



**2014 full year results in line with expectations**

**Solid full year organic sales growth, accelerating in fourth quarter**

**Continued strong momentum for aperitifs and good progression in Jamaican rum portfolio**

**Business expected to benefit from strengthened route-to-market,  
enhanced production capabilities as well as innovation**

#### **2014 RESULTS HIGHLIGHTS**

- **Sales: € 1,560.0 million (+2.4%, organic growth +3.4%)**
- **Contribution after A&P: € 570.9 million (+1.7%, organic growth +2.5%, 36.6% of sales)**
- **EBITDA pre one-off's: € 337.5 million (-0.5%, organic change -0.4%, 21.6% of sales)**
- **EBIT pre one-off's: € 298.2 million (-0.5%, organic change 0.0%, 19.1% of sales)**
- **Group net profit down -13.9%, due to negative one-off's (€ 43.2 million)**
- **Adjusted Group net profit<sup>1</sup> of € 154.4 million, down -0.7%**
- **Net financial debt of € 978.5 million at 2014 year end (€ 852.8 million as of 31 December 2013), positively impacted by robust cash flow generation (free cash flow of € 177.9 million)**
- **2014 proposed dividend confirmed at 2013 level (€ 0.08 per share)**

#### **KEY GROWTH DRIVERS IN 2014**

- **organic growth: overall positive results**
  - > **Solid organic sales performance doubling to +3.4% in full year 2014** (+1.7% in full year 2013), showing an **acceleration in the fourth quarter (+4.2%)**
  - > Thanks to the **acceleration of organic sales growth** and the **strong accretion in gross margin in Q4**, **organic EBIT pre one-off's was flat** on a full year basis, notwithstanding enhanced A&P and significant investments in new route-to-market initiatives
- **External growth: positive contribution from acquisitions**
  - > **Perimeter effect of +3.1% in sales and +3.4% in EBIT pre one-off's**, driven by **the acquisitions of Forty Creek Distillery and Gruppo Averna**, partly negatively affected by termination of agency brands
- **Forex: very unfavourable impact**
  - > **Negative impact of -4.1% in sales and -3.9% in EBIT pre one-off's** driven by a **devaluation of key currencies against the Euro**, partially improved in the fourth quarter of 2014

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<sup>1</sup> Adjusted net income for one-off's and relating fiscal effects for FY 2014 and FY 2013

**Bob Kunze-Concewitz, Chief Executive Officer:** *'Key performance indicators in 2014 were in line with expectations. The organic sales performance was solid, with acceleration in the fourth quarter, and doubled comparing to the previous year. Thanks to the acceleration of organic sales growth and the strong accretion in gross margin in the fourth quarter, organic EBIT pre one-off's was flat on a full year basis. This result was achieved despite enhanced advertising and promotion spending and significant investments in new route-to-markets. Looking forward, we expect that the volatility in some emerging markets and the price competition in some core regions for the Group will continue also in 2015, thus limiting the visibility at this stage. However, we expect the business overall and margins to be positively impacted by the positive performance of the top 5 spirit franchises, in particular the aperitifs business, the rum portfolio and the American whiskies, also thanks to the positive contribution from acceleration in innovation. In addition, we believe that the business overall and margins will benefit from the expected return on recent route-to-market initiatives and production investments, more favourable trends in input costs and a positive contribution from forex.'*

**Milan, March 10, 2015**-The Board of Directors of Davide Campari-Milano S.p.A. (Reuters CPRI.MI-Bloomberg CPR IM) approved the consolidated results for the full year ending 31 December 2014.

#### CONSOLIDATED P&L FOR FULL YEAR 2014 ENDED 31 DECEMBER 2014

|  | FY 2014<br>€ million | FY 2013<br>€ million | Reported<br>change | Organic<br>change | Forex<br>impact | Perimeter<br>impact |
|--|----------------------|----------------------|--------------------|-------------------|-----------------|---------------------|
| <b>Net sales</b>                         | <b>1,560.0</b>       | <b>1,524.1</b>       | <b>+2.4%</b>       | <b>+3.4%</b>      | <b>-4.1%</b>    | <b>+3.1%</b>        |
| Contribution after A&P <sup>(1)</sup>    | 570.9                | 561.2                | +1.7%              | +2.5%             | -4.1%           | +3.4%               |
| <b>EBITDA pre one-offs</b>               | <b>337.5</b>         | <b>339.1</b>         | <b>-0.5%</b>       | <b>-0.4%</b>      | <b>-3.8%</b>    | <b>+3.8%</b>        |
| <b>EBIT pre one-offs</b>                 | <b>298.2</b>         | <b>299.6</b>         | <b>-0.5%</b>       | <b>+0.0%</b>      | <b>-3.9%</b>    | <b>+3.4%</b>        |
| One-off's                                | (43.2)               | (10.3)               | -                  |                   |                 |                     |
| EBITDA                                   | 294.4                | 328.8                | -10.5%             |                   |                 |                     |
| EBIT                                     | 255.0                | 289.3                | -11.9%             |                   |                 |                     |
| <b>Group net profit</b>                  | <b>128.9</b>         | <b>149.8</b>         | <b>-13.9%</b>      |                   |                 |                     |
| Adjusted Group net profit <sup>(2)</sup> | 154.4                | 155.4                | -0.7%              |                   |                 |                     |

<sup>(1)</sup> EBIT before SG&A.

