



PRESS RELEASE

2007 FIRST HALF RESULTS

Very positive first half results, with strong growth in sales and profitability

Net sales: €440.6 million (+5.4%)

EBITDA before one off's: €102.4 million (+7.5%), 23.2% of net sales

EBIT before one off's: €92.7 million (+7.9%), 21.0% of net sales

Group net profit: €56.9 million (+2.5%)

Bob Kunze-Concewitz, Chief Executive Officer: “In the first half of 2007 we achieved strong results across our brands and markets. Looking forward, we remain optimistic about a positive evolution of our business”

Milan, 11 September 2007 - The Board of Directors of Davide Campari-Milano S.p.A. approved the results for the first half ending 30 June 2007. Thanks to the extremely positive development of the business, **sales and all profit indicators showed solid growth.**

Consolidated results	1 January - 30 June 2007 €million	1 January - 30 June 2006 €million	Change at actual exchange rates	Change at constant exchange rates
Net sales	440.6	417.8	5.4%	7.8%
Trading profit	123.7	115.3	7.2%	9.4%
EBITDA before one-off's	102.4	95.3	7.5%	9.7%
EBITDA	100.8	95.2	5.9%	8.1%
EBIT before one-off's	92.7	86.0	7.9%	10.3%
EBIT	91.1	85.9	6.1%	8.5%
Pre-tax profit before minority interests	82.7	80.4	2.8%	5.0%
Group net profit	56.9	55.5	2.5%	4.6%

CONSOLIDATED RESULTS FOR THE FIRST HALF OF 2007

In the first half of 2007, Group sales totalled **€440.6 million**, an increase of **5.4%** (+7.8% at constant exchange rates).

The overall change in consolidated sales resulted from an **organic growth of 10.7%** and a negative exchange rate effect of 2.3%. The perimeter effect, which came in at negative **2.9%**, was negatively affected by the announced termination of the Lipton Ice Tea distribution contract on the Italian market and partially offset by the external growth mainly generated by Glen Grant and Old Smuggler (whose sales started on 15 March 2006).

Trading profit increased by 7.2% to €123.7 million (+9.4% at constant exchange rates), or 28.1% of sales. Organic growth accounted for 7.9% and external growth for 1.5%, while exchange rate effects negatively contributed 2.2%.

EBITDA before one-off's increased by 7.5% (+9.7% at constant exchange rates) to €102.4 million, or 23.2% of sales.

EBITDA rose by 5.9% (+8.1% at constant exchange rates) to €100.8 million, or 22.9% of sales.

EBIT before one-off's went up by 7.9% (+10.3% at constant exchange rates) to € 92.7 million, or 21.0% of sales.

EBIT increased by 6.1% (+8.5% at constant exchange rates) to €91.1 million, or 20.7% of sales.

Profit before tax and minority interests was € 82.7 million, an **increase of 2.8%** (+5.0% at constant exchange rates).

The Group's net profit was € 56.9 million, with an **advance of 2.5%** (+4.6% at constant exchange rates).

As of 30 June 2007, **net debt** stood at € 328.0 million (€ 379.5 million as of 31 December 2006).

Following the first half of 2007, it's worth mentioning that on 1 August 2007, the Group finalised the acquisition of the **super premium X-Rated Fusion Liqueur, Jean-Marc XO luxury vodka and X-Rated ultra premium vodka**, for a total value of US\$ 40 million (€ 29 million). A more detailed disclosure of the acquisition was circulated following the announcement of the deal on 19 July 2007.

CONSOLIDATED SALES IN THE FIRST HALF OF 2007

The **spirits segment** (72.3% of total sales) recorded **growth of 8.7%**, the combined result of **organic growth of 10.2%**, a negative exchange rate effect of 3.2% and **external growth of 1.7%**. External growth was mainly driven by Glen Grant and Old Smuggler. The **Campari** brand posted **growth of 10.6%** at constant exchange rates (+9.7% at actual exchange rates). **SKYY** sales **rose by 13.3%** at constant exchange rates (+5.4% at actual exchange rates), thanks to a very positive performance on both the US and international markets. Regarding the other main brands, the spirits segment benefited from strong performances from **Aperol (+23.7%** at constant exchange rates), the **Brazilian brands (+9.2%** at constant exchange rates), **Cynar (+4.8%** at constant exchange rates), **CampariSoda (+2.6%** at constant exchange rates) and **Ouzo 12 (+1.2%** at constant exchange rates). It should be noted that the US distribution contracts for **1800** and **Gran Centenario tequilas** agency brands (+10.9% in the first half of 2007 at constant exchange rates) will end on 31 December 2007.

