



**Strong overall results: net sales +7.2% and EBIT before one-offs +20.3%**

**Positive organic growth in Q3: +2.1%**

**Wild Turkey contributes strongly after successful integration**

## **HIGHLIGHTS - FIRST NINE MONTHS 2009**

- Sales grew to € 696.5 million (+7.2%, organic growth -1.3%)
- Contribution after A&P rises to € 278.8 million (+17.4%, organic growth +5.1%, 40.0% of sales)
- EBITDA before one-offs up to € 177.8 million (+21.0%, organic growth +4.4%, 25.5% of sales)
- EBIT before one-offs reaches € 159.4 million (+20.3%, organic growth +3.8%, 22.9% of sales)
- Group pre-tax profit grew to € 133.7 million (+14.8%)
- Destocking pressure eases significantly

**Milan, November 11, 2009** - The Board of Directors of Davide Campari-Milano S.p.A. approved the results for the nine months ending 30 September 2009.

**Campari results** in the first nine months of 2009 were **satisfactory**: the existing business **returned to positive organic growth in the third quarter of 2009** and the **positive impact of acquisitions started to come through**. In the existing business, **destocking pressure, although not completely over, eased significantly**. Regarding external growth, the **main contributor was Wild Turkey, after its successful integration** at the end of the first half.

**Bob Kunze-Concewitz, Chief Executive Officer:** *“In the first nine months of 2009 we achieved strong results. Going forward, we expect our organic performance to develop progressively more in line with the positive consumption trend of our key brands, thanks to a reduction in destocking effects in some key markets. Moreover, the positive momentum of Wild Turkey and American Honey confirms the potential of the acquired business.”*

## CONSOLIDATED RESULTS FOR THE FIRST NINE MONTHS OF 2009

	1 January - 30 September 2009 (€ million)	1 January - 30 September 2008 (€ million)	Change at actual exchange rates	Change at constant exchange rates
Net sales	696.5	649.6	+7.2%	+5.8%
Contribution after A&P <sup>(1)</sup>	278.8	237.5	+17.4%	+14.6%
EBITDA before one-offs	177.8	147.0	+21.0%	+17.4%
EBITDA	175.8	147.9	+18.9%	+15.2%
EBIT before one-offs	159.4	132.6	+20.3%	+16.3%
EBIT	157.5	133.5	+17.9%	+13.8%
Group's pre-tax profit	133.7	116.5	+14.8%	+11.0%

<sup>(1)</sup> EBIT before SG&A.

In the first nine months of 2009, Group sales totalled **€ 696.5 million (+7.2%, -1.3% organic growth, +1.5% exchange rate effect and +7.0% perimeter effect**, the latter due to the acquisitions of Wild Turkey, Destiladora San Nicolas, Sabia and two new agency brands, i.e. Licor 43 in Germany and Cointreau in Brazil).

**Gross margin** increased to **€ 397.1 million**, up 11.7%, mainly thanks to a **favourable sales mix** driven by **double digit spirits growth**.

**Contribution after A&P** (gross margin after A&P) was up by 17.4% to **€ 278.8 million (+5.1% organic growth)**, or 40.0% of sales.

**EBITDA before one-offs** was up by 21.0% to **€ 177.8 million (+4.4% organic growth)**, or 25.5% of sales.

**EBIT before one-offs** rose by 20.3% to **€ 159.4 million (+3.8% organic growth)**, or 22.9% of sales.

**EBITDA** was **€ 175.8 million**, an increase of 18.9%.

**EBIT** was **€ 157.5 million**, an increase of 17.9%.

**Group's pre-tax profit** was **€ 133.7 million**, an increase of 14.8%.

As of 30 September 2009, thanks to **strong cash generation** and **highly effective working capital management**, **net financial debt** stood at **€ 647.5 million** (€ 326.2 million as of 31 December 2008) after payment of the Wild Turkey acquisition (€ 417.5 million) and the Odessa acquisition (€ 14.5 million) and making provisions for potential put options and earn outs on minority stakes for € 22.6 million.

## CONSOLIDATED SALES FOR THE FIRST NINE MONTHS OF 2009

Sales of **spirits** (73.2% of total sales) grew +12.9%, the combined result of **organic growth of 1.6%**, a **positive exchange rate effect of 2.2%** and a **positive perimeter effect of 9.1%**.

**Campari** brand sales **declined by 7.0%** at constant exchange rates, entirely attributable to destocking in Brazil. **SKYY** sales **grew by 6.4% at constant exchange rates** (+16.9% at actual exchange rates), thanks to positive performance in the US market, although destocking was a drag in the first half of the year. **Aperol confirmed its spectacular growth trend (+38.7% at constant exchange rates)** in Italy and in international markets (particularly Germany). **Campari Soda** finished the first nine months with a positive performance of **1.7%**. The **Brazilian brands' sales** were **impacted by the increase in the excise duties and wholesalers' de-stocking** (decline of 15.8% at constant exchange rates and 23.9% at actual exchange rates), though improving versus the first half. **X-Rated Fusion Liqueur** registered a **good growth** (+6.4% at constant exchange rates). **GlenGrant** grew by 1.5% at constant exchange, driven by a good performance in its key international markets.