<sup>(2)</sup> Adjusted net income for one-off's and relating fiscal effects for FY 2014 and FY 2013.

In 2014 **Group sales** totalled **€ 1,560.0 million** showing a reported increase of **+2.4%**, driven by an **organic sales growth of +3.4%**, with **acceleration in the fourth quarter (+4.2%)**.

With regards to the organic sales growth, **all regions showed positive performance in 2014**. **Americas were up by +4.0%**, mitigated by continuing **realignment of shipment with positive underlying depletions and consumption trends in the US**, particularly for Wild Turkey bourbon, and **continued strong growth momentum in Argentina and Brazil**. **Italy increased by +3.5%**, driven by **aperitifs**, particularly **Aperol and the single serve aperitifs**. **Organic sales growth in the rest of Europe was +3.2%**, thanks to a solid performance across key markets, particularly in **Russia driven by sparkling wines** and **Western European markets driven by Aperol**, compensating the softness in Germany despite the improvement in the fourth quarter. **The rest of world showed a positive organic sales performance of +1.5%**: **Australia remained weak**, as expected, and was more than offset by the **positive development of emerging markets** (particularly Nigeria, South Africa and China) and **Global Travel Retail**. In terms of brand category, **top 6 international franchises were up by +3.0% in 2014**, driven by **Campari, Aperol and the Jamaican rum portfolio**, accelerating their growth in the fourth quarter, as well as the **SKYY franchise that stabilized its trend** within a very competitive US environment. The overall organic performance of the **Wild Turkey franchise was affected by continued weakness in Australia**, mitigated by the realignment of shipments to the depletions trend in United States in the fourth quarter. The **softness in Cinzano** was attributable to the **strong price competition in Germany** which offset the **positive performances in Argentina and Russia**. **High potential brands achieved good results**, up +4.3% in 2014, driven by single malt Scotch whisky (GlenGrant) and tequila (Espolòn). The **Key local brands increased by +5.1%** in 2014 with positive results across the whole portfolio.

The **exchange rates effect was negative at -4.1% in sales**, driven by the devaluation of key currencies against the Euro, partially improved in the fourth quarter of 2014. The **overall perimeter effect was +3.1% in sales** driven by the acquisitions of Forty Creek Distillery and Gruppo Averna.

**Gross margin** increased by +2.6% to **€ 831.7 million (+3.3% organic change)**, or 53.3% of sales.

**Advertising and promotion spending (A&P)** was up by +4.6% to **€ 260.8 million**, or 16.7% of sales.

**CAAP** (Contribution after A&P) was up by +1.7% to **€ 570.9 million (+2.5% organic change)**, or 36.6% of sales.

**Structure costs**, i.e. selling, general and administrative costs, increased by +4.3% to **€ 272.7 million**, or 17.5% of sales.

**EBITDA pre one-offs** was down by -0.5% to **€ 337.5 million (-0.4% organic change)**, or 21.6% of sales.

**EBIT pre one-offs** declined by -0.5% to **€ 298.2 million (flat organic change)**, or 19.1% of sales.

**Negative one-off's** amounted to **€ (43.4) million**, mainly relating to provisions for restructuring initiatives and write down of intangible assets.

**EBITDA** reached **€ 294.4 million**, a decrease of -10.5%, or 18.9% of sales.

**EBIT** reached **€ 255.0 million**, a decrease of -11.9%, or 16.3% of sales.

**Pre-tax profit** was **€ 194.2 million**, down by -15.7%, mainly driven by negative one-off's.

**Group net profit** was **€ 128.9 million**, down by -13.9%, negatively impacted by one-off's.

**Adjusted Group net profit<sup>2</sup>** was **€ 154.4 million**, down -0.7%.

As of December 31, 2014, **net financial debt** stood at **€ 978.5 million** (€ 852.8 million as of December 31, 2013), **after a total investment of € 236.1 million in the acquisitions of Forty Creek Distillery Ltd. and Gruppo Averna closed in June 2014, capital expenditure of € 47.8 million and dividend of € 46.1 million.**

