GRUPPO CAMPARI

2005 nine months results

Conference call

14 November 2005

Highlights and sales review

Enzo Visone, CEO

Nine months ended 30 September 2005

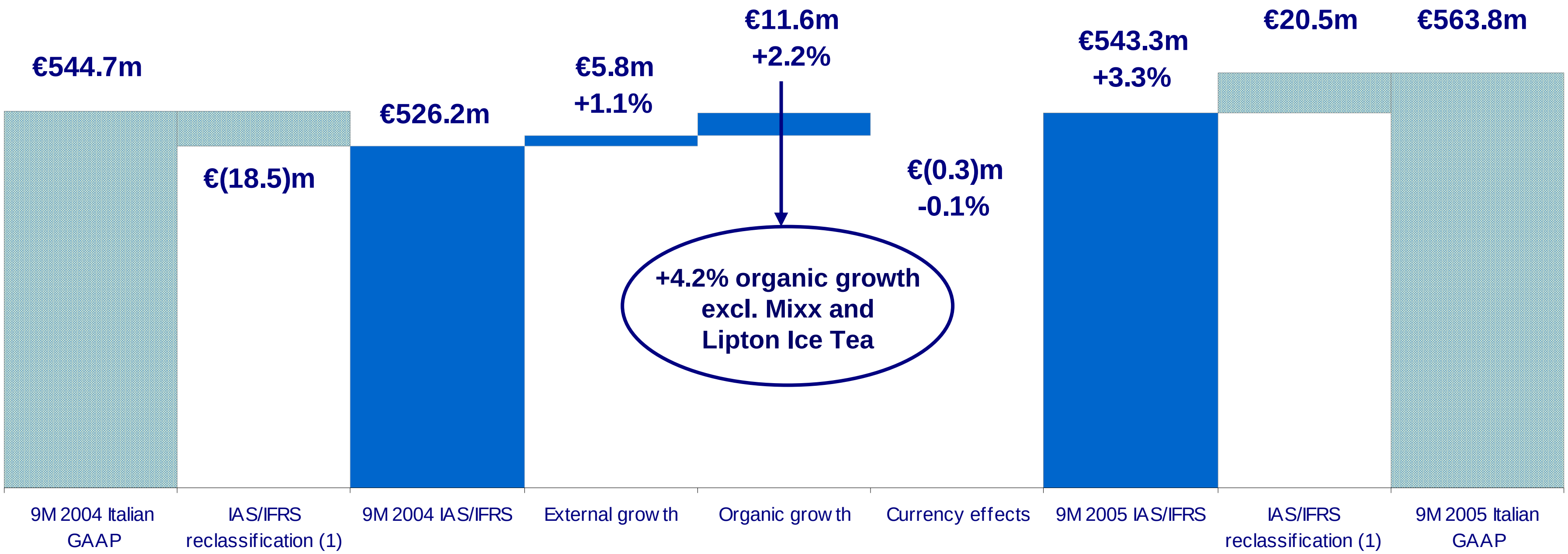
Key financial results

	9M 2005 € million	*% change at actual exchange*	*% change at constant exchange*
Net sales	543.3	+3.3%	+3.4%
Trading profit	158.6	+3.1%	+4.2%
EBITDA before one-off's	132.4	+4.3%	+5.8%
EBITDA	135.9	+5.8%	+7.3%
EBIT before one-off's	119.5	+4.5%	+6.4%
Operating profit = EBIT	123.1	+6.4%	+8.2%
Group's pretax profit	112.8	+16.8%	+18.5%

> The financial results of the Campari Group for the nine months of 2005 and those of the period to which they are compared have been calculated according to IAS/IFRS accounting standards

