



## PRESS RELEASE

### Campari approves first half 2002 results

- **Consolidated net revenues of € 306.5 million, up 31.2%**
- **EBITDA of € 75.3 million, up 44.6%**
- **EBIT of € 53.7 million, up 34.5%**
- **Net income of € 32.0 million, up 41.0%**

Milan, September 10, 2002 - The Board of Directors of Davide Campari-Milano S.p.A. approved the consolidated results for the period from 1 January through 30 June 2002. The first half closed with rapidly growing results, mainly thanks to the consolidation of the newly acquired companies Skyy Spirits, LLC, Zedda Piras S.p.A. and Sella & Mosca S.p.A.

During the first half of 2002, the Group's net revenues were € 306.5 million, up 31.2%. This result is due to considerable external growth, which generated an overall increase of 30.0%. In particular, Skyy Spirits, LLC, with net sales of € 53.1 million, led to a growth of 22.7% on total consolidated turnover, while Zedda Piras S.p.A. and Sella & Mosca S.p.A., with net sales of € 16.4 million, generated 7.0% growth. The residual 0.2% is due to the Brazilian acquisition for the non-consolidated period in 2001. Organic growth was 1.2%, which rises to 2.6% excluding the negative exchange rate effect, mainly due to the Brazilian Real.

With sales of € 195.2 million, spirits increased their incidence on turnover from 57.5% to 63.7%, further enhancing their role as the Group's core business. In particular, SKYY Vodka, with net sales of € 43 million, confirmed its positive trend both on the US market - which accounts for 94.4% of the brand's turnover - where it exhibited a consistent double digit growth rate in its depletions, and on the international markets, where the brand consolidated its strong growth rate with a 52.5% increase. The acquisition of Zedda Piras S.p.A. and Sella & Mosca S.p.A. contributed to the spirits segment net sales of € 5.2 million, mainly due to the Mirto di Sardegna brand. Spirits' organic growth was 1.5%, supported in particular by the good performance of the brands already in the portfolio, especially CampariSoda (+9.2%), Ouzo 12 (+6.2%), the admix whiskies Old Eight and Drury's (+3.9%) and Jägermeister (+7.3%). The Campari brand, however, was down 3.4%, as its excellent sales on the Italian market did not offset the unsatisfactory performance on the German market, characterised by a marked slowdown in consumption at the macroeconomic level, and on the Brazilian market, where a positive volume trend could not offset the devaluation of the local currency. Wines, with sales of € 34.0 million or 11.1% of consolidated turnover, grew by 33.3%. This result is wholly due to the acquisition of Sella & Mosca wines, which accounted for a growth of 43.1%; the reduction in the existing business was essentially caused by delays in sales of Cinzano vermouth, connected to the introduction of the new packaging, while sparkling wines showed a positive trend. Soft drinks had sales of € 71.4 million, showing a slight increase, driven by the positive performance of Crodino (+2.4%). The segment also showed a decrease in terms of incidence on total Group sales, from 30.4% to 23.3%, as a consequence of the acquisition strategy focus on spirits and wines.

The following chart shows the consolidated net sales in each segment.

	First Half 2002		First Half 2001		Change %
	€million	%	€million	%	
Spirits	195.2	63.7%	134.4	57.5%	45.2%
Wines	34.0	11.1%	25.5	10.9%	33.3%
Soft Drinks	71.4	23.3%	70.9	30.4%	0.7%
Other revenues	5.8	1.9%	2.7	1.2%	113.6%
<b>Total</b>	<b>306.5</b>	<b>100.0%</b>	<b>233.6</b>	<b>100.0%</b>	<b>31.2%</b>

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In terms of the geographic split of sales, the Italian market accounted for 52.0% of total turnover, with sales up 20.0%. Of this result, 8.1% is due to the good performance of products already in the portfolio (in particular Campari, CampariSoda and Cinzano sparkling wines) and also to the acquisition of Zedda Piras S.p.A. and Sella & Mosca S.p.A. As a result of the acquisition of Skyy Spirits, LLC, the Americas area doubled its incidence on the Group's total sales, moving from 14.0% to 28.2%.

The following chart shows net consolidated sales by geographic area.

