CAMPARI GROUP

2017 Full Year Results

Investor Presentation

27 February 2018

TOASTING LIFE TOGETHER

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Results for full year ended 31 December 2017

Consistent strong performance across key indicators

	FY 2017		Change vs. FY 2016 (5)				Q4 2017
Key figures	**€ million**	***% on sales***	**Reported**	***Organic***	***FX***	***Perimeter (1)***	**Organic change**
Net sales	**1,816.0**	*100.0%*	**+5.2%**	***+6.3%***	***-0.8%***	***-0.4%***	*+6.6%*
of which: Global priorities				*+7.7%*			
Regional priorities				*+13.0%*			
Gross profit	**1,075.0**	*59.2%*	**+9.2%**	***+8.6%***	**-0.8%**	**+1.4%**	*+6.6%*
margin accretion (bps)			+220bps	*+120bps*	*0bps*	*+100bps*	
EBIT adjusted (2)	**380.5**	*21.0%*	**+7.9%**	***+8.7%***	***-0.9%***	***+0.1%***	*+14.2%*
margin accretion (bps)			+50bps	*+50bps*	*0bps*	*+10bps*	
EBITDA adjusted (2)	**437.6**	*24.1%*	**+8.0%**	***+8.9%***	***-0.9%***	***-0.1%***	*+14.3%*
margin accretion (bps)			+60bps	*+60bps*	*0bps*	*+10bps*	
Group net profit adjusted (3)	**233.4**	*12.9%*	**+17.5%**				
EPS adjusted fully diluted	**€0.20**		**+17.2%**				
Recurring free cash flow	**249.7**						
Net Debt	**981.5**						
Dividend per share (4)	**€0.05**		**+11.1%**				

(1) Mainly including the Grand Marnier acquisition until June 2017 net of Carolans disposal from July 2017

(2) Before positive operating adjustments of €13.9 million, mainly driven by capital gains on Carolans disposal for €49.7 million

(3) Group net profit before operating and financial adjustments of €(11.0) million pre-tax, and fiscal effects and tax benefits of overall €133.9 million (of which fiscal effects on operating and financial adjustments and other tax adjustments of €7.2 million, one-off non-cash reduction in US deferred tax liability of €81.9 million and 'Patent Box' tax benefit of €44.8 million, consisting of €12.0 million for the fiscal year 2015, €15.5 million for the fiscal year 2016 and €17.3 million for the fiscal year 2017)

(4) Proposed dividend

(5) Basis points rounded to the nearest ten

Key highlights

Strong organic net sales growth, fueling re-investments into the business

Net Sales

- **Solid organic sales growth of +6.3%,** driven by continuous improvement in sales. thanks **to continued positive performance in Q4** (+6.6% vs. +3.2% in Q4 2016)
  - **Global Priorities, up +7.7%,** and **Regional Priorities up +13.0% in key high-margin developed markets**, with Local priorities growing at **+1.3%**

EBIT adjusted

- **EBIT adjusted organic growth of +8.7% ahead of organic sales growth (+50 bps margin expansion),** driven by **strong organic gross margin growth of +8.6% (+120 bps margin expansion)** more than offsetting the reinvestments into brand building and distribution enhancement initiatives

Net Profit

- **Group net profit reported to €356.4 million, up +114.3%**
- **Group net profit adjusted** (1) **of €233.4 million, up +17.5% on a like-for-like basis**
  - **EPS adjusted fully diluted of €0.20 in 2017**, up +17.2%

Free cash flow

- **Free cash flow delivery: €227.0 million**
- **Recurring free cash flow delivery: €249.7 million**

Net debt

- **Net financial debt at €981.5 million as of December 31, 2017 vs. €1,192.4 million** (2) **as of December 31, 2016,** driven by a healthy cash flow generated by the business and taking into account the inflow effects from the disposals of the Chilean and French wineries and the Carolans and Irish Mist brands, net of the outflow effects of the Bulldog acquisition, the dividend payment, the liability management transactions and the purchase of own shares(3)
- **Net debt / EBITDA pro-forma ratio of 2.0x as of December 31, 2017**
- **Net debt position and EBITDA pro-forma ratio as of 2017 year end exclude the proceeds from the disposal of the Lemonsoda business, net of the Bisquit acquisition,** as the two transactions both closed in January 2018 (4)

Dividend

- **Proposed full year dividend to €0.05 per share, +11.1%**

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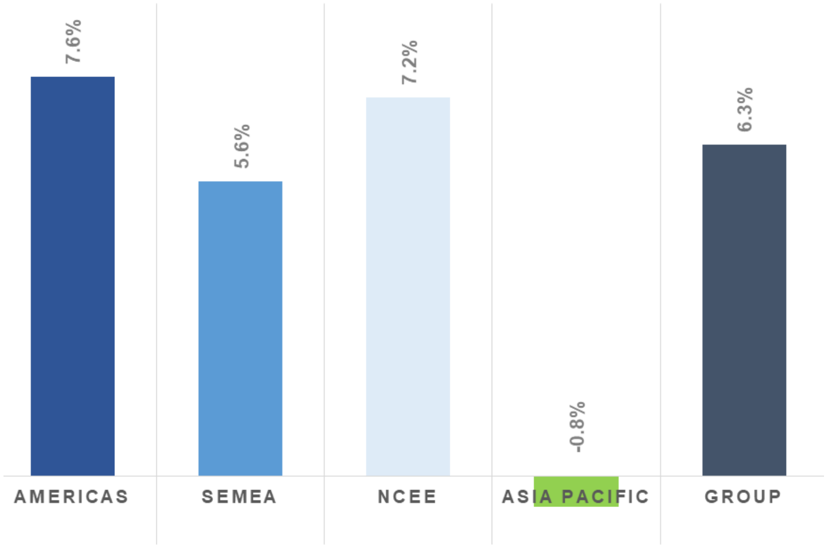
(1) Group net profit before operating and financial adjustments of €(11.0) million pre-tax, and fiscal effects and tax benefits of overall €133.9 million (of which fiscal effects on operating and financial adjustments and other tax adjustments of €7.2 million, one-off non-cash reduction in US deferred tax liability of €81.9 million and 'Patent Box' tax benefit of €44.8 million, consisting of €12.0 million for the fiscal year 2015, €15.5 million for the fiscal year 2016 and €17.3 million for the fiscal year 2017)

(2) After reclassification of €7.2 million to the opening balance sheet as a result of the final purchase price allocation of the Grand Marnier acquisition values

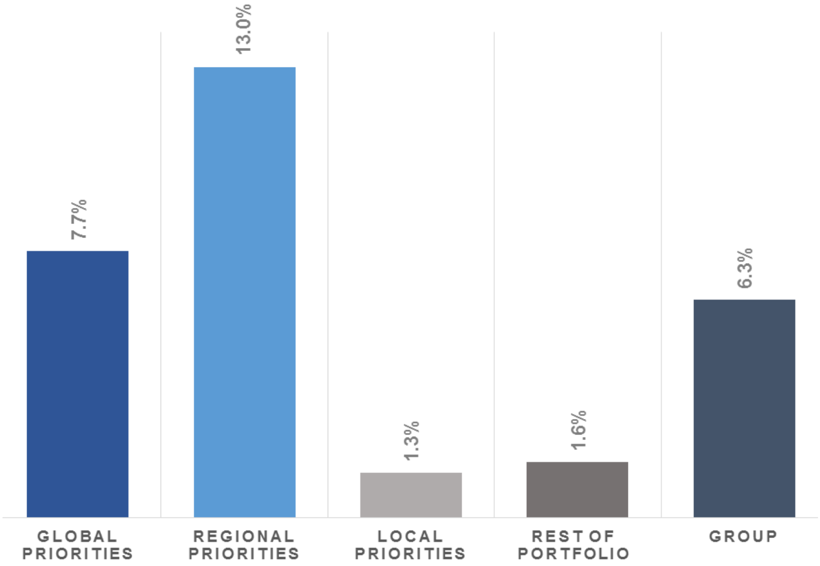
(3) Overall value of the Bulldog acquisition of €82.3 million (including the estimated earn-out), liability management cash outflow of €23.2 million, the value of the Chilean winery disposal of €30.0 million, the French winery disposal of €20.1 million, and Carolans & Irish Mist disposal of €139.8 million

(4) Lemonsoda business disposal of €80.0 million before price adjustments, and Bisquit acquisition of €53.9 million

Solid organic sales growth across key brand-market combinations



- **Americas:** US up +3.4%, solid growth across the region
- **SEMEA:** Italy up +2.0%, double-digit growth in recent route-to-markets (Spain and South Africa), as well as the rest of the region
- **NCEE:** growth driven by Russia, the UK, Austria and the Czech Republic
- **Asia Pacific:** contrasting performances across the region due to co-packing activities and route-to-market changes



- **Global Priorities:** Aperol up +19.5%, high single digit growth in Campari, Wild Turkey and the Jamaican Rums
- **Regional Priorities:** double-digit growth driven by Espolòn, Bulldog and GlenGrant
- **Local Priorities:** solid growth in high-margin Crodino, up +3.1%

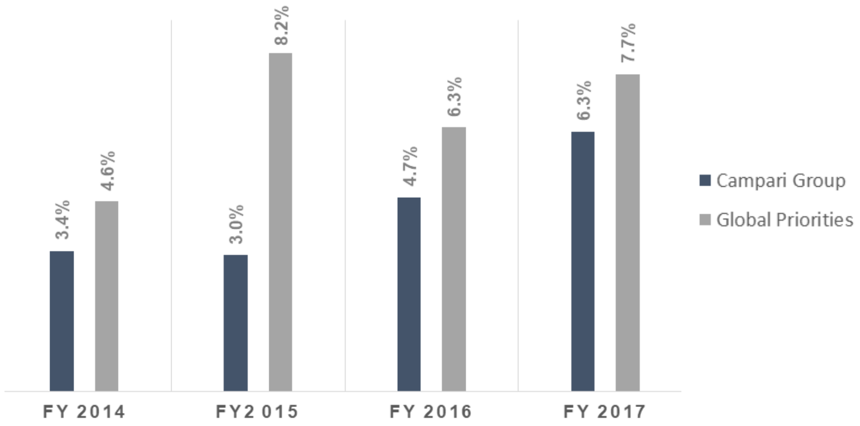
Delivering on strategy

Positive margin momentum driven by solid organic performance

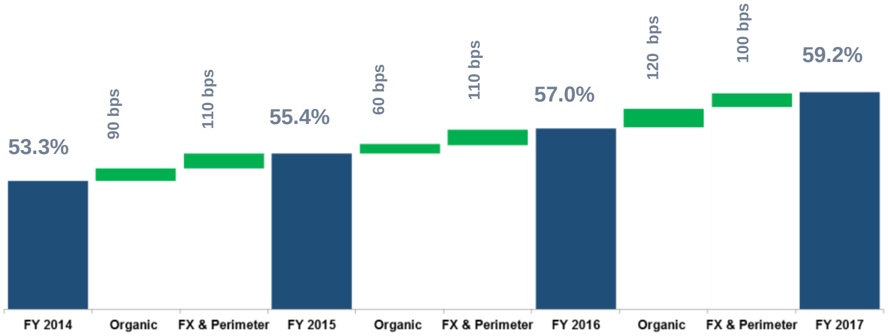
> ***Gross margin expansion driven by sales mix improvement***

> ***Consistent re-investments in brand building and business infrastructure***

Organic net sales growth

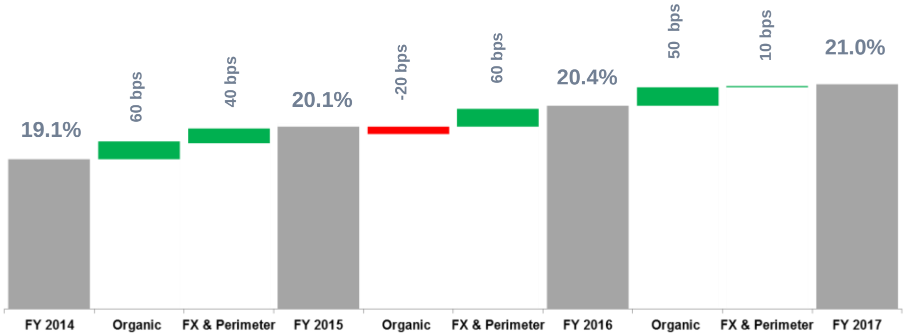


Gross margin improvement FY 2014 – FY 2017 (1)

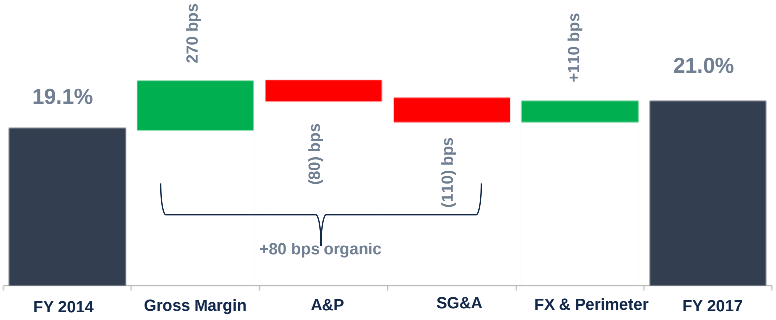


> **Cumulative 3-year: +590 bps, of which +270 bps organic**

EBIT adjusted margin improvement FY 2014 - FY 2017 (1)



EBIT adjusted cumulative margin improvement by key driver (1)



> **Cumulative 3-year: +190 bps, of which +80 bps organic**

> **Strong gross margin to fuel investments for future growth**

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(1) Bps rounded to the nearest ten

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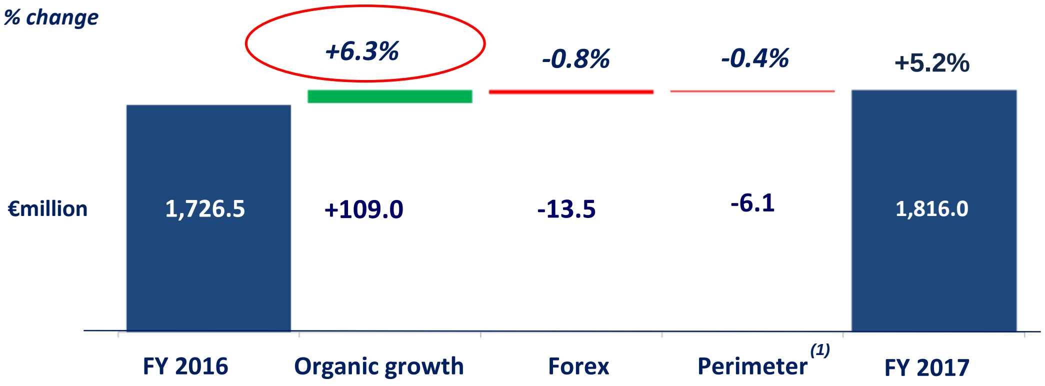
Net sales results for Full Year 2017

Growth drivers



Group net sales organic growth by quarter

	Q1	Q2	Q3	Q4
2017	5.7%	7.6%	5.1%	6.6%
2016	7.2%	3.4%	6.1%	3.2%

(1) Of which acquisitions (Grand Marnier) for €58.9 million, disposals (still wines and Carolans) for €(50.2) million net agency brands for €(14.1) million

- **In the full year: organic change of +6.3%** or €109.0 million **(+6.6% in Q4),** driven by **strong organic growth of high-margin Global Priorities up +7.7% (+8.3% in Q4),** and **Regional Priorities up +13.0% (+12.2% in Q4)**
- **Forex effect of -0.8%** (or €(13.5) million) after a deterioration in Q4 (-3.2%) **driven by the progressive strengthening of the Euro against US Dollar,** Brazilian Real, Jamaican Dollar, Argentinean Pesos and British Pound
- **Perimeter impact of -0.4%** (-4.5% in Q4) due to the tail end effect of the Grand Marnier acquisition, the termination of some distribution agreements, plus the sale of non-core businesses (still wines & Carolans)

Net sales by regions & key markets in FY 2017

US is the largest market with 25.5% of Group Net Sales

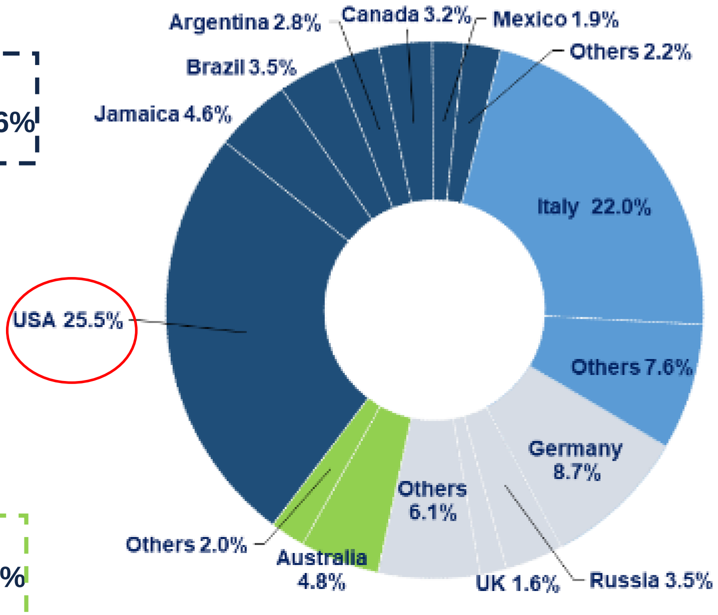
FY 2017 Group Net Sales €1,816.0 m
Organic growth +6.3%