The **wines segment**, which contributed 12.9% of total sales, registered **growth of 19.7%**, due to the combination of **strong organic growth of 20.2%** and a negative exchange rate effect of 0.5%. The segment's strongly positive performance was driven by **Cinzano vermouth (+43.2%** at constant exchange rates) and by **Cinzano sparkling wines (+25.3%** at constant exchange rates). The wines segment also benefited from positive performances from **Sella & Mosca (+4.6%** at constant exchange rates) and **Mondoro, Riccadonna and Cantina Serafino**.

Sales of soft drinks (13.0% of total sales), which are generated almost entirely on the Italian market, recorded a decline of 20.2%, due to the combination of a negative perimeter effect of 25.5%, attributable to the termination of Lipton Ice Tea's sales, and an **organic growth of 5.3%**, driven by **Crodino (+5.5%)** and of the **Lemonsoda** range and other carbonated drinks (+8.2%).

Looking at results **by region**, in the first half of 2007 sales on the **Italian market** (43.7% of total Group sales) recorded a negative variation of 0.8%, due to the combination of a negative perimeter effect (-8.8%), attributable to Lipton Ice Tea, offset by a positive organic growth (+8.0%). Sales in **Europe** (19.6% of consolidated sales) **grew by 24.5%**, boosted by both **external growth of 6.4%** and an **organic sales growth of 18.3%**, thanks to positive performances from important markets such as Germany and Russia. In the Americas (32.5% of total sales), the **US market** registered **organic growth of 9.8%**, a negative exchange rate effect of 8.2% and **external growth of 0.5%**. In **Brazil**, sales registered **organic growth of 11.0%** at constant exchange rates. The exchange rate effect was negative at 1.1% and the perimeter effect was a negative 0.1%. Sales in the **rest of the world** (including duty free sales), which accounted for 4.1% of total sales, **grew by 9.5%** overall, driven by **organic growth of 11.4%**.

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CONFERENCE CALL

Please note that at **17.00 (CET) today, Tuesday 11 September 2007**, Gruppo Campari's management will hold a conference call to present the Group's 2007 first quarter results to analysts, investors and the press. To participate, please dial one of the following numbers:

- from Italy: **800 785 163 (toll free number)**
- from abroad: **+39 02 6968 2741**

Access code: C998245

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

A **recording of the conference call** will be available from 22.00 (CET) on Tuesday 11 September until Tuesday 18 September 2007. To hear it, please call **+44 (0)207 136 9233** (access code: **81671172 #**).

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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 Consolidated Law on Financial intermediation (Legislative Decree 58/1998) - that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

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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 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, Cabo Wabo, CampariSoda, Glen Grant, Ouzo 12, Zedda Piras, X-Rated 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:

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GRUPPO CAMPARI

Consolidated net revenues by segment

	1 January - 30 June 2007		1 January - 30 June 2006		Change
	€million	%	€million	%	%
Spirits	318.7	72.3%	293.2	70.2%	8.7%
Wines	56.9	12.9%	47.5	11.4%	19.7%
Soft drinks	57.4	13.0%	71.9	17.2%	-20.2%
Other revenues	7.6	1.7%	5.1	1.2%	47.2%
Total	440.6	100.0%	417.8	100.0%	5.4%

Consolidated net revenues by geographic area

	1 January - 30 June 2007		1 January - 30 June 2006		Change
	€million	%	€million	%	%
Italy	192.6	43.7%	194.2	46.5%	-0.8%
Europe	86.5	19.6%	69.5	16.6%	24.5%
Americas	143.3	32.5%	137.5	32.9%	4.2%
Rest of the world and duty free	18.2	4.1%	16.6	4.0%	9.5%
Total	440.6	100.0%	417.8	100.0%	5.4%

Consolidated income statement

	1 January - 30 June 2007		1 January - 30 June 2006		Change
	€million	%	€million	%	%
Net sales ⁽¹⁾	440.6	100.0%	417.8	100.0%	5.4%
Total cost of goods sold	(185.0)	-42.0%	(181.6)	-43.5%	1.9%
Gross margin	255.6	58.0%	236.3	56.5%	8.2%
Advertising and promotion	(79.8)	-18.1%	(70.9)	-17.0%	12.6%
Selling and distribution expenses	(52.1)	-11.8%	(50.0)	-12.0%	4.1%
Trading profit	123.7	28.1%	115.3	27.6%	7.2%
General and administrative expenses and other net operating income	(31.0)	-7.0%	(29.4)	-7.0%	5.5%
EBIT before one-off's	92.7	21.0%	86.0	20.6%	7.9%
One off's	(1.6)	-0.4%	(0.1)	0.0%	-
Operating profit = EBIT	91.1	20.7%	85.9	20.6%	6.1%
Net financial income (expenses)	(8.5)	-1.9%	(5.5)	-1.3%	55.7%
Income from associates	0.1	0.0%	(0.0)	0.0%	-
Pre-tax profit before minority interests	82.7	18.8%	80.4	19.2%	2.8%
Taxes	(25.7)	-5.8%	(22.5)	-5.4%	14.2%
Net profit before minority Interests	57.0	12.9%	57.9	13.9%	-1.6%
Minority interests	(0.0)	0.0%	(2.3)	-0.6%	-97.9%
Group's net profit	56.9	12.9%	55.5	13.3%	2.5%
Depreciation and amortisation	(9.7)	-2.2%	(9.3)	-2.2%	3.8%
EBITDA before one-off's	102.4	23.2%	95.3	22.8%	7.5%
EBITDA	100.8	22.9%	95.2	22.8%	5.9%

(1) Net of discounts and excise duties.

