CAMPARI GROUP

Consistent delivery on strategy, growing across all key organic performance indicators in 2018

Continued positive margin momentum driven by strong outperformance of Global Priorities in core developed markets, fuelling investments back into the business

Proposed full year dividend of €0.05 per share, in line with previous year

FY 2018 HIGHLIGHTS

- **Reported sales of €1,711.7 million**. **Organic growth** of **+5.3%[1]**. On a **reported** basis, change of **-2.4%** after the exchange rate and perimeter effects.
- **Favourable sales mix** driven by **key Global and Regional priorities in core developed markets**, leading to a **gross margin organic expansion of +120bps**, despite adverse agave and sugar business effects.
- **EBIT adjusted**[2] of **€378.8 million**. **Organic growth of +7.6%**, ahead of organic sales growth, leading to an **organic margin expansion of +50bps**, more than compensating reinvestments in brand building initiatives and on-premise commercial capabilities.
- **Group net profit adjusted**[3] of **€249.3 million**, **+6.8%**. Group net profit of €296.3 million, -16.8%.
- Free cash flow at **€235.6 million,** of which **recurring free cash flow of €267.7 million (+7.2%), up to 61.9% of EBITDA adjusted**.
- **Net financial debt** of **€846.3 million** as of December 31st, 2018 (down vs. €981.5 million on December 31st, 2017), thanks to the **positive free cash flow generation**, the proceeds from the sale of non-strategic businesses, net of the acquisition of Bisquit, and after the dividend payment and the net purchase of own shares[4].
- Proposed full year **dividend** of **€0.05 per share**, in line with previous year.

Milan, March 5th, 2019-The Board of Directors of Davide Campari-Milano S.p.A. (Reuters CPRI.MI-Bloomberg CPR IM) approved the consolidated results and the draft separate financial statements for the full year ended on December 31st, 2018.

Bob Kunze-Concewitz, Chief Executive Officer: '*We achieved a **solid performance across all key indicators in terms of organic growth and margin expansion** in full year 2018, consistently **delivering on long term strategy**. In particular, over the past four years Campari Group has achieved +**680bps[5] of gross margin expansion on sales on a cumulative basis,** as the combined result of **very healthy organic expansion of +390bps,** driven by **favourable sales mix,** and accretive **M&A initiatives**, including strategic divestments, and FX contributing the remainder. This remarkable achievement has enabled strengthened **investments** in **brand building** and **commercial initiatives** for **long-term, sustainable growth.** Moreover, it simultaneously allowed the Group to **expand EBIT margin ahead of sales growth by +300bps[5]** over the last four years on a cumulative basis, of which +**130bps in organic terms.***
***Looking ahead into 2019,** our outlook remains **fairly balanced** in terms of risks and opportunities as uncertainty around **macroeconomic instability** and **currency volatility**, particularly in emerging markets, remain. **We expect the current underlying business performance to keep its momentum**, while we continue facing headwinds from agave purchase price hike. Nevertheless, we remain confident in **achieving a positive performance across the key underlying business indicators in 2019**, driven by the **continued outperformance of the high-margin Global & Regional priority brands** in **key developed markets**.'*

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1 Excluding positive price effect on Group organic growth of +30bps in full year 2018, generated by Argentinian market.
2 Before positive operating adjustments of €1.9 million in FY 2018, mainly attributable to the gain on the Lemonsoda business disposal, net of provisions for restructuring initiatives. Positive operating adjustments of €13.9 million in FY 2017.
3 Group net profit before total adjustments of €47.0 million in FY 2018, including operating and financial adjustments of €3.7 million, related fiscal effects and other tax adjustments of €17.4 million and 'Patent box' tax benefits of €26.0 million. Total adjustments of €123.0 million in FY 2017.
4 Lemonsoda business disposal generated a positive cash inflow equal to €80.2 million. Bisquit Dubouché et Cie. S.A. required a cash outflow equal to €52.7 million (including price adjustments).
5 Including the effect of IFRS 15 application (effective as of January 1st, 2018): -150bps on gross margin and +70bps on EBIT adjusted.

