



**Campari acquires Forty Creek Distillery Ltd.,
the owner of award winning and fast growing premium Canadian whiskies**

HIGHLIGHTS

- Gruppo Campari has signed an agreement to acquire 100% of Forty Creek Distillery Ltd. ('FCD'), a leading independently owned spirits company in Canada
- FCD is the owner of Forty Creek Whisky, the fastest growing brand in the attractive Canadian whisky category in Canada and well positioned in the high potential US market
- Gruppo Campari further premiumises its brand portfolio, driving richer product mix, effectively positioning itself to capitalize on the revival of brown spirits, particularly in the US
- Opportunity to improve Campari's existing route-to-market in the brand's key regions to efficiently achieve revenue synergies and growth acceleration, particularly in the US market
- Total purchase price for 100% of FCD is CAD\$ 185.6 million (€ 120.5 million at the current exchange rate) on a cash free / debt free basis
- Perfect fit with Gruppo Campari's acquisition strategy in terms of brand acquired and route-to-market

Milan, 12 March 2014 - Gruppo Campari has reached an agreement to acquire **100% of Forty Creek Distillery Ltd. ('FCD')**, a leading independently owned spirits company in Canada. This transaction marks the **Group's first move into the growing and attractive Canadian whisky category with high-end premium products.**

With its flagship brand **Forty Creek Whisky**, FCD is the **fastest growing player in the Canadian whisky category in Canada**. Moreover, it is **well positioned in the key US market** to capitalize on the **high potential offered by the Canadian whisky category**.

Bob Kunze-Concewitz, Chief Executive Officer: *'With Forty Creek Distillery, producer of the **award winning Forty Creek range of premium Canadian whiskies**, we are once again **leveraging our acquisition framework in a very disciplined and consistent manner for long-term growth**. Via the **entry to the large and growing Canadian Whisky segment** this acquisition further **increases our exposure to the highly attractive brown spirits category whilst continuing to enhance our premium portfolio**. Moreover, the addition of FCD will enable us to **further build our critical mass in key North American markets**, providing us with a **strong market position in Canada and positioning us for further growth in our core US market**. At the same time, our international route to market will also enable the **Forty Creek whisky brand to grow faster out of its core North American market**. Lastly, through this acquisition we will also be able to **internalise key activities in the Canadian market**.'*

John Hall, founder, and Whisky Maker of FCD: *'Today's deal represents a **milestone for myself and the entire Forty Creek team**. I believe this opportunity will **further support Forty Creek's vision to produce unique, quality, handcrafted, Canadian-made spirits**. Campari has the **global ability to take Forty Creek to the next level**. Introducing customers around the world to my whisky is a **dream come true**. I am very excited to continue to **devote my time to whisky making at Forty Creek distillery, continuing my whisky journey and exploring my passion for additional Forty Creek whisky expressions**.'*

John Hall will remain Chairman of the company and Whisky Maker at Forty Creek Distillery. Over the years, John Hall has built a **very successful Canadian whisky by creating a hand-crafted product, introducing new expressions, and enhancing the brand's versatility**. As a result he has effectively attracted new consumers

beginning to turn to brown spirits and looking for a richer taste, thus creating renewed interest in Canadian whisky, today **one of the most attractive whisky categories** in North America.

Moreover, after the acquisition, **all the business structures and processes will remain in place and unchanged in Canada**. Therefore, the acquired business will maintain its successful business model in that market whilst also benefitting from the additional support of the Campari organisation there and in other markets.

The acquired business includes the **full portfolio of FCD** including **stocks**, the **distillery and manufacturing facilities** and a **Hospitality Center** located in Grimsby, Ontario.

FCD brand portfolio includes **whisky, vodka, brandy, rum and liqueurs**, with Forty Creek Whisky as its core brand. The Forty Creek whisky family includes **Barrel Select, Copper Pot Reserve, Forty Creek Cream Whisky** and offers **high-end, limited releases** including **Forty Creek Confederation Oak, Double Barrel and an annual special John K. Hall Reserve release**. Forty Creek whiskies won 3-Time Canadian Whisky of the Year champion at the Canadian Whisky Awards (2010-12) and recently captured five gold medals as Best Tasting Whiskies at the Beverage Testing Institute competition in Chicago (2014).

FCD operates as an integrated business that produces and sells spirits and provides contract blending and packaging services.

Through the acquisition of Forty Creek whisky, **Campari is well positioned to develop the acquired portfolio in its core markets (Canada and USA), successfully developing the brands' high-end and handcrafted attributes for future international expansion** within the growing and premiumizing Canadian whisky category. As such, it represents a **very valuable and complementary addition** to Campari's existing **premium and ultra-premium spirits offering**.

In **fiscal year ending 31 March 2013**, the acquired business achieved **total net sales of CAD\$ 34.2 million**, of which **Forty Creek Whisky represents around 62%**. In **fiscal year ending 31 March 2014**, the acquired business is expecting to achieve **total net sales of CAD\$ 39.5 million**, showing an **increase of +15.6% compared to the previous year**.

The **total purchase price for 100% of FCD is CAD\$ 185.6 million (€ 120.5 million at the current exchange rate) on a cash free / debt free basis**. This corresponds to an **EBITDA multiple of 14.5x 2014 LE (Latest Estimate for fiscal year ending 31 March 2014)**.

The transaction is expected to close on 2 June 2014. The consideration will be fully paid in cash.

ANALYST CONFERENCE CALL

At **1:00 pm (CET) today, Wednesday, 12 March, 2014**, Campari's management will hold a conference call to present the acquisition to analysts and investors. To participate, please dial one of the following numbers:

- **from Italy 02 8058 811**
- **from abroad +44 1212 818003**

The **presentation slides** can be downloaded before the conference call from the main investor relations page on Gruppo Campari's website, at <http://www.camparigroup.com/en/investor>

A **recording of the conference call** will be available from today, March 12 until Wednesday, March 19, 2014. To listen to it, please call the following numbers:

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

(Access code: **707#**).

MEDIA CONFERENCE CALL

At **3:00 pm (CET) today, Wednesday, March 12, 2014**, Bob Kunze-Concewitz, Gruppo Campari's CEO, will hold a conference call in English to present the Forty Creek acquisition to the media. To participate, please dial one of the following numbers:

- **from Italy 02 8058 811**
- **from UK +44 1212 818003**
- **from USA +1 718 7058794**

FOR FURTHER INFORMATION

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ABOUT GRUPPO CAMPARI

Davide Campari-Milano S.p.A., together with its affiliates ('Gruppo Campari'), is a major player in the global beverage sector, trading in **over 190 nations** around the world with leading positions in Europe and the Americas. The Group was founded in 1860 and today is **the sixth-largest player worldwide** in the premium spirits industry. The Group's portfolio, with over 50 brands, spans spirits, the core business, wines and soft drinks. Internationally-renowned brands include **Aperol, Appleton, Campari, Cinzano, SKYY Vodka and Wild Turkey**. Headquartered in Sesto San Giovanni, Italy, Campari owns 15 plants and 4 wineries worldwide and has its own distribution network in 16 countries. The Group employs over 4,000 people. The shares of the parent company, Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM), are listed on the Italian Stock Exchange since 2001. For more information: <http://www.camparigroup.com/en>
Please enjoy our brands responsibly