9M 2005 net sales and IAS/IFRS effects

Growth drivers

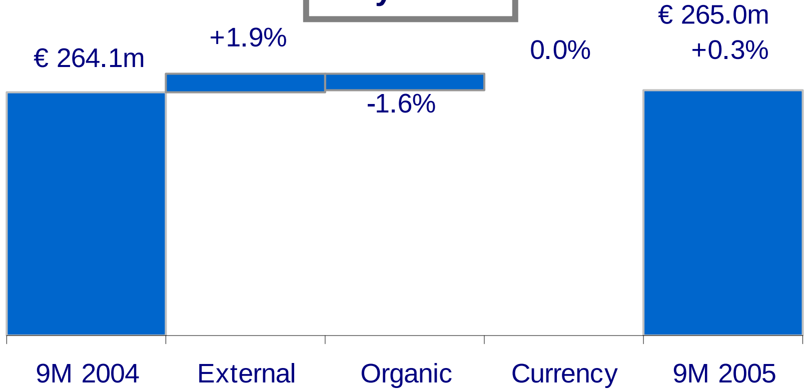


(1) Reclassification between net sales and A&P expenses in application of IAS 18. The amounts subject to these reclassifications relate to trade promotions invoiced by customers to the Group.

- Organic growth is driven mainly by core brands and in part offset by the performance of Mixx and Lipton Ice Tea (+4.2% organic growth if these two brands were excluded)
- External growth relates to the distribution of Jack Daniel's in Italy and Martin Miller's gin in USA
- Negative currency effect, attributable to US dollar, is mainly offset by contribution from Brazilian Real

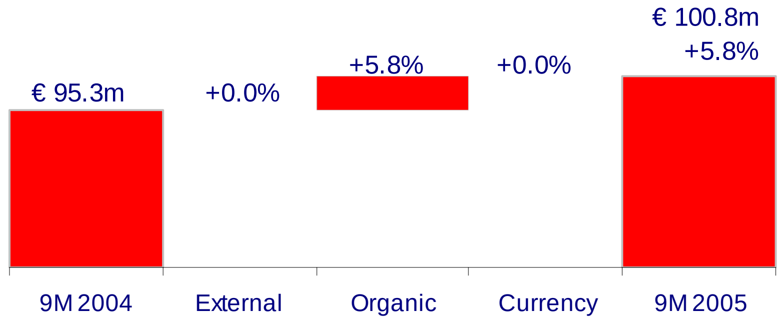
Net sales by region

Italy +0.3%



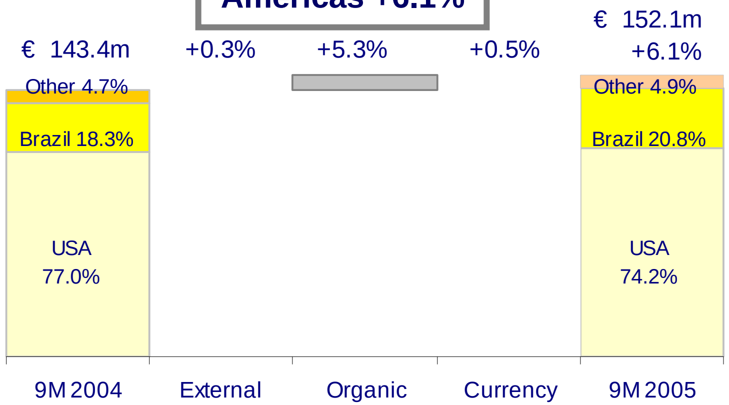
> Negative organic change entirely attributable to low margin Mixx and Lipton Ice Tea
> Positive performance by Aperol, Cinzano Vermouths, Campari and Crodino
> External growth generated by the distribution of Brown Forman brands

Europe +5.8%



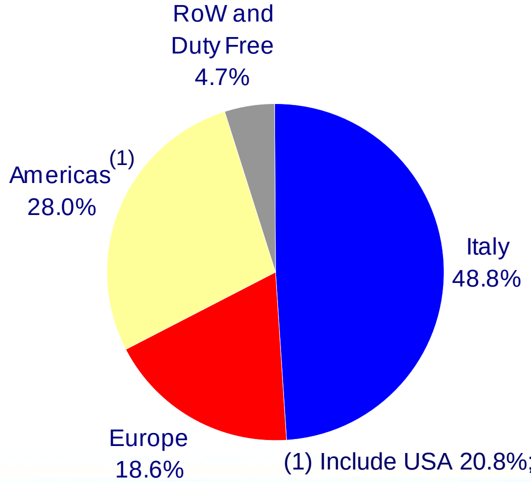
> Continuing recovery of Germany
> Good growth for Campari and Cinzano Sparkling wines on the German market