CAMPARI GROUP

SUMMARY FINANCIAL INFORMATION FOR THE FULL YEAR ENDED 31 DECEMBER 2018

	FY 2018 € million	FY 2017[6] € million	Reported change	Organic change	Forex impact	Perimeter impact
Net sales	**1,711.7**	**1,753.4**	**-2.4%**	**5.3%**	**-4.2%**	**-3.4%**
Gross profit	**1,028.1**	**1,012.3**	**1.6%**	**7.5%**	**-4.3%**	**-1.6%**
% on sales	*60.1%*	*57.7%*				
EBIT adjusted[2]	**378.8**	**380.5**	**-0.4%**	**7.6%**	**-3.3%**	**-4.7%**
% on sales	*22.1%*	*21.7%*				
EBIT	380.7	394.3	-3.5%			
Group net profit adjusted[3]	**249.3**	**233.4**	**6.8%**			
Group net profit	**296.3**	**356.4**	**-16.8%**			
EBITDA adjusted[2]	**432.6**	**437.6**	**-1.1%**	**6.8%**	**-3.5%**	**-4.4%**
% on sales	*25.3%*	*25.0%*				
EBITDA	434.5	451.4	-3.8%			
Free cash flow, of which:	**235.6**	**227.0**	**3.8%**			
Recurring free cash flow	**267.7**	**249.7**	**7.2%**			
Net financial debt at the end of the period	**846.3**	**981.5**				
Proposed full year dividend per share (€)	**0.05**	**0.05**				

GUIDANCE FOR 2019

The outlook remains fairly balanced in terms of risks and **opportunities**: the underlying business performance is expected to **keep its current momentum**, despite **uncertain macroeconomic scenarios** and the **continued volatility** in some emerging markets.

The **key high-margin combinations of Global and Regional Priorities in core developed markets** are expected to continue supporting sales mix improvement and organic gross margin expansion, offsetting the negative agave purchase price effect, which will remain at an elevated level due to the strong trend of the tequila category.

Current trend in EBIT organic margin expansion is expected to continue, supported by **gross margin accretion**, after reinvestments into the business, particularly the **Group's on-premise capabilities** and **brand houses development**.

With regards to the overall results, **FX and perimeter** effects, driven by the continued volatility in some currencies and the tail-end effect of the previous year's transactions, are expected to be **less adverse** during the year vs. FY2018.

Moreover, Net profit reported in 2019 is expected to benefit from net positive adjustments of approximately €14 million overall, due to fiscal benefits coming from the 'Patent box' tax relief in Italy, in what will be its fifth and final year, for an estimated amount of approximately €26 million in line with 2018, which will more than offset provisions for the completion of certain reorganizational projects for an estimated amount of €(16) million and corresponding fiscal effects of approximately €4 million.

REVIEW OF FULL YEAR 2018 RESULTS

In 2018, **Group sales** reached **€1,711.7 million**, showing an **organic increase of +5.3%**, with **profit indicators growing ahead of sales** on the back of a **favourable sales mix by brand and market,** driven by the **Global Priority brands (+8.9%)**. Concomitantly, **on a reported basis,** Group sales were down by **-2.4%** as the **positive organic performance of the business** was more than offset by the combined effects of **forex (-4.2%** or **-€73.5 million)**, driven by the strengthened Euro against all Group currencies, and **perimeter (-3.4%** or **-€60.2 million)**, driven by the sale of non-core businesses (in particular Carolans and Lemonsoda) and agency brands distribution termination, partially offset by the Bisquit acquisition.

Gross profit reached **€1,028.1 million** (60.1% of net sales), up by +1.6% on a reported basis (+230bps accretion). The **organic growth** was +**7.5%**, ahead of sales, generating an **organic margin expansion** of **+120 bps**, driven by the

[6] FY 2017 results restated according to IFRS15 implementation as of January 1st, 2018.

outperformance of key high-margin global and regional priorities in core developed markets, offsetting the dilutive effect of both the adverse agave purchase price, progressively more impactful over the last part of the year, and the losses on sugar business.

Advertising and Promotion spending (A&P) reached **€289.2 million** (16.9% of net sales), up by +3.3% in value on a reported basis. The **organic growth** was **+7.8%**, reflecting **higher marketing investments in brand building initiatives,** particularly behind global brands (Aperol, Campari, SKYY, Wild Turkey and Grand Marnier).

CAAP (Contribution after A&P) reached **€738.9 million** (43.2% of net sales), up by +0.9% in value on a reported basis (up **organically** by **+7.4%**).

Structure costs, i.e. selling, general and administrative costs, totalled **€360.1 million** (21.0% of net sales), up by +2.3% in value on a reported basis. The **organic growth** was +**7.1%**, reflecting selective strengthening of both the Group's on-premise commercial capabilities and the Global Travel Retail channel.

EBITDA adjusted was **€432.6 million** (25.3% of net sales), down by -1.1% in value on a reported basis, mainly due to negative FX and perimeter effects, offsetting a **solid organic growth of +6.8%**.

EBIT adjusted was **€378.8 million** (22.1% of net sales), showing a slight decline equal to -0.4% in value on a reported basis (+40bps accretion). The **organic growth** was **+7.6%**, ahead of sales growth, leading to **a margin accretion of +50bps**, thanks to positive gross margin expansion, more than offsetting higher investments in brand building and business infrastructure.

Operating adjustments were positive by **€1.9 million**, mainly attributable to the gain on the Lemonsoda business disposal (€38.5 million), net of provisions for restructuring initiatives[7].