#### **ANALYSIS OF CONSOLIDATED SALES FOR FULL YEAR 2014**

Looking at sales by region, the **Americas (38.8% of total Group sales)** posted an **overall change of -2.9%**, with an **organic change of +4.0%** and an exchange rate impact of -6.5%. In the **US (19.6% of total Group sales)**, sales registered an **organic change of +0.9% in 2014**. SKYY and Wild Turkey franchises shipments were soft, as their gradual realignment to positive underlying depletion and consumption trends did not fully offset the soft shipment performance at the beginning of the year. **Aperol, Campari, the Jamaican rum portfolio and the tequilas** showed a positive progression in the US market. Sales in **Jamaica (6.5% of total Group sales)** **declined organically by -4.4% in 2014 (+1.8% in the fourth quarter)**, driven by the soft performance of the non-core business, partially offset by the positive results of the Jamaican rum portfolio and Campari. The exchange rate effect was -8.5% and the change in perimeter was -5.6%, relating to the termination of distribution agreements of select consumer products in Jamaica. Sales in **Brazil (5.2% of total Group sales)** registered a **positive organic growth of +7.6%**, thanks to the positive results of the **premium spirits Campari, SKYY and Aperol**, and on a smaller scale, by imported spirits. The local brands delivered a positive performance, with Dreher compensating for soft performances in the local whiskies. The exchange rate effect was -8.9%. With regards to the **other Americas, Argentina (2.3% of total Group sales)** **continued to register a strong organic performance (+41.2%)** lead by the triple digit growth of **Campari** and the double digit growth of **SKYY and Cinzano vermouth**. **Aperol** registered a very positive progression, increasing by double digit. The overall performance in Argentina was negatively impacted by an exchange rate effect of -45.9%. Sales in **Canada (2.5% of total Group sales)** registered an **overall negative organic growth (-7.4%)**, in line with expectations in light of the distribution change that took place in the market.

The **Italian market (26.4% of total Group sales in the 2014)** recorded an **increase of +9.4%**, attributable to an **organic growth of +3.5%** and a **perimeter change of +5.9%**, mainly due to the acquisition of Gruppo Averna. The overall positive organic growth on a full year basis was driven by the **outperformance of the aperitifs business, particularly Aperol which increased by +5.4%, with Aperol Spritz reaching key milestone of #1**

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<sup>2</sup> Adjusted net income for one-off's and relating fiscal effects for FY 2014 and FY 2013

**Italian Cocktail**<sup>3</sup>, and **Crodino and Campari Soda** which grew by **+15.0%** and **+5.6%** respectively. **The Jamaican rum portfolio continued its positive development.** In the **fourth quarter** sales in Italy registered a **positive performance (+2.0%)**, recovering after weak third quarter affected by adverse weather conditions. In particular, **Campari accelerated its performance (+11.8% in the fourth quarter 2014)**, partially compensating the temporary slowdown in the first nine months of 2014. Campari Soda and Crodino normalized their trend, as expected.

Sales in the **rest of Europe** (24.5% of total Group sales) **grew by +3.7%** overall, driven by an **organic growth of +3.2%**, a perimeter effect of +4.8%, thanks to the William Grant&Sons portfolio distribution rights in Germany and the acquisition of Fratelli Averna S.p.A., and an exchange rate effect of -4.2%. Sales in **Germany** (10.8% of total Group sales) recorded an overall **negative organic change of -3.3%**, despite the positive performance in the fourth quarter (+0.9%). The performance of **aperitifs** and **sparkling wines** continued to be negatively impacted by the competition from flavoured sparkling wines and Ready-To-Serve beverages, partially offset by the **positive progression of SKYY**. Despite the market volatility, **Russia** (4.5% of total Group sales) showed a **positive organic performance (+11.0%)**, mainly driven by the positive trend of the **sparkling wines** (Cinzano sparkling wines, Mondoro), more than offsetting the contracting vermouth category. The triple digit growth of Riccadonna, Wild Turkey and Aperol also positively contributed to the overall performance. Notwithstanding the distribution changes in Spain and UK, the **other European markets** (9.2% of total Group sales) registered a **very positive overall organic growth of +6.1%**, driven by the **strong growth of Aperol in, particularly in France**, registering a triple digit growth.

Sales in the **rest of the world** (including Global Travel Retail), which accounted for **10.3% of total Group sales**, increased by **+3.0%** overall, with an **organic change of +1.5%**, an exchange rate effect of -4.4% and a perimeter growth of +6.0%, the latter attributable to the third party bottling activities of the acquired Copack company in Australia. The performance in **Australia** (4.9% of Group sales) **was weak (-5.1%)**, driven by the continuing competitive pressure and the weak consumer confidence, in line with expectation. The **other markets** in the area (5.5% of Group sales) increased by +7.7%, driven by the positive performances in **Nigeria (+18.4%)**, **South Africa (+12.1%)**, **China (+8.5%)** and **Global Travel Retail (+19.7%)**.

Looking at **sales by key brands** in 2014, with regards to the Top Six International Franchises, **Campari registered very positive results overall (+9.8%)**, driven by the **acceleration in international markets** and **benefiting also from the positive trend of classic cocktails**. In particular **Argentina registered a triple digit growth**, mostly driven by volumes. **Brazil** continued to register a **double digit growth** and the **US recorded a high single digit growth**. With respect to the other key markets for the brand, France, Nigeria and Global Travel Retail showed positive performance, all registering a double digit growth. The acceleration in Italy in the fourth quarter offset the slowdown in the first nine months of the year, also due to the adverse weather conditions in the third quarter, leading to flat results on a full year basis.

