CAMPARI GROUP

2018 First Quarter Results

Investor Presentation

8 May 2018

TOASTING LIFE TOGETHER

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Results for first quarter ended 31 March 2018

Organic topline impacted by emerging market softness and phasing effects magnified in a small quarter. Profitability indicators continued to benefit from positive sales mix

Key figures	Q1 2018		Change vs. Q1 2017 [1]			
	€ million	*% on sales*	Reported	*Organic*	*FX*	*Perimeter* [2]
Net sales	336.0	*100.0%*	-8.2%	*+2.2%*	*-7.5%*	*-2.9%*
of which: Global priorities				*+3.8%*		
Regional priorities				*-1.3%*		
Gross profit	200.0	*59.5%*	-3.6%	*+6.7%*	-8.6%	-1.7%
margin accretion (bps) [3]			+290bps	*+250bps*	*-40bps*	*+80bps*
EBIT adjusted [4]	61.1	*18.2%*	-5.1%	*+8.9%*	*-8.5%*	*-5.4%*
margin accretion (bps) [3]			+60bps	*+110bps*	*-10bps*	*-40bps*
EBIT [5]	82.7	*24.6%*	+30.2%			
EBITDA adjusted [4]	74.7	*22.2%*	-5.0%	*+8.8%*	*-8.7%*	*-5.1%*
margin accretion (bps) [3]			+80bps	*+140bps*	*-20bps*	*-50bps*
Group pretax profit adjusted [4]	54.9	*16.3%*	+1.0%			
Net Debt at period end	938.7					

(1) Q1 2017 results restated according to IFRS15 implementation as of 1 January 2018
(2) Mainly including the disposal effects of Carolans (July 2017) and Lemonsoda (January 2018)
(3) Basis points rounded to the nearest ten
(4) Before operating adjustments of €21.6 million in Q1 2018 (capital gain from Lemonsoda disposal in January 2018 net of provisions for restructuring initiatives) and €(0.8) million in Q1 2017
(5) After operating adjustments as for Note 4

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Key highlights

Positive underlying trends more than offset by the expected perimeter and FX effects overall

> **Net Sales**

- **Organic growth of +2.2%**
  - Results impacted by emerging market softness and phasing effects magnified in a low seasonality quarter
    - **Global Priorities, up +3.8%,** with good performances by **Aperol (+22.8**%), **Campari (+6.6%), Grand Marnier (+4.2%)** and **Wild Turkey (+6.2%)** mostly offset by a double-digit decline in the **SKYY portfolio** and a decline in the **Jamaican rums portfolio**
    - **Regional Priorities down -1.3%** due to double-digit decline in low-margin **Cinzano portfolio**, and **Local priorities** broadly flat at -0.3**%**
  - While the Group's quarterly topline result suffered from a **number of phasing effects**, **sell-out data remains positive** for **key brand-market combinations,** with the **Group's key brands continuing their positive underlying trends** (except SKYY)
- **Reported change of -8.2% reflecting negative perimeter effect of -2.9% or €(10.7) million** and **FX effect of -7.5% or €(27.6) million,** as expected

> **EBIT**

- **EBIT adjusted**
  - **Organic growth of +8.9%, +110bps accretion on sales: strong organic gross margin expansion of +250bps** in Q1 2018, driven by positive sales mix by brand and market, only partly offset by phasing of A&P and SG&A expenses in Q1
  - **On a reported basis change of -5.1%, +60bps accretion on sales taking into account the negative effects of disposals** and **FX**
- **EBIT growth of +30.2% to €82.7 million after positive operating adjustments of €21.6 million,** driven by capital gain on business disposal, net of provisions for restructuring costs

> **Pre-tax profit**

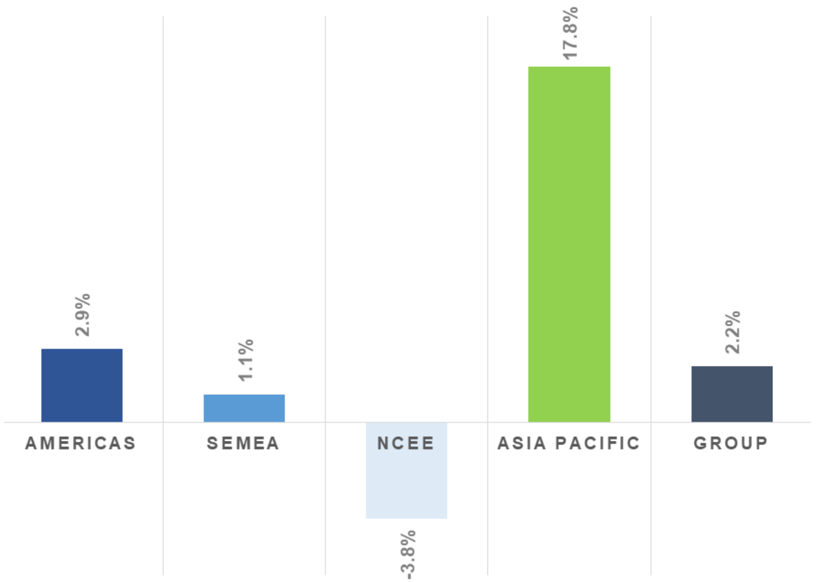
- **Group pre-tax profit adjusted** (1) of €54.9 million, up **+1.0%**
- **Group pre-tax profit** to €76.5 million, up **+42.7%**

> **Net debt**

- **Net financial debt at €938.7 million** as of March 31, 2018 vs. €981.5 million as of December 31, 2017, **down €42.8 million**, after the proceeds from the sale of the Lemonsoda business, net of the Bisquit acquisition and the purchase of own shares
- **Net debt to EBITDA ratio down to 1.8 times** as of March 31, 2018

(1) Group pretax profit before operating adjustments of €21.6 million in Q1 2018 and €(0.8) in Q1 2017

Overall positive organic sales growth despite phasing effects in a small quarter

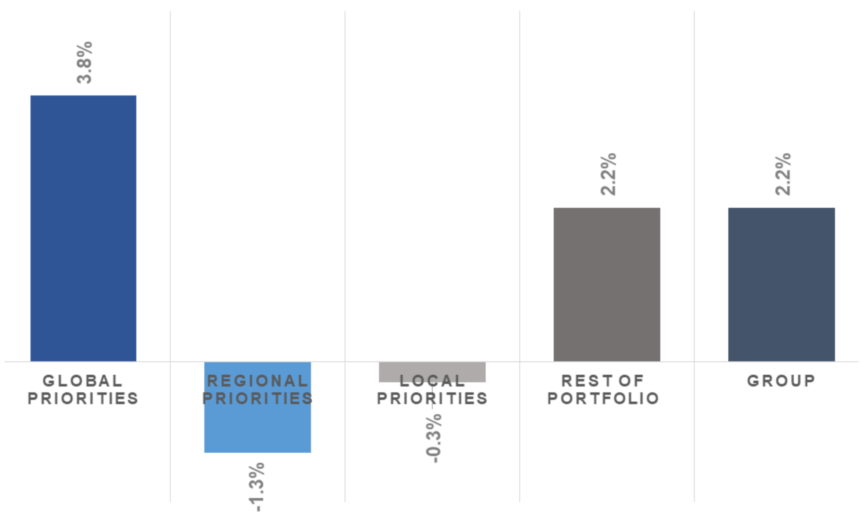


> **Americas:** US was up +3.5%, while Brazil and Argentina suffered macro-related declines

> **SEMEA:** Core Italian market delivered solid growth, up +3.9%. Spain and France continued to grow, while South Africa declined due to phasing effects and a tough comparison base

> **NCEE:** Negative performance due to phasing in Germany and increased volatility in Russia, while the UK continued double-digit growth

