



## Campari acquires Carolans, Frangelico and Irish Mist brands

Further strengthens Gruppo Campari in the US and key international premium spirits markets

Low-risk and financially-attractive deal

### HIGHLIGHTS

- **High-quality and profitable business with upside potential: Carolans, the world's second best-selling Irish cream liqueur; Frangelico, a leading specialty premium liqueur and Irish Mist, a leading Irish whiskey based liqueur**
- **Strengthens critical mass in highly-profitable US market and increases Group's exposure to key international markets**
- **Perfect fit with guiding principles of Gruppo Campari acquisition framework**
- **Enterprise value of € 128.2 million (purchase price of € 129.0 million, cash position of €0.8 million) corresponding to 7.5 times the pro forma EBITDA 2009, accretive in year one**

**Milan, 16 September 2010 - Gruppo Campari announces it has signed an agreement to acquire Carolans, Frangelico and Irish Mist from William Grant & Sons, reinforcing Campari's position as a fast growing company in the US and key international premium spirits markets.**

The acquired business includes the **Carolans, Frangelico, Irish Mist trademarks** and finished goods.

The **enterprise value of the acquired business is €128.2 million**, corresponding to **7.5 times the pro forma EBITDA 2009** (inclusive of the distribution margins of the Frangelico brand in the US). The transaction is expected to close on October 1, 2010 and the consideration will be fully self-financed.

**Bob Kunze-Concewitz, Chief Executive Officer:** 'With **Carolans, Frangelico and Irish Mist** we add a **high-quality and profitable business with upside potential** and further enhance the **Group's premium offering**. In particular, we increase our **critical mass in the highly-profitable US market and strengthen our exposure to a number of key international markets**, including Australia, Russia, Canada, Spain and the UK. **This acquisition represents a perfect fit in our acquisition framework, in business and financial terms.** Moreover, it will benefit from low risk and easy integration, as we already account for 60% of the acquired portfolio volume and we are the global source for Frangelico'.

Overall the acquired business is expected to contribute ca. 1 million nine-liter cases and net sales of €50 million on annual basis.

**Carolans** is a global brand, a **leading Irish cream liqueur** with a **total volume above 600,000 nine-liter cases** sold in more than 60 markets. The **US is the brand's largest market**, accounting for ca. 60% of the brand's sales. The brand enjoys a **successful track record of continuous growth in its category in key markets:** geographic expansion as well as new product development represent potential upside.

**Frangelico** is a **premium Italian hazelnut liqueur, a highly-profitable specialty brand** sold in more than 90 markets. The **US is the brand's largest market**, accounting for ca. 50% of the brand's sales. **High-quality, distinctive packaging** and **strong on-premise presence** are key features of Frangelico.

**Irish Mist**, is a **liqueur made from a blend of Irish whiskey, honey and natural aromatic spices, sold in more than 40 markets (US is the brand's largest market)**. Irish Mist will allow Gruppo Campari to exploit the **strong momentum of the Irish whiskey category** and the potential upside given by the **strong trademark and new brand development opportunities**.

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#### ***ANALYST CONFERENCE CALL***

Please note that at **11,00 AM (CET) today, Thursday 16 September 2010**, Campari's management will hold a conference call to present the acquisition to analysts and investors.

To participate, please dial one of the following numbers:

- **from Italy: 02 805 88 11**
- **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://www.camparigroup.com/en/investors/home.jsp>

A **recording of the conference call** will be available from Friday, 17 September until Thursday, 23 September 2010.

To listen to it, please call the following number:

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

(access code: **734#**).

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#### ***MEDIA CONFERENCE CALL***

Please note that at **12,00 PM (CET) today, Thursday 16 September 2010**, Bob Kunze-Concewitz, CEO, will hold a conference call in English to present the acquisition to all media. To participate, please dial one of the following numbers:

- **from Italy: 02 805 88 11**
- **from abroad: +44 203 147 4796**

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## FOR FURTHER INFORMATION

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## ABOUT GRUPPO CAMPARI

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**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, Campari Soda, Cynar, GlenGrant, Ouzo 12, X-Rated Fusion Liqueur, 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)