**Aperol showed a positive overall trend (+7.0%)**, driven by an **overall solid performance across all key brand markets** and **very positive development in new markets**. After 11 years of uninterrupted growth of Aperol in Italy (+5.4% in FY 2014), **Aperol Spritz reached the key milestone of #1 Italian Cocktail**<sup>4</sup>. With respect to the other key markets for the brand, a continued positive growth in core central European countries compensated the softness in Germany, and an excellent development was registered in the markets like **US, UK, France, Brazil, Argentina** and **Australia**.

**SKYY sales achieved an overall organic change of +1.3%** globally, **driven by very positive results in International markets** (ca. 25% of total brand sales). In particular **Brazil**, the second largest market for the brand, increased by **double digit** and the **other key international markets**, such as South Africa, Germany, Italy, China, Global Travel Retail, Argentina, Mexico and Chile continued to **register a positive development**. Soft results were recorded in the core US market (-0.8%) driven by the strong price competition and the ongoing realignment of shipments to the underlying depletions trend.

The **Wild Turkey franchise** registered an **organic change of -3.2%**. The **performance behind core Wild Turkey bourbon** (52% of WT franchise) was **flat** in the **US** on a full year basis, with acceleration in the fourth quarter

<sup>3</sup> GfK Total Single Source Panel data-Italian market release 2014.2, processed by Davide Campari-Milano S.p.A.

<sup>4</sup> GfK Total Single Source Panel data-Italian market release 2014.2, processed by Davide Campari-Milano S.p.A.

(+12.2%). The overall trend in the US improved throughout the year helped by the **double digit growth in premium expressions**. A positive performance was registered in international markets (including Italy, Brazil, Poland, Germany and Russia) and Global Travel Retail. **American Honey** (23% of WT franchise) **recorded soft results in the core US and Australian markets (-7.7%)** due to the increasing competitiveness in the flavoured whisky category, partly offset by the good progression in Global Travel Retail, Nigeria, New Zealand and Russia. The **Ready-To-Drink range** (25% of WT franchise) **decreased by -4.2%**, driven by the competitive pressure in the Australian market.

The **Jamaican rum portfolio**, including **Appleton, Wray&Nephew White Overproof** and **Coruba**, showed overall very good results with an **organic growth of +4.4%, improving progressively throughout the year, mainly driven by the US. Canada and Jamaica** showed an **improving trend, starting to benefit from new marketing strategies**. The new markets for the brand portfolio, Italy, Germany, Japan, Austria, France and Chile showed an encouraging momentum.

The **Cinzano franchise** registered an **organic change of -1.4%**. **Cinzano sparkling wines showed overall slightly positive results (+0.5%)**, driven by the **Russian market**, offsetting the softness in Germany. The performance of **Cinzano vermouth (-3.9%)** was driven by the Russian and German market due to category weakness, notwithstanding the **very positive performance in Argentina**, the second largest market for the brand.

**Carolans** and **Frangelico** decreased by **-3.3%** organically: whilst Carolans showed an overall positive performance with continuing growth in the US, shipments were negatively impacted in Canada ahead of the distribution change. The performance of Frangelico remained weak. The **tequila** portfolio (Espolòn and Cabo Wabo) registered an organic growth of **+6.7%**, thanks to good results achieved in the US market, and positive trends in the other key markets, in particular Russia. **GlenGrant** and **Old Smuggler** registered an **organic change of +8.3%**, driven by the **positive performance across key markets**, in particular **Italy, France, South Africa, Argentina, Switzerland** and **GTR**.

**Other sparkling wines (Riccadonna and Mondoro)** increased organically by **+18.8%, mainly driven by the positive results across almost all key brand markets**, in particular in **Russia** where **Mondoro** experienced a **double digit growth (+24.0%)**.

With regards to the **key local brands**, the **Italian single-serve aperitifs** registered a **positive performance**. **Campari Soda** showed **very satisfactory results**, increasing by **+5.8% overall**, and **Crodino** recorded a **very good performance (+14.2%)**, with a stabilizing trend in the second half of the year, in line with expectations. Lastly, **Brazilian brands** posted overall positive result (+3.7%), driven by the positive performance of Dreher, more than compensating the weakness of local whiskies.

## OTHER RESOLUTIONS

**Loyalty shares.** On January, 28, 2015, the Extraordinary Shareholders' Meeting of Davide Campari-Milano S.p.A. approved the amendments to the articles of association introducing loyalty shares. Today the Board of Directors has appointed Maurizio Ferrazzi, Legal Counsel Italy & Company Secretary at Gruppo Campari, as the officer responsible for keeping the special list for entitlement to the benefit of double voting rights and has approved the rules governing the special list for entitlement to the benefit of double voting rights. A complete disclosure about the Loyalty shares program and the operating procedures for the requesting the registration on the special list is available on the Company's website at [www.camparigroup.com/it/governance/loyalty-shares](http://www.camparigroup.com/it/governance/loyalty-shares).