> **Asia Pacific:** solid high-single digit growth in Australia and strong results in Japan



> **Global Priorities:** Aperol up +22.8%, mid-single digit growth in Campari, Wild Turkey and Grand Marnier, in part offset by SKYY and the Jamaican rums (Wray&Nephew Overproof impacted by phasing in Jamaica)

> **Regional Priorities:** Espolòn and Bulldog continued their double-digit growth trend, while phasing impacted the rest of the portfolio

> **Local Priorities:** sustained growth in high-margin Crodino and Campari Soda, broadly offset by a decline in low-margin Brazilian local brands

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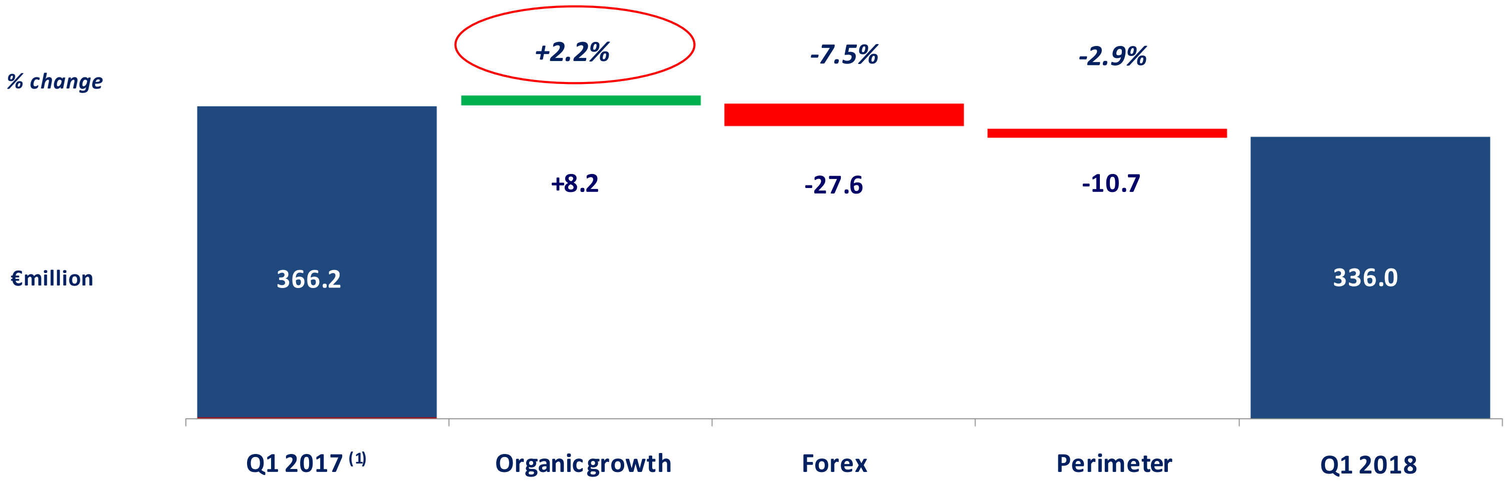
Net sales results for first quarter 2018

Growth drivers



- **Organic change of +2.2%** or €8.2 million, driven largely by **high-margin Global Priorities up +3.8%** despite the tough comparison base (Q1 2017 +10.8%)(2)
- **Forex effect of -7.5%** (or €(27.6) million) after a further deterioration from the back end of 2017, **driven by the progressive strengthening of the Euro against US Dollar,** Brazilian Real, Jamaican Dollar, Argentinean Pesos and British Pound
- **Perimeter impact of -2.9%** (or €(10.7) million) mainly due to the sale of non-core businesses (in particular Carolans and Lemonsoda businesses) partially offset by the Bisquit acquisition

(1) Restated according to IFRS15 implementation as of 1 January 2018. Under IFRS15 certain A&P expenses are reclassified in deduction of sales. The reclassification is neutral on EBIT value but has an impact on margin ratios on sales post reclassification. In Q1 2017 restated the reclassification under IFRS 15 implied a reduction of €10.5 million in sales (-2.8%) and, by the same amount, in A&P expenses

(2) Regarding the financial years prior to 2017, values were not reclassified according to IFRS 15. Therefore, when referring to the comparison bases, although the sales organic percentage changes in Q1 2017 vs. Q1 2016 were calculated on a non-reclassified basis, they are assumed to be consistent to the organic percentage changes in Q1 2018 vs. Q1 2017

Net sales by regions & key markets in Q1 2018

US remains the largest market with 28.5% of Group Net Sales

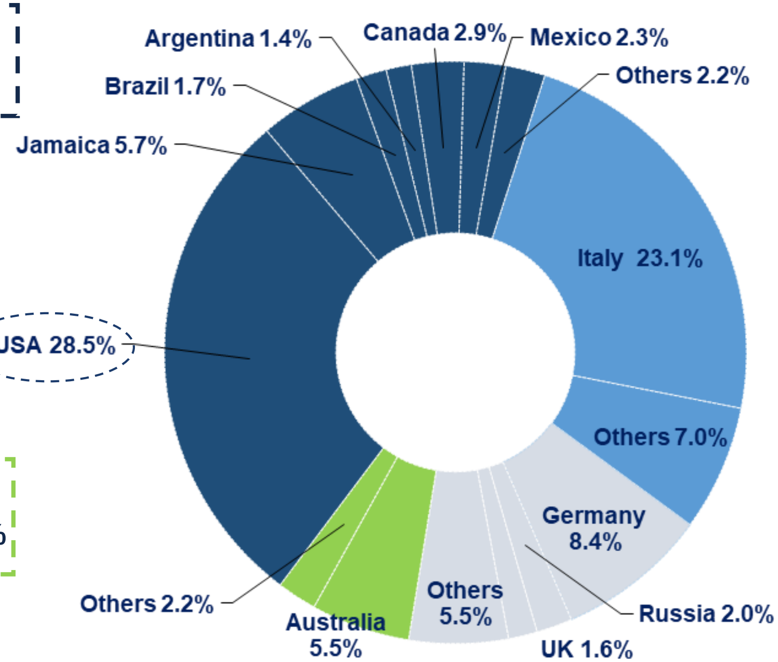
Q1 2018 Group Net Sales €336.0 million
Organic growth +2.2%

Americas: 44.7% of total
Organic growth: +2.9%

SEMEA: 30.1% of total
Organic growth: +1.1%

Asia Pac: 7.7% of total
Organic growth: +17.8%

NCEE: 17.5% of total
Organic growth: -3.8%



Developed vs. emerging markets[1]: 83% vs. 17%

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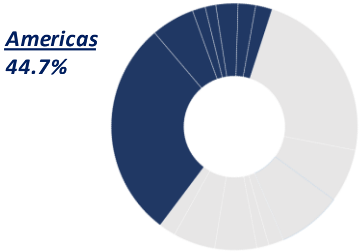
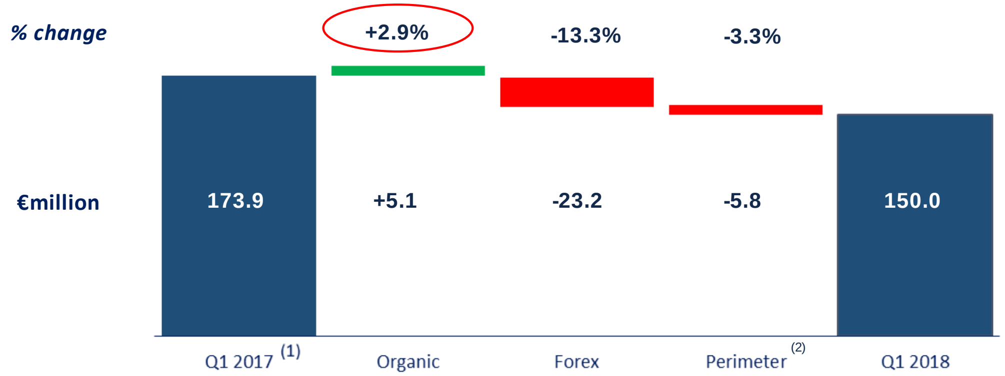
[1] Key emerging markets include Jamaica, Russia, Brazil, Argentina, Mexico, South Africa, Peru and Nigeria