Americas: 43.7% of total
Organic growth: +7.6%

SEMEA: 29.5% of total
Organic growth: +5.6%

Asia Pac: 6.9% of total
Organic growth: -0.8%

NCEE: 19.9% of total
Organic growth: +7.2%



Developed vs. emerging markets: 80% vs 20%

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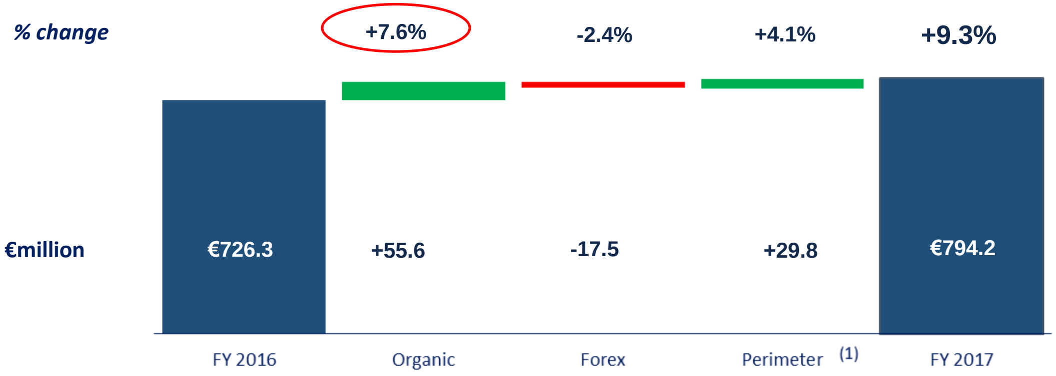
(1) Key emerging markets include Jamaica, Russia, Brazil, Argentina, Mexico, South Africa and Nigeria

Americas: +7.6% organic



Americas net sales organic growth by quarter

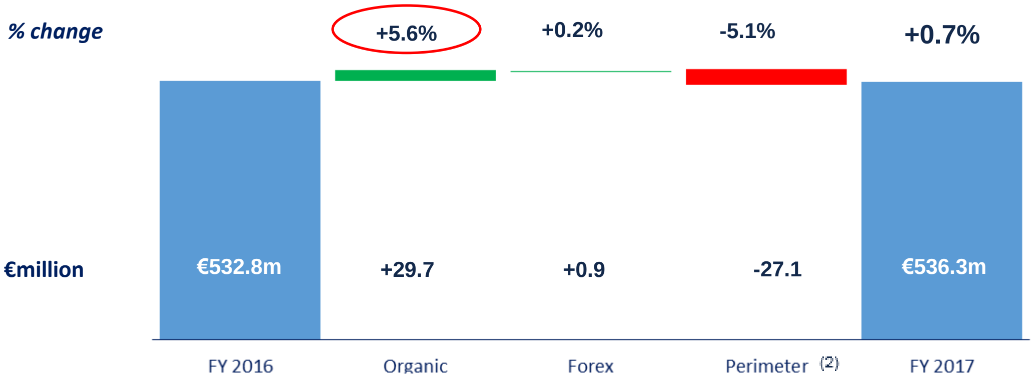
	Q1	Q2	Q3	Q4
2017	8.0%	7.4%	5.6%	9.4%
2016	6.9%	0.2%	3.1%	2.3%

Organic growth by key market

> **US**	**+3.4%**	• **Full year organic growth** of **+3.4%,** driven by solid growth in the **Wild Turkey** portfolio, **Espolòn** and **Cabo Wabo** tequilas, as well as continued double-digit growth in **Aperol** and **Campari.** There was also a good performance by the **Jamaican rums** and **Grand Marnier**. These good results helped offset the negative performance of SKYY, which declined due to both the persistent competitive category pressures as well as reduced innovation in infusions and difficult trading in Q3 due to the hurricanes in two key states
> **Jamaica**	**+9.8%**	• **Very satisfactory organic growth** driven by **Campari** which continues to grow by double-digit as well as a good performance from the **Jamaican rums**, in particular, **Wray&Nephew Overproof** and **Appleton Estate**
> **Brazil**	**+4.9%**	• **Good performance** despite continued macroeconomic weakness, largely driven by **Campari, Aperol** and **Dreher**
> **Argentina**	**+30.3%**	• **Solid growth on the year** with a good fourth quarter result. **Campari, SKYY** and **Cinzano registered positive growth** while **Aperol's positive trend continues**, growing double-digit in both volume and price
> **Canada**	**+6.0%**	• **Continued positive growth**, driven by **SKYY, Aperol,** and **Campari**, as well as **Forty Creek**. The innovative spiced rum, **Baron Samedi**, also registered solid growth in the year
> **Others**	**+21.4%**	• The other markets, in particular **Mexico (+32.2%)** and **Peru (+59.3%), delivered strong results**

(1) Perimeter effect mainly driven by Grand Marnier acquisition

SEMEA (1): +5.6% organic



SEMEA net sales organic growth by quarter

	Q1	Q2	Q3	Q4
2017	1.4%	3.8%	7.4%	8.9%
2016	4.8%	2.7%	4.3%	-0.2%

Organic growth by key market

> **Italy**	**+2.0%**	• **Very satisfactory growth** on the year with a flat fourth quarter. The good performance was largely driven by the **continued positive trend** in **Aperol, Campari** and **Crodino**, which partially compensated for the slight decline of Campari Soda
> **Others**	**+17.3%**	• **Good results** from the other markets in the region, with **France growing +15.9%** driven by **Campari** and **Aperol**, with positive contributions from **Riccadonna** and **GlenGrant. Spain grew +11.9%,** thanks to growth in **Aperol, Cinzano** and **Campari** while **South Africa** ended the year with **very pleasing results** thanks to solid growth in **SKYY** and good progression of **Aperol** and **GlenGrant**, from a small base. Positive growth in Nigeria driven by SKYY and American Honey • **Global Travel Retail,** notwithstanding route-to-market changes, ended the year with **positive growth** (+8.5%) thanks to a good performance from **Aperol, SKYY, Bulldog, GlenGrant** and **Grand Marnier**

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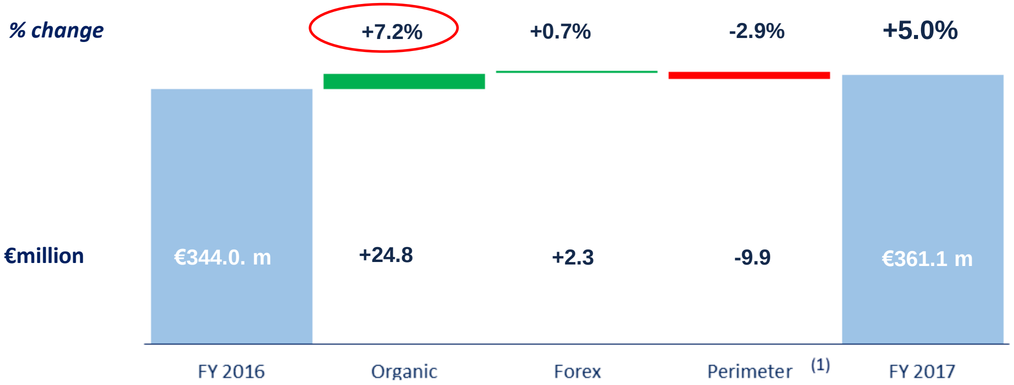
(1) Incl. Global Travel Retail

(2) Perimeter effect in Italy driven by disposals of non-core still wine businesses, in GTR driven by Grand Marnier

NCEE: +7.2% organic



NCEE net sales organic growth by quarter

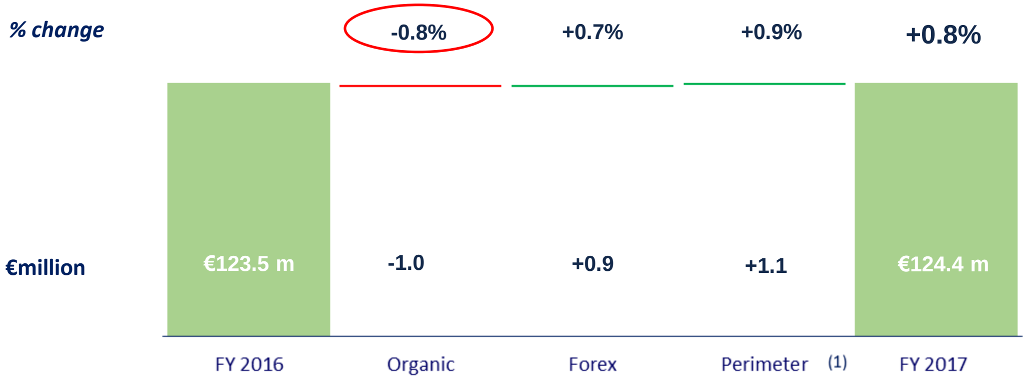
	Q1	Q2	Q3	Q4
2017	11.5%	15.5%	3.8%	1.9%
2016	13.3%	12.7%	14.8%	8.6%

Organic growth by key market

> **Germany**	**-2.6%**	• **Decline in the year,** impacted by adverse weather conditions in the summer largely driven by a drop in sales from lower-margin brands such as **Cinzano** sparkling wine and vermouth as well as the agency brands. These negative results were partially compensated by the **growth** of **Aperol (+11.5%), Frangelico, Bulldog, SKYY, Averna** and **Wild Turkey bourbon**
> **Russia**	**+40.6%**	• **Positive growth** with continued momentum into the fourth quarter driven by **Mondoro** and **Cinzano**, as well as continued growth of **Aperol, Espolòn** and **Wild Turkey bourbon**
> **Others**	**+10.8%**	• **Solid full year performance** across the majority of the other markets. In particular, the **UK up +13.8%** thanks to **Aperol, Bulldog, Campari**, and the **Jamaican rums** whilst Austria, Poland, the Czech Republic also delivered good results largely thanks to continued growth from **Aperol** and **Campari**

(1) Perimeter effect mainly driven by termination of agency brands in both Germany and Russia

Asia Pacific: -0.8% organic



Asia Pacific net sales organic growth by quarter

	Q1	Q2	Q3	Q4
2017	-1.1%	6.4%	-3.5%	-2.9%
2016	5.8%	2.7%	8.2%	6.7%

Organic growth by key market

> **Australia**	**-0.6%**	**Australia finished slightly down**, despite **positive momentum throughout the second half of the year**, particularly in the fourth quarter (+3.1%), after the slow start to the year due to **unfavorable weather conditions**. The market registered double-digit growth for **Aperol, GlenGrant** and **Espolòn** as well as good growth from **SKYY Vodka.** These positive performances were offset by the decline in the ready-to-drink category, particularly **Wild Turkey ready-to-drink**, impacted by **persistent competitive pressure** in the category as well as a decline in sales in co-packing business
> **Others**	**-1.4%**	**Positive performance from China** (+7.3%) thanks to the growth of **GlenGrant, SKYY** and **Wild Turkey bourbon**, while **New Zealand** also grew, driven by **Wild Turkey ready-to-drink**, **Appleton Estate** and **Aperol**. However, there was a decline in other Asian markets, in particular **Japan**, which registered a decline on the year due to route-to-market changes. This decline was partially compensated by growth in **Campari, SKYY** and **Aperol**

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(1) Perimeter effect mainly driven by Grand Marnier acquisition

Net sales by brand – Overview

Global Priorities

53% of Total (+400 bps vs. PY)

Organic sales: (1) +7.7%

Regional Priorities

17% of Total (+0 bps vs. PY)

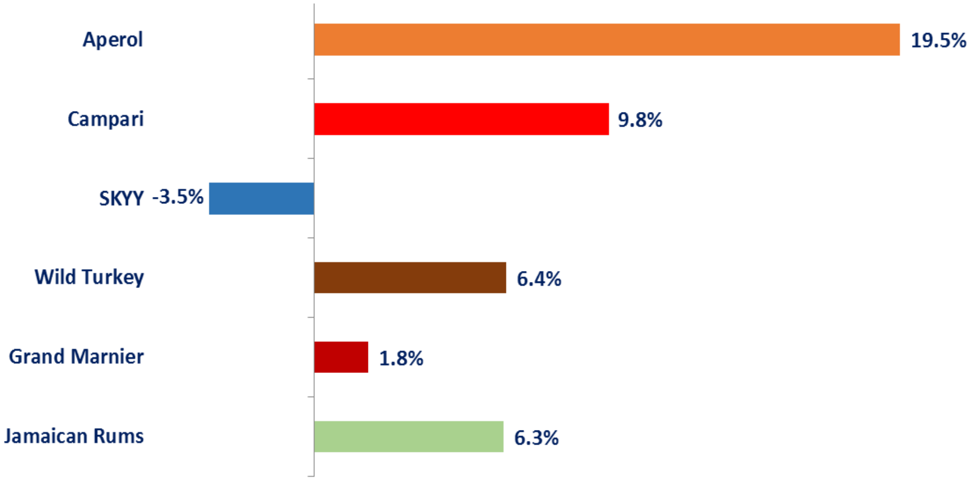
Organic sales: +13.0%

Local Priorities

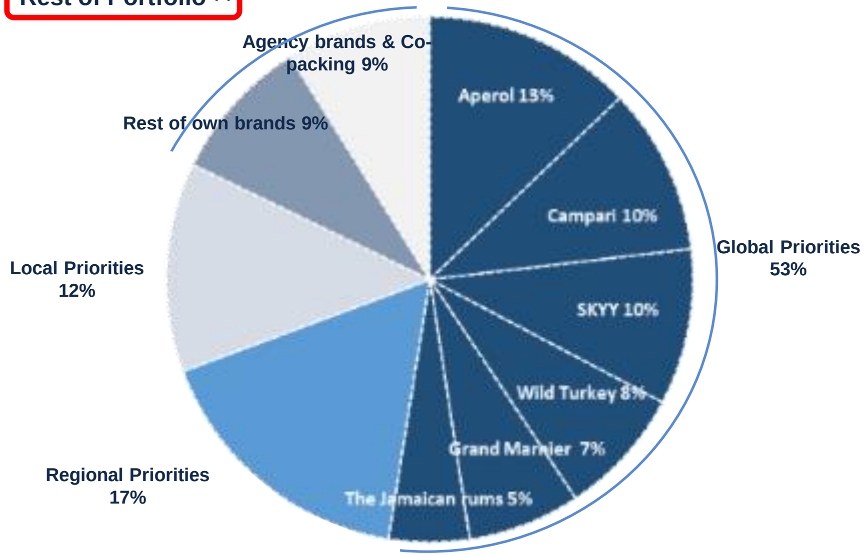
12% of Total (-100 bps vs. PY)

Organic sales: +1.3%

Organic growth by Global Priority in FY 2017



Rest of Portfolio (2)



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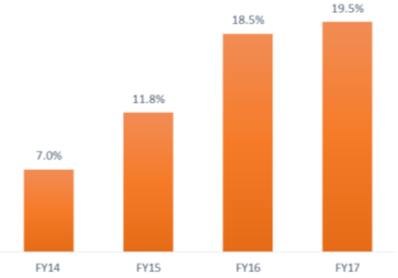
(1) Grand Marnier sales included organically from Q3 17

(2) Rest of Portfolio: 18% of total (-400 bps vs. PY). +1.6% organic sales growth n FY 2017

Aperol: +19.5% (1) organic

Global priorities



Top 5 markets by value

- **Italy**
- **Germany**
- **France**
- **US**
- **Austria**

> **Continued acceleration,** building on **an outstanding performance from previous years thanks to growth in the brand's core and high potential markets** as well as **new activations in seeding geographies. Aperol** is now the **Group's largest brand** and **continues to be the strongest performer**

> **Performance by clusters of market**

- **Established**
  - **Strong result** in **Italy** (**+6.5%**) thanks to extension of usage occasions in the brand's core market
  - **Germany**, as one of the brand's core markets, registered **double-digit organic growth at +11.5%,** building on a very good year last year (+11.3%). **Austria** and **Switzerland** also registered **double-digit** growth
- **High potential**
  - Sustained positive performance in **France (+27.3%)**, and **Spain (+40.1%)**. Both these results have built on a very strong performance in FY 2016 (+111.2% and +54.9% respectively). **Very positive development from Greece** and **GTR**
  - In the **UK, high double-digit** growth of **+53.1%** (+73.8% organic growth in FY 2016) keeps **Aperol** as one of the fastest growing brands in the country for the third year in a row
  - In the **US**, the fourth largest market by value, **Aperol** continues to grow by high double-digit (+51.3%) in the year as the brand penetrates both the on and off premise occasion, with marketing support
- **Seeding**
  - Continued **high double-digit growth** in seeding markets such as **Canada**, **Brazil, Chile, Australia** as well as **Eastern Europe** such as the Czech Republic and Poland, while markets in **Scandinavia** are also outperforming. **Russia registered triple-digit organic growth**, building on a solid year in FY 2016 (+78.0%)