**Dividend.** The Board of Directors has voted to propose to the Shareholders' meeting a full year dividend per share of € 0.08 for 2014 (in line with 2013 level). The cash dividend will be payable on May 20, 2015 (the detachment date of the coupon n. 12 will be 18 May 2015 pursuant to the Borsa Italiana calendar, with a record date 29 May 2015). The Board of Directors has therefore agreed to convene the Annual Shareholders Meeting on 30 April 2015 to approve the consolidated results for the full year ending 31 December 2014 and the Extraordinary Shareholders' meeting to approve the amendment to Article 5 of the Articles of Association.

**Amendments to the company's Articles of Association.** The Board of Directors has voted to propose to the extraordinary Shareholders' Meeting an amendment to Article 5 of the Articles of Association to give directors the authorisation for 5 more years to increase the share capital, and issue convertible bonds and other financial instruments.

**Own shares.** The Board of Directors has approved a resolution to be presented to the Shareholders' meeting authorising the purchase and/or sale of own shares, mainly to be used to service the stock option plans. The authorisation concerns the purchase and/or sale of shares, which, including existing own shares, with regards to the shares acquired must not exceed the overall share capital limit according to article 2357 of the Italian Civil Code. The authorisation will remain valid until 30 June 2016. The unit price for the purchase and/or sale of own shares will not differ by more than 25% (whether upwards or downwards) from the weighted average price in the three stock market trading sessions prior to each transaction.

**Stock options.** The Board of Directors has approved a resolution to be presented to the Shareholders' meeting approving a stock option plan pursuant to Art. 114-bis of the Consolidated Law on Financial Intermediation and in accordance with the stock option master plan in effect, that does not concern the company's directors.

**Remuneration Report.** The Board of Directors has approved a resolution to be presented to the Shareholders' meeting approving a Remuneration Report drawn up in accordance with article 123-ter, paragraph 6, of the Consolidated Law on Financial Intermediation.

*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.*

## **ANALYST CONFERENCE CALL**

At **1:00 pm (CET) today, March 10, 2015**, Campari's management will hold a conference call to present the Group's full year 2014 results. 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/investors>

A **recording of the conference call** will be available from today, March 10 until Tuesday, March 17, 2015.

To listen to it, please call the following numbers:

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

(Access code: **729#**).

## **FOR FURTHER INFORMATION**

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<http://www.youtube.com/campariofficial>

<https://twitter.com/GruppoCampari>

## **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 Estate, Campari, Cinzano, SKYY and Wild Turkey**. Headquartered in Sesto San Giovanni, Italy, Campari owns 16 plants and 3 wineries worldwide and has its own distribution network in 19 countries. The Group employs around 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>  
Please enjoy our brands responsibly

## GRUPPO CAMPARI

### Consolidated net sales by brand for the Full Year 2014

|                                | 1 January-31 December 2014 |               | 1 January-31 December 2013 |               | % change    |
|--------------------------------|----------------------------|---------------|----------------------------|---------------|-------------|
|                                | € million                  | %             | € million                  | %             |             |
| top 6 international franchises | 793.0                      | 50.8%         | 800.3                      | 52.5%         | -0.9%       |
| high potential brands          | 253.4                      | 16.2%         | 224.7                      | 14.7%         | 12.8%       |
| key local brands               | 261.3                      | 16.7%         | 252.5                      | 16.6%         | 3.5%        |
| agency brands                  | 150.0                      | 9.6%          | 153.0                      | 10.0%         | -2.0%       |
| non-core                       | 102.2                      | 6.5%          | 93.6                       | 6.1%          | 9.1%        |
| <b>total</b>                   | <b>1,560.0</b>             | <b>100.0%</b> | <b>1,524.1</b>             | <b>100.0%</b> | <b>2.4%</b> |

  

| breakdown of % change          | total % change | Organic growth | Exchange rate effect | External growth |
|--------------------------------|----------------|----------------|----------------------|-----------------|
| top 6 international franchises | -0.9%          | 3.0%           | -4.0%                | 0.0%            |
| high potential brands          | 12.8%          | 4.3%           | -5.5%                | 14.0%           |
| key local brands               | 3.5%           | 5.1%           | -3.0%                | 1.4%            |
| agency brands                  | -2.0%          | 2.3%           | -3.2%                | -1.0%           |
| non-core                       | 9.1%           | 2.1%           | -6.9%                | 13.9%           |
| <b>total</b>                   | <b>2.4%</b>    | <b>3.4%</b>    | <b>-4.1%</b>         | <b>3.1%</b>     |