EBITDA reached **€434.5 million** (25.4% of net sales), down -3.8% in value on a reported basis, after the exchange rate and perimeter effects.

EBIT reached **€380.7 million** (22.2% of net sales), down -3.5% in value on a reported basis, after the exchange rate and perimeter effects.

Net financial charges were **€33.8 million**, down by €6.3 million (€40.0 million in 2017), thanks to a reduction in the average indebtedness (€1,144.0 million in 2017 vs. €925.4 million in 2018) and forex.

Positive financial adjustments of **€1.8 million**, mainly related to some minor financial assets sale[8].

Group pre-tax profit adjusted came in **€347.1 million,** up **+2.8%** in value on a reported basis**. Group pre-tax profit** was **€350.8 million**, up **+7.4%** in value on a reported basis.

Tax expenses totalled **€54.5 million, including** the **'Patent box' one-off tax benefit of €26.0 million**, as well as other fiscal adjustments.

Group net profit adjusted reached €249.3 million, up **+6.8%** in value on a reported basis**. Group net profit was €296.3 million,** down **-16.8%** in value on a reported basis, due to a challenging comparison base which benefitted from significant positive adjustments**.**

Free cash flow was €235.6 million overall in 2018. The **recurring free cash flow amounted to €267.7 million (+7.2%),** up to **61.9% of EBITDA adjusted**, from 57.1% in full year 2017.

Net financial debt stood at **€846.3 million** as of December 31st, 2018, down from €981.5 million as of December 31st, 2017, thanks to the positive free cash flow generation, the proceeds from the sale of the Lemonsoda business, net of the acquisition of Bisquit, the dividend payment and the net purchase of own shares[9].

Net debt to EBITDA pro-forma ratio was **1.9 times as of December 31st, 2018** (vs 2.0 times as of December 31st, 2017).

REVIEW OF CONSOLIDATED SALES FOR THE FULL YEAR 2018

Looking at sales by region, the **Americas** (43.5% of total Group sales) posted an **overall change** of **-5.0**%, with an **organic growth** of **+3.9%**, an exchange rate impact of -7.2% and a perimeter effect of -1.7%. Regarding **North America** (growing organically at **+6.7%**), the **US,** the **Group's largest market** (26.0% of total Group sales) registered a **positive organic performance of +4.4**%, driven by the **double-digit growth** of **Espolòn**, **Aperol** and **Campari**, as well as the **positive trends**

[7] In 2017 positive operating adjustments of €13.9 million, mainly due to Carolans and Irish Mist disposal gain, equal to €49.7 million, net of transaction costs and provisions for restructuring projects.
[8] Negative financial adjustments of €(24.8) million in 2017, attributable to a one-off liability management transaction completed in April 2017.
[9] Lemonsoda business disposal of €80.2 million, inclusive of price adjustments. Bisquit Cognac acquisition for €52.7 million, inclusive of price adjustments.

of **Wild Turkey**, **Grand Marnier** and the **Jamaican rums**. This result helped offset the **decline** in **SKYY**, whose shipments continued to be affected by destocking, although the **gap** to the more favourable consumption trends **is attenuating**. Sales in **Jamaica** (5.3% of total Group sales) **registered an organic change of +14.4%**, mainly driven by the **consistent** and **sustained growth** of **Wray&Nephew Overproof**, **Campari**, **Appleton Estate** and local brands such as **Magnum Tonic Wine. North America's other markets grew organically +10.5%,** with **Canada** (3.2% of total Group sales) up **+4.1%** thanks to solid growth of **Forty Creek, Aperol, Appleton Estate**, **Espolòn, Campari** and **Wild Turkey**, and **Mexico** (2.2% of total Group sales) up **+16.1%** largely driven by **SKYY ready-to-drink, SKYY, Aperol, Riccadonna** and **Espolòn.** Regarding **South America** (organic change **-11.3%**), sales in **Brazil** (3.0% of total Group sales) registered an **organic decline of -2.8%**, due to **macroeconomic weakness,** caused by **political instability** and **high unemployment rates**. The weakness in local brands and SKYY was partly mitigated by good growth in **Aperol, Campari** and **Cynar**. Sales in **Argentina** (1.2% of total Group sales) **registered an organic change of -32.4%**[10], due to a deterioration in the macroeconomic conditions and tightened credit policies. The volume declines in core brands **Campari** and **Cinzano Vermouth** were partly mitigated by the favourable trends in **Aperol** and **SKYY**. **South America's other markets** grew organically **+29.7%**, thanks to **Peru (+41.8% organically)**, driven by **Riccadonna, Jamaican rums, SKYY** and **Aperol.**