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(1) Sales at constant FX

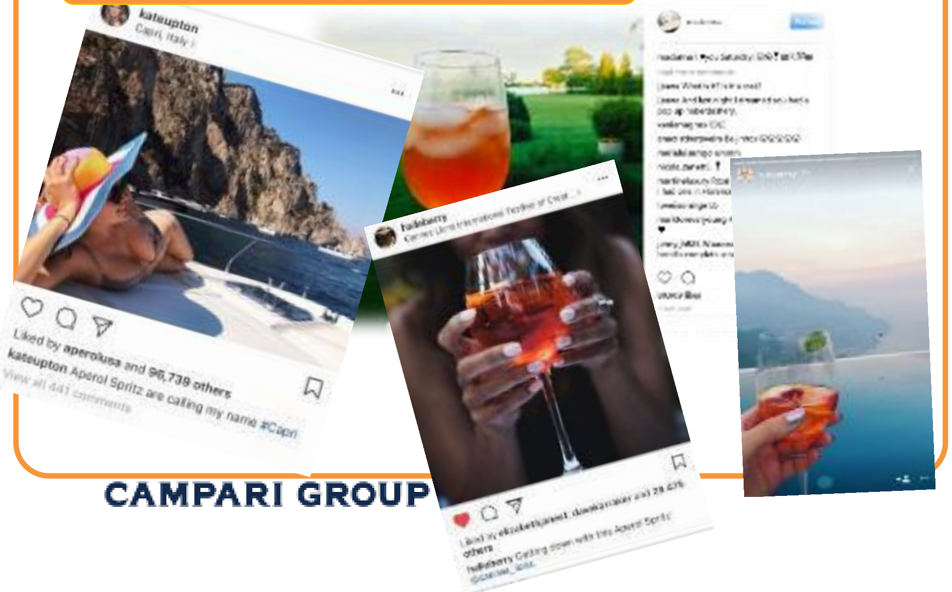
Spreading the orange wave

Global priorities

Aperol Spritz: Summer in the Hamptons

This summer, the **Aperol Spritz** invaded the **Hamptons** by hosting **daily events throughout July**, **August and September** in the **Hamptons, NY**. Events ranged from public, ticket-only or private across 40 different outlets. The initiative was **supported by digital and POS activations** as well as Aperol's very own **touring 'Ape car'** for **impromptu parties on the beach…**

Aperol: Digital wave



kateupton
Capri, Italy

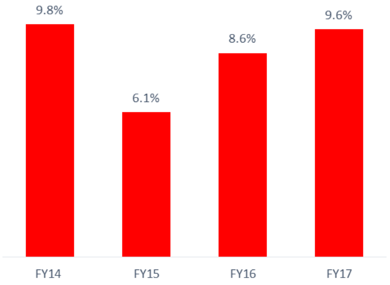
Liked by aperolusa and 96,738 others
kateupton Aperol Spritz are calling my name #Capri
View all 441 comments

Aperol: Happy Together campaign

Aperol released a new **TV campaign** for **Italy** this summer titled **Aperol Spritz, Happy Together**. The campaign focuses on the **social aspect** of the Aperol Spritz: **bringing people together.** The campaign was supported by **numerous activations** across Italy, including the **hundreds of spontaneous beach parties** led by the **Aperol amphibious truck**

Campari: +9.8% organic

Global priorities



Top 5 markets by value

- **Italy**
- **Argentina**
- **US**
- **Germany**
- **Brazil**

> **Campari closed the year with a very positive performance at +9.8% (1), building on the high-single digit growth trend in the previous three years**

> **Performance by key region**

- **SEMEA**
  - **Continued growth in core market of Italy** (+5.2%)
  - Very satisfying results in **France, Spain** and **Greece**
- **North, Central & Eastern Europe**
  - **Germany** was down on the year, largely due to poor weather in the summer, despite a very good fourth quarter
  - **Strong double-digit growth in the UK** (**+22.5%**) and in **Austria** (**+10.9%**), thanks to continued marketing support, millennial targeting and specific cocktail education events such as the Negroni week, and Russia off a small base
- **Americas**
  - **Argentina** continued its strong double-digit organic growth (+28.3% in FY 2017 vs. +40.6% in FY 2016) thanks to focused marketing support as well as positive trends in the category
  - **US** (+11.9%) continues to leverage off the revival of Campari based Classic Cocktails, particularly the Negroni, in top bars across the states. US market sell-out data shows solid underlying double-digit growth
  - Continued **double-digit growth in Canada** and **Brazil**
  - Double-digit value and volume growth in **Jamaica**
- **Asia Pacific**
  - **Continued double-digit growth in Australia,** while **Japan** also registered solid growth vs. an easy comparable base in FY 2016

RED PASSION

Campari is a contemporary and charismatic classic. Its vibrant red color and intense aroma are the base for some of the most famous cocktails around the world. Campari is a worldwide icon of passionate Italian style and excellence.

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(1) Sales at constant FX

Cocktail focused

Global priorities

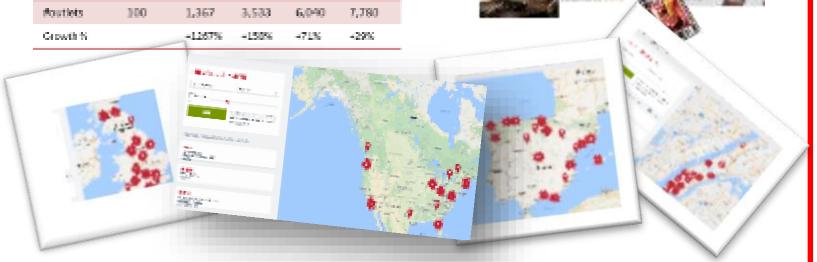
Negroni week 2017: 7,780 bars served!

NEGRONI WEEK

USA	3,006
Germany	949
Argentina	595
Canada	557
Greece	418
Australia	321
U.K	272
Spain	185
and many more...	

From 100 participating bars in 2013 to 7,780 bars in 2017...the classic Negroni is being enjoyed globally

	2013	2014	2015	2016	2017
#outlets	100	1,367	3,533	6,040	7,780
Growth %		+1,267%	+158%	+71%	+29%



Negroni week continues it's **global rollout**, with over **7,780 bars** served in 2017, with social media and digital support. Along side the charity fund raising event, many countries hosted their own **Negroni** activations, such as the **'Negroni Nights'** across **six cities in Germany** as well as the **'Campari Secret Bar'** in Milan

Campari Creation: 360° campaign

In October 2017, Campari released a **new integrated communication campaign in Italy: "Campari Creation"** including a TVC developed in collaboration with the acclaimed award winning director **Paolo Sorrentino**. The campaign also includes a series of declinations **aimed to amplify its effect in social media channels**

Campari: Red Diaries

The **'Campari Calendar (R)evolution' launched in 2017 conveying** the concept that **'each cocktail tells a story'.** Over the past twelve months**, twelve mini-films have been released** where **celebrated mixologists** from all over the world showcase their **favourite Campari-based cocktail.** The lead story, **starring Clive Owen** and **directed by Paolo Sorrentino entitled 'Killer in Red' was a huge success, with over 18 million** combined views on youtube alone. **For 2018,** the '**Legend of the Red Hand'** has been launched – go have a look!

Blue Mountain Boulevardier recipe by Milton Wisdom

SKYY: -3.5% organic

Global priorities

Top 5 markets by value

- US
- South Africa
- Argentina
- Brazil
- Germany

> The **SKYY franchise declined by -3.5% in FY 2017** [1]**, despite positive trends in Q4 (+2.5%)**

> **The continued expansion in the international markets, up +20.1% organically** (27.0% of global sales value in FY 2017 vs. 21.4% in FY 2016), was unable to offset the persistent weakness in the core US market

> **Performance by key region**

- **US (73.0% of total)**
  - **SKYY franchise registered an organic shipments decline of high-single digit in core US** due to strong competitive pressure and reduced innovation in infusions. The performance was **also penalised by the hurricanes** in the US, affecting the two largest states by value in the third quarter. The Group continues to engage the consumer in the US core market with key brand activations and marketing support, keeping the brand premium and relevant among the millennial consumers
- **International markets (27.0% of total)**
  - **Continued strong international development for the SKYY franchise, including Global Travel Retail, up +20.1%**
    - **Very strong performance in Argentina** (+56.0%) driven by solid volume growth after a multi-year brand activation campaign to attract millennials, setting SKYY as an icon of the new generation
    - Decline in **Brazil** reflecting an erratic market
    - Positive results continued in **Canada (+20.7%)** and **Mexico (+27.8%)**
    - In **South Africa,** SKYY recorded **+104.5%** organic growth, supported by marketing activations
    - Positive results achieved in **Germany, China, Spain, Japan, the UK** and **Australia**

LIVE AUDACIOUSLY

SKYY sees the world not as it is, but as it could be.

Since our beginning, we've always been looking forward even when others prefer to look back. Born from the pioneering spirit of California and a vision for change, we forever transformed what vodka could be.
We still live out that spirit today, and invite others to join us in seizing their dreams.

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(1) Sales at constant FX

California inspired

Global priorities

SKYY Vodka: Casa Ponte

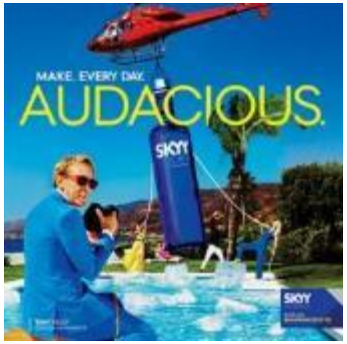
In October 2017, **SKYY** launched the ‘**Casa Ponte**’ **integrated event and communication platform in Brazil**. With the aim to participate in the ongoing, **local conversation about diversity**, **SKYY vodka created a physical space in Sao Paolo to host events, talks and parties addressing the issue**

A multi-channel communication plan (including digital, PR, outdoor) promoted the **initiative to a wider audience**. The project leveraged the brand’s values and progressive San Francisco heritage, **generating 64 million impressions**, **5.6 million video views and 4 million people interacting with content online**

SKYY VODKA @SKYYVODKAbr · 13 Oct 2017

Iran Giusti contou tudo sobre a relação entre marcas e projetos sociais. Vem pra #CasaPonte, até 15/10. #AtravesseAPonte #SeBeberNãoDirija

SKYY Vodka: US



In 2017, Campari Group launched a marketing campaign for **SKYY Vodka**, with a focus on the **US market**, which draws inspiration from the brand’s 25-year history of ‘**innovation and entrepreneurial attitude**’ as well as it’s **Californian** and **San Franciscan roots**. The campaign, called **Make Every Day**, is supported fully by social media initiatives and aims to encourage individuals to ‘revolutionise’ the world around them. **Shot by Irish fashion photographer Tony Kelly**, the campaign features stories behind today’s innovators as well as interviews with the brand’s founder Maurice Kanbar looking back at Skyy’s origins in San Francisco. The **360-degree campaign spans print and out-of-home in 22 markets with 15-second spots running online, including mobile, on Hulu, Kargo, and YouTube**

Wild Turkey: +6.4% organic

Global priorities

Top 5 markets by value

- **US**
- **Australia**
- **Japan**
- **Russia**
- **UK**

> **Very positive organic growth of +6.4%[1][2]** for the Wild Turkey franchise in FY 2017, while the **fourth quarter was up +9.1%**

- **Solid performance in Wild Turkey bourbon** (**+8.6%**). **Russell's Reserve** premium offering continues its double-digit trajectory in the US market
- **American Honey** registered a **good performance in the US** and other smaller markets, compensating some weakness in **Australia**

Performance by key region

- **Americas**
  - Positive performance of **Wild Turkey bourbon** in the core **US** (**+9.4% in FY 2017**) with **continued marketing support from the Matthew McConaughey** campaigns as well as other activations which leverage the **brand's quality and heritage**. Premium offerings such as Russell's Reserve and Master's Keep Decades ensure that the brand is a top choice for bartenders, mixologists connoisseurs
  - **Canada continued to grow** while **Brazil** also posted a **double-digit growth off the back of a difficult year in FY 2016**
- **Asia Pacific**
  - **Australia's decline** (**-2.9% in FY 2017**) is primarily driven by a fall in sales of **American Honey** (**-9.4%**) as well as a change in GTR route-to-market set-up, while **bourbon was flat,** albeit outperforming market consumption level as well as core competitors
  - **Japan** impacted by change in route-to-market
- **SEMEA** and **North, Central & Eastern Europe**
  - **Wild Turkey's positive momentum continues in seeding markets** (**UK, Italy, Poland, Germany, Ukraine, Austria, Russia and South Africa**) from a small base
  - **American Honey** up double-digit in Nigeria

Wild Turkey is an American icon. Under the stewardship of our Master Distillers Jimmy and Eddie Russell, our award winning Kentucky Straight Bourbon Whiskey is revered across the world. Our high rye mash bill, charred barrels and longer aging guarantee a whiskey that's big and bold, yet incredibly smooth.

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[1] Sales at constant FX

[2] Incl. Wild Turkey straight bourbon, Russell's Reserve, American Honey. Wild Turkey ready-to-drink and American Honey ready-to-drink are excluded

Premiumisation journey

Global priorities

Wild Turkey: It'll Find You

Following the successful "Journey Begins" Wild Turkey campaign in 2016, Creative Director **Matthew McConaughey** was back at the helm of **Wild Turkey Bourbon's** advertising in 2017, with new TV commercials flanked by social media initiatives. Regarding the **Master Distillers Jimmy and Eddie Russell,** Matthew said: "they're not afraid to **do things the right way**, even if that's not **the easiest way**, **never changing the formula to follow consumer trends**. **And if you live your life with the same principles, Wild Turkey will find you**"

Matthew also featured on **The Late Show with Stephen Colbert**— the **largest nightly television program in the United States**, averaging around **3 million viewers per episode,** drinking **Wild Turkey Master's Keep 17 year old** and discussing **Matthew's role with the brand**

Wild Turkey: Master's Keep Decades

In December 2017, an **ultra-premium Limited Edition Bourbon**, **Wild Turkey Master's Keep Decades**, was **ranked #3 Whisky of the Year by Whisky Advocate magazine.** The ultra-premium expression, launched in Q1 2017, was **created by Master Distiller Eddie Russell** from hand-selected rare barrels, ranging in age from 10 to 20 years old

Wild Turkey: Thanksgiving activation

In November 2017, to celebrate Thanksgiving, **Wild Turkey's Creative Director Matthew McConaughey** partnered with **250 volunteers** and **Campari America executives** and **staff** at the Wild Turkey Distillery to **hand deliver 4,500 frozen turkeys to every household in Lawrenceburg, Kentucky**. The campaign was a holiday tribute initiative to **give back to the community** that has been **home to the legendary distillery for more than 100 years.** Globally, the initiative garnered **28 million social media engagements and more than one billion PR impressions**

Grand Marnier: +1.8% organic

Global priorities

Top 5 markets by value

- **US**
- **Canada**
- **France**
- **GTR**
- **Italy**

> **Overall the brand's net sales of €130.4 million in FY 2017 corresponds to 7.2% of total Group sales**

> **Grand Marnier contributed to the Group's organic growth from Q3 2017,** registering an organic performance on the year at **+1.8%,** following the discontinuation of flavours and non-cognac versions as well as heavy discounting by previous distributors in off premise. Underlying brand growth in line with expectations

> **Performance by key region**

- **Americas**
    - **The core US market** grew by +5.2% organically, while **Canada also registered a positive performance**, growing by +3.7%

- **SEMEA, North, Central and Eastern Europe** and **Asia Pacific**
    - **Positive progression** in the UK, Switzerland and Italy
    - **France, Germany** and **the Netherlands** registered an organic decline as the **Group discontinued many low-margin and mainstream line extensions** in the brand's portfolio including flavours and discounted editions

ICONIC ORANGE
& COGNAC LIQUEUR

Since its creation in 1880,
Grand Marnier liqueur has been
the iconic spirit of vibrant French
lifestyle around the world.
It is made from the unique
combination of the finest French
cognacs and essence of exotic
Caribbean oranges.
The Grand Marnier bottle,
whose roundness evokes
the silhouette of the copper
Cognac still, has not changed
for over a century making
it timeless.

Grand cocktails

Global priorities

Grand Marnier Maison (Milan)

In November 2017, **The Grand Marnier Maison event** took place in **Italy**, a PR event to **bring to life the sophisticated world of Grand Marnier** driving the guest through a **multi sensorial discovery of the unique alchemy of Grand Marnier, the exotic bitter orange and fine cognac.** Key influencers were invited to this event, resulting in a **great PR exposure**

San Francisco World Spirits Competition (SFWSC) & Ultimate Spirits Challenge (USC)

Judges at the 2017 **SFWSC** declared Grand Marnier Cuvée du Centenaire and Grand Marnier Cuvée 1880 Liqueur a **Double Gold Medal winner.** Complementing that, **Grand Marnier Cordon Rouge** also received a **Double Gold Medal** and **Best in Show** recognition from SFWSC. In the **USC, judges awarded** Grand Marnier Cuvée du Centenaire **the Chairman's Trophy, its highest award**, and **Grand Marnier Rouge a score of 96; Finalist**

SAN FRANCISCO WORLD SPIRITS COMPETITION

ULTIMATE SPIRITS CHALLENGE

Grand Marnier: London Cocktail Week (UK)

Grand Marnier

JOIN US AT THE GRAND MARNIER BAR
DURING LONDON COCKTAIL WEEK!

October 2nd – 9th, 2017
Cocktail Village,
Old Spitalfields Market

Grand Marnier showcased the "**Grand Classics**" as well as the "**Grand Mixes**" during a week-long installation at the **London Cocktail Week's "Cocktail Village" during September 2017** with a **huge social media presence**

Sonia Figone

Snapshots from #lcw17
Single ladies it's the best place on earth 🌍
#feelinggrand

Jamaican rums: +6.3% organic

Global priorities

Top 5 markets by value

- **Jamaica**
- **US**
- **Canada**
- **UK**
- **Mexico**

> Strong growth for the **Jamaican rums (+6.3%)**(1)(2), with continued exceptional results of **Wray&Nephew Overproof** and positive development for **Appleton Estate**

> **Wray&Nephew Overproof (+12.9% in FY 2017)** continues to be one of **mixologists favourite brands, globally, thanks to the depth of flavour, quality and versatility.** The brand registered **double-digit growth** in **US**, **UK** and **Canada** and positive growth in the brand's largest market, Jamaica

> **Appleton Estate** had good growth in the core **US (+9.2%)** and **Jamaican markets**, with **positive results** also coming from **Mexico**, **the UK** and **New Zealand.** Weak results in Canada, impacted by price repositioning of entry level SKU

> **Performance by key region**

- **Americas**
  - **Jamaican rum portfolio grew double-digit** in the **core US market** with high **double-digit growth in Wray&Nephew Overproof** and **very positive growth of Appleton Estate**
  - Positive high single-digit performance in **Jamaica** with the portfolio **up +7.3%**, led by **Wray&Nephew Overproof** and **Appleton Estate,** as well as strong growth in **Mexico** and **Peru**

- **SEMEA, North, Central and Eastern Europe** and **Asia Pacific**
  - **Positive progression** in seeding markets such as **New Zealand, Belgium** and **Switzerland**
  - **Outstanding performance in the UK, largely driven by Wray&Nephew Overproof**

DISCOVER THE PLEASURE OF APPLETON ESTATE

For over 265 years we have been cultivating sugar cane and crafting the finest rum on the Appleton Estate adding the warmth, passion and the unique spirit of our Jamaica to every drop. Appleton Estate is a truly beautiful rum – delicious and alive, vivid and deep with flavour, complex and aromatic.