## Consolidated net sales by geographic area for 2014

|  | 1 January-31 December 2014 |               | 1 January-31 December 2013 |               | % change    |
|--|----------------------------|---------------|----------------------------|---------------|-------------|
|  | € million                  | %             | € million                  | %             |             |
| Americas                                   | 605.1                      | 38.8%         | 623.3                      | 40.9%         | -2.9%       |
| Italy                                      | 411.9                      | 26.4%         | 376.4                      | 24.7%         | 9.4%        |
| Rest of Europe                             | 382.0                      | 24.5%         | 368.3                      | 24.2%         | 3.7%        |
| Rest of the world and global travel retail | 161.0                      | 10.3%         | 156.2                      | 10.3%         | 3.1%        |
| <b>Total</b>                               | <b>1,560.0</b>             | <b>100.0%</b> | <b>1,524.1</b>             | <b>100.0%</b> | <b>2.4%</b> |

| breakdown of % change                      | total % change | Organic growth | Exchange rate | External growth |
|--|----------------|----------------|---------------|-----------------|
| Americas                                   | -2.9%          | 4.0%           | -6.5%         | -0.5%           |
| Italy                                      | 9.4%           | 3.5%           | 0.0%          | 5.9%            |
| Rest of Europe                             | 3.7%           | 3.2%           | -4.2%         | 4.8%            |
| Rest of the world and global travel retail | 3.1%           | 1.5%           | -4.4%         | 6.0%            |
| <b>total</b>                               | <b>2.4%</b>    | <b>3.4%</b>    | <b>-4.1%</b>  | <b>3.1%</b>     |

## EBIT before one-off's by geographic area for 2014

|  | 1 January-31 December 2014 |               | 1 January-31 December 2013 |               | % change     |
|--|----------------------------|---------------|----------------------------|---------------|--------------|
|  | € million                  | %             | € million                  | %             |              |
| Americas                                   | 101.1                      | 33.9%         | 104.1                      | 34.8%         | -2.9%        |
| Italy                                      | 90.7                       | 30.4%         | 77.2                       | 25.7%         | 17.5%        |
| Rest of Europe                             | 80.8                       | 27.1%         | 82.8                       | 27.6%         | -2.5%        |
| Rest of the world and global travel retail | 25.6                       | 8.6%          | 35.5                       | 11.9%         | -28.0%       |
| <b>Total</b>                               | <b>298.2</b>               | <b>100.0%</b> | <b>299.6</b>               | <b>100.0%</b> | <b>-0.5%</b> |

| Breakdown of % change                      | Total % change | Organic growth | Exchange rate effect | External growth |
|--|----------------|----------------|----------------------|-----------------|
| Americas                                   | -2.9%          | -1.8%          | -2.7%                | 1.6%            |
| Italy                                      | 17.5%          | 12.1%          | 0.0%                 | 5.4%            |
| Rest of Europe                             | -2.5%          | -1.5%          | -6.1%                | 5.1%            |
| Rest of the world and global travel retail | -28.0%         | -17.4%         | -11.2%               | 0.6%            |
| <b>Total</b>                               | <b>-0.5%</b>   | <b>0.0%</b>    | <b>-3.9%</b>         | <b>3.4%</b>     |

## GRUPPO CAMPARI

### Consolidated income statement for full year 2014

|   | 1 January-31 December 2014 |               | 1 January-31 December 2013 |               | %<br>Change   |
|---|----------------------------|---------------|----------------------------|---------------|---------------|
|   | € million                  | %             | € million                  | € million     |               |
| <b>Net sales<sup>(1)</sup></b>                    | <b>1,560.0</b>             | <b>100.0%</b> | <b>1,524.1</b>             | <b>100.0%</b> | <b>2.4%</b>   |
| Total cost of goods sold <sup>(2)</sup>           | (728.3)                    | -46.7%        | (713.7)                    | -46.8%        | 2.0%          |
| <b>Gross profit</b>                               | <b>831.7</b>               | <b>53.3%</b>  | <b>810.5</b>               | <b>53.2%</b>  | <b>2.6%</b>   |
| Advertising and promotion                         | (260.8)                    | -16.7%        | (249.2)                    | -16.4%        | 4.6%          |
| <b>Contribution after A&amp;P</b>                 | <b>570.9</b>               | <b>36.6%</b>  | <b>561.2</b>               | <b>36.8%</b>  | <b>1.7%</b>   |
| SG&A <sup>(3)</sup>                               | (272.7)                    | -17.5%        | (261.6)                    | -17.2%        | 4.3%          |
| <b>EBIT before one-off's</b>                      | <b>298.2</b>               | <b>19.1%</b>  | <b>299.6</b>               | <b>19.7%</b>  | <b>-0.5%</b>  |
| One off's   | (43.2)                     | -2.8%         | (10.3)                     | -0.7%         | -             |
| <b>Operating profit=EBIT</b>                      | <b>255.0</b>               | <b>16.3%</b>  | <b>289.3</b>               | <b>19.0%</b>  | <b>-11.9%</b> |
| Net financing costs                               | (60.3)                     | -3.9%         | (58.9)                     | -3.9%         | 2.3%          |
| One off's financial expenses                      | (0.8)                      | -0.1%         | (0.2)                      | 0.0%          | -             |
| Income from associates                            | (0.2)                      | 0.0%          | (0.2)                      | 0.0%          | 0.0%          |
| Put option  | 0.5                        | 0.0%          | 0.2                        | 0.0%          | 0.0%          |
| <b>Profit before taxes and minority interests</b> | <b>194.2</b>               | <b>12.4%</b>  | <b>230.2</b>               | <b>15.1%</b>  | <b>-15.7%</b> |
| Taxes   | (64.6)                     | -4.1%         | (79.8)                     | -5.2%         | -19.1%        |
| <b>Net Profit</b>                                 | <b>129.5</b>               | <b>8.3%</b>   | <b>150.4</b>               | <b>9.9%</b>   | <b>-13.9%</b> |
| Minority interests                                | (0.6)                      | 0.0%          | (0.6)                      | 0.0%          | 7.2%          |
| <b>Group net profit</b>                           | <b>128.9</b>               | <b>8.3%</b>   | <b>149.8</b>               | <b>9.8%</b>   | <b>-13.9%</b> |
| Depreciation and amortisation                     | (39.4)                     | -2.5%         | (39.5)                     | -2.6%         | -0.3%         |
| <b>EBITDA before one-off's</b>                    | <b>337.5</b>               | <b>21.6%</b>  | <b>339.1</b>               | <b>22.3%</b>  | <b>-0.5%</b>  |
| <b>EBITDA</b>                                     | <b>294.4</b>               | <b>18.9%</b>  | <b>328.8</b>               | <b>21.6%</b>  | <b>-10.5%</b> |