Sales in **Southern Europe, Middle East and Africa**[11] (28.0% of total Group sales) posted an **overall change** of **-4.3%**, with an **organic growth** of **+4.9%**, an exchange rate impact of -0.1% and a perimeter effect of -9.1%. The **performance** in the **Italian market** (20.8% of total Group sales) **registered very solid organic growth of +3.6%**, driven by the double-digit growth in **Aperol** (**+15.3%**) and the **solid growth in Campari (+7.4%)** as well as positive trends in **Braulio, Espolòn** and **SKYY**, offsetting some softness in **Crodino**, **Campari Soda** and **Cinzano sparkling wines.** The **region's other markets** (7.2% of Group net sales) **showed very satisfactory organic growth (+9.4%)**, mainly driven by **France** (**+10.0%**), **Spain** (**+6.7%**) and **Nigeria** (**+54.4%**). **South Africa** was slightly negative due to the difficult comparison base, which was positively influenced by the start of the new distribution organisation in 2017. **Global Travel Retail** grew by **+10.2%** driven by **Aperol**, **Wild Turkey bourbon, Grand Marnier**, **Braulio, Appleton Estate** and **Bulldog.**

Sales in **North, Central and Eastern Europe** (21.0% of total Group sales) **increased overall** by **+3.4%**, with an **organic change** of **+6.2%**, an exchange rate impact of -2.3% and a perimeter effect of -0.5%. **Germany** (9.8% of total Group sales) registered **very satisfactory organic growth (+6.5%)**, mainly driven by **Aperol (+22.6%)** and **Campari (+13.9%)** as well as the positive trends from **Bulldog** and **Grand Marnier**. Sales in the **UK** (1.9% of total Group sales) registered an **organic growth of +19.1%**, driven by **Aperol (+56.0%)**, **Campari (+39.3%), Bulldog (+24.8%)**, **Appleton Estate (+25.4%)** and **Wray&Nephew Overproof (+12.6%).** Sales in **Russia** (2.9% of total Group sales) registered an **organic change of -11.4%**, impacted by both the continued **market volatility** and an **unfavourable comparison base**. **Mondoro sparkling wine**, **Aperol** and **Campari** continued to grow, although unable to offset declines in the core **Cinzano** portfolio. The **region's other markets** (6.4% of total Group sales) registered an **overall positive organic growth (+13.0%)**, thanks to **Austria**, **Benelux, Switzerland** and **Eastern Europe**, mainly driven by **Aperol**.

Sales in **Asia Pacific** (7.5% of total Group sales) **increased overall** by **+5.8%**, with an **organic change** of **+12.9%**, an exchange rate impact of -7.2% and neglectable perimeter effect. **Australia** (5.2% of total Group sales) **grew organically by +10.5%**, with key brands outperforming the market. Particularly, the outperformance was driven by **Wild Turkey bourbon**, boosted by the introduction of the new premium extension **Wild Turkey Longbranch**, **Wild Turkey ready-to-drink**, **Espolòn**, **GlenGrant**, **SKYY, Campari** and **Frangelico. Aperol** continued its **double-digit trend**. The **region's other markets** (2.3% of total Group sales) **were up organically by +18.8%**, mainly driven by the positive performance of **Japan** and **China**.

Global Priority brands (55.8% of total Group sales) **grew organically by +8.9%**. **Aperol, the Group's largest brand, was up by +28.1%**, driven by the continued solid growth in the brand's core established markets (**Italy**, **Germany, Austria** and **Switzerland**), and the **strong double-digit growth** in **high potential** and **seeding markets** such as the **US** (**the brand's 3rd largest market by value**), the **UK, Spain, France**, **Global Travel Retail, Australia**, **Eastern European** and **Scandinavian** markets, **Canada**, **Brazil**, **Argentina** and **Chile**. **Campari** continued its positive momentum, up **+5.1% organically,** driven by **solid growth** in the core market of **Italy** as well as double-digit growth in the **US** (**the brand's 2nd largest market by value**), **Germany,** the **UK, Russia, Nigeria, Canada** and **Jamaica**. Campari brand organic growth would have been +11.7% excluding the Argentinian market where the brand was hindered by a double-digit volume decline. **SKYY** sales registered an **organic change of -8.1%**, due to **weakness** in the **US market**, as the brand continues to be impacted by destocking activity, with the **gap between the brand's sales and more positive consumption data progressively reducing**, as well as continued strong

[10] Following the inclusion of Argentina into the cluster of hyperinflationary economies, sales organic change in this country in the FY 2018 has been calculated to reflect only the volume change, therefore excluding the price effect and the revaluation component required by IAS 29 (both included in FX effect).
[11] Including Global Travel Retail.