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(1) Sales at constant FX

(2) Incl. Appleton Estate, J.Wray, Wray&Nephew Overproof

The Jamaican rum experience

Global priorities

Appleton Estate: Anniversary Blend

As a celebration of **Master Blender Joy Spence's 20th Anniversary**, twenty markets have introduced the Appleton Estate Joy Anniversary Blend throughout 2017

This Blend is a limited edition **25 year-old rum** blended with other **hand-selected rums** to create a final product that is well balanced with subtle mellow oak notes

The Joy Spence Appleton Estate Rum Experience in Jamaica

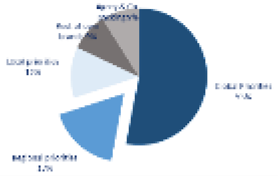
Appleton Estate, the **oldest continuously-run sugar Estate and distillery in Jamaica**, recently opened the doors to its **newly renovated, world-class visitor facility**. **The Joy Spence Appleton Estate Rum Experience**, formerly known as the Appleton Estate Rum Tour, is an **interactive visitor experience** celebrating the **Estate's history, heritage** and **commitment to quality**, as well as that of its namesake **Joy Spence**, the **first woman** to hold the position of **Master Blender in the spirits industry**. In addition to the outdoor attractions and expansive new Estate tour, visitors can experience:

- A new welcome pavilion with a bar as well as new ticketing, artifact displays, tour maps, and guest services
- A 3,000-square-foot theater, with a newly produced custom film for the Estate tour
- A 20-person VIP tasting room
- Three separate tasting rooms, each accommodating 35 guests and housing their own bar and much more

CAMPARI GROUP

Brand sales review

Regional priorities

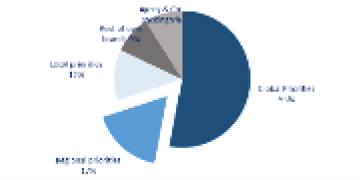


	Regional priorities	Brand sales as % of Group's sales in FY17	Organic change in FY17	Organic change in Q417	
Tequila	ESPOLÒN	3%	+57.9%	+62.2%	> **Very strong double-digit growth** in **core US** market **(+57.1%)** and an acceleration in Q4 (+57.9%) while new markets such as **Australia, Russia, Italy** and **Canada** continue their positive trends
Whiskies	GLENGRANT SINGLE MALT	1%	+10.1%	+20.9%	> **Good performance overall,** with an exceptional performance in Q4. **Continued sales mix improvement** driven by **high-margin, longer-aged propositions** in core markets such as **France**, **South Africa, China, Australia** and **Global Travel Retail**
	FORTY CREEK	1%	-5.0%	-4.2%	> **Positive growth** in the core market of **Canada,** hampered by a decline in **the US, particularly in the second half of the year, driven by hurricanes in Texas, the brand's largest state,** as well as new packaging phasing
Italian after dinner bitters and liqueurs	AVERNA BRAULIO CYNAR	3%	+2.7%	+6.5%	> **Positive results for the portfolio driven by Braulio** in **Switzerland** and **Italy,** as previous liquid constraints are currently being solved. **Averna** had double-digit growth in the **US** and grew in Central Europe. **Cynar** registered a solid performance in **Argentina** and the **US** > Soft performance in **Italy** for both **Cynar** and **Averna** against a tough comparable base
	Frangelico liqueur	2%	+2.4%	+0.4%	> **Strong growth in Germany, Mexico** and the **UK** helped offset temporary weakness in the **US** and **Australian markets**

CAMPARI GROUP

Brand sales review

Regional priorities



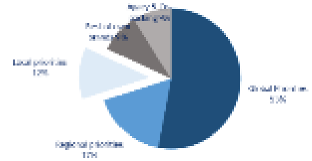
	Regional priorities	**Brand sales as % of Group's sales in FY17**	**Organic change in FY17**	**Organic change in Q417**	
Gin	BULLDOG LONDON DRY GIN	**1%**[1]	**+32.3%**	**+34.9%**	> **Solid performance on the year,** mainly due to positive growth in the **US**, the **UK, Italy** and **Global Travel Retail**
Sparkling wine & vermouth	CINZANO	**5%** [1]	**+7.0%**	**+6.8%**	> **Positive performance for vermouth**, largely driven **by a solid double-digit performance in core market Argentina.** Positive performances by **Russia**, **Czech Republic** and both the **US** and **UK**, helping to overcome declines in **Germany. Solid growth** for **South Africa**, albeit off a small base > High single digit growth in **sparkling wines**, **mainly due to Russia,** as the market continued its return to growth, helped by **positive performances** in other **Eastern European** markets**,** compensating for continued weakness in **Germany**
	MONDORO RICCADONNA	**2%**	**+19.8%**	**+11.0%**	> **Overall solid performance** driven by continued positive results across the core markets of **France**, **Russia**, **Peru** and **Australia**. **Mondoro** continued to grow **strong double-digit in core market Russia,** despite weakness in the **US,** largely due to shipment phasing, while **Riccadonna** also grew over the year, mainly due to strong performances from **France, Peru** and **Chile**

[1] Brand acquired in February 2017 and included in organic changes given that it was already distributed by Campari

[1] Incl. Cinzano vermouth and Cinzano sparkling wines

Brand sales review

Local priorities



Regional priorities	Brand sales as % of Group's sales in FY17	Organic change in FY17	Organic change in Q417	
CAMPARISODA	3%	-1.1%	-2.5%	> Despite a recovery in Q3 in the **core Italian market**, the brand is slightly down in FY 2017. **Growth remains strong** in **seeding market Austria, with double-digit gains**
CRODINO	3%	+3.1%	+1.3%	> Up +**1.9% in core Italy** thanks to product innovation (Arancia Rossa) as well as marketing support. Good growth in international markets such as **Belgium** and **Germany,** albeit off a small base
	2%	-2.1%	+4.5%	> **Despite a stable performance in the second half of the year in the core market Australia,** the brand registered **negative performance over the year** driven by competitive pricing pressure as well as poor weather at the start of the year
Dreher Sagatiba	2%	+2.8%	-9.0%	> **Positive** results driven by a recovery in **Brazil** (core market), despite a weak year end due to anticipated shipments in Q3
12 OUZO	1%	-1.7%	-6.6%	> **Slightly negative** performance over the year with growth in the **UK**, the **US** and **Greece**, offset by weakness in the core German market

Marketing initiatives

Regional priorities

Bulldog Gin: European activations in Germany & Spain

In October 2017, **Bulldog** participated with its own stand in the **Bar Convent Berlin**, one of the most **reputed Trade shows exclusively for Bartenders** coming from all over the globe, with an **attendance exceeding 12,000.** Seminars are held by top-end **mixologists and premium stands** are staffed by all the main players of Spirits Industry

Bulldog Gin @BULLDOGGIN_es · 24 Nov 2017

Come to the dark side, el espacio para aquellos que siguen su instinto #bulldoggin

In November 2017, the new communication campaign “**Come to the Dark Side**” was launched, with a specific digital support in Spain

Forty Creek

In October 2017, **Forty Creek Whisky introduced a premium packaging redesign** of its core range, including **Forty Creek Barrel Select** and **Forty Creek Copper Pot**. The redesign elevates the premium presence of the brand, featuring a new **proprietary bottle, closure, decoration and embossing** that showcase the brand’s **Canadian heritage and bold characteristics**

In late 2017, **Forty Creek Whisky** announced a **new three year sponsorship** as the **official Whisky partner** of **National Hockey League team**, the **Calgary Flames**

GlenGrant super premium expressions

GlenGrant extended its **Global Travel Retail** offering with **two super premium expressions**: **GlenGrant 15 year old Batch Strength Single Malt** and ‘**The Rothes Chronicles’ Cask Haven Single Malt**. The latter celebrates the distillery’s storied past with Single Malt matured in ex-bourbon and ex-Sherry casks

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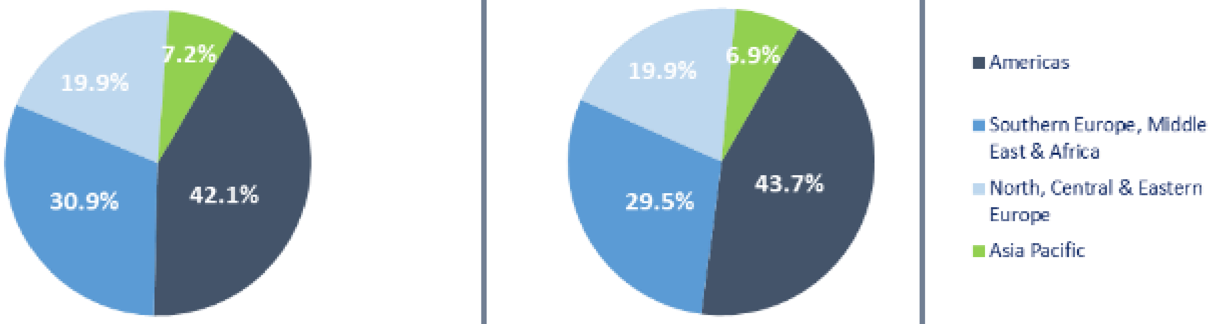
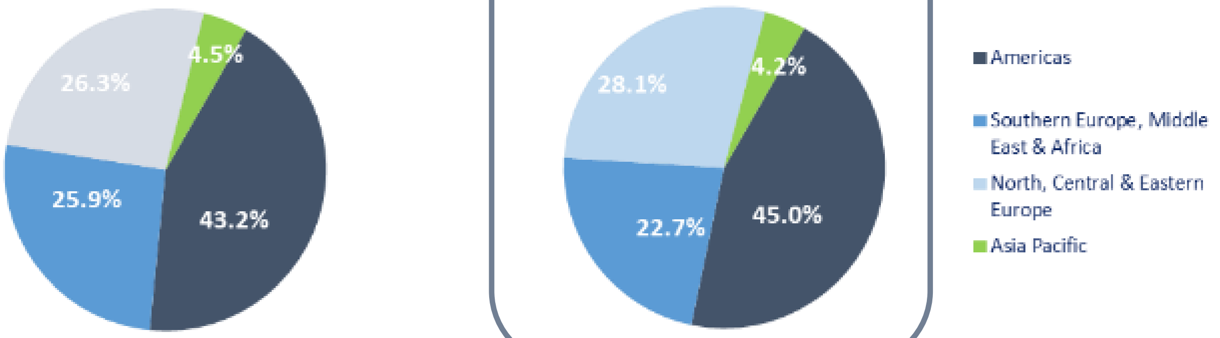
Net sales & EBIT (1) analysis by region

FY 2016 **FY 2017**

Net Sales breakdown by region



EBIT (1) breakdown by region



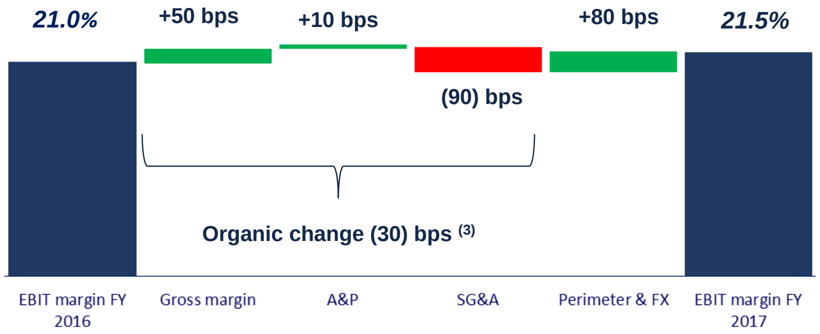
Evolution of sales and profit regional split reflecting increased weight of the Americas (sales +160 bps vs. PY and EBIT (1) +180 bps vs. PY) **thanks to Grand Marnier first time consolidation, partly mitigated by the strengthening of Euro vs. USD, and by strong profitable growth of high-margin NCEE region in FY 2017** (EBIT (1) +180 bps vs. PY)

(1) EBIT adjusted

EBIT (1) by region - Americas

	FY 2017		FY 2016		Reported	
	€ million	% of sales	€ million	% of sales	change	Organic change
Net sales	794.2	100.0%	726.3	100.0%	+9.3%	+7.6%
Gross profit	464.7	58.5%	412.3	56.8%	+12.7%	+8.6%
A&P	(152.7)	-19.2%	(136.8)	-18.8%	+11.6%	+6.8%
SG&A	(141.0)	-17.7%	(123.1)	-16.9%	+14.5%	+13.6%
EBIT (1)	**171.1**	**21.5%**	**152.4**	**21.0%**	**+12.3%**	**+6.2%**

+ 50 bps



> Organic change (2) > **Strong organic sales growth, with solid performance across the region**

Gross Profit

- **Gross profit growth ahead of top line and accretive (+50 bps),** driven by the **favourable sales mix** by brand and market, particularly the **high-margin US business** as well as **Jamaica**

A&P

- Increase in A&P reflected **sustained investments** behind **high-margin priorities, normalizing in H2,** as planned

SG&A

- **SG&A growth** ahead of top line due to the **strengthening of on-premise capabilities in the US** and **new route-to-market in Peru**

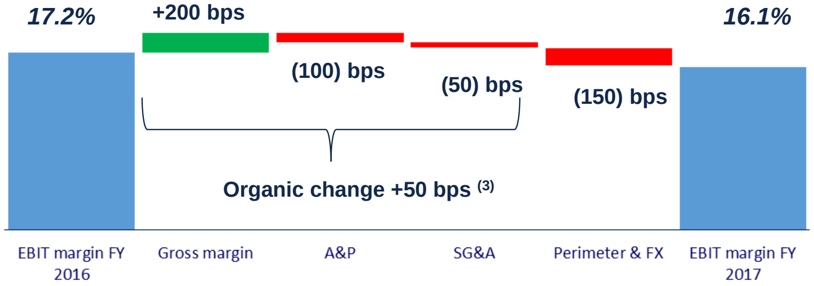
> FX & Perimeter > **Negative FX driven by USD weakenss vs. Euro** more than **offset by accretive perimeter effect** (acquisition of Grand Marnier)

(1) EBIT adjusted
(2) Results at constant perimeter and FX
(3) Bps rounded to the nearest ten

EBIT (1) by region - SEMEA

	FY 2017		FY 2016		Reported	
	€ million	% of sales	€ million	% of sales	change	Organic change
Net sales	536.3	100.0%	532.8	100.0%	+0.7%	+5.6%
Gross profit	330.1	61.5%	313.7	58.9%	+5.2%	+9.1%
A&P	(108.7)	-20.3%	(99.0)	-18.6%	+9.8%	+11.1%
SG&A	(135.1)	-25.2%	(123.3)	-23.1%	+9.6%	+8.0%
EBIT (1)	**86.2**	**16.1%**	**91.5**	**17.2%**	**-5.7%**	**+8.5%**

- 110 bps



> Organic change (2) > Sustained sales performance, thanks to **positive growth in high-margin Italian market** and **double-digit growth in the rest of the region**

Gross Profit

- **Strong gross margin enhancement (+200 bps)** driven by **solid performance** in **aperitifs portfolio** across the region

A&P

- A&P increase to **support brand building investments behind aperitifs across Southern Europe,** as well as on **Global Travel Retail channel** and **newly establish South African route-to-market**

SG&A

- SG&A increase **driven by the route-to-market set up in South Africa** and the **strengthening of Global Travel Retail channel. Efficiencies from Grand Marnier integration kicking in during H2**

> FX & Perimeter > **Negligible FX effect,** while the perimeter effect on **EBIT** reflects the **cost of the Grand Marnier central functions** in the region in the first half of the year

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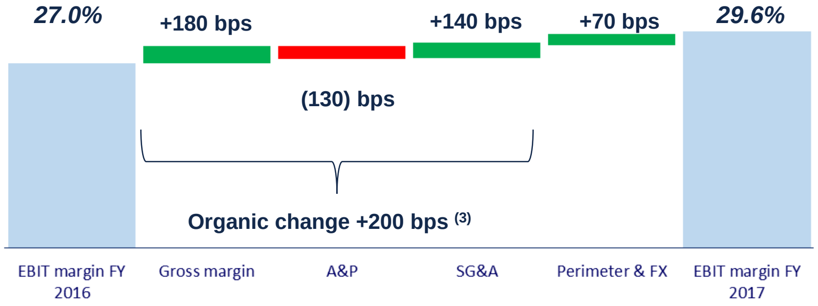
(1) EBIT adjusted
(2) Results at constant perimeter and FX,
(3) Bps rounded to the nearest ten

