



PRESS RELEASE

RESULTS FOR THE FIRST NINE MONTHS TO 30 SEPTEMBER 2006

Net sales € 626.9 million (+15.4%)

EBITDA € 139.1 million (+2.4%), 22.2% of net sales

EBIT € 125.1 million (+1.7%), 20.0% of net sales

Group profit before tax € 113.7 million (+0.9%)

Milan, 8 November 2006 - The Board of Directors of Davide Campari-Milano S.p.A. has approved the third-quarter results as at 30 September 2006. The Campari Group's results for the first nine months of 2006 were positive, thanks to the recent acquisitions (Glen Grant and Teruzzi & Puthod) and the distribution of new brands (Jack Daniel's, C&C brands and Midori), and organic growth.

Consolidated results	1 January- 30 September 2006 € million	1 January- 30 September 2005 € million	Change at actual exchange rates	Change at constant exchange rates
Net sales	626.9	543.3	15.4%	14.0%
Trading profit	170.8	158.6	7.7%	6.8%
EBITDA before one-off's	139.2	132.4	5.2%	4.6%
EBITDA	139.1	135.9	2.4%	1.8%
EBIT before one-off's	125.2	119.5	4.7%	4.2%
EBIT	125.1	123.1	1.7%	1.2%
Group profit before tax	113.7	112.8	0.9%	0.3%

CONSOLIDATED RESULTS FOR THE FIRST NINE MONTHS OF 2006

In the first nine months of 2006, **Group sales** totalled **€ 626.9 million**, an **increase of 15.4%** (+14.0% at constant exchange rates).

The overall change in consolidated sales resulted from **organic growth of 4.2%** and a positive exchange rate effect of 1.4%. **External growth**, which came in at **9.8%**, was driven by recent acquisitions (Glen Grant Scotch whisky and Teruzzi & Puthod wines) and sales of third-party brands covered by new distribution agreements (the spirits portfolio of the C&C Group on the US and Brazilian markets, Midori liqueur and Martin Miller's gin on the US market and Jack Daniel's and other Brown-Forman brands on the Italian market).

Trading profit increased by 7.7% to € 170.8 million (+6.8% at constant exchange rates), or 27.2% of sales. Organic growth accounted for 3.0%, external growth for 3.8% and positive exchange rate effects for 0.9% of the increase.

EBITDA before one-off's increased by 5.2% (+4.6% at constant exchange rates) to € 139.2 million, or 22.2% of sales.

EBITDA rose by 2.4% (+1.8% at constant exchange rates) to € 139.1 million, or 22.2% of sales.

EBIT before one-off's went up by 4.7% (+4.2% at constant exchange rates) to € 125.2 million, or 20.0% of sales.

EBIT increased by 1.7% (+1.2% at constant exchange rates) to € 125.1 million, or 20.0% of sales.

Profit before tax and minority interests was € 116.5 million, an **increase of 0.6%**.

The Group's profit before tax was € 113.7 million, an increase of 0.9% (+0.3% at constant exchange rates).

At 30 September 2006, **net debt** stood at € 418.7 million (€ 479.5 million at 30 June 2006). On 15 March 2006, the Campari Group completed the acquisition of the Glen Grant, Old Smuggler and Braemar Scotch whisky brands and related assets, for a cash consideration of € 128.9 million. The acquisition was financed by bank debt.

It should be noted that the payable for the exercise of the Skyy Spirits, LLC put option was reported in the period to 30 September 2006 on the basis of the eventual transaction - the purchase of the remaining 11% of Skyy Spirits, LLC - which was completed on 2 November 2006, for a payment of around € 49 million settled through available cash.