competitive pressure and reduced innovation in infusions. In the international markets, the **positive results** achieved in **Argentina**, **Australia, China, Mexico, Italy** and the **UK** offset the declines in **Brazil**, **Global Travel Retail** and **Germany**. **Wild Turkey** and **American Honey** registered a **positive organic change of +7.0%**, driven by the solid growth of **Wild Turkey bourbon (+8.4%)**. The core **US market continued its positive trend**, with very positive sales mix driven by premium expressions (such as newly launched **Wild Turkey Longbranch**, **Russell's Reserve** and **Master's Keep Revival**). **Australia** and **Japan** also registered a **sustained growth**. **American Honey** registered a positive performance as well. **Grand Marnier grew organically by +5.2%**, benefitting from the new marketing campaign and the redefined drinking strategy. The brand **grew positively in the core US market**, **Global Travel Retail**, European markets such as **Germany**, **Italy**, **Belgium** and **Austria**, as well as **China**, albeit off a small base. The **Jamaican rums**, including **Appleton Estate** and **Wray&Nephew Overproof**, showed very satisfactory organic growth of **+8.3%**. **Wray&Nephew Overproof** grew by **+12.3%**, driven by the core markets of **Jamaica**, the **US** and the **UK**. **Appleton Estate** was up **+6.3%**, mainly driven by the **US**, **Canada** and **Jamaica**.

Regional Priorities (16.8% of total Group sales) **grew** by **+2.8% organically**. **Espolòn** was up by **+26.1%**, **benefitting from the strong double-digit growth in the core US market (+30.6%)**. **Bulldog** was up by **+7.2%,** driven by the **UK**, **Germany, Italy** and **Portugal**. **GlenGrant** registered an **organic decline** of **-5.7%** as weak results in **Italy**, **France, Global Travel Retail** and **Germany** were only partially mitigated by **positive trends** in the **US, South Africa** and **Australia,** reflecting the strategic refocus of the portfolio to higher-margin and longer-aged premium expressions. **Forty Creek grew** by **+8.5%**, with a **strong growth** in the **core market** of **Canada**, compensating some weakness in the **US**. The **Italian bitters and liqueurs** showed an **organic change** of **-1.2%**, as the positive result of **Braulio** was more than offset by the soft performances of **Averna** and **Frangelico.** Overall **Cynar** was flattish**. Cinzano** showed an **overall decline** (**-8.7%**), due to the weakness of **Cinzano sparkling wine** in core markets of Russia and Italy, as well as a soft performance of **Cinzano vermouth** in both Russia and Argentina. **Other sparkling wines** (**Riccadonna** and **Mondoro**) increased organically by **+9.2%**, driven by **France** and **Peru** (Riccadonna) and **Russia** (Mondoro).

Local Priorities (12.2% of total Group sales) **showed an organic change of -1.5%**. **Campari Soda** decreased by **-1.0%**, due to the weakness in the core Italian market. **Crodino** registered a soft performance (**-2.9%**), impacted by a tough comparison base due to previous year's innovation pipeline in the core Italian market while the international markets registered solid growth, albeit off a small base. The **Brazilian brands** were negative (**-6.2%**), impacted by weakness in the local market. The **Wild Turkey ready-to-drink** range was up by **+5.6%** thanks to a good performance in the core Australian market.

OTHER EVENTS AND RESOLUTIONS

IFRS 16-Leases. The new accounting standard IFRS 16, to be implemented as of fiscal year 2019, introduces a single accounting model for leases in the financial statements of tenants. The lessee recognizes an asset, which represents the right to use the underlying leased asset, and a liability, which reflects the obligation to pay the lease instalments. Furthermore, the nature of the costs related to the leases will change, as IFRS 16 will replace the accounting on a straight-line basis of the costs for operating leases with the amortization of the right of use and the financial charges arising from the lease as net borrowing.

The estimated effects of the IFRS 16 application on the key performance indicators and on the net financial debt, calculated based on the Group's current assessment of its outstanding lease contracts as of December 31st, 2018, are shown in the appendix.

The impacts showed have to be considered as preliminary estimates. Moreover, different values could be determined in 2019 as a result of new lease contracts.

Dividend. The Board of Directors voted to propose to the Shareholders' meeting a full year dividend of €0.05 for the fiscal year 2018 per share, in line with the previous year.

The cash dividend will be payable on April 25th, 2019 (the detachment date of the coupon n. 3 will be April 23rd, 2019 pursuant to the Borsa Italiana calendar, with a record date April 24th, 2019). The Board of Directors therefore agreed to convene the ordinary Shareholders Meeting on April 16th, 2019 to approve the separate financial statements for the full year ended December 31st, 2018.

Own shares. The Board of Directors approved a resolution to be presented to the Shareholders' meeting to allow the purchase and/or the sale of own shares in the market, mainly aimed at the replenishment of the reserve of own shares to serve stock option plans for the Group's management, according to the limits and procedures provided by the applicable laws and regulations. The authorisation will remain valid until June 30th, 2020.