Americas +6.1%



> US organic growth (+5.0%)
> Positive performance in Brazil (+5.0%) driven by local brands and Cynar
> External growth driven by Martin Miller's gin in the US

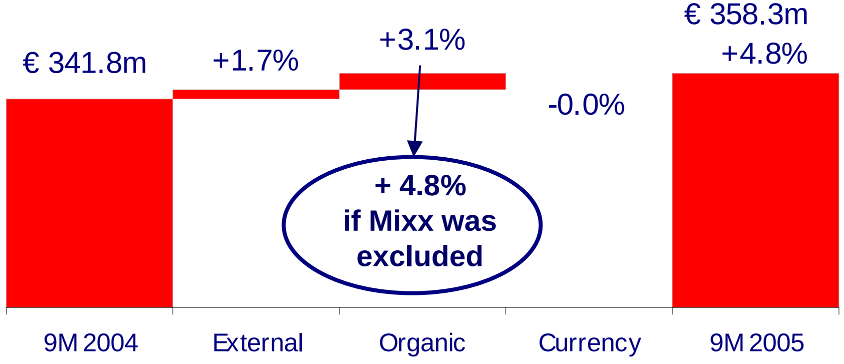
9M 2005 sales by region € 543.3 m



(1) Include USA 20.8%; Brazil 5.8%; other 1.4%

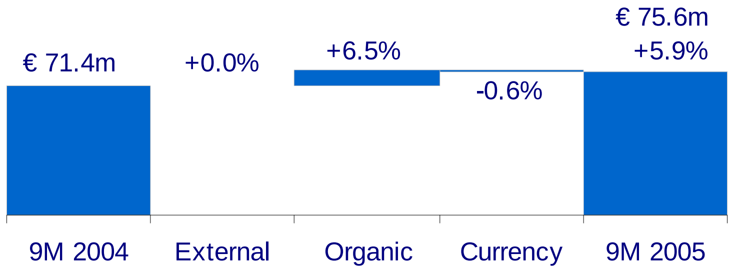
Net sales by segment

Spirits +4.8%



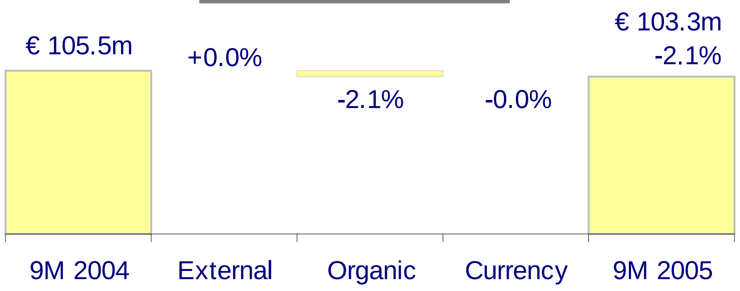
> Organic growth driven by all major spirits brands
> Weaker performance of Campari Soda and Ouzo 12

Wines +5.9%



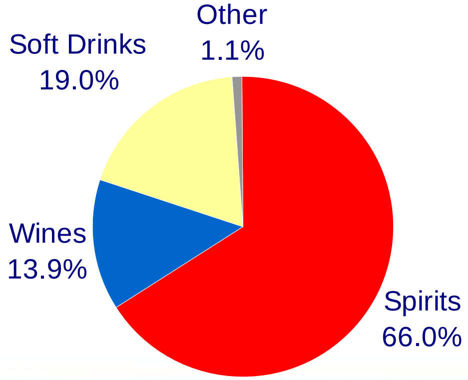
> Solid growth by Cinzano vermouths and sparkling wines, Riccadonna and Mondoro
> Flat performance of Sella & Mosca

Soft drinks -2.1%



> Positive contribution of Crodino (+3.3%)
> Slight decline of carbonated soft drinks and negative performance of Lipton Ice Tea

9M 2005 sales by segment € 543.3 m



Review of main brands (1/2)

