Overall improving results in the first nine months of 2013

Strong acceleration in the organic performance in Q3 2013

Distribution rights and call option for super premium Bulldog Gin

9M 2013 RESULTS HIGHLIGHTS

- **Sales: € 1,052.5 million (+13.0%, organic change -0.4%)**
- **Contribution after A&P: € 392.6 million (+3.1%, organic change -5.1%, 37.3% of sales)**
- **EBITDA pre one-offs: € 229.2 million (-3.9%, organic change -9.6%, 21.8% of sales)**
- **EBIT pre one-offs: € 198.6 million (-7.1%, organic change -11.5%, 18.9% of sales)**
- **Group pre-tax profit: € 149.5 million (-14.9%)**
- **Net financial debt: € 910.7 million (€ 869.7 million as of 31 December 2012)**
- **Campari has gained the distribution rights for Bulldog Gin, leading brand in the super premium gin segment, with a call option to acquire the brand in 2020**

Milan, November 14, 2013 - The Board of Directors of Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM) approved the consolidated results for the nine months ending 30 September 2013.
The Group's results in the first nine months of 2013 benefitted from **strong acceleration in the organic performance in Q3**, mainly driven by the **expected realignment of shipments to the underlying consumption trends in Italy**. Furthermore, whilst results were **positively impacted by the contribution of the acquisition of Lascelles deMercado &Co. Ltd. ('LdM')**, they were also negatively affected by an **unfavourable translation foreign exchange effect, which worsened in the third quarter.**

Bob Kunze-Concewitz, Chief Executive Officer: '*With a **worsening foreign exchange outlook**, **continued macroeconomic challenges in some key markets** and **volatile sales mix evolution**, the overall **business context remains tough**. However, having **successfully completed the announced restructurings, plants start-up's** and the **integration of significant new business** in the first nine months of 2013, **we expect our performance to stabilize in the fourth and key quarter of the year**. Looking forward, on the back of this transitionary year we will **start reaping the benefits accruing from the new set up** and expect our **long term growth to be driven by sustained brand building across key brand-market combinations and the strengthening resonance of the brand portfolio in new geographies.** Moreover, we are pleased to announce **our partnership with the Bulldog Gin Company**. With Bulldog Gin we will become a **key player in the attractive super premium gin category** in key markets, **further premiumise Campari's brand portfolio** and **increase on-premise focus, particularly in the US.***'.

CONSOLIDATED P&L FOR THE FIRST NINE MONTHS ENDED 30 SEPTEMBER 2013

	9M 2013 € million	9M 2012 € million	Reported change	Organic change	Forex impact	Perimeter impact
Net sales	**1,052.5**	**931.6**	**+13.0%**	**-0.4%**	**-3.0%**	**+16.4%**
Contribution after A&P(1)	392.6	381.0	+3.1%	-5.1%	-2.7%	+10.9%
EBITDA pre one-offs	**229.2**	**238.4**	**-3.9%**	**-9.6%**	**-2.4%**	**+8.1%**
EBITDA	224.5	236.1	-4.9%	-10.2%	-2.4%	+7.7%
EBIT pre one-offs	**198.6**	**213.9**	**-7.1%**	**-11.5%**	**-2.3%**	**+6.6%**
EBIT	193.9	211.6	-8.4%	-12.2%	-2.3%	+6.1%
Group pre-tax profit	**149.5**	**175.7**	**-14.9%**			

(1) EBIT before SG&A.

In the first nine months of 2013 **Group sales** totalled **€ 1,052.5 million** showing a reported growth of **+13.0%.** The **sales organic change** was **-0.4%**, driven by an **acceleration in the organic sales growth in the third quarter (+5.2%)**, led by positive performance in some key markets as well as an improving trend in Italy. In particular, although the Italian market was still affected by a weak consumption trend, its improved performance was driven by the **expected realignment of shipments to the underlying consumption trends**. In the first nine months of 2013, the **exchange rates effect** was a negative **-3.0%** and the **perimeter effect** was positive at **+16.4**%, driven by the newly-acquired LdM.