Americas: +2.9% organic





Organic growth by key market

> **US**	**+3.5%**	• **Organic growth** of **+3.5%, despite a very tough comparison base (+7.5% in Q1 2017)**. The positive performance was driven by continued solid growth of **Grand Marnier**, the **Wild Turkey portfolio**, **Espolòn** and **Cabo Wabo** tequilas as well as continued double-digit growth in **Aperol** and **Campari.** These results helped offset the **negative performance of SKYY**, which continued to decline due to the persistent competitive category pressures, weakness within flavoured vodka as well as category share loss to craft vodka. These effects were amplified by distribution transitions in Q1 2017 affecting the comparison base. **Sell-out trends** show a **stable mid-single digit decline**
> **Jamaica**	**+13.9%**	• **Sustained positive organic performance** driven by **Campari** (**high double-digit**) as well as **Appleton Estate** and some local brands, in part offset by a decline in Wray&Nephew Overproof due to an adverse comparison base in Q1 2017 impacted by pre-loading ahead of a price increase in Q2 2017
> **Brazil**	**-32.1%**	• In a market where political instability and macroeconomic weakness remain, **Brazil registered a decline in a low seasonality quarter**, impacted by both an adverse comparison base (+51.7% in Q1 2017) coupled with tightened credit policies. **Temporary declines** in **SKYY**, **Sagatiba** and **Dreher** were **unable to offset a good performance by Aperol, Bulldog** and **Cynar** which continue their positive trends
> **Argentina**	**-5.2%**	• Slower start to the year driven by **macroeconomic weakness** and **tightened credit policies** impacting the largest brands such as **Campari** and **Cinzano**, while **Aperol** and **SKYY Vodka's positive trends continued**
> **Others**	**+8.2%**	• **Strong performance** in **Mexico (+8.0%)** thanks to SKYY ready-to-drink and **Peru**, whilst **Canada** was broadly **flat**

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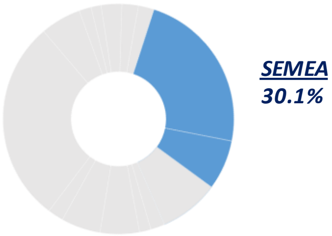
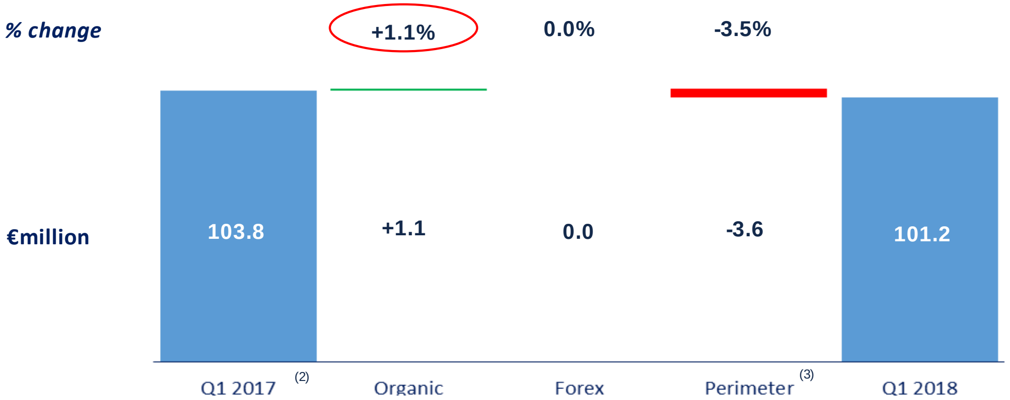
(1) Restated according to IFRS15 implementation as of 1 January 2018
(2) Perimeter effect mainly driven by Carolans disposal

SEMEA[1]: +1.1% organic





Organic growth by key market

> **Italy** **+3.9%**

- **Very satisfactory growth** in the first quarter, largely driven by the **continued positive trend** in **Aperol** and **Campari** as well as the **single-serve aperitifs driven by Crodino,** which also benefitted from the Easter shift. These positive results were partially offset by declines in the low-margin Cinzano portfolio

> **Others** **-8.1%**

- **Other markets registered a decline on the quarter**, impacted by **South Africa** due to the **unfavourable comparison base** vs. the first quarter of 2017, which was positively influenced by the start of the new distribution organization in that market. Other key markets such as **France**, largely thanks to **Riccadonna** sparkling wine, and **Spain,** thanks to **Aperol** and **Campari**, **both registered very positive organic performance.** Good results in **Nigeria** driven by **Campari** and **SKYY**
- **Global Travel Retail** started the year with a **flat performance** on the back of a tough comparison base vs. Q1 2017 (+18.2%)

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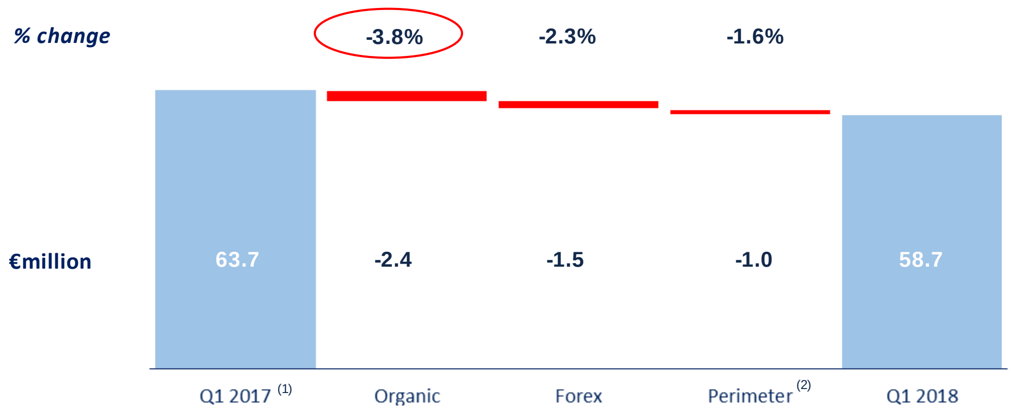
(1) Incl. Global Travel Retail
(2) Restated according to IFRS15 implementation as of 1 January 2018
(3) Perimeter effect in Italy driven by disposals of non-core Lemonsoda businesses

NCEE: -3.8% organic



Organic growth by key market

> **Germany**	**-2.6%**	• **Weak start to the year as the market registered** a **temporary sales decline of -2.6%. The excellent growth of Aperol (+21.0%), as well as good performances of Bulldog, SKYY, Grand Marnier** and **Wild Turkey bourbon were unable to offset the** negative performance of low-margin agency brands and **sparkling wines**. The market's performance was also impacted by a weaker performance of **Campari** and **Averna**, the latter hampered by **price repositioning**
> **Russia**	**-30.5%**	• The **negative performance** was impacted by a very **unfavourable comparison base** vs. the previous year (+86.5%) as well as the **impact of price increase negotiations**. This performance can also be seen within the economic context of the market which is characterized by **high volatility**, impacting sales orders of some brands, amplified in a **low seasonality quarter** though **sell-out data remains positive**. The solid growth of Aperol and Campari was not able to offset the decline in the largest brands of Cinzano and Mondoro
> **Others**	**+6.9%**	• **Overall positive performance** across the majority of the other markets. In particular, the **UK up +13.1%** thanks to **Aperol, Bulldog, Campari**, and **Magnum Tonic**