CAMPARI

% change in value 9M 2005 / 9M 2004	*at constant exchange*	*at actual exchange*	
Spirits			
Campari	*+1.1%*	*+1.7%*	> Satisfactory performance in major markets except Brazil. Slowdown in Q3 due to temporary technical effects in the international markets expected to recover in Q4.
SKYY	*+8.8%*	*+5.8%*	> Strong growth in the US (+6.2% at costant exchange). US depletions show consistent double digit growth in SKYY core and slowdown in flavours range. Strong growth in sales outside US (around 30%) which accounts for 15% of total SKYY volumes. Excluding SKYY90, total SKYY sales grew by 7.6% at constant exchange rates.
CampariSoda	*-1.8%*	*-1.8%*	> Mainly concentrated on Italian market. The different phasing of consumer promotions activities is expected to generate an acceleration in Q4.
Aperol	*+19.2%*	*+19.2%*	> Excellent performance on key domestic market and good progression in Germany.
Brazilian brands	*+4.0%*	*+19.7%*	> Driven by positive trend in Dreher sales.
Cynar	*+19.4%*	*+22.4%*	> Excellent performance helped by the extended distribution in Brazil and distributor change in Switzerland.
Ouzo 12	*-3.1%*	*-3.3%*	> Slight decline both in its two main markets, Germany and Greece, due to introduction of new packaging and unfavourable comparison base.
tequila 1800	*+12.2%*	*+8.9%*	> Continuing double digit growth in key US market.
Jägermeister	*-0.2%*	*0.0%*	> Mainly concentrated on Italian market. Media campaign planned for Q4 expected to improve performance.

Review of main brands (2/2)

CAMPARI

% change in value 9M 2005 / 9M 2004	*at constant exchange*	*at actual exchange*	
Wines			
Cinzano sparkling wines	*+3.3%*	*+3.1%*	> Good progression in Germany after introduction of new packaging in July 2005.
Cinzano vermouths	*+15.0%*	*+14.9%*	> Strong progression driven by Italian and major European markets.
Sella & Mosca	*-0.4%*	*-0.3%*	> Flat performance due to unfavourable sales mix in Italy.
Soft drinks			
Crodino	*+3.3%*	*+3.2%*	> Growth trend sustained by strong brand awaraness and increasing market share in its core market.
Carbonated soft drinks	*-0.1%*	*-0.1%*	> Flat performance after recovery in Q3.
Lipton Ice Tea	*-11.3%*	*-11.3%*	> Low margin agency brand.

9M 2005 consolidated results

Paolo Marchesini, CFO

Consolidated EBIT

	9M 2005		9M 2004		Change at actual exchange	Change at constant exchange
	€ m	%	€ m	%	%	
Net turnover	**543.3**	***100.0%***	**526.2**	***100.0%***	***3.3%***	***+3.4%***
COGS	(228.2)	*-42.0%*	(222.0)	*-42.2%*	*2.8%*	
Gross margin	**315.1**	***58.0%***	**304.2**	***57.8%***	***3.6%***	
Advertising and promotion	(92.3)	*-17.0%*	(88.1)	*-16.7%*	*4.8%*	
Sales and distribution expenses	64.2	*-11.8%*	(62.1)	*-11.8%*	*3.4%*	
Trading profit	**158.6**	***29.2%***	**153.9**	***29.3%***	***3.1%***	***+4.2%***
G&A and other net operating income	(39.0)	*-7.2%*	(39.7)	*-7.5%*	*-1.8%*	
EBIT before one-off's	**119.5**	***22.0%***	**114.3**	***21.7%***	***4.5%***	
One-off's(1)	3.5	*0.6%*	1.4	*0.3%*	*150.0%*	
Operating profit = EBIT	**123.1**	***22.7%***	**115.7**	***22.0%***	***6.4%***	***+8.2%***
Other information:						
Depreciation & Amortisation(2)	(12.8)	*-2.4%*	(12.7)	*-2.4%*	*0.8%*	
EBITDA before one-off's	132.4	*24.4%*	127.0	*24.1%*	*4.3%*	
EBITDA	**135.9**	***25.0%***	**128.4**	***24.4%***	***5.8%***	***+7.3%***

(1) According to IAS/IFRS net exceptional income (renamed as one-off's) is reclassified as a component of operating profit.