EBIT (1) by region - NCEE

	FY 2017		FY 2016		Reported	
	€ million	% of sales	€ million	% of sales	change	Organic change
Net sales	361.1	100.0%	343.9	100.0%	+5.0%	+7.2%
Gross profit	219.6	60.8%	198.5	57.7%	+10.7%	+10.6%
A&P	(60.8)	-16.8%	(52.5)	-15.3%	+15.8%	+16.0%
SG&A	(51.7)	-14.3%	(53.2)	-15.5%	-2.8%	-2.4%
EBIT (1)	**107.1**	**29.6%**	**92.7**	**27.0%**	**+15.5%**	**+15.0%**

+ 270 bps



> Organic change (2) > **Solid organic sales growth** mainly driven by **Aperol, up double-digit across the region**

Gross Profit

- **Gross profit increase ahead of sales (+180 bps margin expansion),** largely driven by **strong sales mix improvement in key markets**

A&P

- **A&P increase to support high-margin Global Priorities, in particular Aperol**

SG&A

- **Decrease in organic SG&A (-2.4%) reflecting tight management of structure costs throughout the region**

> FX & Perimeter > **Positive FX driven by Russian Rouble** coupled with healthy perimeter impact on **EBIT margin** linked to the **termination of low-margin distribution agreements in Central Europe**

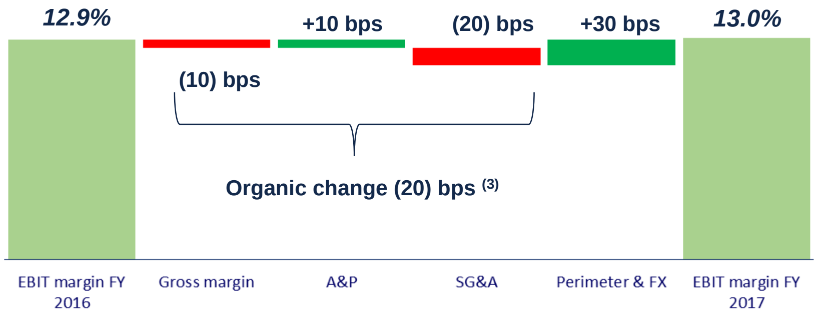
---

(1) EBIT adjusted
(2) Results at constant perimeter and FX
(3) Bps rounded to the nearest ten

EBIT (1) by region – ASIA PACIFIC

	FY 2017		FY 2016		Reported	
	€ million	% of sales	€ million	% of sales	change	Organic change
Net sales	124.4	100.0%	123.5	100.0%	+0.8%	-0.8%
Gross profit	60.5	48.6%	60.0	48.6%	+0.8%	-1.1%
A&P	(20.3)	-16.3%	(20.2)	-16.4%	+0.1%	-1.7%
SG&A	(24.1)	-19.4%	(23.9)	-19.3%	+0.9%	+0.2%
EBIT (1)	**16.2**	**13.0%**	**15.9**	**12.9%**	**+1.4%**	**-2.5%**

+ 10 bps



> Organic change (2) > **Soft organic performance** in sales attributable to **co-packing activities** and **route-to-market changes**

Gross Profit

- **Gross profit** change broadly reflecting **sales performance**

A&P

- **A&P decrease** due to **investment phasing linked to route-to-market changes**

SG&A

- **SG&A slightly up after distribution enhancements in Australia** and selected **Asian markets, driving moderate decline in organic EBIT**

> FX & Perimeter > **Positive impact from Grand Marnier**

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(1) EBIT adjusted
(2) Results at constant perimeter and FX
(3) Bps rounded to the nearest ten

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FY2017 summary P&L: EBIT adjusted

	FY 2017		FY 2016							
	€ million	% of sales	€ million	% of sales	Reported change	Organic margin (3) accretion/(dilution) (bps)	Organic change	Forex impact	Perimeter effect	Q4 organic change
Net sales	1,816.0	100.0%	1,726.5	100.0%	5.2%		6.3%	-0.8%	-0.4%	6.6%
COGS (1)	(741.1)	-40.8%	(741.9)	-43.0%	-0.1%	120	3.3%	-0.7%	-2.7%	6.7%
Gross profit	1,075.0	59.2%	984.6	57.0%	9.2%	120	8.6%	-0.8%	1.4%	6.6%
Advertising and promotion	(342.5)	-18.9%	(308.6)	-17.9%	11.0%	-50	9.2%	-0.9%	2.7%	0.3%
Contribution after A&P	**732.4**	**40.3%**	**676.0**	**39.2%**	**8.3%**	**70**	8.3%	-0.8%	0.9%	9.6%
SG&A (2)	(351.9)	-19.4%	(323.5)	-18.7%	8.8%	-30	7.9%	-0.7%	1.7%	3.5%
EBIT adjusted	**380.5**	**21.0%**	**352.5**	**20.4%**	**7.9%**	**50**	8.7%	-0.9%	0.1%	14.2%
Operating adjustments	13.9	0.8%	(33.2)	-1.9%	-141.8%					
Operating profit = EBIT	**394.3**	**21.7%**	**319.4**	**18.5%**	**23.5%**					
Other information:										
Depreciation	(57.1)	-3.1%	(52.7)	-3.1%	8.3%	10	+10.6%	-1.0%	-1.4%	+15.3%
EBITDA adjusted	**437.6**	**24.1%**	**405.3**	**23.5%**	**8.0%**	**60**	**+8.9%**	**-0.9%**	**-0.1%**	**+14.3%**
EBITDA	451.4	24.9%	372.1	21.6%	21.3%					

(1) COGS = cost of materials, production and logistics expenses
(2) SG&A = selling, general and administrative expenses
(3) Bps rounded to the nearest ten

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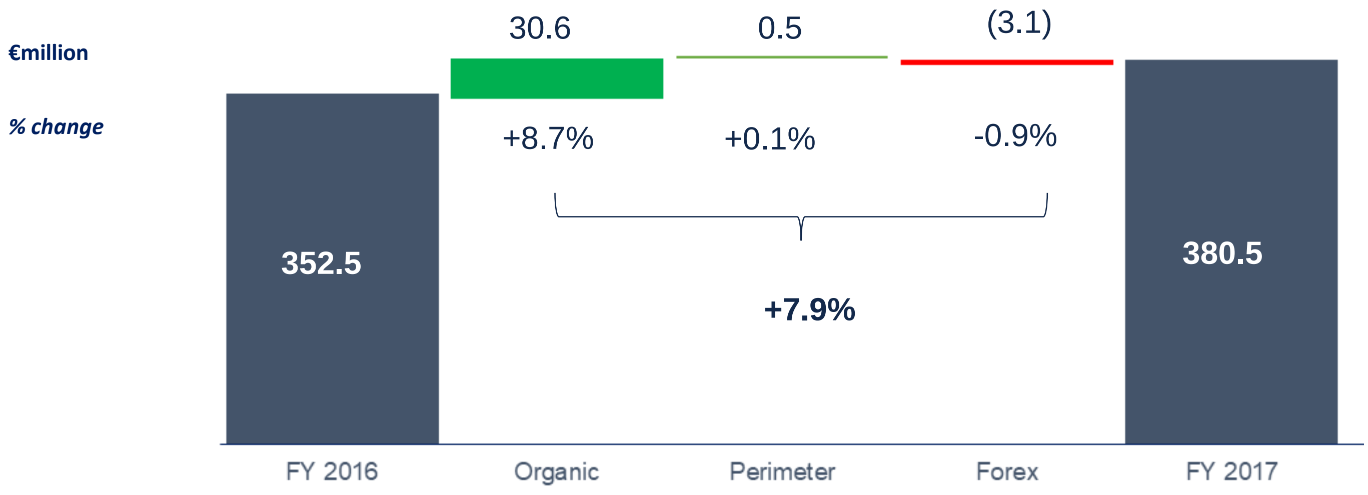
EBIT adjusted – Key drivers



% on sales	*20.4%*	*+50 bps* (1)	*+10 bps*	*0 bps*	*21.0%*

- **Organic growth of +8.7%,** ahead of top line growth, leading to +**50 bps accretion**, as higher investment in marketing (-50 bps) and distribution capabilities (-30 bps) were more than offset by gross margin expansion (+120 bps)
- **Perimeter effect: negative change of €(6.1) m in sales and positive change of €0.5 m in EBIT adj. in FY2017**: combined effect of Grand Marnier acquisition and disposals of non-core businesses (mainly Carolans)
- **FX effect:** negative change of €(13.5) m in sales and €(3.1) m in EBIT adj. in FY2017, mainly driven by progressive strengthening of Euro vs. USD

- **Reported EBIT of €394.3 million, +23.5% overall, after positive operating adjustments of €13.9 million,** attributable to Carolans capital gain of €49.7 million, net of transactions costs and provisions for restructuring costs (2)
- **EBIT adjusted of €380.5 million, +7.9% overall, 21.0% margin on sales**
- **EBITDA adjusted of €437.6 million, up +8.0% overall, 24.1% margin on sales**

(1) Bps rounded to the nearest ten
(2) In FY 2016 negative adjustments of €(33.2) m attributable to transaction and restructuring costs

EBIT adjusted - Key highlights

> **Gross margin (59.2% on net sales, up from 57.0% in FY 2016):**

- **Organic growth of +8.6% in FY 2017, +120 bps margin expansion**. Organic growth ahead of top line thanks to favourable sales mix by brand and market: outperformance of key Global and Regional Priorities in core developed markets (such as Italy and US), leading to overall COGS containment as % of sales
- Forex and perimeter accretive by +100 bps in FY 2017, thanks to high-margin Grand Marnier acquisition and disposal of low-margin businesses
- **Third consecutive year of solid gross margin expansion, cumulative 3-year: +590 bps overall (of which +270 bps organic)**

> **A&P (-18.9% on net sales):**

- **Organic growth of +9.2%, -50 bps margin dilution**, driven by accelerated investments, though normalised in H2 as planned, reflecting major investments in global campaigns and activations within key Global Priorities as well as selected Regional Priorities (including Bulldog)
- Forex and perimeter dilutive by -50 bps in FY 2017, driven by disposals of low A&P-intensity businesses

> **SG&A (-19.4% on net sales):**

- **Organic growth of +7.9%, -30 bps margin dilution**. Trend reflecting the planned initiatives to strengthen the route-to-market and distribution structures in the US, South Africa, Global Travel Retail and Peru, mitigated by the release of efficiencies from the Grand Marnier company integration starting from H2
- Forex and perimeter dilutive by -40 bps in FY 2017, mainly driven by the first time consolidation of Grand Marnier business

> **EBIT adjusted (21.0% on net sales, up from 20.4% in FY 2016)**

- **FY 2017 organic growth of +8.7% with +50 bps accretion**
- Forex and perimeter accretive by +10 bps in FY 2017
- **Cumulative 3-year margin expansion (2015-2017) of +190 bps overall, of which +80 bps organic, notwithstanding cumulative step up of A&P of +80 bps organic**

FY2017 summary P&L: Net income reported / adjusted

Reported P&L	**FY 2017**		**FY 2016**		
	€ million	% of sales	€ million	% of sales	Reported change
EBIT adjusted	**380.5**	**21.0%**	**352.5**	**20.4%**	**7.9%**
Operating adjustments	13.9	0.8%	(33.2)	-1.9%	-141.8%
Operating profit = EBIT	**394.3**	**21.7%**	**319.4**	**18.5%**	**23.5%**
Net financial income (charges)	(40.0)	-2.2%	(58.6)	-3.4%	-31.6%
Adjustments to financial income (charges)	(24.8)	-1.4%	(24.6)	-1.4%	0.7%
Put option costs	(2.8)	-0.2%	0.6	0.0%	-
Profit before taxes	**326.7**	**18.0%**	**236.7**	**13.7%**	**38.0%**
Total tax	29.7	1.6%	(70.5)	-4.1%	-142.1%
Net profit	**356.4**	**19.6%**	**166.3**	**9.6%**	**114.3%**
Other information:					
Depreciation	(57.1)	-3.1%	(52.7)	-3.1%	8.3%
EBITDA adjusted	**437.6**	**24.1%**	**405.3**	**23.5%**	**8.0%**
EBITDA	451.4	24.9%	372.1	21.6%	21.3%

Adjusted P&L	**FY 2017**		**FY 2016**		
	€ million	% of sales	€ million	% of sales	Change
EBIT adjusted	**380.5**	**21.0%**	**352.5**	**20.4%**	**7.9%**
Net financial income (charges)	(40.0)	-2.2%	(58.6)	-3.4%	-31.6%
Put option costs	(2.8)	-0.2%	0.6	0.0%	-
Profit before taxes adjusted	**337.7**	**18.6%**	**294.5**	**17.1%**	**14.6%**
Recurring taxes	(104.3)	-5.7%	(96.0)	-5.6%	8.7%
Net profit adjusted	**233.4**	**12.9%**	**198.6**	**11.5%**	**17.5%**

FY2017 underlying financial charges

	FY2017	FY2016	Change
Net financial income (charges) (1)	(40.0)	(58.6)	(18.5)
Put option income (charges) (2)	(2.8)	0.6	3.4
Average net debt	1,144	1,130	
Average cost of net debt (3)	***2.9%***	***5.6%***	

(1) Includes €6.7 million unrealized fx losses on intercompany loans in FY2017
(2) Non cash P&L effects related to commitments to purchase minorities
(3) Excludes FX gains/losses and Put options costs

- **Significant reduction in net financial charges, despite slightly higher average net debt, thanks to** the liability management transactions that took place in September 2016 and April 2017

- **FY2017 average cost of net debt of** 2.9% (down from 5.6% in FY 2016)

- **Negative financial adjustments of €(24.8) million in FY2017** (€(24.6) million in FY2016) attributable to one-off liability management transaction completed in April 2017 (September 2016) due to the delta value between the purchase price of the bonds bought back and their nominal value

FY2017 tax rate analysis

€ million		FY 2017		FY 2016	
		Reported	Adjusted	Reported	Adjusted
Pretax profit		**326.7**	**337.7**	**236.7**	**294.5**
- Recurring cash tax		(80.1)	(80.1)	(67.9)	(67.9)
- Goodwill deferred tax		(24.2)	(24.2)	(28.0)	(28.0)
Total recurring taxes		**(104.3)**	**(104.3)**	**(96.0)**	**(96.0)**
Tax adjustments:					
- Fiscal effects on operating & financial adj. and other tax adj.		7.2		25.5	
-One-off reduction in US deferred tax liability (US tax reform)		81.9		0.0	
- Patent box		44.8		0.0	
Total tax adjustments		**133.9**		**25.5**	
Total tax		**29.7**	**(104.3)**	**(70.5)**	**(96.0)**
Net income		**356.4**	**233.4**	**166.3**	**198.6**
		FY 2017		**FY 2016**	
Recurring cash tax rate	***= 80.1/337.7***		***23.7%***		***23.1%***
Recurring effective tax rate	***= 104.3/337.7***		***30.9%***		***32.6%***
Reported tax rate	***= -29.7/326.7***	***-9.1%***		***29.8%***	

> **FY 2017 recurring tax:**

- **Recurring cash tax rate up to 23.7%** in FY 2017, from 23.1% in FY 2016
- Goodwill deferred taxes down to €24.2 million due to the phase out of the goodwill amortization benefit relating to the SKYY acquisition (1) and FX impact
- **Recurring effective tax rate down to 30.9% in FY 2017**, from 32.6% in FY 2016

> **Tax benefits:**

- Patent Box tax relief to remain in place until 2019 (one-off item)
- US tax reform:
  - P&L non-cash effect of €81.9 million, due to a reduction in the US deferred taxes liability recorded in the previous years, fully expensed in 2017 (one-off item)
  - Reduction in annual goodwill deferred tax as of 2018 (recurring)
  - Benefit on taxable income to become more meaningful as of 2019 (recurring)

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(1) Goodwill generated from the acquisition of the 50% stake of SKYY in 2002 and deductible for tax purpose, fully amortized over a period of 15 years

Non-recurring adjustments

€ million	**Actual FY2017**	**Guidance 2018**
Operating adjustments, of which:		
Capital gains from asset disposals (1)	49.7	~38
Transactions fees, restructuring costs (2)	(35.8)	~(36)
Total operating adjustments	**13.9**	**~2**
Financial adjustments (3)	**(24.8)**	
Tax adjustments, of which:		
- Fiscal effects on operating & financial adj. and other tax adj.	*7.2*	*~10*
- One-off reduction in US deferred tax liability (US tax reform)	*81.9*	
- Patent box (4)	*44.8*	*~17*
Total Tax adjustments	**133.9**	**~27**
Total adjustments, net	**123.0**	**~29**

Notes

(1) Carolans and still wines assets in 2017. Estimated capital gain for Lemonsoda business disposal in 2018

(2) In 2018 includes estimated restructuring costs for US office relocation, production restructuring in Brazil and other restructuring initiatives

(3) In 2017 liability management transaction completed in April 2017. In 2018 assuming no liability management transactions

(4) In 2017 Patent Box for FY2015, FY2016 and FY2017. In 2018 assuming same value for Patent box as FY 2017

> **Non-recurring transaction and restructuring costs to be fully offset by capital gain on the soft drinks disposal in FY 2018**

IFRS 15 to be implemented as of fiscal year 2018

IFRS 15 as of fiscal year 2018

- Reclassification of certain A&P expenses in deduction of sales
- Neutral on EBIT value but impact on margin ratios on sales post reclassification
- In FY 2017 restated, reduction of €62.7 m in sales (-3.5%) and A&P post reclassification
- See Appendix11 & 12 for FY 2017 results re-stated for IFRS 15 implementation

