



2014 Full Year Results

Full year ended 31 December 2014

Investor Presentation

10 March 2015



Results highlights

Sales results

- overall
- by region
- by brand

Operating results by region

Consolidated P&L

Cash flow and Net debt analysis

Outlook



Results for the year ended 31 December 2014

Key highlights

Key figures	FY 2014 € million	Reported growth	Organic change	Forex	Perimeter ⁽¹⁾	Q4 2014 Organic change
Net sales	1,560.0	+2.4%	+3.4%	-4.1%	+3.1%	+4.2%
Contribution after A&P	570.9	+1.7%	+2.5%	-4.1%	+3.4%	+2.4%
EBITDA pre one-off's	337.5	-0.5%	-0.4%	-3.8%	+3.8%	-0.3%
EBIT pre one-off's	298.2	-0.5%	0.0%	-3.9%	+3.4%	-0.4%
One-off's	(43.2)	-				
Reported Group net profit	128.9	-13.9%				
Adjusted Group net profit ⁽²⁾	154.4	-0.7%				

- > **Solid organic sales growth: +3.4% in FY 2014** (vs. +1.7% in FY 2013), showing **acceleration in Q4**
- > Thanks to **acceleration of organic sales growth** and **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-markets**
- > **Adjusted Group net profit ⁽²⁾ of € 154.4 million, down -0.7%**

(1) Includes acquisitions of Forty Creek Distillery Ltd. (closed on 2 June 2014) and Gruppo Averna (closed on 3 June 2014)

(2) Group net profit adjusted for one off's and related fiscal effects for FY 2014 and FY 2013



Results for the year ended 31 December 2014

Organic sales growth highlights

Organic sales growth by region

All regions showing positive organic performance in FY 2014

- **Americas +4.0% (+6.5% in Q4)**, mitigated by **realignment of shipments to positive depletions and consumption trends in the US**, particularly for Wild Turkey bourbon, and **continued strong growth momentum in Argentina and Brazil**
- **Italy +3.5% (+2.0% in Q4)**, driven by **aperitifs, particularly Aperol** and the single serve aperitifs
- **RoE +3.2% (+7.2% in Q4)**, **solid performance** across key markets, particularly **Russia** driven by sparkling wines and other **Western European markets** driven by Aperol, compensating softness in Germany despite improvement in Q4
- **RoW and GTR +1.5% (-7.3% in Q4)**, Australia remained weak, as expected, more than offset by **positive development of emerging markets (Nigeria, South Africa and China)** and **Global Travel Retail**

Organic sales growth by brand category

- **Top 6 international franchises up +3.0% in FY 2014 (+6.4% in Q4)**
 - **Growth driven by Campari, Aperol, and Jamaican rum portfolio**, accelerating in Q4, and **SKYY franchise** stable within a very competitive US environment
 - Overall organic performance of **Wild Turkey** franchise affected by **continued weakness in Australia**, mitigated by realignment of shipments to positive depletions and consumption trends in the US in Q4
 - Softness in **Cinzano** attributable to **strong price competition in Germany** offsetting **positive performances in Argentina and Russia**
- **High potential brands** achieved good results, up **+4.3% in FY (+4.5% in Q4)**, driven by single malt scotch whisky (GlenGrant) and tequila (Espolòn)
- **Key local brands up +5.1% in FY (+1.5% in Q4)** with positive results across the whole portfolio



Results for the year ended 31 December 2014

Operating & financial highlights

Operating margin (EBIT pre one -off's)

- > **Overall -50 bps margin dilution:** organic EBIT pre one-off's dilution of -60 bps driven by slight dilution in gross margin (-10 bps), enhanced A&P investments (-30 bps) and increased structure costs (-30 bps) following intensive new route-to-market initiatives, in line with expectations

Net profit

- > **Reported Group net profit at € 128.9 million, down by -13.9%, mainly due to negative one-off's** (provisions for restructuring initiatives and write-down of intangibles)
- > **Net profit of € 154.4 million adjusted for one-off's and related fiscal effects, down -0.7%**

Free cash flow

- > **Robust free cash flow generation: € 177.9 million in FY 2014 (vs. € 105.9 million in FY 2013)**

Net Debt & Dividend

- > **Net debt of € 978.5 million** as of 31 December 2014 (vs. € 852.8 million as of 31 Dec 2013), after a total investment of € 236.1 million in the acquisitions of Forty Creek Distillery Ltd. and Gruppo Averna (both deals were closed in June 2014), capex of € 47.8 million and dividend of € 46.1 million
- > **Net debt to EBITDA ratio at 2.9 x** as of 31 December 2014 (unchanged vs. 30 September 2014)
- > **Proposed dividend of € 0.08 per share** (unchanged vs. 2013)