(2) Amortisation of intangible assets (mainly softwares). According to IAS/IFRS, goodwill and trademarks are not amortised.

- **Gross margin** up from 57.8% to 58.0% on net sales as a result of flat cost of materials and lower cost of production as % of sales
- **A&P** expenses up from 16.7% to 17.0% and expected to be in line with last year on a full year basis (17.5% on net sales in 2004)
- **Sales and distribution** stable at 11.8% on net sales as a result of lower logistics costs and higher marketing overheads
- **G&A and other net operating income** decrease from 7.5% to 7.2% on net sales
- **One-off's** of € 3.5 m attributable to real estate capital gain in Switzerland (€ 1.9 m) and other one-off's

Consolidated pretax profit

	9M 2005		9M 2004		Change at actual exchange	Change at constant exchange
	€ m	%	€ m	%	%	
Operating profit = EBIT	**123.1**	***22.7%***	**115.7**	***22.0%***	***6.4%***	***+8.2%***
Net financial income (expenses)	(6.8)	*-1.3%*	(6.7)	*-1.3%*	*1.5%*	
Income from associates	(0.4)	*-0.1%*	(1.2)	*-0.2%*	*-66.7%*	
Pretax profit	**115.8**	***21.3%***	**107.8**	***20.5%***	***7.4%***	
Minority interests	(3.1)	*-0.6%*	(11.3)	*-2.1%*	*-72.6%*	
Group's pretax profit	**112.8**	***20.8%***	**96.6**	***18.4%***	***16.8%***	***+18.5%***

> Increase in **net financial expenses** is due to the higher average net debt in 9M 2005, as a result of the acquisition of an additional 30.1% stake in Skyy Spirits on 25 February 2005 (€ 118 million)

> Decrease in **minority interests** entirely attributable to the reduction in the stake held by third parties in Skyy Spirits

Financial indebtedness

€ million	Notes	30 Sept 2005	30 Jun 2005	1 Jan 2005
Cash and banks		222.3	198.5	239.5
Marketable securities		20.9	22.0	6.5
Cash flow hedging		0.4	0.3	0.7
Payables to banks		(118.2)	(117.1)	(56.7)
Real estate lease payables (current portion)	*(1)*	(3.0)	(3.0)	(2.9)
Private placement (current portion)		(3.3)	(3.3)	(2.9)
Accrued interests on private placement		(4.3)	(9.3)	(8.3)
Accrued net interests cross currency swap on bond issue		1.4	3.7	3.4
Short-term cash/(debt)		**116.3**	**91.8**	**179.1**
Payables to banks		(28.4)	(28.3)	(3.6)
Cross currency swap on bond issue	*(2)*	(30.5)	(23.6)	(59.4)
Interest rate swap on private placement	*(2)*	6.9	10.4	9.6
Real estate lease payables	*(1)*	(19.8)	(20.5)	(22.0)
Bond	*(3)*	(228.7)	(235.9)	(200.0)
Private placement	*(3)*	(141.8)	(148.2)	(132.1)
Other financial payables		(1.5)	(1.5)	(1.6)
Medium to long-term cash/(debt)		**(443.8)**	**(447.6)**	**(409.1)**
Total net cash/(debt)	*(4)*	**(327.5)**	**(355.8)**	**(230.0)**

Notes:

(1) Real estate lease relates to industrial property in Novi Ligure

(2) According to IAS 32 and 39, derivative instruments are recorded at fair value

(3) According to IAS 32 and 39, underlying financial liabilities are recorded at fair value

(4) Net cash/(debt) at 31 Dec 2004 amounted to € 228.7 m according to Italian GAAP (€ 226.7 m according to IAS/IFRS). Increase by € 1.3 m to € 230.0 m at 1-Jan-2005 after introduction of IAS 32 and IAS 39 at 1-Jan-2005

- Increase in net debt of € 97.5 million since January 2005
  - Acquisition of a further 30.1% stake in Skyy Spirits (€ 118.2 m)
  - Negative currency effect attributable to US dollar denominated debt (€ 18.1 m)