	First Half 2002 €million	%	First Half 2001 €million	%
Italy	159.4	52.0%	132.9	56.9%
Europe	55.0	17.9%	60.4	25.9%
Americas	86.5	28.2%	32.7	14.0%
Rest of the world	5.5	1.8%	7.6	3.2%
<b>Total</b>	<b>306.5</b>	<b>100.0%</b>	<b>233.6</b>	<b>100.0%</b>

The positive impact of the consolidation of the aforementioned acquisitions is reflected on the various levels of operating profitability both in terms of growth rate and improved margins.

Trading profit was € 86.1 million, up 33.7%, with the proportion of net sales also growing from 27.6% to 28.1%.

EBIT was € 53.7 million, up 34.5% and with its incidence on net sales increasing from 17.1% to 17.5%. This results benefits, among other factors, from the contribution provided by other income of € 4 million, deriving from the royalties on sales of SKYY Blue, the new successful *ready to drink* recently launched by Skyy Spirits, LLC and Miller Brewing Co. in the United States.

EBITA, i.e. EBIT before goodwill and trademark amortisation, was € 67.5 million, up 48.2% and with its incidence on net sales increasing from 19.5% to 22.0%.

EBITDA was € 75.3 million, up 44.6% and with its incidence on net sales rising from 22.3% to 24.6%.

Net income was € 32.0 million, up 41.0%. This result was determined by the reduced tax burden mainly due to the benefits connected with the so-called "Tremonti *bis*" law for the portion of investments incurred during the period and pertaining to the construction of the new plant in Novi Ligure.

As of 30 June 2002, net financial debt was € 239.4 million. The change in net financial position from 31 December 2001, when the value was positive at € 96.6 million, is due to the financing of the acquisitions described above.

Consolidated shareholders' equity as of 30 June 2002 was € 430.3 million.

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## CONFERENCE CALL

At 5:00 p.m. (CET) today, Tuesday, September 10, 2002, Campari's management will hold a live dial-in conference call with analysts, investors and press to present the Group's H1 2002 results.

To join, please dial one of the following numbers:

- from Italy: 800.990.927 (toll-free number)
- from abroad: +39.06.8740.9831

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### Investor enquiries

Chiara Garavini  
Tel.: +39 02 6225 330  
Email: investor.relations@campari.com

### Media enquiries

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

Website: [www.campari.com](http://www.campari.com)

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*The Campari Group is one of the world's leading alcoholic beverage players, trading in over 190 markets around the world with a leading position in the Italian and Brazilian markets and a strong presence in the USA, Germany and Switzerland. Following an intensive acquisition campaign undertaken over the last few years, the Group has an extensive portfolio that spans three business segments: spirits, wines and soft drinks. The Group's portfolio includes a combination of strong international brands, such as Campari, SKYY Vodka, Cynar and Cinzano and leading local brands, such as CampariSoda, Crodino, Sella & Mosca, Zedda Piras, Biancosarti, Lemonsoda, Oransoda and Pelmosoda in Italy, Ouzo 12 in Greece and in Germany, Dreher, Old Eight, Drury's and Liebfraumilch in Brazil and Gregson's in Uruguay. The Group has over 1,300 employees, and shares of the parent company Davide Campari-Milano S.p.A have been listed on the Milan stock exchange since July 2001.*