Stock options. The Board of Directors has approved a resolution to be presented to the Shareholders' meeting approving a stock option plan pursuant to article 114-bis of the Consolidated Law on Financial Intermediation, and in accordance with the stock option Regulation in effect, that does not concern the company's directors, granting the relevant bodies the authorization for the plan execution by June 30th, 2020.

Remuneration Report. The Board of Directors approved a resolution to be presented to the Shareholders' meeting for approval of the Remuneration Report of officers in accordance to article 123-ter, of legislative decree 58 of February 24th, 1998.

Non-financial Declaration. The Board of Directors approved the non-financial declaration for the fiscal year ending December 31st, 2018, in accordance with Legislative Decree No. 254/2016 implementing Directive 2014/95/EU.

FILING OF DOCUMENTATION

The annual financial report and the non-financial declaration at 31 December 2018 will be made available to the general public at the Company's head office and on the 1INFO circuit for the storage of Regulated Information, operated by Computershare (www.1Info.it) within the limits expressed by the law. The documentation will also be available in the 'Investors' section of the website www.camparigroup.com/en and by all other means allowed by applicable regulations.

The Executive responsible for preparing Davide Campari-Milano S.p.A.'s financial reports, Paolo Marchesini, certifies-pursuant to article 154-bis, paragraph 2 of the Legislative Decree 58/1998-that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

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.

ANALYST CONFERENCE CALL

At **1:00 pm (CET) today, March 5th, 2019**, Campari Group's management will hold a conference call to present the Group's results for the Full Year 2018. To participate, please dial one of the following numbers:

- **from Italy: 02 80 58 811**
- **from abroad: + 44 1212 818003**

The **presentation slides** can be downloaded before the conference call from the main investor relations page on Campari Group's website, at http://www.camparigroup.com/en/investors.
A **recording of the conference call** will be available from today, March 5th, until Tuesday, March 12th, 2019.

To listen to it, please call the following numbers:

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

(Access code: **900#**).

FOR FURTHER INFORMATION

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ABOUT CAMPARI GROUP

Campari Group is a major player in the global spirits industry, with a portfolio of over 50 premium and super premium brands, spreading across Global, Regional and Local priorities. Global Priorities, the Group's key focus, include **Aperol, Campari, SKYY**, **Grand Marnier, Wild Turkey** and **Appleton Estate**. The Group was founded in 1860 and today is the sixth-largest player worldwide in the premium spirits industry. It has a global distribution reach, trading in over 190 nations around the world with leading positions in Europe and the Americas. Campari Group's growth strategy aims to combine organic growth through strong brand building and external growth via selective acquisitions of brands and businesses.
Headquartered in Milan, Italy, Campari Group owns 18 plants worldwide and has its own distribution network in 20 countries. Campari Group employs approximately 4,000 people. The shares of the parent company Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM) have been listed on the Italian Stock Exchange since 2001. For more information: http://www.camparigroup.com/en
Please enjoy our brands responsibly

- Appendix to follow -

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Consolidated net sales by brand for the full year 2018

	% on Group sales	% change, of which:			
		total	organic	Exchange rate effect	external growth
Global Priorities	55.8%	4.7%	8.9%	-4.2%	0.0%
Regional Priorities	16.8%	-0.8%	2.8%	-5.2%	1.6%
Local Priorities	12.2%	-5.2%	-1.5%	-3.7%	0.0%
Rest of portfolio	15.2%	-21.3%	1.9%	-3.7%	-19.6%
Total	**100.0%**	**-2.4%**	**5.3%**	**-4.2%**	**-3.4%**

Consolidated net sales by geographic area for the full year 2018

	1 January-31 December 2018		1 January-31 December 2017		%
	€ million	%	€ million	%	Change
Americas	744.7	43.5%	783.6	44.7%	**-5.0%**
SEMEA (Southern Europe, Middle East and Africa)	479.8	28.0%	501.2	28.6%	**-4.3%**
North, Central & Eastern Europe	358.9	21.0%	347.2	19.8%	**3.4%**
Asia Pacific	128.3	7.5%	121.3	6.9%	**5.8%**
Total	**1,711.7**	**100.0%**	**1,753.4**	**100.0%**	**-2.4%**

Breakdown of % change	Total % Change	Organic growth	Exchange rate effect	External growth
Americas	**-5.0%**	**3.9%**	-7.2%	-1.7%
SEMEA (Southern Europe, Middle East and Africa)	**-4.3%**	**4.9%**	-0.1%	-9.1%
North, Central & Eastern Europe	**3.4%**	**6.2%**	-2.3%	-0.5%
Asia Pacific	**5.8%**	**12.9%**	-7.2%	0.0%
Total	**-2.4%**	**5.3%**	**-4.2%**	**-3.4%**