Outlook & Conclusion

Enzo Visone, CEO

Outlook

- Notwithstanding the difficult economic conditions in some major markets, we are confident to be able to achieve a satisfactory performance in 2005
- The expected recovery of European markets and consumer confidence combined with our brands' strength leads us to foresee a continuing positive performance in the medium term

Supplementary schedules

Supplementary schedules

Supplementary schedule - 1

CAMPARI

Currency effects on net sales

Consolidated net sales by segment

	9M 2005		9M 2004		Change	of which:		
	€ m	%	€ m	%	%	*external*	*organic*	*currency*
Spirits	358.3	66.0%	341.8	65.0%	**4.8%**	*1.7%*	*3.1%*	*0.0%*
Wines	75.6	13.9%	71.4	13.6%	**5.9%**	*0.0%*	*6.5%*	*-0.6%*
Soft drinks	103.3	19.0%	105.5	20.1%	**-2.1%**	*0.0%*	*-2.1%*	*0.0%*
Other revenues	6.1	1.1%	7.4	1.4%	**-18.4%**	*0.0%*	*-18.5%*	*0.1%*
Total	**543.3**	**100.0%**	**526.2**	**100.0%**	**3.3%**	***1.1%***	***2.2%***	***-0.1%***

Consolidated net sales by region

	9M 2005		9M 2004		Change	of which:		
	€ m	%	€ m	%	%	*external*	*organic*	*currency*
Italy	265.0	48.8%	264.1	50.2%	**0.3%**	*1.9%*	*-1.6%*	*0.0%*
Europe	100.8	18.6%	95.3	18.1%	**5.8%**	*0.0%*	*5.8%*	*0.0%*
Americas (1)	152.1	28.0%	143.4	27.2%	**6.1%**	*0.3%*	*5.3%*	*0.5%*
RoW & Duty Free	25.4	4.7%	23.4	4.5%	**8.4%**	*1.3%*	*11.3%*	*-4.2%*
Total	**543.3**	**100.0%**	**526.2**	**100.0%**	**3.3%**	***1.1%***	***2.2%***	***-0.1%***

(1) Breakdown of Americas

	9M 2005		9M 2004		Change	of which:		
	€ m	%	€ m	%	%	*external*	*organic*	*currency*
USA	112.9	74.2%	110.3	77.0%	**2.3%**	*0.4%*	*5.0%*	*-3.1%*
Brazil	31.7	20.8%	26.2	18.3%	**20.8%**	*0.0%*	*5.0%*	*15.8%*
Other countries	7.5	4.9%	6.8	4.7%	**10.4%**	*0.0%*	*11.5%*	*-1.1%*
Total	**152.1**	**100.0%**	**143.4**	**100.0%**	**6.1%**	**0.3%**	**5.3%**	**0.5%**

Supplementary schedule - 2

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Consolidated P&L - Nine months to 30 September 2005

	9M 2005		9M 2004		Change
	€ m	%	€ m	%	%
Net sales (1)	**543.3**	**100.0%**	**526.2**	**100.0%**	**3.3%**
COGS	**(228.2)**	**-42.0%**	**(222.0)**	**-42.2%**	**2.8%**
Gross margin	**315.1**	**58.0%**	**304.2**	**57.8%**	**3.6%**
Advertising and promotion	(92.3)	-17.0%	(88.1)	-16.7%	4.8%
Sales and distribution expenses	64.2	-11.8%	(62.1)	-11.8%	3.4%
Trading profit	**158.6**	**29.2%**	**153.9**	**29.3%**	**3.1%**
General and administrative expenses and other net operating income	(39.0)	-7.2%	(39.7)	-7.5%	-1.8%
EBIT before one-off's	**119.5**	**22.0%**	**114.3**	**21.7%**	**4.5%**
One-off's	3.5	0.6%	1.4	0.3%	150.0%
Operating profit = EBIT	**123.1**	**22.7%**	**115.7**	**22.0%**	**6.4%**
Net financial income (expenses)	(6.8)	-1.3%	(6.7)	-1.3%	1.5%
Income from associates	(0.4)	-0.1%	(1.2)	-0.2%	-66.7%
Pretax profit	**115.8**	**21.3%**	**107.8**	**20.5%**	**7.4%**
Minority interests	(3.1)	-0.6%	(11.3)	-2.1%	-72.6%
Group's pretax profit	**112.8**	**20.8%**	**96.6**	**18.4%**	**16.8%**
Other information:					
Depreciation & Amortisation	(12.8)	-2.4%	(12.7)	-2.4%	0.8%
EBITDA before one-off's	132.4	24.4%	127.0	24.1%	4.3%
EBITDA	**135.9**	**25.0%**	**128.4**	**24.4%**	**5.8%**