It should be noted that, in the first part of 2013, the overall negative organic sales change was mainly attributable to the technical effect on the 2013 first quarter results of the so called article 62[1] (introducing a binding time limit to the payment terms that can be extended to clients) on the summer load program in Italy (a commercial initiative usually implemented in the first months of the year ahead of the summer seasonality consumption peak). The consequence was a **'one-off' destocking effect** by the trade of **€ 25 million** on sales in the first quarter of 2013, which determined a **significant deterioration of the sales mix and, consequently, a negative impact on operating margins**. Moreover, the impact of the new LdM business, although in line with plans both in absolute terms and marginality, generated a **dilution in the Group margins due to the weight of the lower margin sugar and merchandise activities** in the acquired business. This **dilution progressively lessened throughout the year, driven by a lower seasonality of the lower margin sugar and merchandise business** than the core spirits&wines, compared to the first part of the year.

Gross margin was **€ 567.3 million**, up by **+3.7%** (**-3.6% organic change**) or 53.9% of sales.

Advertising and promotion spending (A&P) was up by +5.3% to **€ 174.6 million**, or 16.6% of sales (17.8% of sales in the first nine months of 2012), including the LdM business.

Contribution after A&P (gross margin after A&P) was up by +3.1% to **€ 392.6 million** (**-5.1% organic change**) or 37.3% of sales.

Structure costs, i.e. selling, general and administrative costs, increased by **+16.1%**, or 18.4% of sales, mainly as a result of the consolidation of LdM.

EBITDA pre one-offs was **€ 229.2 million** (**-3.9%**, **-9.6% organic change**) or **21.8%** of sales.

EBITDA reached **€ 224.5 million** (-4.9%) or 21.3% of sales.

EBIT pre one-offs was **€ 198.6 million** (**-7.1%, -11.5% organic change**) or **18.9%** of sales.

EBIT reached **€ 193.9 million** (-8.4%) or 18.4% of sales.

Net negative one-offs of **€ (4.7) million** in the first nine months of 2013 (€ (2.3) million in the first nine months of 2012), mainly attributable to restructuring programs implemented in Italy, Jamaica and, to a lesser extent, other Group's subsidiaries as well as other net non-recurring charges.

Group pre-tax profit reached **€ 149.5 million**, down by -14.9%.

[1] Article 62 of Law n. 27/2012 (effective from 24 October 2012) introduced in Italy new restrictions for food&beverage companies in terms of time limits to the payment terms that can be extended to the clients (60 days for non-perishable products and 30 days for perishable products).

As of 30 September 2013, **net financial debt** stood at **€ 910.7 million** (€ 869.7 million as of 31 December 2012), after a total acquisition outlay of € 27.0 million, of which € 12.9 million for the US distribution rights of LdM and € 14.1 million for Australian bottler Copack Beverage LP.

CONSOLIDATED SALES OF THE FIRST NINE MONTHS OF 2013

Looking at sales by region in the first nine months of 2013, the **Americas** (**42.4%** of total Group sales) posted an **overall growth** of **+35.9%**, with an **organic increase** of **+4.3%**, a perimeter effect of +37.8% thanks to LdM, and an exchange rate effect of -6.2%. In the **US** (20.9% of total Group sales) sales registered an **organic increase of +3.7%**, driven by double digit growth in the **Wild Turkey franchise**, behind Wild Turkey bourbon and American Honey, and **Campari**. **SKYY franchise** was flat vs. last year due to shipment phasing. The perimeter effect was positive by +3.4% (due to LdM) and the exchange rate effect was negative by -2.8%. Sales in **Brazil** (5.1% of total Group sales) registered a **slightly negative organic change of -0.5**%, driven by the slowdown of local brands (Dreher, Old Eight and Drury's) which was in part offset by the **continued strong performances of the SKYY, Sagatiba and Campari premium brands**. Sales in the **other Americas** (16.3% of total Group sales) showed an **organic growth of +12.3%**, mainly driven by a strong performance in **Argentina** (Campari and Old Smuggler). Perimeter change in the other Americas was +208.9%, driven by the first time consolidation of LdM (**Jamaica reaching 9.2% of Group sales** in the first nine months of 2013). The exchange rate effect was -12.9%.