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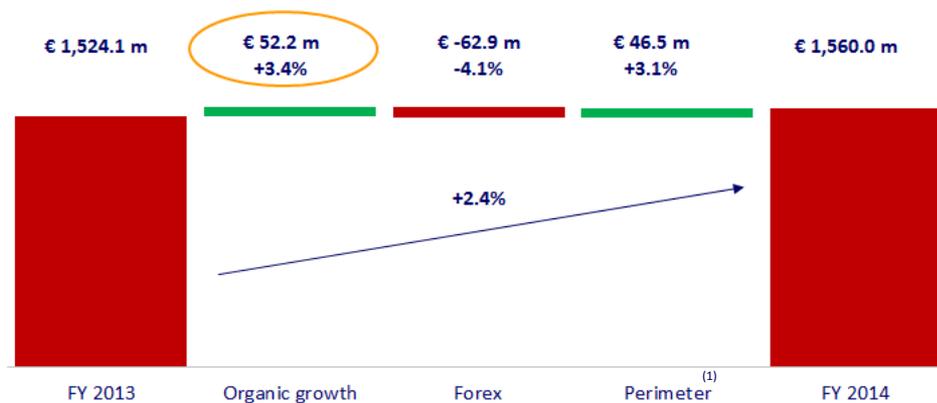
Outlook



GRUPPO
CAMPARI

FY 2014 sales results

Overall



Breakdown of change in perimeter

	€ m
Own brands	54.9
- Acquisition of Gruppo Averna ⁽¹⁾	38.2
- Acquisition of Forty Creek Distillery ⁽¹⁾	16.7
Agency brands	-16.0
- Distribution of William Grant&Sons ⁽²⁾	8.8
- Other agency brands	9.9
- Termination of other agency brands ⁽³⁾	(34.7)
Co-packing activities in Australia	7.6
Total perimeter change	46.5

> Overall sales performance (reported) of +2.4% vs. FY 2013:

- **Organic change of +3.4% (or € 52.2 million)**
 - **Key trends and growth drivers by region**
 - Americas: +4.0%
 - Italy: +3.5%
 - Rest of Europe: +3.2%
 - RoW and GTR: +1.5%
 - **Key trends and growth drivers by brand**
 - Top 6 international brands: +3.0%, driven by Campari, Aperol, SKYY, Jamaican rum portfolio
 - High potential brands: +4.3%, driven by GlenGrant, Espolòn Tequila
 - Key local brands: +5.1%
- **Forex effect remained negative overall at -4.1%** (or € (62.9) million), with improving trends in Q4 in key Group currencies
- **Perimeter change of +3.1%** (or € 46.5 million), mainly driven by acquisitions⁽¹⁾

(1) Acquisitions of Forty Creek Distillery Ltd. (closed on 2 June 2014) and Gruppo Averna (closed on 3 June 2014)

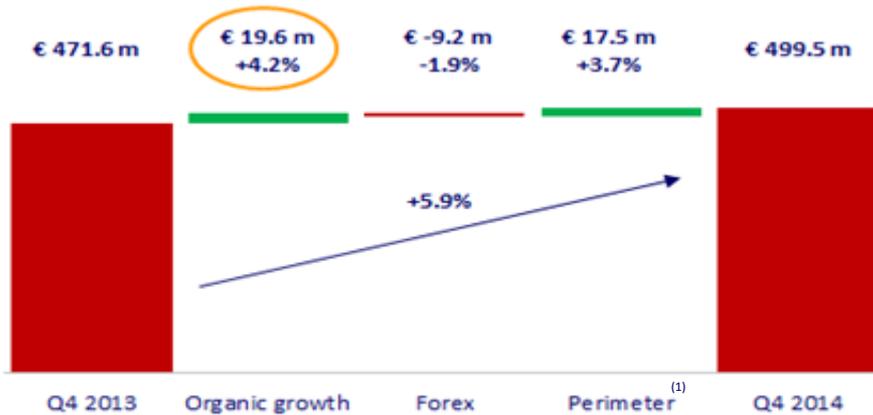
(2) Distribution of William Grant&Son in Germany since 1 July 2013