	FY 2017 Reported (before IFRS15 implementation)		FY 2017 Restated (after IFRS15 implementation)		Change (Restated vs reported)		
	€ million	**%**	**€ million**	**%**	**Δ €m**	**Δ %**	**Δ margin bps**
Net sales	**1,816.0**	**100.0%**	**1,753.4**	**100.0%**	**(62.7)**	-3.5%	
Total cost of goods sold	(741.1)	-40.8%	(741.1)	-42.3%	0.0	0.0%	**(150)**
Gross profit	**1,075.0**	**59.2%**	**1,012.3**	**57.7%**	**(62.7)**	**-5.8%**	**(150)**
A&P	(342.5)	-18.9%	(279.9)	-16.0%	62.7	-18.3%	**290**
Contribution after A&P	**732.4**	**40.3%**	**732.4**	**41.8%**	**0.0**	**0.0%**	**140**
SG&A	(351.9)	-19.4%	(351.9)	-20.1%	0.0	0.0%	**(70)**
EBIT adjusted	**380.5**	**21.0%**	**380.5**	**21.7%**	**0.0**	**0.0%**	**70**

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Free cash flow

	FY 2017		FY 2016		Δ FY17 vs. FY16		Δ FY17 vs. FY16	
	Total	*Recurring*	Total	*Recurring*	Total		*Recurring*	
	€ m	€ m	€ m	€ m	€ m	%	*€ m*	%
EBITDA adjusted	**437.6**	***437.6***	**405.3**	***405.3***	**32.3**	**8.0%**	***32.3***	***8.0%***
Other non-cash items (1)	(26.5)	*9.3*	6.8	*40.0*	(33.3)		*(30.7)*	
Taxes paid	(41.3)	*(55.8)*	(46.6)	*(56.1)*	5.3		*0.3*	
Change in OWC (at constant FX and perimeter)	(58.6)	*(58.6)*	29.9	*29.9*	(88.5)		*(88.5)*	
Financial income (expense)	(51.8)	*(27.0)*	(96.2)	*(71.5)*	44.4		*44.5*	
Capex (2)	(32.5)	*(55.9)*	(56.1)	*(46.7)*	23.6		*(9.1)*	
Free Cash Flow (FCF)	**227.0**	***249.7***	**243.2**	***300.8***	**(16.1)**	**-6.6%**	***(51.1)***	***-17.0%***

(1) Other non-cash items mainly attributable to provision for restructuring projects, incentive plans, net use of funds

(2) Recurring capex refers to maintenance capex

> **Free cash flow at €227.0 million,** down €(16.1) million vs. last year

> **Recurring free cash flow at €249.7 million, down €(51.1) million vs. last year**, due to:

- Increase in EBITDA adjusted of **€32.3 million**
- Negative impact from other non-cash items of **€(30.7) million**
- **Taxes paid broadly in line with last year**
- **Increase in OWC** change of **€(88.5) million**, impacted also by higher increase in receivables due to **extended payment terms in the US** due to the hurricanes as well as a **calendar phasing effect of payables into 2017 from 2016**
- **Positive contribution of €44.5 million** from **reduced financial expenses** benefiting from **liability management**
- Increased maintenance Capex investment of **€(9.1) million**

Operating working capital

- **Organic increase of €58.6 million**, mainly due to: i) increase in receivables of €30.9 million affected by the extended payment terms in the US due to hurricanes; ii) decrease in payables of €24.1 million at 2017 year end, corresponding to the calendar phasing effect of approx. €(25) million as of 2016 year end.); iii) increase in inventory of €3.6 million, of which ageing liquid increased by €14.9 million

- **Positive forex impact of €(49.2) million, driven by the devaluation of the USD vs. Euro impacting the sizable US ageing stock**

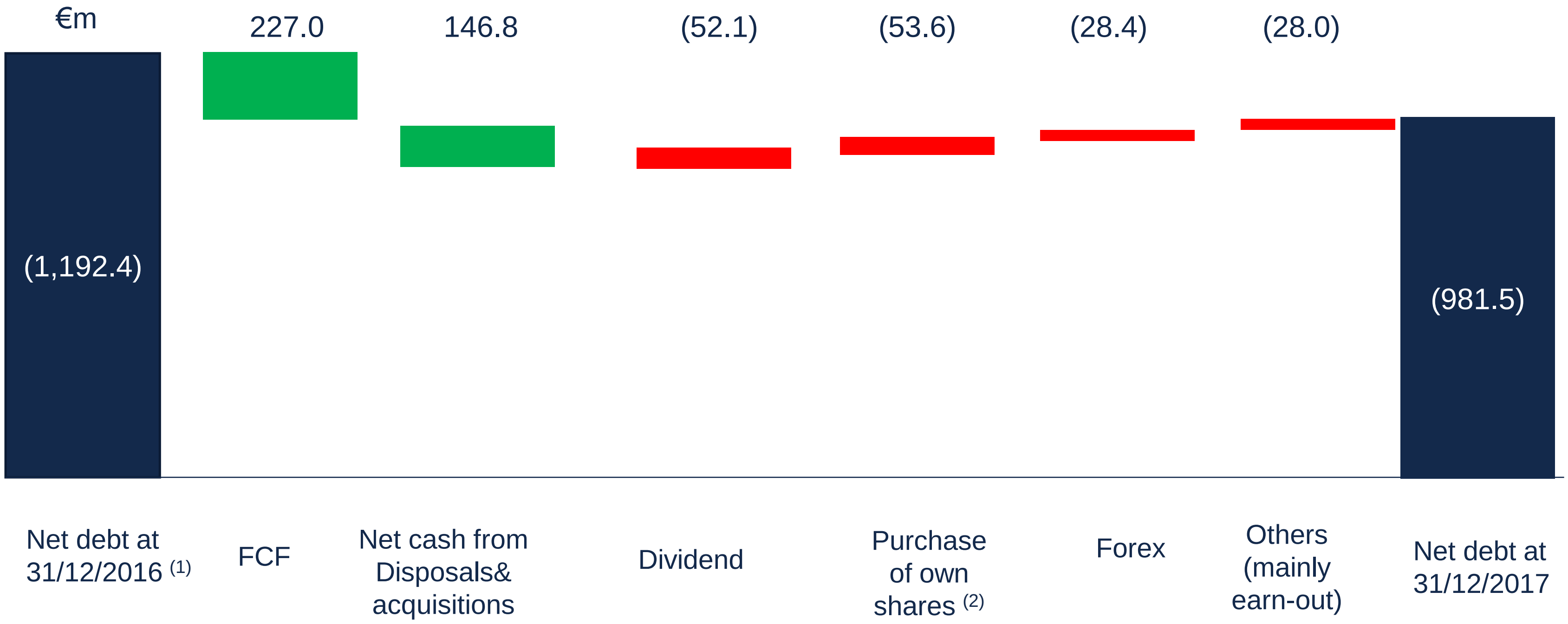
- **Positive perimeter effect of €(13.2) million**, mainly due to assets disposals

CAPEX

€ million	**FY 2016A**	**FY 2017A**	**FY 2018 guidance**
Maintenance capex, net of barrel disposal	**46.7**	**55.9**	**57**
Extraordinary capex:			
Visitor centers and Brand houses		6.0	
IT projects		3.6	
Other projects (incl. US new head office)		2.3	
Total extraordinary capex	**9.4**	**11.9**	**15**
Total capex	**56.1**	**67.7**	**72**
Real estate disposal		(35.3)	
Total capex (net of real estate disposals)	**56.1**	**32.5**	**72**

- In **FY 2017 total capex investment of €32.5 million**, net of the €35.3 proceeds from the sale of the Grand Marnier head office in Paris. **Excluding such effect, the capex investment was €67.7 million**, of which:
    - **€55.9 m** maintenance capex
    - **€11.9 m** extraordinary capex
- For FY 2018, **maintenance capex investment is expected to be broadly in line with 2017 (€57 million)** and extraordinary capex of €15 million reflecting investments on extra projects (incl. brand houses, US new head office)

Net financial debt decreased by €211 million



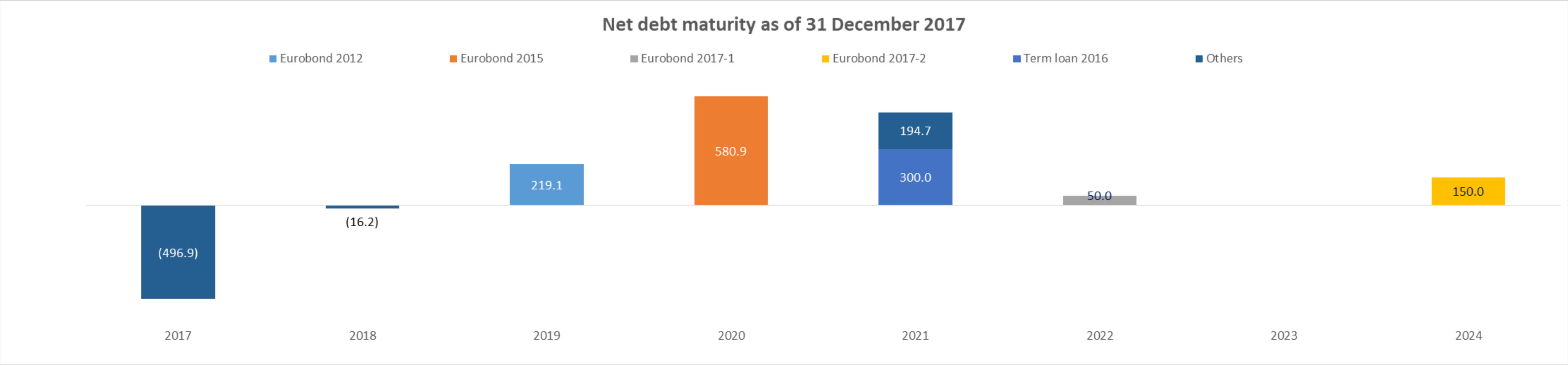
- **Net debt to EBITDA pro-forma ratio at 2.0x as of 31 December, 2017,** down from 2.9x as of 31 December, 2016
- Net debt as of 2017 year end **does not yet include the positive effect of soft drinks business disposal** (€80.0 million, before price adjustments, closed on 2 January 2018), **net of Bisquit acquisition** (€53.9 million, closed on 31 January 2018)

(1) After reclassifications of €7.2 million to the opening balance sheet as a result of the final purchase price allocation of the Grand Marnier acquisition values

(2) Purchase of own shares net of sale of shares for stock option exercises

Debt maturity

- **Net debt** of **€981.5 million** as of **31 December, 2017**
- **Long-term gross debt at €1.3 billion**
  - Following the **liability management transaction in Q2 2017,** the overall **long-term gross debt average coupon declined to 2.41%** (from 2.76% at 31 December, 2016)
  - **Fixed interest rate** debt accounts for **c. 71% of the overall gross debt**



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New developments going into 2018

New initiatives

Relocation of US head office from San Francisco to NYC

- Campari Group announced the relocation of its US subsidiary Campari America head office from San Francisco to New York City **in the fall of 2018**. Located in **midtown Manhattan**, the new offices will house the US business operations and the North America regional executives and support teams
- This move will put Campari America, **Campari Group's number-one sales generating area**, **closer to the Group's worldwide head office in Milan**, the **production facilities in Kentucky**, the **Group's operations in Jamaica**, **Mexico** and **Canada**, as well as to the **Group's key distributor partners in the US**. The new office will also place Campari squarely in the **epicenter for the American creative and spirits industries**

Optimisation of manufacturing facilities in Brazil

- The Group has decided to **restructure its local operations in Brazil via the shut down of one facility in order to achieve higher operational efficiency** in the market
- The **operational improvement will ensure the sustainability of operations in Brazil**, while the **supply of the consumer market** and of **customers will not be affected**

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Conclusion and Outlook

> **Delivered very solid results in full year 2017 in terms of growth and margin momentum across key performance indicators**, consistently delivering on strategy

> For full year 2018 **outlook remains fairly balanced in a still uncertain macroeconomic scenario for some emerging markets:**

- **Key organic growth drivers:**
  - **Net sales:** continued **outperformance** of **key high-margin Global** and **Regional Priorities** in **core developed markets**
  - **Gross profit** (57.7% margin on sales in 2017 post IFRS15): **organic gross margin expansion** to benefit from **favourable sales mix,** balancing **price hike in agave**
  - **A&P** (-16.0% margin on sales in 2017 post IFRS15): **organic increase in A&P investments in line with sales organic growth, with increased skew in Q1 2018**
  - **SG&A** (-20.1% margin on sales in 2017 post IFRS15): **structure costs stable in organic terms as % of sales**
- **Perimeter and FX**
  - **Perimeter:** revised guidance to **reflect further portfolio streamlining** and agency brands discontinuation. Estimated negative impact of **€(70) million in sales(1)** and **€(16) million in EBIT adjusted(2) in FY 2018. Broadly neutral effect on** EBIT adjusted margin as **gross margin accretion** is **offset by A&P and SG&A dilution effect of disposals of non-core assets**
  - **FX:** revised guidance of FX effect for FY 2018 to reflect a further **devaluation of USD vs. Euro**(3). Estimated negative impact of **€(90) million in sales (1)** and **€(24) million in EBIT adjusted(4)**
- **New initiatives**
  - Furthermore, after **completion of portfolio streamlining initiatives, the Group** launched a series of projects aimed at **improving the operational efficiencies in some key markets:**
    - **relocation of US head office** from **San Francisco to NYC**
    - **optimisation** of **manufacturing operations in Brazil**

    ➡ non-recurring new initiatives costs to be **broadly offset by the capital gain** from the **soft drinks disposal**
- **Bottom line**
  - **taxation** is expected to **continue benefitting** in 2018 from the **'Patent box' tax relief in Italy (tax saving of €17.3 million in FY2017),** while the **benefit from the US tax reform** is estimated to **become more meaningful as of 2019** once the non-recurring costs linked to the **US head office relocation are fully absorbed**

Confident in delivering a positive performance across key indicators into 2018

(1) After IFRS 15 reclassification
(2) Vs. Perimeter effect guidance provided on 9M 2017 results announcement of c. €(50) million in sales and €(15) million in EBIT
(3) Based on EUR/USD = 1.25 and other currencies at spot rates projected for full FY2018
(4) Vs. FX effect guidance provided on 9M 2017 results announcement of c. €(30) million in sales and €(10) in EBIT

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Annex - 1

Net sales by region & key market

Consolidated Net sales by region

	FY 2017		FY 2016		Change	of which:			Q4 2017	
	€/ml	%	€/ml	%	%	organic	perimeter	forex	total	organic
Americas	794.2	43.7%	726.3	42.1%	9.3%	7.6%	4.1%	-2.4%	-2.7%	9.4%
Southern Europe. Middle East & Africa	536.3	29.5%	532.8	30.9%	0.7%	5.6%	-5.1%	0.2%	3.2%	8.9%
North. Central & Eastern Europe	361.1	19.9%	343.9	19.9%	5.0%	7.2%	-2.9%	0.7%	-1.3%	1.9%
Asia Pacific	124.4	6.9%	123.5	7.2%	0.8%	-0.8%	0.9%	0.7%	-6.9%	-2.9%
Total	**1.816.0**	**100.0%**	**1.726.5**	**100.0%**	**5.2%**	**6.3%**	**-0.4%**	**-0.8%**	**-1.1%**	**6.6%**

Region breakdown by key market

Americas by market

	FY 2017		FY 2016		Change	of which:			Q4 2017	
	€/ml	%	€/ml	%	%	organic	perimeter	forex	total	organic
USA	463.6	58.4%	427.7	58.9%	8.4%	3.4%	7.0%	-2.0%	-12.4%	1.5%
Jamaica	83.0	10.5%	78.9	10.9%	5.2%	9.8%	0.1%	-4.6%	0.1%	6.6%
Brazil	63.4	8.0%	56.4	7.8%	12.5%	4.9%	0.0%	7.5%	-7.0%	-5.6%
Argentina	50.4	6.3%	45.5	6.3%	10.6%	30.3%	-3.5%	-16.2%	40.9%	69.1%
Canada	57.6	7.3%	54.4	7.5%	5.9%	6.0%	-0.3%	0.2%	-9.6%	4.4%
Other countries	76.1	9.6%	63.4	8.7%	20.1%	21.4%	2.2%	-3.5%	35.7%	41.3%
Americas	**794.2**	**100.0%**	**726.3**	**100.0%**	**9.3%**	**7.6%**	**4.1%**	**-2.4%**	**-2.7%**	**9.4%**

Net sales by region & key market

Southern Europe, Middle East & Africa by market

	FY 2017		FY 2016		Change	of which:			Q4 2017	
	€/ml	%	€/ml	%	%	organic	perimeter	forex	total	organic
Italy	398.5	74.3%	407.2	76.4%	-2.1%	2.0%	-4.1%	0.0%	-2.4%	0.3%
Other countries	137.8	25.7%	125.6	23.6%	9.7%	17.3%	-8.3%	0.7%	25.9%	43.5%
Southern Europe, Middle East & Africa	**536.3**	**100.0%**	**532.8**	**100.0%**	**0.7%**	**5.6%**	**-5.1%**	**0.2%**	**3.2%**	**8.9%**

North, Central & Eastern Europe by market

	FY 2017		FY 2016		Change	of which			Q4 2017	
	€/ml	%	€/ml	%	%	organic	perimeter	forex	total	organic
Germany	157.9	43.7%	176.1	51.2%	-10.4%	-2.6%	-7.8%	0.0%	-9.1%	0.0%
Russia	63.2	17.5%	37.5	10.9%	68.7%	40.6%	10.3%	17.8%	22.0%	12.9%
Other countries	140.1	38.8%	130.4	37.9%	7.4%	10.8%	-0.1%	-3.3%	-4.8%	-2.4%
North, Central & Eastern Europe	**361.1**	**100.0%**	**343.9**	**100.0%**	**5.0%**	**7.2%**	**-2.9%**	**0.7%**	**-1.3%**	**1.9%**