The **Italian market** (25.4% of total Group sales) recorded an **overall decline of -5.6%**, attributable to an **organic performance of -5.9%** and a positive perimeter effect of +0.3%. The negative organic performance in the first nine months of 2013, mainly due to **the weak consumption trend**, was positively impacted by a strong **acceleration in the organic performance in the third quarter 2013** (**+24.5%**) driven by the expected realignment of shipments to the underlying consumption trends. Organic performance was driven by a **continued sustained growth of Aperol (+10.2%)** and a strong recovery of the other key brands (**Campari, Campari Soda** and **SKYY Vodka**) in the third quarter of 2013. Notwithstanding the continued tough economic environment still affecting the consumer sentiment, long aperitifs (**Campari** and **Aperol**) returned to a positive consumption trend and outperformed the local market. The **wine portfolio declined** in the first nine months of 2013, suffering from a continued slowdown in the restaurant channel due to a weak consumption environment. **Soft drinks** were also heavily affected by the overall slowdown in consumption in the traditional day-bars channel.

Sales in the **rest of Europe** (22.2% of total Group sales) **grew by +4.6%** overall, driven by an organic growth of +0.7%, a perimeter effect of +5.0%, due to a new distribution agreement in Germany as well as LdM, and an exchange rate effect of -1.1%. In the first nine months of 2013 **Germany** recorded an **organic change of -4.9%**, as the expected softness of Aperol was not entirely offset by the **continued positive growth across the rest of core spirits portfolio, particularly Campari, SKYY** and **GlenGrant**. **Russia** on the contrary **was up +30.3%** showing **strong results across the key Cinzano** and **Mondoro** brands. With regard to the other European markets, **UK** and **Belgium showed a positive trend driven by Aperol**.

Sales in the **rest of the world** (including Global Travel Retail), which accounted for **10.0% of total Group sales** grew by **+8.6%** overall, with an **organic change of -3.2%** and an exchange rate effect of -5.7%. Perimeter change was +17.5% thanks to LdM. The organic sales decline was driven by a **negative performance in Australia** of **-6.8%** in the first nine months of 2013, although showing an improving trend in the third quarter. The decline was due to the weak shipments of the Wild Turkey franchise, related to the heightened competitive pressure on the core bourbon and RTD and the Riccadonna sparkling wines. The shipment performance, also affected by tough comps, was in part offset by **highly positive trends in SKYY**, **Espolón** and **Aperol**. A positive development was also achieved in the region's other key markets, including **China, New Zealand, South Africa, Nigeria** and **GTR**.

Looking at **sales by the key brands**, regarding **spirits** (74.7% of Group sales) **Campari** registered an organic growth of **+7.1%** in the first nine months of 2013 on the back of improving trends in **Italy** as well as **continued strong performances in Argentina**, **USA**, **Germany** and **Nigeria. Aperol** had an **organic performance of -2.5%**, positively impacted by a strong **recovery in the third quarter (+13.4%)** driven by Italy and a continued **strong positive trend in all other international markets. SKYY** sales achieved **an organic growth of +1.8%**, **affected** by soft shipments in **US** due to phasing issues. Positive momentum continued behind the SKYY Infusions. A successful performance continued in high potential markets, particularly **Brazil, Germany, South Africa** and **China.** The **Wild Turkey** franchise registered an **organic growth of +4.7%**, thanks to double digit growth in **US**, partly offset by **softness in Australia and Japan** as well as a tough comp base (+20.2% in the first nine months of 2012). The overall growth started benefitting from innovation activity, kicked off in the second half of September. **Campari Soda** declined by -6.2%, notwithstanding a very positive performance in the third quarter of 2013, as the underlying performance is negatively affected by the very challenging environment and weak trading conditions in day bars channel and off trade in Italy. The **Brazilian brands** posted negative results in the first nine months of 2013, down **-7.0%**, affected by the general consumption slowdown in Brazil. The **Tequila** portfolio registered a continued organic growth of **+7.5%**, driven by both **Espolón** and **Cabo Wabo** in the key US market. **GlenGrant** registered an organic growth of **+0.4%**, driven by the positive performance in Germany, GTR and Japan, which more than offset a weak performance in the core Italian market.