**Wines**, which accounted for 13.8% of total sales, registered a **decrease of 4.0%**, due to the combination of **negative organic performance of 8.6%** and a positive perimeter effect of 4.6%. The segment's **negative performance** was driven by **Cinzano vermouth** (-21.9% at constant exchange rates) due to heavy de-stocking in Russia. **Cinzano sparkling wines declined at a lower rate** (-3.1% at constant exchange rates). **Riccadonna** was strong (+20.9% at constant exchange rates)

thanks to a very good performance in the key Australian market. Among still wines, **Sella & Mosca** registered a decrease of 6.1% at constant exchange rates due to destocking in key export markets and on premise channel in Italy.

**Soft drinks** (11.6% of total sales) recorded a **negative variation of 5.1%**, attributable to the weak performance of the soda range and mineral waters. **Crodino** declined by 2.6%.

Looking at results **by region** in first nine months of 2009, sales in the **Italian market** (39.3% of total Group sales) recorded an **increase of 0.8%**, thanks to good organic growth (+1.3%), partly offset by a negative perimeter effect of 0.5%. Sales in **Europe** (22.7% of consolidated sales) **increased by 6.2%**, driven by a **positive organic performance of 1.7%**, with positive trading in Western European markets compensating the decline in Eastern Europe, and a positive perimeter effect of 4.6%. The **Americas** (30.9% of total sales) posted a **negative organic change of 7.4%**, partially offset by a positive exchange rate effect (+4.4%) and a positive perimeter effect (+12.4%) due to the acquisitions of Wild Turkey, Destiladora San Nicolas and Sabia. In the Americas, the **US market** registered an organic **decrease of 6.8%**, driven by destocking, offset by a positive exchange rate effect of 10.5% and positive perimeter effect of 12.3%. In **Brazil**, sales registered an **organic decrease of 18.0%**, a positive perimeter effect of 1.4% and a negative exchange rate effect of 7.9%. Sales in the **rest of the world** (including duty free sales), which accounted for 7.2% of total sales, **grew by 52.1%** overall, driven by a positive perimeter effect of 47.5% and an **organic growth of 1.6%** and a positive exchange rate effect of **3.0%**.

*The Manager in charge of preparing Davide Campari-Milano S.p.A.'s financial reports, Paolo Marchesini, certifies - pursuant to article 154 bis, paragraph 2 of the Legislative Decree 58/1998 (Consolidated Law on Financial intermediation) - that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.*

## CONFERENCE CALL

---

Please note that at **11.00 am (CET) today, Wednesday, 11 November 2009**, Campari's management will hold a conference call to present the Group's 2009 first nine months results to analysts, investors and media. To participate, please dial one of the following numbers:

- **from Italy:** 02 8058 811
- **from abroad:** +44 203 147 47 96

The **presentation slides** can be downloaded before the conference call from the main investor relations page on Gruppo Campari's website, at <http://investors.camparigroup.com>.

A **recording of the conference call** will be available from 12 November until 19 November 2009. To hear it, please call the following number:

- **from Italy:** 02 72495
- **from abroad:** +44 207 0980 726

(access code: **724#**).

## FOR FURTHER INFORMATION

---

### Investor enquiries:

**Chiara Garavini**  
Tel.: +39 02 6225 330  
Email: [chiara.garavini@campari.com](mailto:chiara.garavini@campari.com)

**Alex Balestra**  
Tel. : +39 02 6225 364  
Email: [alex.balestra@campari.com](mailto:alex.balestra@campari.com)

### Media enquiries:

**Chiara Bressani**  
Tel.: +39 02 6225 206  
Email: [chiara.bressani@campari.com](mailto:chiara.bressani@campari.com)

**CitySavvy**, Jana Sanchez  
Tel.: +44 20 7395 1000  
Email: [jana@citysavvy.com](mailto:jana@citysavvy.com)

[www.camparigroup.com](http://www.camparigroup.com)

## **ABOUT GRUPPO CAMPARI**

---

**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 USA and Continental Europe. The Group has an extensive portfolio that spans three business segments: spirits, wines and soft drinks. In the spirits segment its internationally renowned brands, such as Campari, SKYY Vodka and Wild Turkey stand out. It also has leading regional brands including Aperol, Cabo Wabo, CampariSoda, Cynar, Glen Grant, Ouzo 12, X-Rated, Zedda Piras and the local Brazilian brands Dreher, Old Eight and Drury's. Its wine segment boasts the global brand Cinzano, as well as important regional brands including Liebfraumilch, Mondoro, Odessa, Riccadonna, Sella & Mosca and Teruzzi & Puthod. The soft drinks segment comprises the non-alcoholic aperitif Crodino and Lemonsoda as well as its respective line extension dominating the Italian market. The Group employs over 2,000 people. The shares of the parent company, Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM), are listed on the Italian Stock Exchange. [www.camparigroup.com](http://www.camparigroup.com)