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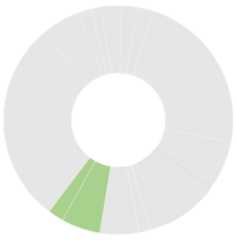
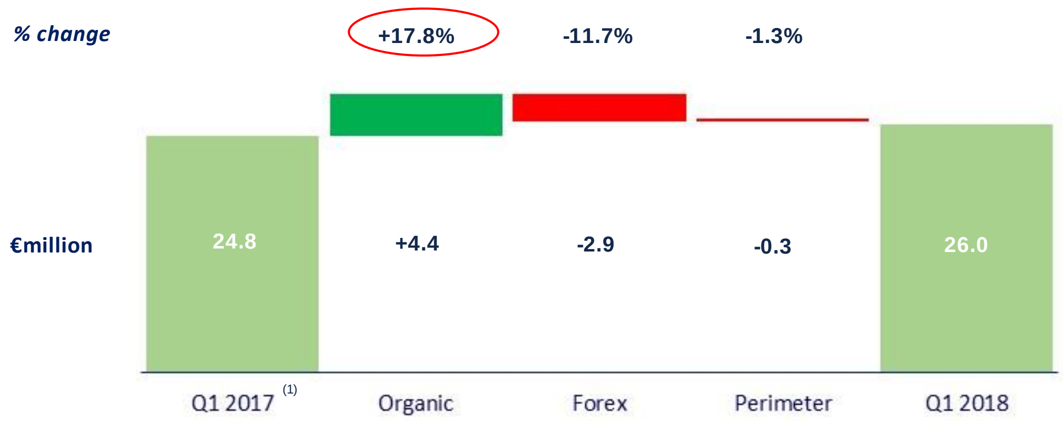
(1) Restated according to IFRS15 implementation as of 1 January 2018
(2) Perimeter effect mainly driven by termination of agency brands in both Germany and Russia

Asia Pacific: +17.8% organic





Organic growth by key market

- > **Australia** **+9.4%**
  - **Australia** started the year with a **very satisfactory organic growth of +9.4%**, driven by double-digit growth of **Aperol, Campari, Wild Turkey bourbon, SKYY Vodka** and **Espolòn** as well as good growth from **Frangelico** and **GlenGrant**. These good results were buoyed by the **positive performance in the ready-to-drink category**, particularly **Wild Turkey ready-to-drink**, which grew organically in the first quarter after a difficult prior year due to competitive pressures
- > **Others** **+44.8%**
  - **Positive performance from Japan** driven by the **SKYY portfolio, Campari, Aperol, Cinzano vermouth** and **Wild Turkey bourbon**. **New Zealand** also grew (+51.0%), driven by **Campari, Espolòn** and **Grand Marnier**

(1) Restated according to IFRS15 implementation as of 1 January 2018

Net sales by brand – Overview

Global Priorities

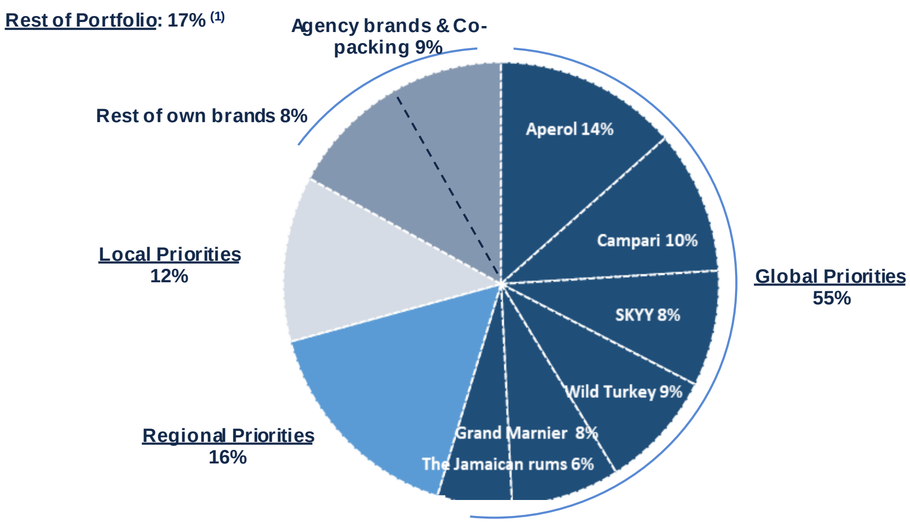
55% of Total
Organic sales: +3.8%

Regional Priorities

16% of Total
Organic sales: -1.3%

Local Priorities

12% of Total
Organic sales: -0.3%



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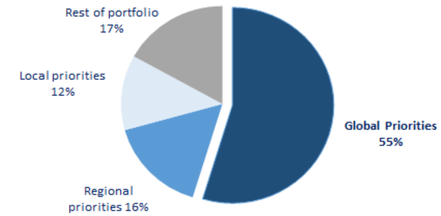
(1) Rest of Portfolio: 17% of total (-100 bps vs. PY). +2.2% organic sales growth in Q1 2018

Brand sales review

Global priorities

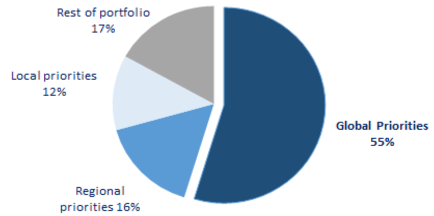


Global priorities	Brand sales as % of Group's sales in Q1 2018	Organic change in Q1 2018	
APEROL	14%	+22.8%	> **Continued positive performance in core markets** (**Italy, Germany, Austria** and **Switzerland**) > **Very strong growth in high potential** and **seeding markets** such as the **US** (now the **brand's 3rd largest market** in value), **Brazil, Russia, the UK, Australia, Spain and GTR**
CAMPARI	10%	+6.6%	> **Very satisfactory results** with continued **growth** in **the US** (now **the brand's 2nd largest market** in value), as well as growth in **Jamaica**, **Spain** and **the UK**. Continued solid growth in the brand's core market **Italy (+7.3%)** > Overall brand performance dampened by Germany as well as declines in South America
SKYY VODKA	8% (1)	-15.3%	> The core **US market** continued to **decline,** driven by the persistent competitive environment within the category as well as the weakness of the flavoured segment, amplified by shipment phasing and unfavorable comparison base (distribution transition into 17 states in Q1 2017), whilst **sell-out trends shows a stable mid-single digit decline** > In the international markets, the **very positive results** achieved in **Argentina, Japan** and **Jamaica** were more than offset by **Brazil, South Africa** and **China,** which **declined largely due to order phasing** and **comparison base effects**

(1) including SKYY Infusions

Brand sales review

Global priorities



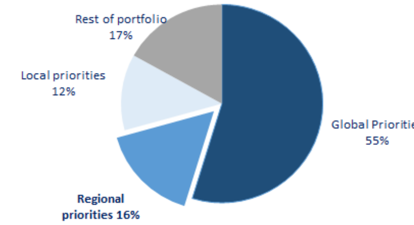
Global priorities	Brand sales as % of Group's sales in Q1 2018	Organic change in Q1 2018	
Grand Marnier	8%	+4.2%	> Reaping the initial benefits from the activations implemented ahead of the brand's new campaign, Grand Marnier registered **positive organic growth of +4.2%** driven by the **core US market**
Wild Turkey Bourbon, Russell's Reserve, Wild Turkey American Honey	9% [(1)(2)]	+6.2%	> **Positive start to the year** for Wild Turkey bourbon thanks to the continued growth in **core US (+4.7%)** and **Australia (+10.8%)** as well as very strong results in high-potential markets (**Canada**, the **UK**, **Japan**, **Germany** and **Italy**) > High-margin **Russell's Reserve** continued to register **double-digit gains in the core US market** > **American Honey**, despite growth in the core **US** market as well as smaller markets, was flat due to weakness in Australia
Appleton Estate Jamaica Rum, Wray & Nephew White Overproof Rum	6% [(1)]	-4.5%	> **Appleton Estate was slightly negative (-1.0%)** despite a very good performance in the core markets of **Canada**, **Jamaica** and **Mexico** (all up double-digit) whilst the **UK** and **New Zealand** were down against a difficult comparison base from previous year > **Wray&Nephew Overproof declined (-4.2%)** against a very **difficult comparison base** from previous year (+36.8% in Q1 2017) due to preloading ahead of price increase, whilst **underlying trends** in core markets and seeding markets **remain positive**