Consolidated EBIT adjusted by geographic area for the full year 2018

	1 January-31 December 2018		1 January-31 December 2017		change	change
	€ million	%	€ million	%	% total	% organic
Americas	161.5	42.6%	171.1	45.0%	**-5.6%**	**3.7%**
SEMEA (Southern Europe, Middle East and Africa)	83.6	22.1%	86.2	22.7%	**-3.0%**	**5.6%**
North, Central & Eastern Europe	115.1	30.4%	107.1	28.1%	**7.5%**	**12.1%**
Asia Pacific	18.7	4.9%	16.2	4.2%	**15.5%**	**29.4%**
Total	**378.8**	**100.0%**	**380.5**	**100.0%**	**-0.4%**	**7.6%**

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Consolidated income statement for the full year 2018

	1 January-31 December 2018		1 January-31 December 2017		
	€ million	**%**	**€ million**	**%**	**Change**
Net sales[1]	**1,711.7**	**100.0**	**1,753.4**	**100.0**	**-2.4%**
Total cost of goods sold[2]	(683.6)	(39.9)	(741.1)	(42.3)	-7.7%
Gross profit	**1,028.1**	**60.1**	**1,012.3**	**57.7**	**1.6%**
Advertising and promotion	(289.2)	(16.9)	(279.9)	(16.0)	3.3%
Contribution after A&P	**738.9**	**43.2**	**732.4**	**41.8**	**0.9%**
SG&A[3]	(360.1)	(21.0)	(351.9)	(20.1)	2.3%
EBIT adjusted	**378.8**	**22.1**	**380.5**	**21.7**	**-0.4%**
Operating adjustments	1.9	0.1	13.9	0.8	-86.6%
Operating profit=EBIT	**380.7**	**22.2**	**394.3**	**22.5**	**-3.5%**
Financial income (expenses)	(33.8)	(2.0)	(40.0)	(2.3)	-15.6%
Adjustments to financial income (expenses)	1.8	0.1	(24.8)	(1.4)	-107.3%
Profit (loss) related to companies valued at equity	(0.2)	(0.0)	-	-	-
Put options income (charges)	2.3	0.1	(2.8)	(0.2)	-182.3%
Profit before taxes and non-controlling interests	**350.8**	**20.5**	**326.7**	**18.6**	**7.4%**
Group profit before taxes adjusted	**347.1**	**20.3**	**337.7**	**19.3**	**2.8%**
Income Tax expense	(54.5)	(3.2)	29.7	1.7	-283.6%
Net Profit	**296.3**	**17.3**	**356.4**	**20.3**	**-16.8%**
Minority interests	-	0.0	-	-	-
Group net profit	**296.3**	**17.3**	**356.4**	**20.3**	**-16.8%**
Group net profit adjusted	**249.3**	**14.6**	**233.4**	**13.3**	**6.8%**
Depreciation and amortisation	(53.8)	(3.1)	(57.1)	(3.3)	-5.8%
EBITDA adjusted	**432.6**	**25.3**	**437.6**	**25.0**	**-1.1%**
EBITDA	**434.5**	**25.4**	**451.4**	**25.7**	**-3.8%**

(1) Net of discounts and excise duties.
(2) Includes cost of material, production and logistics costs.
(3) Includes selling, general and administrative costs.

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Consolidated balance sheet as of 31 December 2018

	31 December 2018 € million	31 December 2017 € million
ASSETS		
Non-current assets		
Net tangible fixed assets	454.4	430.9
Biological assets	1.0	1.0
Investment property	122.8	120.9
Goodwill and trademarks	2,341.0	2,302.7
Intangible assets with a finite life	42.9	32.8
Investments in associates and joint ventures	0.4	(0.0)
Deferred tax assets	38.4	43.1
Other non-current assets	23.9	46.5
Total non-current assets	**3,024.9**	**2,978.0**
Current assets		
Inventories	565.3	491.4
Current biological assets	0.8	0.4
Trade receivables	285.9	317.5
Short-term financial receivables	29.1	9.3
Cash and cash equivalents	613.9	514.5
Income tax receivables	22.4	28.6
Other receivables	32.3	31.8
Total current assets	**1,549.8**	**1,393.4**
Assets held for sale	7.8	47.7
Total assets	**4,582.5**	**4,419.1**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	58.1	58.1
Reserves	2,104.7	1,884.5
Parent company's portion of shareholders' equity	2,162.8	1,942.6
Non-controlling interests' portion of shareholders' equity	-	-
Total shareholders' equity	**2,162.8**	**1,942.6**
Non-current liabilities		
Bonds	778.7	995.6
Other non-current liabilities	463.7	493.6
Defined benefit obligations	31.6	34.4
Provisions for risks and charges	118.7	123.7
Deferred tax liabilities	368.2	364.0
Total non-current liabilities	**1,760.9**	**2,011.3**
Current liabilities		
Payables to banks	4.5	13.8
Bonds	218.6	-
Other financial liabilities	52.5	62.1
Trade payables	216.0	225.6
Income tax payables	13.9	21.8
Other current liabilities	153.4	141.7
Total current liabilities	**658.9**	**465.1**
Liabilities held for sale	-	0.1
Total liabilities	**2,419.7**	**2,476.5**
Total liabilities and shareholders' equity	**4,582.5**	**4,419.1**