(3) Including Russian standard vodka, Cachaca 51, Flor de cana



Q4 2014 sales results

Overall



Group sales organic growth by quarter

Group	2014	2013
Q1	-3.0%	-9.0%
Q2	9.4%	1.4%
Q3	1.7%	5.2%
Q4	4.2%	6.4%
1H	3.8%	-3.3%
2H	3.1%	5.9%
9M	3.1%	-0.4%
FY	3.4%	1.7%

- **Organic change of +4.2% (or € 19.6 million) in Q4 2014:**

- **Key trends and growth drivers by region**

- **Americas: +6.5%**, driven by **US (+2.1%)**, **Jamaica (+1.8%)**, **Brazil (+7.2%)** and **Argentina (+44.0%)**
 - **Italy: +2.0%**, mainly driven by Aperol and Campari
 - **Rest of Europe: +7.2%**, driven by Russia, with Germany stabilizing
 - **RoW and GTR: -7.3%**, driven by Australia

- **Key trends and growth drivers by brand**

- **Top 6 international franchises: +6.4%**, mainly due to continued growth in Campari, Aperol and Jamaican rum portfolio. Positive SKYY franchise driven by Brazil, improved trend in Cinzano, continued recovery in Wild Turkey in the US while Australia remained a tough market
 - **High potential brands: +4.5%**, mainly driven by sparkling wines
 - **Key local brands: +1.5%**, with normalized trend in Crodino and Campari Soda as expected

- **Forex effect of -1.9%**, with improving trends in key Group currencies (-5.1% in 9M 2014)

- **Perimeter change of +3.7%**, driven by acquisitions⁽¹⁾

⁽¹⁾ Acquisitions of Forty Creek Distillery Ltd. (closed on 2 June 2014) and Gruppo Averna (closed on 3 June 2014)



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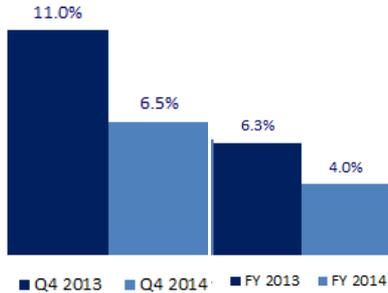
Outlook



FY 2014 sales organic growth

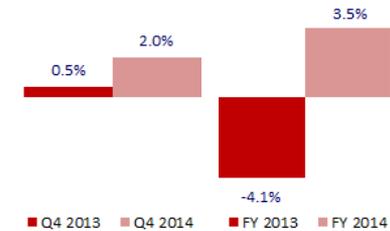
By region

Americas
(38.8% of Group Net sales)

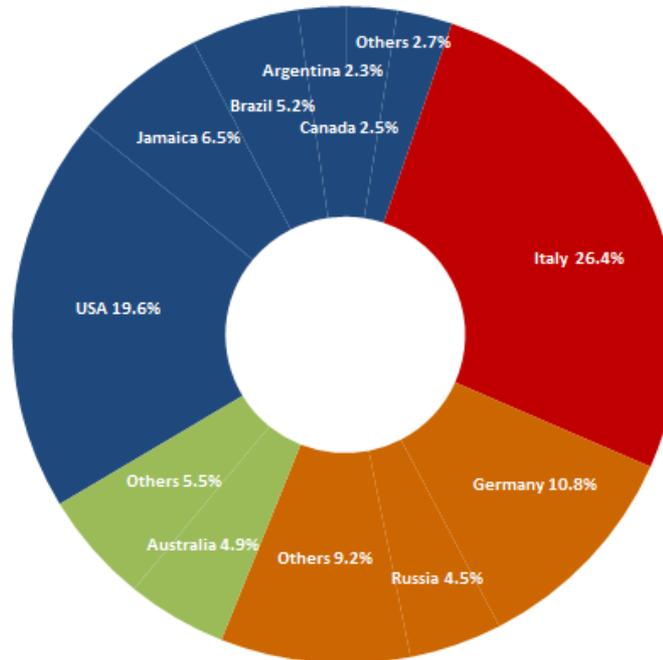
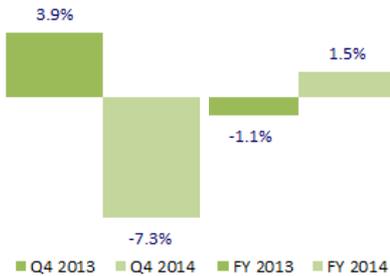


FY 2014 Net sales: € 1,560.0 m
Organic growth: +3.4%

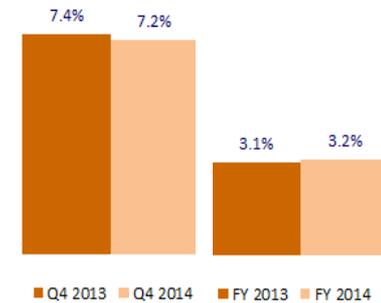
Italy
(26.4% of Group Net sales)