(1) Incl. Wild Turkey straight bourbon, Russell's reserve, American Honey
(2) Wild Turkey ready-to-drink and American Honey ready-to-drink are excluded

(1) Incl. Appleton Estate and W&N Overproof

Brand sales review

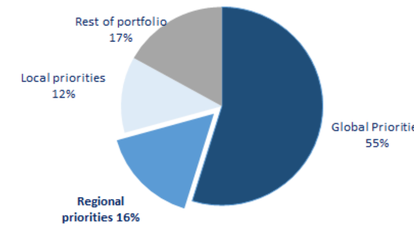
Regional priorities



	Regional priorities	Brand sales as % of Group's sales in Q1 2018	Organic change in Q1 2018	
Tequila	ESPOLÒN	3%	+28.8%	> **Very strong double-digit growth** in the **core US** market **(+35.1%)** and continued positive trends in new markets such as **Australia, Italy, Mexico** and **Canada**
Whiskies	GLENGRANT SINGLE MALT	1%	-21.0%	> **Declines** driven by the core markets of **France** and **South Africa**, largely due to shipments phasing, whilst the **US, Ukraine** and **Spain** registered positive results driven by **more premium** and **higher-margin propositions**
	FORTY CREEK	1%	-6.8%	> **Positive performance** in the core market **Canada (+13.3%)** hampered by a **decline in the US**
Italian after dinner bitters and liqueurs	AVERNA, BRAULIO, CYNAR	3%	0.0%	> **Flat performance overall,** with very **positive results** of **Braulio** driven by the **core markets of Italy** and **the US**. **Averna** was penalized by a price repositioning in **Germany** while **Cynar** declined largely due to phasing effects
	Frangelico liqueur	2%	-8.5%	> **Strong growth in Spain** and **Australia** was offset by a temporary weakness and phasing effects in the **US** and **German markets**

Brand sales review

Regional priorities



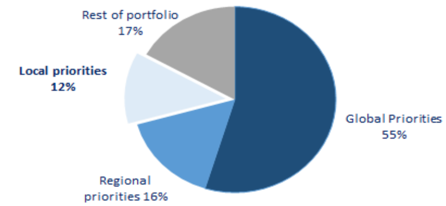
Regional priorities	Brand sales as % of Group's sales in Q1 2018	Organic change in Q1 2018	
Gin – BULLDOG LONDON DRY GIN	1%(1)	+14.1%	> **Strong start to the year**, with solid growth in the **UK**, **Germany, Portugal** and **Italy**. **Spain**, a core market, continued to grow. **Global Travel Retail** was up mid-single digit
Sparkling wine & vermouth – CINZANO	3% (1)	-22.4%	> **Vermouth down -12.7%**, impacted by **shipment phasing in core markets of Argentina** and increased volatility in **Russia, in part offset by** positive performances in **Germany**, **Japan**, the **US** and **UK** > **Sparkling wines down -29.4%**, mainly **due to phasing in core market of Russia linked to price increase negotiations** and continued weakness in **Germany**, whilst **Japan**, **China**, **the UK** and the **Czech Republic delivered positive results**
Sparkling wine & vermouth – MONDORO, RICCADONNA	2%	+28.1%	> **Overall solid performance** driven by core market **France**, and newer markets such as **Peru, Chile, Mexico** and **Ukraine** > **Mondoro** down by -8.0% due to price increases in core **market Russia impacting shipment phasing,** while the brand's **second largest market, Ukraine, grew by high double-digit** > **Riccadonna** registered high double-digit growth, with strong performances in **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



Local priorities	Brand sales as % of Group's sales in Q1 2018	Organic change in Q1 2018	
CAMPARISODA	4%	+1.9%	> Flat performance in the core market of **Italy**, while the **growth remains strong** in **seeding markets** (**Germany** and **the UK**)
CRODINO	4%	+3.8%	> **Core Italy up +1.4%** driven by the continued success from the product innovation of last year and the Easter shift. Good growth in the international markets (**Belgium** and **Switzerland)**
	2%	+7.7%	> **Solid performance in the core market Australia** against a relatively easy comparison base
Dreher / Sagatiba	1%	-40.5%	> **Weakness driven by core market Brazil** due to a phasing effect as well as a difficult comparison base (Q1 2017 +55.0%) in a small quarter
12 OUZO	1%	-2.9%	> **Slightly negative** performance with growth in the **UK**, the **US** and **Greece** more than offset by shipment phasing in the core German market
CABO WABO TEQUILA BLANCO	1%	+27.2%	> **Solid performance** in the **core US market**

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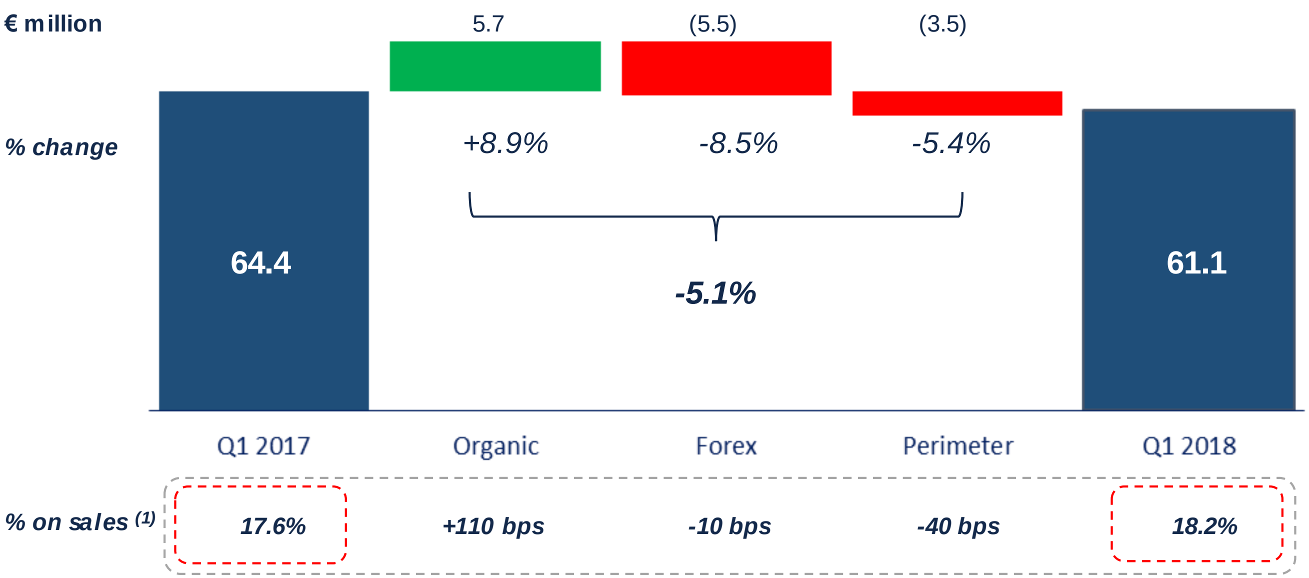
Q1 2018 summary P&L: EBIT adjusted