In terms of **wines**, which accounted for 12.3% of total sales, **Cinzano vermouths** registered an organic growth of **+3.6%**, driven by **the positive performances in Russia, Germany** and **Argentina** which offset the category weakness in the rest of developed markets. Sales of **Cinzano sparkling wines** were flat at **-0.1%**, driven by the continued double digit performance in Russia offsetting the weakness registered in low season in Germany and Italy. **Other sparkling wines** (**Riccadonna, Odessa** and **Mondoro**) grew organically by **+26.2%** driven by a strong trend of Mondoro in Russia, whilst **still wines** (mainly **Sella&Mosca**, **Enrico Serafino** and **Teruzzi&Puthod**) declined due to the continued weakness in the Italian on premise channel.

In terms of **soft drinks** (6.5% of total sales), **Crodino** declined by **-21.3%, heavily affected** by the very challenging trading and consumer environment in day bars and off trade channels in Italy.

OTHER INITIATIVES

DISTRIBUTION RIGHTS AND CALL OPTION ON BULLDOG GIN

Gruppo Campari has gained the **distribution rights for Bulldog Gin**, **an independently owned brand with a leading position in the premium gin segment**. Bulldog Gin is today **available in over 25 countries** and has a strong concentration in Europe. According to the agreement, starting in 2014 until 2020, **Gruppo Campari will distribute Bulldog Gin worldwide in the duty-free channel and in most of the markets where Campari has its own marketing and sales organisations, including the US**. In all the other markets, Bulldog Gin will continue to be distributed by the brand's owner. Moreover, the agreement grants Gruppo Campari a **call option to acquire the Bulldog Gin company assets**, including the brand, inventory, production and distribution contracts. The option will be **exercisable as of 2020 based on Bulldog's achievement of targets during 2019** which are already agreed by the parties. **Based on the full achievement of the targets agreed by the parties, the deal would imply an expected CAAP multiple of 7.2 times in 2019**. This multiple is based on the total CAAP achieved by Bulldog Gin in the markets managed by Gruppo Campari as well as in third-party markets.

Bulldog Gin, distilled in England, is recognised as a very smooth and mixable gin, based on a distinctive blend of 12 botanicals from eight countries. An iconic eye-catching, deep charcoal grey heavy glass bottle complements the distinctively British name. Since its launch in 2007, Bulldog Gin has established itself as a contender in the premium gin segment, with a track record of strong acceptance by the trade and consumers in all major markets as well as impressive global volume growth over the last few years.

The agreement represents for Gruppo Campari an opportunity to **become a key player in the attractive super premium gin category** in key markets by acquiring the distribution of a super-premium brand with growth potential **with the option to eventually acquire the brand**; **complement Campari's existing portfolio** currently including premium gin Bankes with super premium gin Bulldog; **further premiumise Campari's brand portfolio** and **increase on-premise focus, particularly in the US**.

NEW ROUTE-TO-MARKET IN SPAIN

True to its **overall strategy to establish and strengthen local in-market presence in key markets where it has reached critical mass**, Gruppo Campari will **set up a full in-market distribution company in Spain**. The newly established company will be **responsible for the sales and marketing of the Campari brand portfolio in Spain**, currently including Campari, Frangelico, Aperol and Cinzano, as well as the export into Portugal and Andorra. The commercial activity will **start on April 1st 2014**. Until March 31st 2014, the Gruppo Campari brands will continue to be distributed in the Spanish territory by the current distribution partners. The initiative is for Gruppo Campari a key **opportunity to become a key player in the Spanish market**, in particular by leveraging the strong growth potential for Aperol.

The Executive responsible for 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 - that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

ANALYST CONFERENCE CALL

At **1:00 pm (CET) today, November 14 2013**, Campari's management will hold a conference call to present the Group's 2013 nine months results. To participate, please dial one of the following numbers:

- **from Italy: 02 8058 811**
- **from abroad: +44 1212 818003**

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

A **recording of the conference call** will be available from today, November 14 until Thursday, November 21 2013.
To listen to it, please call the following numbers:

- **from Italy: 02 72495**
- **from abroad: +44 1212 818005**

(access code: **707#**).