- tables to follow -

## GRUPPO CAMPARI

### Consolidated net revenues by geographic area

	1 January - 30 September 2009		1 January - 30 September 2008		% change
	€ million	%	€ million	%	
Italy	273.4	39.3%	271.3	41.8%	0.8%
Europe	157.9	22.7%	148.7	22.9%	6.2%
Americas	215.3	30.9%	196.8	30.3%	9.4%
Rest of the world and duty free	49.9	7.2%	32.8	5.1%	52.1%
<b>Total</b>	<b>696.5</b>	<b>100.0%</b>	<b>649.6</b>	<b>100.0%</b>	<b>7.2%</b>

Breakdown of % change	Total % change	Organic growth	External growth	Exchange rate effect
Italy	0.8%	1.3%	-0.5%	0.0%
Europe	6.2%	1.7%	4.6%	-0.1%
Americas	9.4%	-7.4%	12.4%	4.4%
Rest of the world and duty free	52.1%	1.6%	47.5%	3.0%
<b>Total</b>	<b>7.2%</b>	<b>-1.3%</b>	<b>7.0%</b>	<b>1.5%</b>

### Consolidated net revenues by segment

	1 January - 30 September 2009		1 January - 30 September 2008		% change
	€ million	%	€ million	%	
Spirits	510.1	73.2%	452.0	69.6%	12.9%
Wines	95.9	13.8%	99.9	15.4%	-4.0%
Soft drinks	80.6	11.6%	84.9	13.1%	-5.1%
Other revenues	9.9	1.4%	12.9	2.0%	-23.2%
<b>Total</b>	<b>696.5</b>	<b>100.0%</b>	<b>649.6</b>	<b>100.0%</b>	<b>7.2%</b>

Breakdown of % change	Total % change	Organic growth	External growth	Exchange rate effect
Spirits	12.9%	1.6%	9.1%	2.2%
Wines	-4.0%	-8.6%	4.6%	0.0%
Soft drinks	-5.1%	-5.1%	0.0%	0.0%
Other revenues	-23.2%	-20.7%	0.0%	-2.5%
<b>Total</b>	<b>7.2%</b>	<b>-1.3%</b>	<b>7.0%</b>	<b>1.5%</b>

## GRUPPO CAMPARI

### Consolidated income statement

	1 January - 30 September 2009		1 January - 30 September 2008		% change
	€ million	%	€ million	%	
<b>Net sales<sup>(1)</sup></b>	<b>695,5</b>	<b>100,0%</b>	<b>649,6</b>	<b>100,0%</b>	<b>7,2%</b>
Total cost of goods sold <sup>(2)</sup>	(299,4)	-43,0%	(294,2)	-45,3%	1,8%
<b>Gross margin after distribution costs</b>	<b>397,1</b>	<b>57,0%</b>	<b>355,4</b>	<b>54,7%</b>	<b>11,7%</b>
Advertising and promotion	(118,4)	-17,0%	(117,9)	-18,2%	0,4%
<b>Contribution after A&amp;P</b>	<b>278,8</b>	<b>40,0%</b>	<b>237,5</b>	<b>36,6%</b>	<b>17,4%</b>
SG&A <sup>(3)</sup>	(119,3)	-17,1%	(104,9)	-16,2%	13,7%
<b>EBIT before one-off's</b>	<b>159,4</b>	<b>22,9%</b>	<b>132,6</b>	<b>20,4%</b>	<b>20,3%</b>
One off's	(1,9)	-0,3%	1,0	0,2%	-
<b>Operating profit = EBIT</b>	<b>157,5</b>	<b>22,6%</b>	<b>133,5</b>	<b>20,6%</b>	<b>17,9%</b>
Net financial income (expenses)	(22,8)	-3,3%	(16,1)	-2,5%	41,8%
Income from associates	(0,5)	-0,1%	0,2	0,0%	
Put option costs	(0,1)	-0,0%	(0,9)	-0,1%	
<b>Profit before taxes and minority interests</b>	<b>134,1</b>	<b>19,2%</b>	<b>116,7</b>	<b>18,0%</b>	<b>-14,9%</b>
Minority interests	(0,3)	-0,0%	(0,2)	-0,0%	
<b>Group pre-tax profit</b>	<b>133,7</b>	<b>19,2%</b>	<b>116,5</b>	<b>17,9%</b>	<b>14,8%</b>
Depreciation and amortisation	(18,4)	-2,6%	(14,4)	-2,2%	27,4%
<b>EBITDA before one-off's</b>	<b>177,8</b>	<b>25,5%</b>	<b>147,0</b>	<b>22,6%</b>	<b>21,0%</b>
<b>EBITDA</b>	<b>175,8</b>	<b>25,2%</b>	<b>147,9</b>	<b>22,8%</b>	<b>18,9%</b>

(1) Net of discounts and excise duties.

(2) Includes cost of materials, production and logistics costs.

(3) Includes selling, general and administrative costs.