	Q1 2018		Q1 2017 [1]		Reported change	Organic margin accretion/(dilution)	Organic change	Forex impact	Perimeter effect
	€ million	% of sales	€ million	% of sales	%	(bps) [4]	%	%	%
Net Sales	**336.0**	**100.0%**	**366.2**	**100.0%**	**-8.2%**		**2.2%**	**-7.5%**	**-2.9%**
COGS [2]	(136.0)	-40.5%	(158.8)	-43.4%	-14.3%	250	-3.6%	-6.2%	-4.5%
Gross Profit	**200.0**	**59.5%**	**207.4**	**56.6%**	**-3.6%**	**250**	**6.7%**	**-8.6%**	**-1.7%**
A&P	(54.1)	-16.1%	(56.0)	-15.3%	-3.4%	(50)	5.4%	-8.6%	-0.2%
Contribution after A&P	**145.8**	**43.4%**	**151.4**	**41.3%**	**-3.7%**	**200**	**7.2%**	**-8.6%**	**-2.3%**
SG&A [3]	(84.7)	-25.2%	(87.0)	-23.8%	-2.6%	(90)	5.9%	-8.6%	0.1%
EBIT adjusted	**61.1**	**18.2%**	**64.4**	**17.6%**	**-5.1%**	**110**	**8.9%**	**-8.5%**	**-5.4%**
Operating adjustments	21.6	6.4%	(0.8)	-0.2%	-				
Operating profit = EBIT	**82.7**	**24.6%**	**63.6**	**17.4%**	**30.2%**				
Net financial income (charges)	(5.8)	-1.7%	(10.0)	-2.7%	-42.7%				
Financial adjustments	-	-	0.1	-	-65.4%				
Put option costs	(0.5)	-0.1%	-	-	-				
Profit before taxes and non-controlling interests	**76.5**	**22.8%**	**53.6**	**14.6%**	**42.7%**				
Profit before taxes adjusted	**54.9**	**16.3%**	**54.4**	**14.8%**	**1.0%**				
Depreciation	(13.6)	-4.0%	(14.2)	-3.9%	-4.7%	(20)	8.2%	-9.4%	-3.5%
EBITDA adjusted	**74.7**	**22.2%**	**78.6**	**21.5%**	**-5.0%**	**140**	**8.8%**	**-8.7%**	**-5.1%**
EBITDA	**96.3**	**28.7%**	**77.8**	**21.2%**	**23.8%**				

(1) Restated according to IFRS15 implementation as of 1 January 2018. Under IFRS15 certain A&P expenses are reclassified in deduction of sales. The reclassification is neutral on EBIT value but has an impact on margin ratios on sales post reclassification. In Q1 2017 restated the reclassification under IFRS 15 implied a reduction of €10.5 million in sales (-2.8%) and, by the same amount, in A&P expenses
(2) COGS = cost of materials, production and logistics expenses
(3) SG&A = Selling, General and Administrative expenses
(4) Bps rounded to the nearest ten

EBIT adjusted – Key drivers



- **Organic growth of +8.9%**, ahead of top line growth, leading to +**110 bps accretion**, as higher investments in A&P (-50 bps) and distribution capabilities (-90 bps) were more than offset by solid gross margin expansion (+250 bps) driven by favourable sales mix
- **Perimeter effect: negative change of -5.4% or €(3.5) million in EBIT adj. in Q1 2018**, largely due to disposals of non-core businesses (mainly Carolans)
- **FX effect:** negative change of -8.5% or €(5.5) million in EBIT adj. in Q1 2018, mainly driven by progressive strengthening of Euro vs. USD

- **EBIT adjusted** of €61.1 million, down **-5.1%** on a reported basis, **18.2%** margin on sales
- **EBIT** of €82.7 million, up **+30.2%** after positive **operating adjustments of €21.6 million** driven by the capital gains from the Lemonsoda disposal, net of provisions for restructuring costs in Q1 2018 (2)
- **EBITDA adjusted** of €74.7 million, down **-5.0%** on a reported basis, **22.2%** margin on sales

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(1) Bps rounded to the nearest ten
(2) In Q1 2017 operating adjustments were negative at €(0.8) million

EBIT adjusted - Key highlights

> **Gross profit**: on a **reported** basis down **-3.6% in value**, up **+290 bps** on net sales to 59.5%

- **Organic** growth of +**6.7% in value**, **+250 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 reduction of COGS as % of sales
- **Forex and perimeter** combined effect of -10.3% in value, +40 bps margin expansion, driven by disposals of low-margin businesses

> **A&P**: on a **reported** basis down **-3.4% in value**, up **+80 bps** on net sales to 16.1%

- **Organic** growth of **+5.4% in value**, **-50 bps** margin dilution, driven by phasing of investments into Q1 2018, as communicated, reflecting major investments in global brands (such as Campari and Grand Marnier)
- **Forex and perimeter** combined effect of **-8.8% in value**, **-30 bps** margin dilution, driven by disposals of low A&P-intensity businesses such as Carolans and Lemonsoda

> **SG&A**: on a **reported** basis down **-2.6% in value**, up **+150 bps** on net sales to 25.2%

- **Organic** growth of **+5.9% in value**, **-90 bps** margin dilution, reflecting in the quarter the full year impact of the Group's investments in distribution capabilities completed throughout 2017, coupled with the disproportionate incidence of fixed structure costs on sales in a small quarter impacted by shipments phasing
- **Forex and perimeter** combined effect of **-8.5% in value**, **-60 bps** margin dilution, primarily driven by the negative effect of brands disposals

> **EBIT adjusted**: on a **reported** basis down **-5.1% in value**, up **+60 bps** on net sales to 18.2%

- **Organic growth** of **+8.9% in value**, +**110 bps** margin accretion
- **Forex and perimeter** combined effect of **-14.0% in value**, **-50 bps** margin dilution

Q1 2018 Consolidated P&L - Pretax profit

	Q1 2018		Q1 2017		
	€ million	% of sales	€ million	% of sales	Reported change
Operating profit = EBIT	**82.7**	**24.6%**	**63.6**	**17.4%**	**30.2%**
Net financial income (charges)	(5.8)	-1.7%	(10.0)	-2.7%	-42.7%
Financial adjustments	-	-	0.1	-	-65.4%
Put option costs	(0.5)	-0.1%	-	-	-
Profit before taxes and non-controlling interests	**76.5**	**22.8%**	**53.6**	**14.6%**	**42.7%**
Profit before taxes adjusted (1)	**54.9**	**16.3%**	**54.4**	**14.8%**	**1.0%**

> Negative financial charges were **€5.8 million** in Q1 2018, **down by €4.3 million** vs. Q1 2017, due to:

- **Reduction in average cost of net debt to 2.7%**(2) in Q1 2018, down from 3.1% in Q1 2017, reflecting the positive effects of liability management transactions
- **Reduction in average indebtedness** from €1,195.8 million in Q1 2017 **to €960.1 million** in Q1 2018

> **Group pretax profit** was **€76.5 million, up +42.7%** in Q1 2018. **Pretax profit adjusted (1)** was **€54.9 million**, up +1.0%

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(1) Before operating adjustments of €21.6 million in Q1 2018 (capital gain from Lemonsoda disposal in January 2018, net of provisions for restructuring initiatives) and €(0.8) million in Q1 2017

(2) Excluding FX effects, ancillary financial expenses and financial adjustments

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Net financial debt decreased by €42.8 million