(1) Net of discounts and excise duties.

(2) Includes cost of material, production and logistics costs.

(3) Includes selling, general and administrative costs.

## GRUPPO CAMPARI

### Consolidated balance sheet as of 31 December 2014

|   | 31 December 2014<br>€ million | 31 December 2013<br>€ million |
|---|-------------------------------|-------------------------------|
| <b>ASSETS</b>                                     |                               |                               |
| <b>Non-current assets</b>                         |                               |                               |
| Net tangible fixed assets                         | 441.5                         | 396.6                         |
| Biological assets                                 | 17.5                          | 17.3                          |
| Property  | 1.5                           | 0.5                           |
| Goodwill and trademarks                           | 1,841.0                       | 1,556.4                       |
| Intangible assets                                 | 29.8                          | 26.0                          |
| Interests in associates                           | 0.7                           | 0.9                           |
| Deferred tax assets                               | 19.1                          | 12.4                          |
| Other non-current assets                          | 56.7                          | 33.7                          |
| <b>Total non-current assets</b>                   | <b>2,407.7</b>                | <b>2,043.7</b>                |
| <b>Current assets</b>                             |                               |                               |
| Inventories                                       | 477.0                         | 442.6                         |
| Current biological assets                         | 4.1                           | 4.5                           |
| Trade receivables                                 | 313.6                         | 288.5                         |
| Short-term financial receivables                  | 22.8                          | 34.1                          |
| Cash and cash equivalents                         | 230.9                         | 441.6                         |
| Receivables for income taxes                      | 13.0                          | 17.0                          |
| Other receivables                                 | 26.7                          | 29.4                          |
| <b>Total current assets</b>                       | <b>1,088.2</b>                | <b>1,257.8</b>                |
| Non-current assets for sale                       | 21.9                          | 1.0                           |
| <b>Total assets</b>                               | <b>3,517.7</b>                | <b>3,302.5</b>                |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |                               |                               |
| <b>Shareholders' equity</b>                       |                               |                               |
| Share capital                                     | 58.1                          | 58.1                          |
| Reserves  | 1,516.8                       | 1,333.6                       |
| Group's shareholders' equity                      | 1,574.8                       | 1,391.6                       |
| Minority interests                                | 5.1                           | 4.5                           |
| <b>Total shareholders' equity</b>                 | <b>1,579.9</b>                | <b>1,396.1</b>                |
| <b>Non-current liabilities</b>                    |                               |                               |
| Bonds   | 1,086.9                       | 1,127.0                       |
| Other non-current payables                        | 25.8                          | 48.7                          |
| Defined benefit plans                             | 9.4                           | 8.6                           |
| Provisions for risks and charges                  | 37.9                          | 32.4                          |
| Deferred tax liabilities                          | 266.2                         | 204.7                         |
| <b>Total non-current liabilities</b>              | <b>1,426.1</b>                | <b>1,421.4</b>                |
| <b>Current liabilities</b>                        |                               |                               |
| Short term debt banks                             | 36.7                          | 122.3                         |
| Other financial payables                          | 117.4                         | 44.4                          |
| Trade payables                                    | 223.2                         | 198.1                         |
| Payables for taxes                                | 4.9                           | 7.2                           |
| Other current liabilities                         | 127.8                         | 113.1                         |
| <b>Total current liabilities</b>                  | <b>509.9</b>                  | <b>485.0</b>                  |
| Liabilities held for sale                         | 1.7                           | 0.0                           |
| <b>Total liabilities</b>                          | <b>1,937.8</b>                | <b>1,906.4</b>                |
| <b>Total liabilities and shareholders' equity</b> | <b>3,517.7</b>                | <b>3,302.5</b>                |