Asia Pacific by market

	FY 2017		FY 2016		Change	of which			Q4 2017	
	€/ml	%	€/ml	%	%	organic	perimeter	forex	total	organic
Australia	86.4	69.4%	85.8	69.5%	0.7%	-0.6%	0.2%	1.1%	-0.6%	3.1%
Other countries	38.0	30.6%	37.7	30.5%	0.9%	-1.4%	2.4%	-0.1%	-19.2%	-14.7%
Asia Pacific	**124.4**	**100.0%**	**123.5**	**100.0%**	**0.8%**	**-0.8%**	**0.9%**	**0.7%**	**-6.9%**	**-2.9%**

FY 2017 Consolidated income statement

Consolidated income statement for the full year 2017

	FY 2017		FY 2016		
	€ million	%	€ million	%	Change
Net sales[1]	**1,816.0**	**100.0**	**1,726.5**	**100.0**	**5.2%**
Total cost of goods sold[2]	(741.1)	-40.8	(741.9)	-43.0	-0.1%
Gross profit	**1,075.0**	**59.2**	**984.6**	**57.0**	**9.2%**
Advertising and promotion	(342.5)	-18.9	(308.6)	-17.9	11.0%
Contribution after A&P	**732.4**	**40.3**	**676.0**	**39.2**	**8.3%**
SG&A[3]	(351.9)	-19.4	(323.5)	-18.7	8.8%
EBIT adjusted	**380.5**	**21.0**	**352.5**	**20.4**	**7.9%**
Operating adjustments	13.9	0.8	(33.2)	(1.9)	-141.8%
Operating profit=EBIT	**394.3**	**21.7**	**319.4**	**18.5**	**23.5%**
Net financial income (charges)	(40.0)	-2.2	(58.6)	-3.4	-31.6%
Adjustments to financial income (charges)	(24.8)	-1.4	(24.6)	-1.4	0.7%
Put option income (charges)	(2.8)	-0.2	0.6	0.0	-
Profit before taxes and non-controlling interests	**326.7**	**18.0**	**236.7**	**13.7**	**38.0%**
Income Tax expense	29.7	1.6	(70.5)	(4.1)	-142.1%
Net Profit	**356.4**	**19.6**	**166.3**	**9.6**	**114.3%**
Minority interests	-	-	(0.0)	(0.0)	-
Group net profit	**356.4**	**19.6**	**166.3**	**9.6**	**114.3%**
Profit before taxes adjusted	**337.7**	**18.6**	**294.5**	**17.1**	**14.6%**
Group net profit adjusted	**233.4**	**12.9**	**198.6**	**11.5**	**17.5%**
Depreciation and amortisation	(57.1)	-3.1	(52.7)	-3.1	8.3%
EBITDA adjusted	**437.6**	**24.1**	**405.3**	**23.5**	**8.0%**
EBITDA	**451.4**	**24.9**	**372.1**	**21.6**	**21.3%**

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(1) Net of discounts and excise duties

(2) Cost of materials + production costs + logistic costs

(3) Selling, general and administrative costs

Q4 2017 Consolidated income statement

	Q4 2017 € million	% of sales	Q4 2016 € million	% of sales	Reported change	Organic change	Forex impact	Perimeter effect
Net sales	540.2	100.0%	546.1	100.0%	-1.1%	6.6%	-3.2%	-4.5%
COGS [(1)]	(234.6)	-43.4%	(239.1)	-43.8%	-1.9%	6.7%	-3.2%	-5.4%
Gross profit	305.5	56.6%	307.0	56.2%	-0.5%	6.6%	-3.2%	-3.8%
Advertising and promotion	(95.4)	-17.7%	(99.9)	-18.3%	-4.5%	0.3%	-3.4%	-1.3%
Contribution after A&P	**210.1**	**38.9%**	**207.1**	**37.9%**	**1.5%**	**9.6%**	**-3.1%**	**-5.0%**
SG&A [(2)]	(86.9)	-16.1%	(88.6)	-16.2%	-1.9%	3.5%	-4.3%	-1.1%
EBIT adjusted	**123.2**	**22.8%**	**118.5**	**21.7%**	**4.0%**	**14.2%**	**-2.3%**	**-8.0%**
Adjustments	(24.3)	-4.5%	(5.5)	-1.0%	-			
Operating profit = EBIT	98.9	18.3%	113.0	20.7%	-12.5%			
Net financial income (charges)	(10.4)	-1.9%	(8.4)	-1.5%	23.9%			
Profit before taxes and non-controlling interests	88.5	16.4%	105.2	19.3%	-15.9%			
Other information:								
Depreciation & Amortisation	(15.0)	-2.8%	(14.1)	-2.6%	6.8%	15.3%	-3.9%	-4.6%
EBITDA adjusted	**138.3**	**25.6%**	**132.6**	**24.3%**	**4.3%**	**14.3%**	**-2.4%**	**-7.6%**
EBITDA	113.9	21.1%	127.1	23.3%	-10.4%			

Consolidated balance sheet

Invested capital and resources

€ million	31 December 2017	31 December 2016 (1)	Change
Inventories	491.7	543.5	(51.3)
Trade receivables	317.5	306.3	11.1
Payables to suppliers	(225.6)	(262.5)	36.8
Operating working capital	**583.6**	**587.4**	**(3.8)**
Tax credits	28.6	19.7	8.9
Other receivables and current assets	31.8	19.4	12.4
Assets intended for sale	47.7	35.2	12.5
Other current assets	**108.1**	**74.3**	**33.8**
Payables for taxes	(21.8)	(86.3)	64.5
Other current liabilities	(141.7)	(66.6)	(75.2)
Liability intended for sale	(0.1)	(4.6)	4.5
Other current liabilities	**(163.6)**	**(157.5)**	**(6.2)**
Staff severance fund and other personnel-related funds	(34.4)	(36.4)	2.0
Deferred tax liabilities	(364.0)	(482.9)	118.8
Deferred tax assets	43.1	35.2	7.9
Other non-current assets	8.7	9.1	(0.4)
Other non-current liabilities	(145.6)	(101.9)	(43.8)
Other net non-current assets / liabilities	**(492.3)**	**(576.8)**	**84.5**
Net tangible fixed assets	552.9	647.7	(94.9)
Intangible assets, including goodwill & trademarks	2,335.5	2,517.2	(181.7)
Equity investments	(0.0)	0.0	(0.0)
Total fixed assets	**2,888.4**	**3,164.9**	**(276.6)**
Invested capital	**2,924.1**	**3,092.4**	**(168.2)**
Shareholders' equity	1,942.6	1,900.0	42.6
Minority interests	0.0	0.0	0.0
Net financial position	981.5	1,192.4	(210.9)
Financing sources	**2,924.1**	**3,092.4**	**(168.3)**

% NFP on equity	**50.5%**	**62.8%**

(1) After reclassifications of €7.2 million to the opening balance sheet of 2017 as a result of the final purchase price allocation of the Grand Marnier acquisition values

Consolidated balance sheet (1 of 2)

Assets

	31 December 2017 € million	31 December 2016 € million	Change
ASSETS			
Non-current assets			
Net tangible fixed assets	430.9	509.6	(78.7)
Biological assets	1.0	7.8	(6.8)
Investment property	120.9	122.6	(1.7)
Goodwill and trademarks	2,302.7	2,490.9	(188.2)
Intangible assets with a finite life	32.8	26.3	6.5
Deferred tax assets	43.1	35.2	7.9
Other non-current assets	46.5	64.3	(17.8)
Total non-current assets	**2,978.0**	**3,256.7**	**(278.7)**
Current assets			
Inventories	491.4	536.1	(44.7)
Current biological assets	0.4	7.5	(7.1)
Trade receivables	317.5	306.3	11.2
Short-term financial receivables	9.3	7.2	2.1
Cash and cash equivalents	514.5	354.1	160.4
Income tax receivables	28.6	12.3	16.3
Other receivables	31.8	26.8	5.0
Total current assets	**1,393.4**	**1,250.2**	**143.2**
Assets held for sale	47.7	43.0	4.7
Total assets	**4,419.1**	**4,549.9**	**(130.8)**

Consolidated balance sheet (2 of 2)

Liabilities

LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital	58.1	58.1	-
Reserves	1,884.5	1,841.9	42.6
Parent company's portion of shareholders' equity	1,942.6	1,900.0	42.6
Non-controlling interests' portion of shareholders' equity	-	-	-
Total shareholders' equity	**1,942.6**	**1,900.0**	**42.6**
Non-current liabilities			
Bonds	995.6	992.4	3.2
Other non-current liabilities	493.6	459.5	34.1
Defined benefit obligations	34.4	36.4	(2.0)
Provisions for risks and charges	123.7	93.3	30.4
Deferred tax liabilities	364.0	482.9	(118.9)
Total non-current liabilities	**2,011.3**	**2,064.6**	**(53.3)**
Current liabilities			
Payables to banks	13.8	106.9	(93.1)
Other financial liabilities	62.1	58.5	3.6
Payables to suppliers	225.6	262.5	(36.9)
Income tax payables	21.8	14.0	7.8
Other current liabilities	141.7	138.8	2.9
Total current liabilities	**465.1**	**580.8**	**(115.7)**
Liabilities held for sale	0.1	4.6	(4.5)
Total liabilities	**2,476.5**	**2,649.9**	**(173.4)**
Total liabilities and shareholders' equity	**4,419.1**	**4,549.9**	**(130.8)**

FY 2017 Consolidated cash flow (1 of 2)

€ million	31 Dec 2017	31 Dec 2016	Change
Cash flow generated by operating activities			
EBIT	394.3	319.4	75.0
Non-cash items			
Depreciation	57.2	52.7	4.5
Gains on sale of fixed assets	(5.1)	(3.7)	(1.4)
Write-off of tangible fixed assets	6.0	0.3	5.7
Funds provisions	10.2	18.0	(7.8)
Use of funds	(5.4)	(2.8)	(2.6)
Goodwill, trademark and sold business impairment	(49.7)	-	(49.7)
Other non cash items	(8.2)	10.8	(19.0)
Net change in Operating Working Capital	(58.6)	29.9	(88.5)
Changes in tax payables and receivables and other non financi	11.7	17.3	(5.7)
Income tax paid	(41.3)	(46.6)	5.3
	311.3	**395.4**	**(84.1)**
Net cash flow generated (used) by investing activities			
Acquisition of tangible and intangible fixed assets	(85.8)	(63.8)	(22.0)
Income from disposals of tangible fixed assets	53.1	7.5	45.6
Payments on account for new headquarters	0.1	0.2	(0.0)
Purchase of companies or holdings in subsidiaries	123.6	(429.9)	553.5
Debt assumed with acquisition	-	45.6	(45.6)
Acquired tax payables for income tax relating to acquisition			-
Purchase of trademarks and distribution rights	(0.2)	(0.1)	(0.1)
Payment of put option and earn out	(2.3)	(0.3)	(2.0)
Interests received	6.5	7.0	(0.5)
Change in marketable securities	(0.9)	56.6	(57.5)
Settlement of pension plan net assets			
Dividends received	0.4	0.9	(0.5)
Other changes	-	1.3	(1.3)
Cash flow generated (used) by financing activities	**94.7**	**(374.9)**	**469.5**

FY 2017 Consolidated cash flow (2 of 2)

€ million	31 Dec 2017	31 Dec 2016	Change
Utilizazion of revolving facility loan	180.0	50.0	130.0
Repayment of medium-/long -term financing	0.9	300.0	(299.1)
Put option liabilities issue	-	0.0	(0.0)
Repayment of private placement Campari America	0.0	(719.7)	719.7
Liability management cost	(23.2)	(24.6)	1.4
Repayment of other medium-/long -term financing	(0.4)	(1.9)	1.4
Facility loan	(227.7)	-	(227.7)
Net change in short-term bank debt	(18.8)	7.4	(26.2)
Interests paid	(35.1)	(78.6)	43.5
Change in other financial payables and receivables	19.4	(9.1)	28.5
Own shares purchase and sale	(53.6)	(8.1)	(45.5)
Dividend paid to minority shareholders	-	(1.6)	1.6
Dividend paid by Group	(52.1)	(52.1)	(0.0)
Cash flow generated (used) by financing activities	**(210.7)**	**(538.2)**	**327.5**
Exchange rate effects and other equity movements	**(34.9)**	**(27.4)**	**(7.5)**
Exchange rate effects on Operating Working Capital	49.2	(2.6)	51.8
Other exchange rate differences and changes in shareholders' e	(84.1)	30.0	(114.1)
Net increase (decrease) in cash and banks	**160.4**	**(490.3)**	**650.7**
Net cash position at the beginning of period	354.1	844.3	(490.3)
Net cash position at the end of period	**514.5**	**354.1**	**160.4**

Annex - 7

FY 2017 Free cash flow

	31 December 2017	31 December 2016	Change
	€ million	€ million	
EBITDA adjusted	**437.6**	**405.3**	**32.3**
Other adjustment to operating profit	(26.5)	6.8	(33.3)
Taxes paid	(41.3)	(46.6)	5.3
Cash flow from operating activities before changes in working capital	**369.9**	**365.5**	**4.4**
Changes in net operating working capital	(58.6)	29.9	(88.5)
Cash flow from operating activities	**311.3**	**395.4**	**(84.1)**
Net interests paid	(27.0)	(71.5)	44.5
Adjustments to financial income (charges)	(24.8)	(24.6)	(0.2)
Cash flow used for investment	(32.5)	(56.1)	23.6
Free cash flow	**227.0**	**243.2**	**(16.1)**
(Acquisition) sale of companies or business division	123.6	(429.9)	553.5
Financial position of acquired and sold companies	23.4	33.9	(10.5)
Sale and purchase of brands and rights, and payment of put option and earn-outs	(0.2)	(0.3)	0.1
Dividend paid out by the Parent Company	(52.1)	(52.1)	(0.0)
Other changes	(54.3)	(7.2)	(47.1)
Total cash flow used in other activities	**40.4**	**(455.6)**	**496.0**
Exchange rate differences and other changes	**(28.4)**	**26.5**	**(54.9)**
Change in net financial position due to operating activities	**239.0**	**(186.0)**	**425.0**
Payable for the exercise of put options and earn out payments(1)	**(21.0)**	**(192.7)**	**171.7**
Payable generated in the period for deferred purchases of SPML shares(2)	**(7.2)**	**-**	**(7.2)**
Receivables arising from business disposals	-	5.0	(5.0)
Net cash flow of the period = change in net financial position	**210.8**	**(373.7)**	**584.5**
Net financial position at the beginning of the period	(1,192.4)	(825.8)	(366.5)
Net financial position at the end of the period reclassified (1)	**(981.5)**	**(1,192.4)**	**210.9**
Net financial position at the end of the period published	**(981.5)**	**(1,199.5)**	**218.0**

(1) After reclassifications of €7.2 million to the opening balance sheet of 2017 as a result of the final purchase price allocation of the Grand Marnier acquisition values

Financial debt as of 31 December 2017

Gross debt composition as of 31 December, 2017

Issue date	Maturity	Type	Currency	Coupon	31 December, 2017 € million	Original tenor	As % of total
Aug 3, 2016	Aug-21	Term Loan	EUR	0.75% +3m euribor	300	3 years	23%
Oct 25, 2012	Oct-19	Unrated Eurobond	EUR	4.5%	219.1	7 years	17%
Sep 30, 2015	Sep-20	Unrated Eurobond	EUR	2.75%	580.9	5 years	44%
Apr 5, 2017	Apr-22	Unrated Eurobond	EUR	1.768%	50	5 years	4%
Apr 5, 2017	Apr-24	Unrated Eurobond	EUR	2.165%	150.0	7 years	12%
Total medium-long term gross debt				**Av. coupon 2.41%**	**1,300.0**		**100%**

Net financial debt composition

€ million	31 December 2017	31 December 2016 (2)	Change
Short-term cash/(debt)	496.9	241.4	255.5
- Cash and cash equivalents	*514.5*	*354.1*	160.4
- Short-term debt	*(17.5)*	*(112.7)*	*95.2*
Medium to long-term cash/(debt)	(1,260.3)	(1,243.7)	(16.6)
Debt relating to operating activities	**(763.4)**	**(1,002.3)**	**239.0**
Liabilities for put option and earn-out payments (1)	(218.2)	(190.0)	(28.1)
Net cash/(debt)	**(981.5)**	**(1,192.4)**	**210.9**

(1) Including future commitments for Grand Marnier's minority purchases

(2) After reclassifications of €7.2 million to the opening balance sheet as a result of the final purchase price allocation of the Grand Marnier acquisition values

Annex - 9

Operating working capital

€ million	1 January-31 December 2017		1 January-31 December 2016					
	€ million	**% sales**	**€ million**	**% sales**	**Reported Change**	**Organic Change**	**Forex Impact**	**Permimeter Effect**
Receivables	**317.5**	**17.5%**	**306.3**	**17.7%**	**3.6%**	**30.9**	**(20.8)**	**1.1**
Inventories	491.7	27.1%	543.5	31.5%	-9.5%	3.6	(41.5)	(13.9)
- Maturing inventory	282.9	15.6%	293.7	17.0%	-3.7%	14.9	(25.7)	-
- All others	208.9	11.5%	249.8	14.5%	-16.4%	(11.3)	(15.7)	(13.9)
Payables	(225.6)	-12.4%	(262.5)	-15.2%	-14.0%	24.1	13.1	(0.3)
Operating Working Capital	**583.6**	**32.1%**	**587.4**	**34.0%**	**-0.6%**	**58.6**	**(49.2)**	**(13.2)**

