316.6)**	**-40.6%**	**(301.2)**	**-42.2%**	**5.1%**
Gross margin	**462.6**	**59.4%**	**412.9**	**57.8%**	**12.0%**
Advertising and promotion	(159.5)	-20.5%	(143.7)	-20.1%	11.0%
Selling and distribution expenses	(83.9)	-10.8%	(76.1)	-10.7%	10.3%
Trading profit	**219.1**	**28.1%**	**193.1**	**27.0%**	**13.5%**
General and administrative expenses	(53.3)	-6.8%	(46.9)	-6.6%	13.7%
Other operating revenues	1.8	0.2%	6.9	1.0%	-73.6%
Amortisation of goodwill and trademarks	(35.1)	-4.5%	(28.4)	-4.0%	23.5%
Non - recurring expenses	(2.8)	-0.4%	(2.5)	-0.3%	11.7%
EBIT = Operating income	**129.8**	**16.7%**	**122.2**	**17.1%**	**6.2%**
Net interest income (charges)	(8.3)	-1.1%	(8.8)	-1.2%	-6.2%
Exchange - rate gains (losses), net	(0.5)	-0.1%	1.6	0.2%	-133.7%
Exceptional income (charges)	2.2	0.3%	23.1	3.2%	-90.4%
Profit before taxes and minority interests	**123.2**	**15.8%**	**138.1**	**19.3%**	**-10.8%**
Minority interests	(17.0)	-2.2%	(17.9)	-2.5%	-5.0%
Group profit before taxes	**106.2**	**13.6%**	**120.2**	**16.8%**	**-11.7%**
Taxes	(36.9)	-4.7%	(40.4)	-5.7%	-8.7%
Group net profit	**69.3**	**8.9%**	**79.8**	**11.2%**	**-13.2%**
Depreciation	(15.7)	-2.0%	(15.4)	-2.2%	2.0%
Amortisation of goodwill, trademarks and other intangibles	(38.0)	-4.9%	(31.6)	-4.4%	20.5%
Total depreciation and amortisation	**(53.8)**	**-6.9%**	**(47.0)**	**-6.6%**	**14.5%**
EBITDA	**183.6**	**23.6%**	**169.2**	**23.7%**	**8.5%**
EBITA [2]	**164.9**	**21.2%**	**150.7**	**21.1%**	**9.5%**

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

CAMPARI GROUP

Reclassified consolidated balance sheet

	31 December 2004 € million	31 December 2003 € million
Cash and banks	239.5	133.6
Marketable securities	6.5	1.9
Accounts receivable, net of devaluation reserve	173.1	174.2
Inventories	114.4	106.4
Other current assets	53.5	55.4
Total current assets	**587.0**	**471.5**
Tangible assets, net	156.9	152.4
Goodwill, net	519.7	552.2
Other intangible assets, net	29.4	19.4
Financial assets	0.6	7.8
Other non - current assets	5.0	5.8
Treasury shares	29.8	31.0
Total non - current assets	**741.4**	**768.6**
Total assets	**1,328.4**	**1,240.1**
Short - term financial debt	59.6	30.1
Private placement	2.9	
Accounts payable	142.1	127.6
Other current liabilities	65.5	78.1
Total current liabilities	**270.1**	**235.8**
Medium and long term loans	407.1	398.1
Employee's termination pay	15.2	15.6
Other non - current liabilities	35.7	37.7
Minority interests	4.3	4.7
Total non - current liabilities	**462.3**	**456.1**
Shareholders' equity	596.0	548.2
Total liabilities and shareholders' equity	**1,328.4**	**1,240.1**

CAMPARI GROUP

Consolidated cash flow statement

	31 December 2004 at constant perimeter	31 December 2003
Profit before taxes	106.4	120.2
Depreciation and amortization	53.8	47.0
Gains on sale of fixed assets	(1.5)	(34.4)
Other items	0.4	5.8
Income and deferred taxes	(32.0)	(37.2)
Variation in tax credits and debts	(16.1)	5.3
Cash flow from operating activities before net change in operating working capital	**111.0**	**106.7**
Net change in Operating Working Capital	4.2	(30.8)
Cash flow from operating activities	**115.2**	**75.9**
Acquisition of tangible fixed assets	(15.9)	(28.4)
Payables to suppliers for Novi Ligure investments		(17.0)
Acquisition of intangible assets	(3.0)	(7.4)
Net income from disposals of tangible fixed assets	2.6	40.3
Cash flow from investing activities	**(16.4)**	**(12.5)**
Free cash flow	**98.8**	**63.4**
Acquisitions and changes in perimeter	(14.1)	(155.6)
Other investing activities	2.0	0.3
Dividends paid	(24.7)	(24.7)
Cash flow from other activities	**(36.8)**	**(180.0)**
Exchange rate differences and other movements	6.3	18.4
Net increase (decrease) in net financial position	**68.4**	**(98.3)**

DAVIDE CAMPARI-MILANO S.p.A.

Parent company income statement (summary statutory accounts)

	1 January - 31 December 2004 € million
Value of production	284.3
Production costs	(264.0)
Difference between value and cost production	20.3
Total financial income and charges	48.0
Total extraordinary items	71.6
Profit before tax	139.8
Corporate income tax	6.1
Net profit	133.7

Parent company balance sheet (summary statutory accounts)

	31 December 2004 € million
Total non - current assets	853.7
Total current assets	173.3
Total accruals and deferrals	4.9
Total assets	1,031.9
Total shareholders' equity	453.9
Total provisions for risks and charges	10.4
Staff severance fund	8.7
Total payables	544.4
Total accruals and deferrals	14.5
Total liabilities	1,031.9

Parent company cash flow (summary statutory accounts)

	31 December 2004 € million
Net profit	133.7
Adjustments to reconcile net profit with cash flow from operations	(17.6)
Cash flow from operations	116.1
Cash flow from investments	54.0
Cash flow used by financial operations	(136.7)
Increase (decrease) in cash and banks	33.3
Cash and banks at start of financial year	22.4
Cash and banks at end of financial year	55.7