## GRUPPO CAMPARI

### Consolidated cash flow statement as of 31 December 2014

|  | 31 December 2014<br>€ million | 31 December 2013<br>€ million |
|--|-------------------------------|-------------------------------|
| <b>EBITDA</b>  | <b>294.4</b>                  | <b>328.8</b>                  |
| Impairment loss on goodwill and trademarks   | 23.7                          | 0.0                           |
| Other changes in non-cash items  | 4.9                           | 7.5                           |
| Changes in tax and other non financial net receivables   | 20.3                          | (4.0)                         |
| Taxes on income paid   | (53.0)                        | (75.8)                        |
| <b>Cash flow from operating activities<br/>before change in operating working capital</b>          | <b>290.2</b>                  | <b>256.6</b>                  |
| Net change in operating working capital  | (6.9)                         | (36.0)                        |
| <b>Cash flow from operating activities</b>   | <b>283.3</b>                  | <b>220.6</b>                  |
| Net interest paid  | (57.5)                        | (55.9)                        |
| Cash flow from investing activities  | (47.9)                        | (58.9)                        |
| <b>Free cash flow</b>  | <b>177.9</b>                  | <b>105.9</b>                  |
| Acquisitions <sup>(1)</sup>  | (236.1)                       | (13.6)                        |
| Purchase and sales of trademarks and distribution rights<br>and payment of put option and earn out | (6.2)                         | (15.4)                        |
| Dividends paid   | (46.1)                        | (39.8)                        |
| Other changes  | (6.1)                         | (25.2)                        |
| <b>Cash flow from other activities</b>   | <b>(294.6)</b>                | <b>(94.0)</b>                 |
| Exchange rate differences and other movements  | (9.2)                         | (0.2)                         |
| <b>Change in net debt as a result of operating activities</b>                                      | <b>(125.9)</b>                | <b>11.7</b>                   |
| Change in payable for the exercise of put options and payment of earn out                          | 0.2                           | 5.3                           |
| <b>Change in net financial position</b>  | <b>(125.7)</b>                | <b>16.9</b>                   |
| Net financial position at start of period  | <b>(852.8)</b>                | <b>(869.7)</b>                |
| <b>Net financial position at end of period</b>   | <b>(978.5)</b>                | <b>(852.8)</b>                |

(1) Includes acquisitions of Forty Creek Distillery Ltd. (€ 132.4 million after post-closing adjustments) e Fratelli Averna S.p.A. (€ 103.7 million).

**DAVIDE CAMPARI-MILANO S.p.A.****Parent company income statement**

|                                       | 1 January-<br>31 December 2014<br>€ million | 1 January-<br>31 December 2013<br>€ million |
|---------------------------------------|---|---|
| <b>Net sales</b>                      | 546.5                                       | <b>542.3</b>                                |
| Total cost of goods sold              | (247.0)                                     | (255.7)                                     |
| <b>Gross margin</b>                   | <b>299.5</b>                                | <b>286.6</b>                                |
| Advertising and promotion             | 59.6  | (51.9)                                      |
| <b>Contribution after A&amp;P</b>     | <b>240.0</b>                                | <b>234.8</b>                                |
| SG&A                                  | (97.6)                                      | (73.7)                                      |
| of which one-off's                    | (17.4)                                      | 1.4   |
| <b>Operating profit</b>               | <b>142.4</b>                                | <b>161.0</b>                                |
| Income from associates                | 44.3  | 112.7                                       |
| Net financial income (expenses)       | (54.1)                                      | (49.3)                                      |
| of which one off's financial expenses | (0.8)                                       | (0.2)                                       |
| <b>Pre-tax profit</b>                 | <b>132.6</b>                                | <b>224.4</b>                                |
| Taxes                                 | (33.9)                                      | (39.4)                                      |
| <b>Net profit</b>                     | <b>98.7</b>                                 | <b>185.0</b>                                |

**Parent company balance sheet**

|   | 31 December 2014<br>€ million | 31 December 2013<br>€ million |
|---|-------------------------------|-------------------------------|
| Total non-current assets                          | 2,012.8                       | 1,908.8                       |
| Total current assets                              | 376.9                         | 427.1                         |
| Total non-current assets designed for sale        | 1.0                           | 1.0                           |
| <b>Total assets</b>                               | <b>2,390.7</b>                | <b>2,336.9</b>                |
| Total shareholders' equity                        | 989.6                         | 936.9                         |
| Total non-current liabilities                     | 1,150.3                       | 1,243.4                       |
| Total current liabilities                         | 250.7                         | 156.7                         |
| <b>Total liabilities and shareholders' equity</b> | <b>2,390.7</b>                | <b>2,336.9</b>                |

**Parent company cash flow**

|  | 31 December 2014<br>€ million | 31 December 2013<br>€ million |
|--|-------------------------------|-------------------------------|
| Cash flow from operating activities              | 118.8                         | 146.5                         |
| Cash flow from investing activities              | 37.3                          | 5.6                           |
| Cash flow from financing activities              | (153.0)                       | (179.1)                       |
| Increase (decrease) in cash and banks            | (71.4)                        | (27.0)                        |
| <b>Cash and banks at start of financial year</b> | <b>120.6</b>                  | <b>147.7</b>                  |
| <b>Cash and banks at end of financial year</b>   | <b>49.2</b>                   | <b>120.6</b>                  |