Notes:
(1) Net of discounts and excise duty

Supplementary schedule - 3

Consolidated P&L - Third quarter to 30 September 2005

	3Q 2005		3Q 2004		Change
	€ m	%	€ m	%	%
Net sales (1)	**179.4**	**100.0%**	**171.5**	**100.0%**	**4.6%**
COGS	**(77.9)**	**-43.4%**	**(73.1)**	**-42.6%**	**6.6%**
Gross margin	**101.5**	**56.6%**	**98.4**	**57.4%**	**3.2%**
Advertising and promotion	(29.5)	-16.4%	(29.5)	-17.2%	0.0%
Sales and distribution expenses	(21.0)	-11.7%	(19.2)	-11.2%	9.4%
Trading profit	**51.1**	**28.5%**	**49.8**	**29.0%**	**2.6%**
General and administrative expenses and other net operating income	(12.5)	-7.0%	(11.7)	-6.8%	6.8%
EBIT before one-off's	**38.6**	**21.5%**	**38.1**	**22.2%**	**1.3%**
One-off's	0.9	0.5%	0.1	0.1%	
Operating profit = EBIT	**39.5**	**22.0%**	**38.2**	**22.3%**	**3.4%**
Net financial income (expenses)	(2.1)	-1.2%	(2.4)	-1.4%	-12.5%
Income from associates	(0.2)	-0.1%	(0.4)	-0.2%	-50.0%
Pretax profit	**37.2**	**20.7%**	**35.4**	**20.6%**	**5.1%**
Minority interests	(1.2)	-0.7%	(4.9)	-2.9%	-75.5%
Group's pretax profit	**36.0**	**20.1%**	**30.5**	**17.8%**	**18.0%**
Other information:					
Depreciation & Amortisation	(4.3)	-2.4%	(4.3)	-2.5%	0.0%
EBITDA before one-off's	42.9	23.9%	42.4	24.7%	1.2%
EBITDA	**43.8**	**24.4%**	**42.5**	**24.8%**	**3.1%**

Notes:
(1) Net of discounts and excise duty

Supplementary schedule - 4

CAMPARI

Impacts of IAS/IFRS on 2004 nine months P&L

(€ million)	9M 2004 Italian GAAP	Format changes	IAS / IFRS Reclassifications	IAS / IFRS Adjustments	9M 2004 IAS / IFRS	
Net sales	**544.7**	**-**	**(18.5)**	**-**	**526.1**	**Net sales**
Cost of materials	(182.6)					
Production costs	(39.4)					
Total cost of goods sold	(222.0)	-	-	0.1	(222.0)	Total cost of goods sold
Gross margin	**322.6**	**-**	**(18.5)**	**0.1**	**304.2**	**Gross margin**
Advertising and promotional costs	(106.7)	-	18.5	0.1	(88.1)	Advertising and promotional costs
Sales and distribution costs	(62.1)	-	-	-	(62.1)	Sales and distribution costs
Trading profit	**153.8**	**-**	**-**	**0.1**	**153.9**	**Trading profit**
General and administrative expenses	(38.7)	(1.1)	0.2	(0.0)	(39.7)	General and administrative expenses and other operating costs
Other operating income	1.3	(1.3)	-	-	-	
Goodwill and trademark amortisation	(26.4)	0.1	-	26.3	-	
	-	-	1.4	0.0	1.4	Capital gains, losses and write-downs of non-current assets
Operating result = EBIT before non-recurring costs	**90.0**	**(2.3)**	**1.6**	**26.4**	**115.7**	
Non-recussing costs	(2.3)	2.3	-	-	-	
Operating result = EBIT	**87.7**	**-**	**1.6**	**26.4**	**115.7**	**Operating result**
Net financial income (charges)	(6.3)	-	(0.2)	(0.3)	(6.7)	Net financial income (charges)
	-	-	(1.2)	-	(1.2)	Income from associates, net
Other non-operating income (charges)	0.3	-	(0.3)	-	-	
Profit before minority interests and tax	**81.7**	**-**	**-**	**26.1**	**107.8**	**Profit before tax**
Minority interests	(11.2)	11.2	-	-	-	
Profit before tax	**70.5**	**11.2**	**-**	**26.1**	**107.8**	
Tax	(26.7)	-	-	5.0	(31.7)	Tax
Group net profit	**43.9**	**11.2**	**-**	**21.1**	**76.2**	**Net profit before minority interests**
		11.2	-	(0.1)	(11.3)	Minority interests
		-	**-**	**21.1**	**64.9**	**Group net profit**