€ million	31 March 2018	31 December 2017	Change
Short-term cash/(debt)	**566.8**	**496.9**	**69.8**
- Cash and cash equivalents	580.3	*514.5*	65.9
- Short-term debt	*(13.6)*	*(17.5)*	*4.0*
Medium to long-term cash/(debt)	(1,290.0)	(1,260.3)	(29.7)
Debt relating to operating activities	(723.3)	(763.4)	40.1
Liabilities for put option and earn-out payments (1)	(215.5)	(218.2)	2.7
Net cash/(debt)	**(938.7)**	**(981.5)**	**42.8**

> Net debt as of 31 March 2018 reflected the **proceeds from the sale of the Lemonsoda business** (2), **net of the acquisition of Bisquit** (3) and the **purchase of own shares**

> **Long-term gross debt at €1.3 billion, paying an average coupon rate of 2.41%**

> **Net debt to EBITDA pro-forma ratio at 1.8x** as of 31 March 2018, down from 2.0x as of 31 December 2017

(1) Includes future commitments for purchases of Société Des Produits Lapostolle S.A.'s minorities and earn-out related to the Bulldog acquisition
(2) Lemonsoda business disposal of €81.5 million, inclusive of price adjustments, closed on 2 January 2018
(3) Bisquit acquisition of €59.4 million, inclusive of price adjustments, closed on 31 January 2018

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Grand Marnier - Live Grand

Grand Marnier – Live Grand

Grand Marnier's major new 'Live Grand' campaign was launched in NY in early March. A beautiful, iconic New York location was transformed into **The Grand Manor** – an **immersive experience** that brought the **brand's sophisticatedly eccentric world to life**. Attended by over 300 guests, 70 journalists and a handful of **celebrities**, the event and accompanying digital activity achieved **20 million social media impressions** and **over 1 billion media impressions**

The **'Live Grand'** campaign commenced in the USA following the launch event, with a **multi-channel media plan**, including **TV**, **digital**, **search** and **social media**. Aimed at upscale consumers, '**Live Grand**' invites them to **celebrate life's more luxurious**, **out-of-the ordinary experiences**, to move from '**good to grand**'. The centerpiece of the campaign is a **groundbreaking TV commercial**, **directed by visionary video director Joseph Kahn**

Moreover, in the **first quarter of 2018**, **Grand Marnier** launched a **restyled label for its Cordon Rouge product**. The redesign was subtle, with improvements to **clarity, modernity** and **premiumness**, plus a clearer message hierarchy. **Heritage** and **authenticity** was preserved by **retaining the iconic bottle shape**, **red ribbon** and **wax seal. View the video** [here]

Campari

Campari Cask Tales

Earlier this year, **Campari Group presented a unique new expression of the classic red bitter**, finished in **bourbon barrels** reaffirming **Campari's credentials as a premium spirit** and **key defining ingredient** in the **world of mixology**. The new launch has been **selectively distributed to international top bartenders** in preview in **January 2018** with **extremely positive feedback**

Camparino

Among the **initiatives aimed at building powerful** and **authentic Brand Houses** for the **Group's key iconic brands** in their **historical places around the world**, Campari Group recently secured the historical '**Camparino**' **premium bar** and restaurant with its **prime location in the famous Galleria Vittorio Emauele II, Milan downtown.** The initiative will allow the Group to **increase visibility locally** and **internationaly**

Campari Red Diaries 2018: "The Legend of the Red Hand"

On 30th January 2018, the lead story of the global initiative '**Campari Red Diaries 2018'** was unveiled in Milan with the short movie '**The legend of Red Hand**', **directed by Stefano Sollima**, featuring internationally renowned star **Zoe Saldana** and the **Italian actor Adriano Giannini**. The story, describes the **protagonist's pursuit of the perfect cocktail** and celebrates various international "red-hands" bartenders talent: from **Milano to New York**, **Buenos Aires, Rio De Janeiro, Berlin** and **London**. Six of the world's best bartenders, **who have created their own 'Red Hand' Campari cocktails**, encouraging **Campari lovers around the world** to search for and enjoy the perfect cocktail. The **film has received more than 31 million views on Youtube**, **outperforming the already successful 2017 edition. View the video** [here]

Wild Turkey: Longbranch

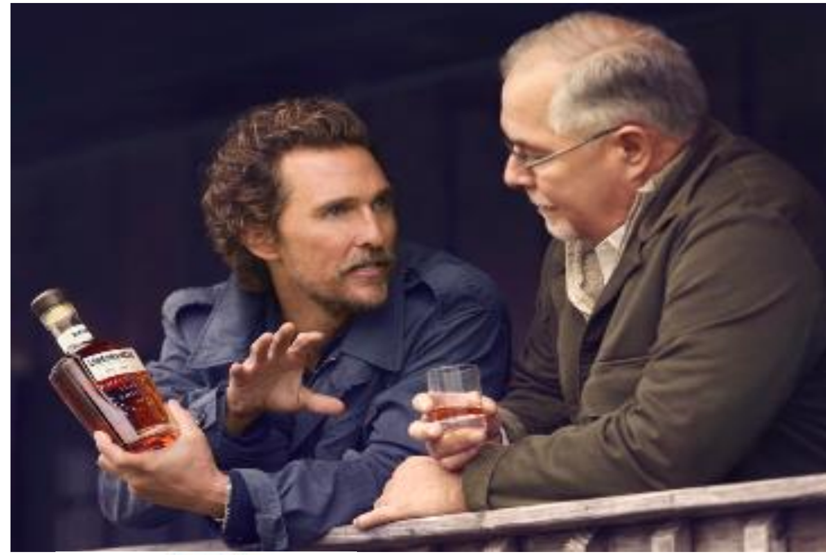
Wild Turkey: Longbranch bourbon

Matthew McConaughey and the legendary **Wild Turkey Distillery** are proud to introduce **Wild Turkey Longbranch**, a collaboration between the **whiskey brand's creative director** and **Master Distiller Eddie Russell**

Inspired by McConaughey's Kentucky and Texas roots, this **rare small-batch Kentucky bourbon** is **refined with Texas Mesquite and oak charcoals** - a **unique method** that **deepens the flavor and complexity of the whiskey**. This launch marks the **first time Wild Turkey** has unveiled a product that bears signature of someone other than the **Master Distillers Jimmy and Eddie Russell. McConaughey**, who has served as the **brand's creative director since 2016**, has worked behind the camera and in front of it in television commercials to **reintroduce the world to Wild Turkey**, and this **new bourbon** is a **natural evolution of the partnership**

"Longbranch, in its simplest form, is an **extended hand**, **inviting a friend into your family**," **McConaughey says**. "So the branch that was **extended to me from the Russells** was a long one, one that **reached from Kentucky to Texas** and back again. I offered the **Mesquite from my great state** to add to their **legendary Kentucky whiskey** and together we made **Longbranch."** Made with **eight-year-old Wild Turkey Bourbon**, **Wild Turkey Longbranch** is an **exceptional bourbon** with a **bright gold color** and **aroma** that is a **balanced blend** of **vanilla and spices**. Flavors of **caramel, pear**, and hints of **citrus** round out the palate

McConaughey launched the brand live, via Facebook, alongside his mother, while the brand received **full digital** and **social media support, generating over 107 million impressions in the first two days of launch. Watch the launch video** <u>here</u>



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Conclusion & outlook

- Q1 2018 sales organic results were impacted by **emerging market softness and phasing effects magnified in a small quarter**, whilst **profitability indicators continued to benefit from a positive sales mix by brand and market**. On a reported basis, the positive underlying trends were impacted by the expected perimeter and FX effects

- **Full year 2018 outlook remains unchanged in terms of organic growth drivers as well as Perimeter and FX impacts**