GRUPPO CAMPARI

Consolidated balance sheet

	30 June 2007 €million	31 December 2006 €million
ASSETS		
Non-current assets		
Net tangible fixed assets	146.9	146.3
Biological assets	15.5	15.0
Property	4.0	4.0
Goodwill and trademarks	813.9	816.4
Intangible assets	4.1	4.1
Interests in associates	0.5	0.5
Pre-paid taxes	17.8	18.5
Other non-current assets	8.5	7.7
Total non-current assets	1,011.2	1,012.6
Current assets		
Inventories	180.4	169.9
Trade receivables	232.9	257.1
Short-term financial receivables	1.4	1.0
Cash, bank and securities	187.7	240.3
Other receivables	39.2	41.3
Total current assets	641.7	709.6
Non-current assets for sale	1.9	3.9
Total assets	1,654.7	1,726.1
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	29.0	29.0
Reserves	812.4	766.8
Group's shareholders' equity	841.5	795.9
Minority interests	1.9	1.9
Total shareholders' equity	843.4	797.8
Non-current liabilities		
Bonds	310.8	322.7
Other non-current financial payables	72.1	70.1
Staff severance funds	12.6	12.6
Risks funds	9.2	10.9
Deferred tax	56.2	56.1
Total non-current liabilities	461.0	472.5
Current liabilities		
Banks loan	113.0	210.4
Other financial payables	22.3	20.5
Trade payables	131.7	161.9
Payables to tax authorities	35.7	26.7
Other current liabilities	47.7	36.3
Total current liabilities	350.4	455.8
Total liabilities and shareholders' equity	1,654.7	1,726.1

GRUPPO CAMPARI

Consolidated cash flow statement

	30 June 2007 €million	30 June 2006 €million
Net profit	56.9	55.5
Amortisation and other non-cash items	12.0	10.2
Net change in tax payables and receivables and other non financial assets and liabilities	16.2	2.1
Cash flow from operating activities before change in operating working capital	85.1	67.8
Net change in operating working capital	(14.3)	(27.3)
Cash flow from operating activities	70.8	40.5
Cash flow from investing activities	(6.8)	(9.5)
Free cash flow	64.0	30.9
Acquisitions and changes in perimeter	(1.2)	(128.9)
Other changes	8.2	(0.1)
Dividends paid	(29.0)	(28.1)
Cash flow from other activities	(22.1)	(157.1)
Other exchange rate differences and other movements	9.5	18.1
Net increase (decrease) in net financial position	51.5	(108.1)
Net financial position at start of period	(379.5)	(371.4)
Net financial position at end of period	(328.0)	(479.5)

DAVIDE CAMPARI-MILANO S.p.A.

Parent company income statement

	1 January - 30 June 2007 €million	1 January - 30 June 2006 €million
Net sales	141.1	113.9
Total cost of goods sold	(108.1)	(85.3)
Gross margin	33.0	28.6
Advertising and promotion	(2.2)	(3.8)
Selling and distribution expenses	(4.1)	(3.4)
Trading profit	26.7	21.4
General and administrative expenses and other net operating income	(9.8)	(11.0)
One-off's	0.0	0.0
Operating profit	16.9	10.3
Income from associates	27.7	35.4
Net financial income (expenses)	(12.5)	(6.6)
Pretax profit	32.2	39.1
Taxes	(3.1)	(2.7)
Net profit	29.1	36.4

Parent company balance sheet

	30 June 2007	31 December 2006 €million
Total non current assets	1,092.9	1,088.9
Total current assets	219.5	208.5
Total assets	1,312.4	1,297.4
Total shareholders' equity	542.8	531.2
Total non current liabilities	312.1	302.6
Total current liabilities	457.6	463.6
Total liabilities and shareholders' equity	1,312.4	1,297.4

Parent company cash flow

	30 June 2007 €million	30 June 2006 €million
Cash flow from current activities	36.8	39.9
Cash flow from operations	31.1	43.3
Cash flow from investments	(5.7)	(134.9)
Cash flow used by financial operations	(31.8)	95.2
Increase (decrease) in cash and banks	(6.5)	3.7
Cash and banks at start of financial year	8.2	102.0
Cash and banks at end of financial year	1.7	105.7