CONSOLIDATED SALES IN THE FIRST NINE MONTHS OF 2006

The **spirits segment** (69.0% of total sales), recorded **growth of 20.7%**, the combined result of **organic growth of 5.4%**, a positive exchange rate effect of 2.1% and **external growth of 13.3%**. External growth was driven by the newly-acquired Glen Grant, Old Smuggler and Braemar Scotch whisky brands, and by new distribution agreements, notably for the spirits portfolio of the C&C Group on the US and Brazilian markets, Midori liqueur on the US market and Jack Daniel's whisky on the Italian market. The **Campari** brand posted **growth of 1.2%** at constant exchange rates (2.8% at actual exchange rates). The roll-out of the new packaging is proceeding as planned. Sales of **SKYY Vodka rose by 10.3%** at constant exchange rates (+12.1% at actual exchange rates), thanks to a positive performance on both the US (+9.4% at constant exchange rates) and international markets (up by more than 20%). Regarding the other main brands, the spirits segment benefited from strong performances from **Aperol (+19.5%)**, **Ouzo 12 (+12.3%)** and the **Brazilian brands (+10.8%** at constant exchange rates), while **Campari Soda and Cynar** put in negative performances (-0.8% and -7.5% respectively at constant exchange rates) in the first nine months of the year. Of the brands under licence, **1800 Tequila (+11.4%** at constant exchange rates), **Scotch whiskies (+10.7%** at constant exchange rates) and **Jägermeister (+1.7%** at constant exchange rates) performed well.

The **wines segment**, which contributed 12.8% of total sales, registered **growth of 6.0%**, due to the combination of **organic growth of 2.1%**, a positive exchange rate effect of 0.5% and **external growth of 3.5%**, generated by the newly-acquired Teruzzi & Puthod. The segment's positive performance was driven by **Cinzano sparkling wines (+13.2%** at constant exchange rates), **Cinzano vermouth (+6.7%** at constant exchange rates) and **Sella & Mosca wines (+0.8%)**. As for the Group's other brands, **Mondoro** registered sales growth, but **Riccadonna** suffered a decline in sales.

Sales of soft drinks, which came in at 16.8% of total sales and were generated almost entirely on the Italian market, show a positive performance by **Crodino (+2.8%)**, while sales of carbonated drinks were broadly in line with the same period of last year. Sales of the third-party brand **Lipton Ice Tea** were up 5.3% in the first nine months of 2006. It should be noted that, by mutual consent with the brand owner, the distribution of this product will end on 31 December 2006. It should anyhow be emphasized that the brand's contribution was extremely limited.

Looking at results **by region**, sales on the **Italian market** (44.3% of total Group sales) rose by **4.9%** in the first nine months of 2006. Italian sales were boosted by external growth of **+4.2%**, deriving mainly from Glen Grant and the distribution of Jack Daniel's and the other Brown-Forman brands (since May 2005); organic sales growth was **0.7%**. Sales in **Europe** (18.8% of consolidated sales) **grew by 16.7%**, due to **external growth of 11.3%**, mainly generated by the new brands Glen Grant and Teruzzi & Puthod, and **organic growth of 5.5%**. In the Americas (32.3% of total sales), the **US market** registered **organic growth of 10.5%**, **external growth of 27.0%** and a positive exchange rate effect of 1.7%. In **Brazil**, sales registered **organic growth of 6.7%** at

constant exchange rates. The exchange rate effect was positive at 16.8%, while external growth was a negative 2.2%. Sales in the **rest of the world** (including duty free sales), which account for 4.6% of total sales, **grew by 12.9%** in total, driven by **organic growth of 9.3%**.

OTHER RESOLUTIONS

Merger of Barbero 1891 S.p.A. into Davide Campari-Milano S.p.A. On 8 November, the merger of Barbero 1891 S.p.A. into Davide Campari-Milano S.p.A. was approved by the two companies' Boards of Directors, pursuant to article 2502 of the Italian civil code. The merger will come into force on 1 December 2006, while the accounting and tax effects will be backdated to 1 January 2006.

* * *

CONFERENCE CALL

Please note that at **17.00 (CET) today, Wednesday 8 November 2006**, Campari's management will hold a conference call to present the Group's nine-month 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 slides** can be downloaded before the conference call from the main investor relations page on Campari's website, at www.camparigroup.com/investors.

A **recording of the conference call** will be available from 21.00 (CET) on Wednesday 8 November until 21.00 (CET) on Wednesday 15 November 2006. To hear it, please call **+44 1296 618 700** (access code: **576882**).