Exchange rates effects

	Average exchange rate		Period end exchange rate	
	1 Jan - 31 December 2017	change vs 2016	1 Jan - 31 December 2017	change vs 31 December 2016
	: 1 Euro	%	: 1 Euro	%
US Dollar	1.13	-2.0%	1.20	-12.1%
Canadian Dollar	1.46	0.2%	1.50	-5.7%
Jamaican Dollar	144.49	-4.2%	149.40	-9.7%
Mexican Peso	21.33	-3.1%	23.66	-8.0%
Brazilian Real	3.60	7.1%	3.97	-13.7%
Argentine Peso	18.73	-12.8%	22.93	-27.0%
Russian Ruble	65.89	12.7%	69.39	-7.3%
Australian Dollar	1.47	1.1%	1.54	-4.9%
Chinese Yuan	7.63	-3.6%	7.80	-6.2%
British Pound Sterling	0.00	-6.5%	0.00	-3.5%
Swiss Franc	1.11	-1.9%	1.17	-8.2%

IFRS15 – Group net sales FY / 9M / H1 / 3M restated

Net sales by region	FY 2017		FY 2017 restated		Δ Restated vs. Reported	
	Reported (before IFRS15 implementation)		*Restated (after IFRS15 implementation)*			
	€/ml	%	€/ml	%	€ m	%
Americas	794.2	43.7%	783.6	44.7%	-10.6	-1.3%
Southern Europe. Middle East & Africa	536.3	29.5%	501.2	28.6%	-35.1	-6.5%
North. Central & Eastern Europe	361.1	19.9%	347.2	19.8%	-13.9	-3.9%
Asia Pacific	124.4	6.9%	121.3	6.9%	-3.1	-2.5%
Total	**1,816.0**	**100.0%**	**1,753.4**	**100.0%**	**-62.7**	**-3.5%**

Net sales by region	9M 2017		9M 2017 restated		Δ Restated vs. Reported	
	Reported (before IFRS15 implementation)		*Restated (after IFRS15 implementation)*			
	€/ml	%	€/ml	%	€ m	%
Americas	568.2	44.5%	560.8	45.5%	-7.4	-1.3%
Southern Europe. Middle East & Africa	380.2	29.8%	356.1	28.9%	-24.1	-6.3%
North. Central & Eastern Europe	244.0	19.1%	232.9	18.9%	-11.0	-4.5%
Asia Pacific	83.5	6.5%	81.4	6.6%	-2.1	-2.6%
Total	**1,275.8**	**100.0%**	**1,231.2**	**100.0%**	**-44.6**	**-3.5%**

Net sales by region	H1 2017		H1 2017 restated		Δ Restated vs. Reported	
	Reported (before IFRS15 implementation)		*Restated (after IFRS15 implementation)*			
	€/ml	%	€/ml	%	€ m	%
Americas	375.5	44.5%	371.1	45.5%	-4.5	-1.2%
Southern Europe. Middle East & Africa	258.8	30.6%	243.4	29.8%	-15.4	-6.0%
North. Central & Eastern Europe	157.0	18.6%	150.0	18.4%	-7.1	-4.5%
Asia Pacific	53.3	6.3%	51.9	6.4%	-1.4	-2.7%
Total	**844.7**	**100.0%**	**816.3**	**100.0%**	**-28.3**	**-3.4%**

Net sales by region	3M 2017		3M 2017 restated		Δ Restated vs. Reported	
	Reported (before IFRS15 implementation)		*Restated (after IFRS15 implementation)*			
	€/ml	%	€/ml	%	€ m	%
Americas	176.4	46.8%	173.9	47.5%	-2.5	-1.4%
Southern Europe. Middle East & Africa	109.2	29.0%	103.8	28.3%	-5.4	-5.0%
North. Central & Eastern Europe	65.7	17.4%	63.7	17.4%	-2.0	-3.0%
Asia Pacific	25.4	6.7%	24.8	6.8%	-0.5	-2.1%
Total	**376.6**	**100.0%**	**366.2**	**100.0%**	**-10.5**	**-2.8%**

IFRS15 – Group net sales by brand FY 2017 restated

Net sales by brand cluster	FY 2017 Reported (before IFRS15 implementation)		FY 2017 Restated (after IFRS15 implementation)		Δ Restated vs. Reported	
	€ m	% Group sales	€ m	% Group sales	€ m	%
Global Priorities	953.6	52.5%	912.7	52.1%	-40.9	-4.3%
Regional Priorities	303.3	16.7%	290.2	16.5%	-13.2%	-4.3%
Local Priorities	223.5	12.3%	219.6	12.5%	-3.9	-1.7%
Rest of Portfolio	335.6	18.5%	330.9	18.9%	-4.7	-1.4%
Total	**1816.0**	**100.0%**	**1753.4**	**100.0%**	**-62.7**	**-3.5%**

IFRS15 – Group P&L FY 2017 restated

Consolidated income statement for the full year 2017

	2017 reported (before IFRS15 implementation)		2017 restated (after IFRS15 implementation)		Delta Restated vs. Reported	
	€ million	%	€ million	%	€ million	%
Net sales	**1,816.0**	**100.0**	**1,753.4**	**100.0**	**(62.7)**	**-3.5%**
Total cost of goods sold	(741.1)	(40.8)	(741.1)	(42.3)	-	
Gross profit	**1,075.0**	**59.2**	**1,012.3**	**57.7**	**(62.7)**	**-5.8%**
Advertising and promotion	(342.5)	(18.9)	(279.9)	(16.0)	62.7	**-18.3%**
Contribution after A&P	**732.4**	**40.3**	**732.4**	**41.8**	**-**	**-**
SG&A	(351.9)	(19.4)	(351.9)	(20.1)	-	-
EBIT adjusted	**380.5**	**21.0**	**380.5**	**21.7**	**-**	**-**
Adjustments	13.9	0.8	13.9	0.8	-	-
Operating profit=EBIT	**394.3**	**21.7**	**394.3**	**22.5**	**-**	**-**
Financial income (expenses)	(40.0)	(2.2)	(40.0)	(2.3)	-	-
Adjustments to financial income (expenses)	(24.8)	(1.4)	(24.8)	(1.4)	-	-
Share of net profit of associates and joint ventures accounted for using the equity method	0.0	-	0.0	0.0	-	-
Put option income (charges)	(2.8)	(0.2)	(2.8)	(0.2)	-	-
Profit before taxes and non-controlling interests	**326.7**	**18.0**	**326.7**	**18.6**	**-**	**-**
Income Tax expense	29.7	1.6	29.7	1.7	-	-
Net Profit	**356.4**	**19.6**	**356.4**	**20.3**	**-**	**-**
Minority interests	0.0	-	0.0	0.0	-	-
Group net profit	**356.4**	**19.6**	**356.4**	**20.3**	**-**	**-**
Group net profit adjusted	**233.4**	**12.9**	**233.4**	**13.3**	**-**	**-**
	0.0	-			-	-
Depreciation and amortisation	(57.1)	(3.1)	(57.1)	(3.3)	-	-
EBITDA adjusted	**437.6**	**24.1**	**437.6**	**25.0**	**-**	**-**
EBITDA	**451.4**	**24.9**	**451.4**	**25.7**	**-**	**-**

Annex - 12

IFRS15 – Group P&L 9M 2017 restated

Consolidated income statement for the 9M to 30 September 2017

	2017 reported (before IFRS15 implementation)		2017 restated (after IFRS15 implementation)		Delta Restated vs. Reported	
Net sales	**1,275.8**	**100.0**	**1,231.2**	**100.0**	**(44.6)**	**-3.5%**
Total cost of goods sold	(506.4)	(39.7)	(506.4)	(41.1)	-	
Gross profit	**769.4**	**60.3**	**724.8**	**58.9**	**(44.6)**	**-5.8%**
Advertising and promotion	(247.1)	(19.4)	(202.5)	(16.4)	44.6	**-18.1%**
Contribution after A&P	**522.3**	**40.9**	**522.3**	**42.4**	**-**	**-**
SG&A	(265.0)	(20.8)	(265.0)	(21.5)	-	-
EBIT adjusted	**257.3**	**20.2**	**257.3**	**20.9**	**-**	**-**
Adjustments	38.2	3.0	38.2	3.1	-	-
Operating profit=EBIT	**295.5**	**23.2**	**295.5**	**24.0**	**-**	**-**
Financial income (expenses)	(29.7)	(2.3)	(29.7)	(2.4)	-	-
Adjustments to financial income (expenses)	(24.6)	(1.9)	(24.6)	(2.0)	-	-
Put option income (charges)	(3.0)	(0.2)	(3.0)	(0.2)	-	-
Profit before taxes and non-controlling interests	**238.2**	**18.7**	**238.2**	**19.4**	**-**	**-**
Depreciation and amortisation	(42.1)	(3.3)	(42.1)	(3.4)	-	-
EBITDA adjusted	**299.3**	**23.5**	**299.3**	**24.3**	**-**	**-**
EBITDA	**337.5**	**26.5**	**337.5**	**27.4**	**-**	**-**

Annex - 12

IFRS15 – Group P&L H1 2017 restated

Consolidated income statement for the half year to 30 June 2017

	2017 reported (before IFRS15 implementation)		2017 restated (after IFRS15 implementation)		Delta Restated vs. Reported	
	€ million	%	€ million	%	€ million	%
Net sales	**844.7**	**100.0**	**816.3**	**100.0**	**(28.3)**	**-3.4%**
Total cost of goods sold	(339.2)	(40.2)	(339.2)	(41.6)	-	
Gross profit	**505.4**	**59.8**	**477.1**	**58.4**	**(28.3)**	**-5.6%**
Advertising and promotion	(162.7)	(19.3)	(134.3)	(16.5)	28.3	**-17.4%**
Contribution after A&P	**342.8**	**40.6**	**342.8**	**42.0**	**-**	**-**
SG&A	(179.4)	(21.2)	(179.4)	(22.0)	-	-
EBIT adjusted	**163.4**	**19.3**	**163.4**	**20.0**	**-**	**-**
Adjustments	(5.0)	(0.6)	(5.0)	(0.6)	-	-
Operating profit=EBIT	**158.4**	**18.8**	**158.4**	**19.4**	**-**	**-**
Financial income (expenses)	(23.0)	(2.7)	(23.0)	(2.8)	-	-
Adjustments to financial income (expenses)	(24.4)	(2.9)	(24.4)	(3.0)	-	-
Put option income (charges)	(2.5)	(0.3)	(2.5)	(0.3)	-	-
Profit before taxes and non-controlling interests	**108.5**	**12.8**	**108.5**	**13.3**	**-**	**-**
Income Tax expense	0.2	0.0	0.2	0.0	-	-
Net Profit	**108.6**	**12.9**	**108.6**	**13.3**	**-**	**-**
Minority interests	-	-	-	-	**-**	**-**
Group net profit	**108.5**	**12.8**	**108.5**	**13.3**	**-**	**-**
Group net profit adj.	**93.5**	**11.1**	**93.5**	**11.5**		
		-			**-**	**-**
Depreciation and amortisation	(28.4)	(3.4)	(28.4)	(3.5)	-	-
EBITDA adjusted	**191.7**	**22.7**	**191.7**	**23.5**	**-**	**-**
EBITDA	**186.8**	**22.1**	**186.8**	**22.9**	**-**	**-**

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IFRS15 – Group P&L 3M 2017 restated

Consolidated income statement for the 3M until 31 March 2017

	2017 reported (before IFRS15 implementation)		2017 restated (after IFRS15 implementation)		Delta Restated vs. Reported	
	€ million	%	€ million	%	€ million	%
Net sales	**376.6**	**100.0**	**366.2**	**100.0**	**(10.5)**	**-2.8%**
Total cost of goods sold	(158.8)	(42.2)	(158.8)	(43.4)	-	
Gross profit	**217.9**	**57.8**	**207.4**	**56.6**	**(10.5)**	**-4.8%**
Advertising and promotion	(66.5)	(17.7)	(56.0)	(15.3)	10.5	**-15.8%**
Contribution after A&P	**151.4**	**40.2**	**151.4**	**41.3**	**-**	**-**
SG&A	(87.0)	(23.1)	(87.0)	(23.8)	-	-
EBIT adjusted	**64.4**	**17.1**	**64.4**	**17.6**	**-**	**-**
Adjustments	(0.8)	(0.2)	(0.8)	(0.2)	-	-
Operating profit=EBIT	**63.6**	**16.9**	**63.6**	**17.4**	**-**	**-**
Financial income (expenses)	(10.0)	(2.7)	(10.0)	(2.7)	-	-
Adjustments to financial income (expenses)	0.1	0.0	0.1	0.0	-	-
Put option income (charges)	-	-	-	-	-	-
Profit before taxes and non-controlling interests	**53.6**	**14.2**	**53.6**	**14.6**	**-**	**-**
					-	-
Depreciation and amortisation	(14.2)	(3.8)	(14.2)	(3.9)	-	-
EBITDA adjusted	**78.6**	**20.9**	**78.6**	**21.5**	**-**	**-**
EBITDA	**77.8**	**20.7**	**77.8**	**21.2**	**-**	**-**

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IFRS15 – Regional P&L FY 2017 / H1 2017 restated

	FY 2017		FY 2017 restated		H1 2017		H1 2017 restated	
Americas	*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*		*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*	
	€ million	%	€ million	%	€ million	%	€ million	%
Net sales	**794.2**	**100.0**	**783.6**	**100.0**	**375.5**	**100.0**	**371.1**	**100.0**
COGS	(329.4)	-41.5	(329.4)	-42.0	(155.1)	(41.3)	-155.1	(41.8)
Gross profit	**464.7**	**58.5**	**454.1**	**58.0**	**220.4**	**58.7**	**215.9**	**58.2**
A&P	(152.7)	-19.2	(142.1)	-18.1	(72.7)	(19.4)	-68.2	(18.4)
CAAP	**312.0**	**39.3**	**312.0**	**39.8**	**147.8**	**39.3**	**147.8**	**39.8**
Structure costs	(141.0)	-17.7	(141.0)	-18.0	(75.1)	(20.0)	-75.1	(20.2)
EBIT adjusted	**171.1**	**21.5**	**171.1**	**21.8**	**72.6**	**19.3**	**72.6**	**19.6**

	FY 2017		FY 2017 restated		H1 2017		H1 2017 restated	
NCEE	*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*		*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*	
	€ million	%	€ million	%	€ million	%	€ million	%
Net sales	**361.1**	**100.0**	**347.2**	**100.0**	**157.0**	**100.0**	**150.0**	**100.0**
COGS	(141.5)	-39.2	(141.5)	-40.8	(57.7)	(36.7)	-57.7	(38.5)
Gross profit	**219.6**	**60.8**	**205.7**	**59.2**	**99.4**	**63.3**	**92.3**	**61.5**
A&P	(60.8)	-16.8	(46.9)	-13.5	(30.6)	(19.5)	-23.5	(15.7)
CAAP	**158.8**	**44.0**	**158.8**	**45.7**	**68.8**	**43.8**	**68.8**	**45.9**
Structure costs	(51.7)	-14.3	(51.7)	-14.9	(25.2)	(16.0)	-25.2	(16.8)
EBIT adjusted	**107.1**	**29.6**	**107.1**	**30.8**	**43.6**	**27.8**	**43.6**	**29.1**

	FY 2017		FY 2017 restated		H1 2017		H1 2017 restated	
SEMEA	*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*		*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*	
	€ million	%	€ million	%	€ million	%	€ million	%
Net sales	**536.3**	**100.0**	**501.2**	**100.0**	**258.8**	**100.0**	**243.4**	**100.0**
COGS	(206.2)	-38.4	(206.2)	-41.1	(97.4)	(37.6)	-97.4	(40.0)
Gross profit	**330.1**	**61.5**	**295.0**	**58.9**	**161.4**	**62.4**	**146.0**	**60.0**
A&P	(108.7)	-20.3	(73.6)	-14.7	(50.6)	(19.6)	-35.2	(14.5)
CAAP	**221.3**	**41.3**	**221.3**	**44.2**	**110.8**	**42.8**	**110.8**	**45.5**
Structure costs	(135.1)	-25.2	(135.1)	-27.0	(66.6)	(25.7)	-66.6	(27.4)
EBIT adjusted	**86.2**	**16.1**	**86.2**	**17.2**	**44.1**	**17.1**	**44.1**	**18.1**

	FY 2017		FY 2017 restated		H1 2017		H1 2017 restated	
APAC	*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*		*Reported (before IFRS15 implementation)*		*Restated (after IFRS15 implementation)*	
	€ million	%	€ million	%	€ million	%	€ million	%
Net sales	**124.4**	**100.0**	**121.3**	**100.0**	**53.3**	**100.0**	**51.9**	**100.0**
COGS	(63.9)	-51.4	(63.9)	-52.7	(29.1)	(54.5)	-29.1	(56.0)
Gross profit	**60.5**	**48.6**	**57.4**	**47.3**	**24.2**	**45.5**	**22.8**	**44.0**
A&P	(20.3)	-16.3	(17.2)	-14.2	(8.8)	(16.5)	-7.4	(14.2)
CAAP	**40.3**	**32.4**	**40.3**	**33.2**	**15.5**	**29.0**	**15.5**	**29.8**
Structure costs	(24.1)	-19.4	(24.1)	-19.9	(12.5)	(23.4)	-12.5	(24.0)
EBIT adjusted	**16.2**	**13.0**	**16.2**	**13.3**	**3.0**	**5.6**	**3.0**	**5.8**

Disclaimer

This document contains forward-looking statements that relate to future events and future operating, economic and financial results of Campari Group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Actual results may differ materially from those reflected in forward-looking statements due to a variety of factors, most of which are outside of the Group's control.

It should be noted that the company's accounts and consolidated results are currently subject to auditing.

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