FOR FURTHER INFORMATION

Investor Relations

Chiara Garavini
Tel.: +39 02 6225 330
Email: chiara.garavini@campari.com

Alex Balestra
Tel. : +39 02 6225 364
Email: alex.balestra@campari.com

http://www.camparigroup.com/en/investor
http://www.camparigroup.com/en
http://www.youtube.com/campariofficial

Corporate Communications

Chiara Bressani
Tel. : +39 02 6225 206
Email: chiara.bressani@campari.com

Enrico Bocedi
Tel.: +39 02 6225 680
Email: enrico.bocedi@campari.com

About Gruppo Campari

Davide Campari-Milano S.p.A., together with its affiliates ('Gruppo Campari'), is a major player in the global beverage sector, trading in **over 190 nations** around the world with leading positions in Europe and the Americas. The Group was founded in 1860 and today is **the sixth-largest player worldwide** in the premium spirits industry. The Group's portfolio, with over 50 brands, spans spirits, the core business, wines and soft drinks. Internationally-renowned brands include **Aperol, Appleton, Campari, Cinzano, SKYY Vodka and Wild Turkey**. Headquartered in Sesto San Giovanni, Italy, Campari owns 16 plants and 4 wineries worldwide and has its own distribution network in 16 countries. The Group employs over 4,000 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 since 2001. For more information: http://www.camparigroup.com.
Please enjoy our brands responsibly

- Appendix to follow -

GRUPPO CAMPARI

Consolidated net revenues by geographic area

	1 January-30 September 2013		1 January-30 September 2012		%
	€ million	%	€ million	%	change
Americas	446.1	42.4%	328.2	35.2%	**35.9%**
Italy	267.0	25.4%	282.8	30.4%	**-5.6%**
Rest of Europe	234.1	22.2%	223.8	24.0%	**4.6%**
Rest of the world and duty free	105.2	10.0%	96.8	10.4%	**8.6%**
Total	**1,052.5**	**100.0%**	**931.6**	**100.0%**	**13.0%**

Breakdown of % change	Total % change	Organic growth	External growth	Exchange rate effect
Americas	**35.9%**	4.3%	37.8%	-6.2%
Italy	**-5.6%**	-5.9%	0.3%	0.0%
Rest of Europe	**4.6%**	0.7%	5.0%	-1.1%
Rest of the world and duty free	**8.6%**	-3.2%	17.5%	-5.7%
Total	**13.0%**	**-0.4%**	**16.4%**	**-3.0%**

Consolidated net revenues by segment

	1 January-30 September 2013		1 January-30 September 2012		%
	€ million	%	€ million	%	change
Spirits	785.5	74.7%	729.4	78.3%	**7.7%**
Wines	129.8	12.3%	111.0	11.9%	**16.9%**
Soft drinks	68.3	6.5%	80.2	8.6%	**-14.8%**
Other revenues (1)	68.9	6.5%	11.0	1.2%	**526.1%**
Total	**1,052.5**	**100.0%**	**931.6**	**100.0%**	**13.0%**

Breakdown of % change	Total % change	Organic growth	External growth	Exchange rate effect
Spirits	**7.7%**	0.1%	10.7%	-3.1%
Wines	**16.9%**	4.1%	16.7%	-3.9%
Soft drinks	**-14.8%**	-15.2%	0.5%	-0.1%
Other revenues (1)	**526.1%**	24.7%	508.5%	-7.1%
Total	**13.0%**	**-0.4%**	**16.4%**	**-3.0%**

(1) Include sales of finished products that do not fall into the product categories that represent the Group's core business (spirits, wines and soft drinks), totalling € 52.0 million; sales to third parties of raw materials and semi-finished goods, mainly new-production and aged liquid, totalling € 12.8 million; revenue from bottling activities carried out on behalf of third parties, totalling € 4.1 million.