* * *

Gruppo Campari is a major player in the global beverage sector, trading in over 190 nations 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. In the spirits segment stand out internationally renowned brands, such as Campari, SKYY Vodka and Cynar together with leading local brands, such as Aperol, CampariSoda, Glen Grant, Ouzo 12 and Zedda Piras and the Brazilian brands Dreher, Old Eight, Drury's. In the wine segment together with Cinzano, known world-wide, are Liebfraumilch, Mondoro, Riccadonna, Sella & Mosca and Teruzzi & Puthod all respected wines in their category. In the soft drinks segment are Crodino, Lemonsoda and its respective line extension dominating the Italian market. The Group has over 1,500 employees. The shares of the parent company, Davide Campari-Milano, are listed on the Italian Stock Exchange.

FOR FURTHER INFORMATION:

Investor enquiries:

Chiara Garavini

Tel.: +39 02 6225 330

Email: investor.relations@campari.com

Website: www.camparigroup.com

Media enquiries:

Chiara Bressani

Tel.: +39 02 6225 206

Email: chiara.bressani@campari.com

Moccagatta Pogliani & Associati

Tel.: +39 02 8693806

Email: segreteria@moccagatta.it

GRUPPO CAMPARI

Consolidated net revenues by segment

	1 January - 30 September 2006		1 January - 30 September 2005		Change
	€ million	%	€ million	%	%
Spirits	432.6	69.0%	358.3	66.0%	20.7%
Wines	80.2	12.8%	75.6	13.9%	6.0%
Soft drinks	105.3	16.8%	103.3	19.0%	1.9%
Other revenues	8.9	1.4%	6.1	1.1%	46.5%
Total	626.9	100.0%	543.3	100.0%	15.4%

Consolidated net revenues by geographic area

	1 January - 30 September 2006		1 January - 30 September 2005		Change
	€ million	%	€ million	%	%
Italy	277.9	44.3%	265.0	48.8%	4.9%
Europe	117.6	18.8%	100.8	18.6%	16.7%
Americas	202.7	32.3%	152.1	28.0%	33.3%
Rest of the world and duty free	28.7	4.6%	25.4	4.7%	12.9%
Total	626.9	100.0%	543.3	100.0%	15.4%

Consolidated income statement

	1 January - 30 September 2006		1 January - 30 September 2005		Change
	€ million	%	€ million	%	%
Net sales ⁽¹⁾	626.9	100.0%	543.3	100.0%	15.4%
Total cost of goods sold	(275.7)	-44.0%	(228.2)	-42.0%	20.8%
Gross margin	351.1	56.0%	315.1	58.0%	11.4%
Advertising and promotion	(106.5)	-17.0%	(92.3)	-17.0%	15.3%
Selling and distribution expenses	(73.8)	-11.8%	(64.2)	-11.8%	15.1%
Trading profit	170.8	27.2%	158.6	29.2%	7.7%
General and administrative expenses and other net operating income	(45.6)	-7.3%	(39.0)	-7.2%	16.8%
EBIT before one-off's	125.2	20.0%	119.5	22.0%	4.7%
One-off's	(0.1)	0.0%	3.5	0.6%	-102.7%
Operating profit = EBIT	125.1	20.0%	123.1	22.7%	1.7%
Net financial income (expenses)	(8.2)	-1.3%	(6.8)	-1.3%	20.8%
Income from associates	(0.4)	-0.1%	(0.4)	-0.1%	-14.6%
Pre-tax profit before minority interests	116.5	18.6%	115.8	21.3%	0.6%
Minority interests	(2.8)	-0.4%	(3.1)	-0.6%	-9.4%
Group's pre-tax profit	113.7	18.1%	112.8	20.8%	0.9%
Depreciation and amortisation	(14.0)	-2.2%	(12.8)	-2.4%	9.6%
EBITDA before one-off's	139.2	22.2%	132.4	24.4%	5.2%
EBITDA	139.1	22.2%	135.9	25.0%	2.4%

(1) Net of discounts and excise duties.