  - **Organic growth**
    - Sales growth to be driven by **continued outperformance of key high-margin Global and Regional Priorities in core developed markets**
    - Gross margin expansion to be driven by **favourable sales mix**, overcoming **adverse agave price** impact
    - **A&P investments and SG&A costs stable in organic terms as % of sales**

  - **Perimeter and FX**
    - **Perimeter:** estimated **negative impact** of **€(70) million in sales** and **€(16) million in EBIT adj.[(1)]** on a full year basis, reflecting portfolio streamlining and agency brands discontinuation, with a broadly neutral effect on EBIT adj. margin on sales
    - **FX:** estimated **negative impact** of **€(90) million in sales** and **€(24) million in EBIT adj.[(1)]** on a full year basis, reflecting **devaluation of USD vs. Euro**[(2)]

Confident in delivering a positive performance across key underlying business indicators into 2018

(1) Unchanged vs. guidance provided to the market on FY2017 results announcement on 27 February 2018

(2) Unchanged vs. guidance provided to the market on FY2017 results announcement on 27 February 2018 and based on EUR/USD = 1.25 for FY2018

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Net sales by region & key market

Consolidated Net sales by region

	Q1 2018		Q1 2017		Change	of which:		
	€ m	%	€ m	%	%	organic	perimeter	forex
Americas	150.0	44.7%	173.9	47.5%	-13.7%	2.9%	-3.3%	-13.3%
Southern Europe, Middle East & Africa	101.2	30.1%	103.8	28.3%	-2.5%	1.1%	-3.5%	-
North, Central & Eastern Europe	58.7	17.5%	63.7	17.4%	-7.7%	-3.8%	-1.6%	-2.3%
Asia Pacific	26.0	7.7%	24.8	6.8%	4.8%	17.8%	-1.3%	-11.7%
Total	**336.0**	**100.0%**	**366.2**	**100.0%**	**-8.2%**	**2.2%**	**-2.9%**	**-7.5%**

Region breakdown by key market

Americas by market

	Q1 2018		Q1 2017		Change	of which:		
	€ m	%	€ m	%	%	organic	perimeter	forex
USA	95.8	63.8%	111.3	64.0%	-14.0%	3.5%	-4.2%	-13.3%
Jamaica	19.0	12.7%	18.9	10.9%	0.3%	13.9%	0.0%	-13.6%
Canada	9.7	6.5%	11.8	6.8%	-17.8%	0.1%	-9.4%	-8.5%
Brazil	5.8	3.9%	10.2	5.9%	-43.1%	-32.1%	0.0%	-11.0%
Argentina	4.7	3.1%	7.2	4.1%	-34.6%	-5.2%	0.0%	-29.4%
Other countries	15.0	10.0%	14.4	8.3%	4.4%	14.9%	0.1%	-10.7%
Americas	**150.0**	**100.0%**	**173.9**	**100.0%**	**-13.7%**	**2.9%**	**-3.3%**	**-13.3%**

Note: Q1 2017 restated according to IFRS15 implementation as of 1 January 2018

Net sales by region & key market

Southern Europe, Middle East & Africa by market

	Q1 2018		Q1 2017		Change	of which:		
	€ m	%	€ m	%	%	organic	perimeter	forex
Italy	77.7	76.7%	78.8	75.9%	-1.4%	3.9%	-5.4%	-
Other countries	23.5	23.3%	25.0	24.1%	-5.8%	-8.1%	2.4%	-0.1%
Southern Europe, Middle East & Africa	**101.2**	**100.0%**	**103.8**	**100.0%**	**-2.5%**	**1.1%**	**-3.5%**	**-**

North, Central & Eastern Europe by market

	Q1 2018		Q1 2017		Change	of which		
	€ m	%	€ m	%	%	organic	perimeter	forex
Germany	28.3	48.2%	29.7	46.7%	-4.8%	-2.6%	-2.2%	0.0%
Russia	6.6	11.3%	10.7	16.8%	-38.1%	-30.5%	-0.2%	-7.3%
UK	5.3	9.0%	4.8	7.5%	10.1%	13.1%	-	-3.0%
Other countries	18.5	31.5%	18.4	29.0%	0.5%	5.3%	-1.9%	-2.9%
North, Central & Eastern Europe	**58.7**	**100.0%**	**63.7**	**100.0%**	**-7.7%**	**-3.8%**	**-1.6%**	**-2.3%**

Asia Pacific by market

	Q1 2018		Q1 2017		Change	of which		
	€ m	%	€ m	%	%	organic	perimeter	forex
Australia	18.6	71.5%	18.9	76.2%	-1.7%	9.4%	-	-11.1%
Other countries	7.4	28.5%	5.9	23.8%	25.6%	44.8%	-5.5%	-13.7%
Asia Pacific	**26.0**	**100.0%**	**24.8**	**100.0%**	**4.8%**	**17.8%**	**-1.3%**	**-11.7%**

Note: Q1 2017 restated according to IFRS15 implementation as of 1 January 2018

Consolidated P&L Q1 2018

	Q1 2018		Q1 2017 (1)		
	€ million	% of sales	€ million	% of sales	Reported change
Net Sales	**336.0**	**100.0%**	**366.2**	**100.0%**	**-8.2%**
COGS	(136.0)	-40.5%	(158.8)	-43.4%	-14.3%
Gross Profit	**200.0**	**59.5%**	**207.4**	**56.6%**	**-3.6%**
A&P	(54.1)	-16.1%	(56.0)	-15.3%	-3.4%
Contribution after A&P	**145.8**	**43.4%**	**151.4**	**41.3%**	**-3.7%**
SG&A	(84.7)	-25.2%	(87.0)	-23.8%	-2.6%
EBIT adjusted	**61.1**	**18.2%**	**64.4**	**17.6%**	**-5.1%**
Operating adjustments	21.6	6.4%	(0.8)	-0.2%	-
Operating profit = EBIT	**82.7**	**24.6%**	**63.6**	**17.4%**	**30.2%**
Net financial income (charges)	(5.8)	-1.7%	(10.0)	-2.7%	-42.7%
Financial adjustments	-	-	0.1	-	-65.4%
Put option costs	(0.5)	-0.1%	-	-	-
Profit before taxes and non-controlling interests	**76.5**	**22.8%**	**53.6**	**14.6%**	**42.7%**
Profit before taxes adjusted	**54.9**	**16.3%**	**54.4**	**14.8%**	**1.0%**
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EBITDA	**96.3**	**28.7%**	**77.8**	**21.2%**	**23.8%**

Note:
(1) Restated according to IFRS15 implementation as of 1 January 2018. Under IFRS15 certain A&P expenses are reclassified in deduction of sales. The reclassification is neutral on EBIT value but has an impact on margin ratios on sales post reclassification. In Q1 2017 restated the reclassification under IFRS 15 implied a reduction of €10.5 million in sales (-2.8%) and, by the same amount, in A&P expenses

Exchange rates effects

	Average exchange rate		Period end exchange rate	
	2018 : 1 Euro	change vs 2017 %	31 March 2018 : 1 Euro	change vs 31 March 2017 %
US Dollar	1.229	-13.4%	1.232	-13.2%
Canadian Dollar	1.555	-9.3%	1.590	-10.3%
Jamaican Dollar	154.644	-11.9%	154.795	-11.5%
Mexican Peso	23.036	-6.1%	22.525	-11.1%
Brazilian Real	3.990	-16.2%	4.094	-17.4%
Argentine Peso	24.203	-31.0%	24.819	-33.7%
Russian Ruble	69.946	-10.6%	70.890	-14.9%
Australian Dollar	1.564	-10.2%	1.604	-12.8%
Chinese Yuan	7.815	-6.2%	7.747	-4.9%
British Pound Sterling	0.883	-2.7%	0.875	-2.2%
Swiss Franc	1.165	-8.2%	1.178	-9.2%

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.

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