Consolidated reclassified cash flow statement as of 31 December 2018

	31 December 2018	31 December 2017
	€ million	€ million
EBITDA Adjusted	**432.6**	**437.6**
Provisions and other changes from operating activities	(31.1)	(26.5)
Taxes paid	(48.5)	(41.3)
Cash flow from operating activities before changes in working capital	**353.0**	**369.9**
Changes in net operating working capital	(25.5)	(58.6)
Cash flow from operating activities	**327.5**	**311.3**
Net interests paid	(22.8)	(27.0)
Adjustments to financial income (charges)	1.8	(24.8)
Net capital expenditure	(70.9)	(32.5)
Free cash flow	**235.6**	**227.0**
(Acquisition) and sale of companies or business division	22.2	147.0
Dividend paid out by the Parent Company	(57.5)	(52.1)
Other changes	(62.0)	(53.8)
Total cash flow used in other activities	**(97.3)**	**41.0**
Exchange rate differences and other changes	**(4.0)**	**(26.6)**
Change in net financial position due to operating activities	**134.3**	**241.4**
Put option and earn-out changes	1.0	(23.5)
Opening restatements	-	(7.2)
Net cash flow of the period = change in net financial position	**135.3**	**210.8**
Net financial position at the beginning of the period	**(981.5)**	**(1,192.4)**
Net financial position at the end of the period	**(846.3)**	**(981.5)**

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IFRS 16 'Leases' estimated effects as of 31 December 2018

	FY 2018 reported	IFRS 16 estimated impact		FY 2018 after IFRS 16 estimated impact
	€ million	€ million	%	€ million
EBITDA adjusted	432.6	15.9	3.7%	448.5
EBIT adjusted	378.8	2.4	0.6%	381.2
Group profit before taxes adjusted	347.1	(0.7)	-0.2%	346.5
EBITDA	434.5	15.9	3.7%	450.4
EBIT	380.7	2.4	0.6%	383.1
Group profit before taxes	350.8	(0.7)	-0.2%	350.1
Depreciation	(53.8)	(13.5)	25.0%	(67.3)
Net financial charges	(33.8)	(3.1)	9.2%	(36.9)

	Year end 2018	IFRS 16 estimated impact		Opening balance 2019 after IFRS 16 estimated impact
	€ million	€ million	%	€ million
Net financial debt	846.3	83.3	9.8%	929.6

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DAVIDE CAMPARI-MILANO S.p.A.

Parent company income statement

	1 January-31 December 2018	1 January-31 December 2017
	€ million	€ million
Net sales	**630.5**	**650.6**
Cost of goods sold	(250.8)	(291.9)
Gross margin	**379.7**	**358.6**
Advertising and promotional	(62.5)	(52.6)
Contribution after A&P	**317.2**	**306.0**
Structure costs(1)	(62.1)	(75.4)
Operating result	**255.1**	**230.6**
Financial income (charges)	(41.9)	(70.3)
Dividends	16.2	41.1
Put option income (charges)	(3.0)	(3.3)
Profit before tax	**226.4**	**198.1**
Tax	(26.8)	10.7
Net profit	**199.6**	**208.9**

(1) Including operating adjustments of €48.0 million for FY 2018 (vs €37.3 million for FY 2017).

Parent company balance sheet

	31 December 2018	31 December 2017
	€ million	€ million
Total non-current assets	2,762.4	2,789.3
Total current assets	585.1	500.5
Total assets held for sale	1.0	7.7
Total assets	**3,348.5**	**3,297.5**
Total shareholders' equity	1,355.2	1,274.0
Total non-current liabilities	1,257.0	1,670.8
Total current liabilities	736.3	352.7
Liabilities held for sale	-	-
Total liabilities and shareholders' equity	**3,348.5**	**3,297.5**

Parent company cash flow

	31 December 2018	31 December 2017
	€ million	€ million
Cash flow generated from (used in) operating activities	198.1	196.5
Cash flow generated from (used in) investing activities	76.6	156.4
Cash flow generated from (used in) financing activities	(256.9)	(232.0)
Cash and cash equivalents from mergers	0.1	-
Net change in cash and cash equivalents: increase (decrease)	**17.9**	**120.9**
Cash and cash equivalents at the beginning of period	217.5	96.7
Cash and cash equivalents at end of period	**235.5**	**217.5**