## Attachment 1) CAMPARI GROUP

### CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2002

	H1 2002		H1 2001		Change	
	€million	%	€million	%	%	
<b>Net revenues <sup>(1)</sup></b>	<b>306.5</b>	<b>100.0</b>	<b>233.6</b>	<b>100.0</b>	<b>31.2</b>	
Cost of materials	(102.9)	-33.6	(78.4)	-33.6	31.2	
Manufacturing costs	(23.4)	-7.6	(19.5)	-8.3	20.0	
<b>Total cost of sales</b>	<b>(126.3)</b>	<b>-41.2</b>	<b>(97.9)</b>	<b>-41.9</b>	<b>28.9</b>	
<b>Gross Margin</b>	<b>180.2</b>	<b>58.8</b>	<b>135.7</b>	<b>58.1</b>	<b>32.9</b>	
Advertising and promotion	(57.6)	-18.8	(44.0)	-18.8	31.0	
Selling and distribution expenses	(36.5)	-11.9	(27.3)	-11.7	33.9	
<b>Trading margin</b>	<b>86.1</b>	<b>28.1</b>	<b>64.4</b>	<b>27.6</b>	<b>33.7</b>	
General and administrative expenses	(21.9)	-7.1	(15.1)	-6.5	45.6	
Other operating income	4.0	1.3	0.3	0.1	-	
Amortisation of goodwill and trademarks	(13.9)	-4.5	(5.7)	-2.4	144.8	
<b>EBIT before non-recurring expenses</b>	<b>54.3</b>	<b>17.7</b>	<b>43.9</b>	<b>18.8</b>	<b>23.5</b>	
Non-recurring expenses	(0.6)	-0.2	(4.0)	-1.7	-86.0	
<b>EBIT after non-recurring expenses</b>	<b>53.7</b>	<b>17.5</b>	<b>39.9</b>	<b>17.1</b>	<b>34.5</b>	
Net interest income (charges)	(2.2)	-0.7	1.9	0.8	-217.5	
Exchange-rate gains (losses), net	7.4	2.4	(4.6)	-2.0	-261.7	
Other non operating income (charges)	(6.7)	-2.2	(0.2)	-0.1	-	
<b>Income before taxes</b>	<b>52.2</b>	<b>17.0</b>	<b>37.0</b>	<b>15.8</b>	<b>41.1</b>	
Minority interests	(7.3)	-2.4	0.0	0.0	-	
<b>Group income before taxes</b>	<b>44.9</b>	<b>14.6</b>	<b>37.0</b>	<b>15.8</b>	<b>21.3</b>	
Taxes	(12.9)	-4.2	(14.3)	-6.1	-9.8	
<b>Net income</b>	<b>32.0</b>	<b>10.4</b>	<b>22.7</b>	<b>9.7</b>	<b>41.0</b>	
Depreciation	(6.4)	-2.1	(5.4)	-2.3	17.6%	
Amortisation of goodwill, trademarks and other intangibles	(15.2)	-5.0	(6.8)	-2.9	124.0%	
<b>Total depreciation and amortisation</b>	<b>(21.6)</b>	<b>-7.1</b>	<b>(12.2)</b>	<b>-5.2</b>	<b>76.8%</b>	
<b>EBITDA before non-recurring expenses</b>	<b>75.9</b>	<b>24.8</b>	<b>56.1</b>	<b>24.0</b>	<b>35.2</b>	
<b>EBITDA</b>	<b>75.3</b>	<b>24.6</b>	<b>52.1</b>	<b>22.3</b>	<b>44.6</b>	
<b>EBITA before non-recurring expenses <sup>(2)</sup></b>	<b>68.1</b>	<b>22.2</b>	<b>49.6</b>	<b>21.2</b>	<b>37.3</b>	
<b>EBITA <sup>(2)</sup></b>	<b>67.5</b>	<b>22.0</b>	<b>45.6</b>	<b>19.5</b>	<b>48.2</b>	

(1) Net of discounts and excise duty

(2) EBITA = EBIT before amortisation of goodwill and trademarks

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Attachment 2) CAMPARI GROUP - CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2002

	30-06-2002	30-06-2001	31-12-2001
	€million	€million	€million
Cash and banks	62.8	137.7	177.8
Marketable securities	12.0	41.3	46.4
Accounts receivable	132.8	100.1	108.3
Inventories	89.6	68.0	64.4
Other current assets	38.0	36.8	29.7
<b>Total current assets</b>	<b>335.2</b>	<b>383.9</b>	<b>426.6</b>
Tangible assets	115.8	92.3	91.0
Goodwill	449.6	158.0	152.6
Other intangible assets	19.0	20.0	18.3
Financial assets	8.8	19.9	18.8
Other non-current assets	3.8	3.7	3.5
Treasury	31.0	-	31.0
<b>Total non-current assets</b>	<b>628.0</b>	<b>293.9</b>	<b>315.2</b>
<b>Total assets</b>	<b>963.2</b>	<b>677.8</b>	<b>741.8</b>
Short-term financial debt	295.0	90.8	114.1
Accounts payable	97.0	78.2	86.7
Other current liabilities	53.8	52.9	44.0
<b>Total current liabilities</b>	<b>445.8</b>	<b>221.9</b>	<b>244.8</b>
Medium and long term loans	19.2	13.5	13.5
Employee's termination pay	13.0	11.1	10.9
Other non-current liabilities	44.8	37.2	40.0
Minority interests	10.1	2.3	2.3
<b>Total non-current liabilities</b>	<b>87.1</b>	<b>64.1</b>	<b>66.7</b>
<b>Shareholders' equity</b>	<b>430.3</b>	<b>391.8</b>	<b>430.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>963.2</b>	<b>677.8</b>	<b>741.8</b>