Supplementary schedule - 5

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Impacts of IAS/IFRS on 2004 third quarter P&L

(€ million)	3Q 2004 Italian GAAP	3Q 2004 Format changes	IAS / IFRS Reclassifications	IAS / IFRS Adjustments	3Q 2004 IAS / IFRS	
Net sales	**177.3**	**-**	**(5.8)**	**-**	**171.5**	**Net sales**
Cost of materials	(60.2)	-	-	-		
Production costs	(12.9)	-	-	-		
Total cost of goods sold	(73.1)	-	-	0.0	(73.1)	Total cost of goods sold
Gross margin	**104.2**	**-**	**(5.8)**	**0.0**	**98.4**	**Gross margin**
Advertising and promotional costs	(35.2)	-	5.8	0.0	(29.5)	Advertising and promotional costs
Sales and distribution costs	(19.2)	-	-	-	(19.2)	Sales and distribution costs
Trading profit	**49.7**	**-**	**-**	**0.0**	**49.8**	**Trading profit**
General and administrative expenses	(12.3)	0.7	0.0	(0.1)	(11.7)	General and administrative expenses and other operating costs
Other operating income	0.9	(0.9)	-	-	-	
Goodwill and trademark amortisation	(8.8)	-	-	8.8	-	
	-	-	0.1	0.0	0.1	Capital gains, losses and write-downs of non-current assets
Operating result = EBIT before non-recurring costs	**29.6**	**(0.2)**	**0.1**	**8.7**	**38.2**	
Non-recussing costs	(0.2)	0.2	-	-	-	
Operating result = EBIT	**29.4**	**-**	**0.1**	**8.7**	**38.2**	**Operating result**
Net financial income (charges)	2.3	-	(0.0)	-	(2.4)	Net financial income (charges)
	-	-	(0.4)	-	(0.4)	Income from associates, net
Other non-operating income (charges)	(0.3)	-	0.3	-	-	
Profit before minority interests and tax	**26.7**	**-**	**-**	**8.7**	**35.4**	**Profit before tax**
Minority interests	(4.9)	4.9	-	-		
Profit before tax	**21.8**	**4.9**	**-**	**8.7**	**35.4**	
Tax	(8.9)	-	-	(1.7)	(10.6)	Tax
Group net profit	**12.9**	**4.9**	**-**	**7.0**	**24.5**	**Net profit before minority interests**
		(4.9)	-	(0.0)	(4.9)	Minority interests
		-	**-**	**6.9**	**19.8**	**Group net profit**

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Average exchange rates

	9M 2005	9M 2004	% change
Brazilian Real : 1 Euro	3.163	3.641	
Euro : 1 Brazilian Real	0.3162	0.2747	15.1%
US dollar : 1 Euro	1.263	1.226	
Euro : 1 US dollar	0.7916	0.8158	-3.0%
	3Q 2005	**3Q 2004**	**% change**
Brazilian Real : 1 Euro	2.859	3.639	
Euro : 1 Brazilian Real	0.3498	0.2748	27.3%
US dollar : 1 Euro	1.219	1.222	
Euro : 1 US dollar	0.8201	0.8183	0.2%

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