GRUPPO CAMPARI

Consolidated income statement for the nine months to 30 September 2013

	1 January-30 September 2013		1 January-30 September 2012		%
	€ million	%	€ million	%	change
Net sales[(1)]	**1,052.5**	**100.0%**	**931.6**	**100.0%**	**13.0%**
Total cost of goods sold[(2)]	(485.2)	-46.1%	(384.7)	-41.3%	26.1%
Gross profit	**567.3**	**53.9%**	**546.8**	**58.7%**	**3.7%**
Advertising and promotion	(174.6)	-16.6%	(165.9)	-17.8%	5.3%
Contribution after A&P	**392.6**	**37.3%**	**381.0**	**40.9%**	**3.1%**
SG&A[(3)]	(194.0)	-18.4%	(167.1)	-17.9%	16.1%
EBIT before one-off's	**198.6**	**18.9%**	**213.9**	**23.0%**	**-7.1%**
One off's	(4.7)	-0.4%	(2.3)	-0.2%	-
Operating profit = EBIT	**193.9**	**18.4%**	**211.6**	**22.7%**	**-8.4%**
Net financing costs	(43.9)	-4.2%	(33.2)	-3.6%	32.2%
One off's financial expenses	(0.1)	-0.0%	(2.2)	-0.2%	-
Put option	(0.0)	-0.0%	(0.1)	-0.0%	-
Profit before taxes and minority interests	**149.9**	**14.2%**	**176.1**	**18.9%**	**-14.8%**
Minority interests	(0.5)	-0.0%	(0.4)	-0.0%	**-**
Group pre-tax profit	**149.5**	**14.2%**	**175.7**	**18.9%**	**-14.9%**
Depreciation and amortisation	(30.6)	-2.9%	(24.5)	-2.6%	24.8%
EBITDA before one-off's	**229.2**	**21.8%**	**238.4**	**25.6%**	**-3.9%**
EBITDA	**224.5**	**21.3%**	**236.1**	**25.3%**	**-4.9%**

(1) Net of discounts and excise duties.

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

(3) Includes selling. general and administrative costs.

Consolidated income statement for the third quarter to 30 September 2013

	3Q 2013		3Q 2012		%
	€ million	%	€ million	%	change
Net sales[(1)]	**353.9**	**100.0%**	**313.3**	**100.0%**	**13.0%**
Total cost of goods sold[(2)]	(160.0)	-45.2%	(129.7)	-41.4%	23.4%
Gross profit	**193.9**	**54.8%**	**183.6**	**58.6%**	**5.6%**
Advertising and promotion	(59.2)	-16.7%	(62.5)	-20.0%	-5.3%
Contribution after A&P	**134.6**	**38.0%**	**121.1**	**38.6%**	**11.2%**
SG&A[(3)]	(61.4)	-17.3%	(54.5)	-17.4%	12.6%
EBIT before one-off's	**73.2**	**20.7%**	**66.5**	**21.2%**	**10.1%**
One off's	0.2	0.0%	1.3	0.4%	-
Operating profit = EBIT	**73.4**	**20.7%**	**67.8**	**21.7%**	**8.2%**
Net financing costs	(15.6)	-4.4%	(12.3)	-3.9%	26.5%
One off's financial expenses	(0.0)	-0.0%	(2.1)	-0.7%	-
Put option	(0.0)	-0.0%	(0.0)	-0.0%	-
Profit before taxes and minority interests	**57.7**	**16.3%**	**53.4**	**17.0%**	**8.2%**
Minority interests	(0.2)	-0.0%	(0.1)	-0.0%	**-**
Group pre-tax profit	**57.6**	**16.3%**	**53.3**	**17.0%**	**8.1%**
Depreciation and amortisation	(10.3)	-2.9%	(8.9)	-2.9%	15.9%
EBITDA before one-off's	**83.6**	**23.6%**	**75.5**	**24.1%**	**10.8%**
EBITDA	**83.8**	**23.7%**	**76.8**	**24.5%**	**9.1%**

(1) Net of discounts and excise duties.

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

(3) Includes selling. general and administrative costs.