Rest of World & GTR
(10.3% of Group Net sales)



Rest of Europe
(24.5% of Group Net sales)

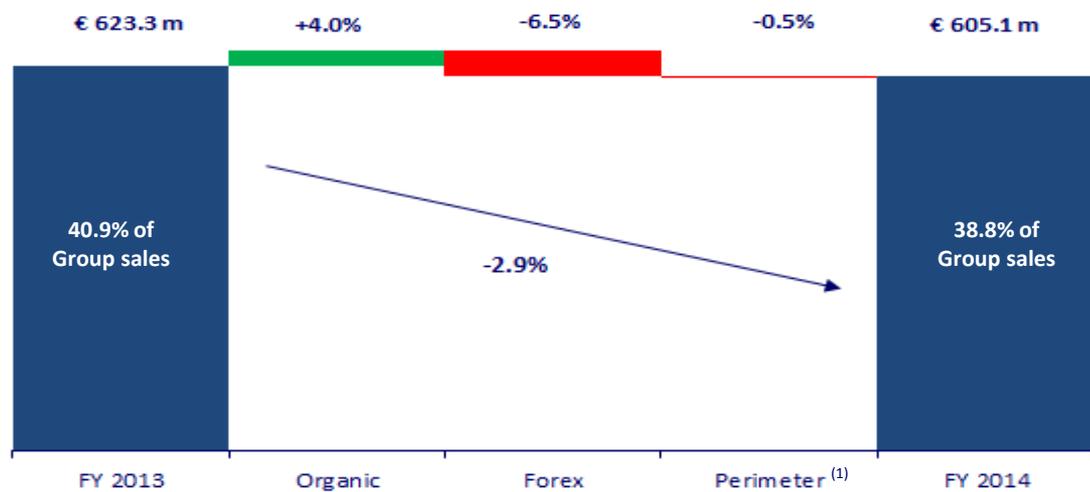


Developed vs. emerging markets: 73% vs. 27% ⁽¹⁾ in FY 2014

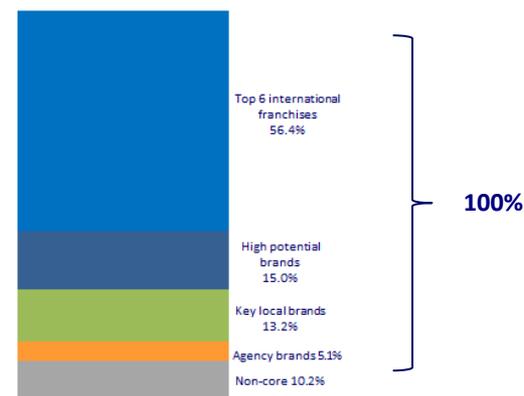
⁽¹⁾ Key emerging markets include Jamaica, Brazil, Argentina, Russia, South Africa



Sales by Region - Americas



Americas sales breakdown by brand in FY 2014 (as % of Region sales)



By market:	Total change	Organic	Forex	Perimeter	% of Group sales
USA	-2.3%	0.9%	-0.1%	-3.2%	19.6%
Jamaica	-18.6%	-4.4%	-8.5%	-5.6%	6.5%
Brazil	-1.2%	7.6%	-8.9%	0.1%	5.2%
Argentina	-4.7%	41.2%	-45.9%	0.0%	2.3%
Canada	30.3%	-7.4%	-5.9%	43.6%	2.5%
Other countries	16.7%	22.5%	-8.7%	2.9%	2.7%

Americas sales organic growth by quarter

	2014	2013
Q1	-4.8%	10.8%
Q2	5.8%	5.3%
Q3	8.0%	-1.2%
Q4	6.5%	11.0%
1H	0.9%	7.5%
2H	7.6%	5.2%
9M	3.1%	4.3%
FY	4.0%	6.3%

> **Americas at 38.8% of Group sales** in FY 2014 (vs. 40.9% in FY 2013)

> Overall change in net sales of **-2.9%** of the region:

- **Organic change of +4.0%**
- **Unfavourable forex effect of -6.5%**, with continuous improving trends in Q4
- **Perimeter effect of -0.5%**

⁽¹⁾ Acquisitions of Forty Creek Distillery Ltd. (closed on 2 June 2014) and Gruppo Averna (closed on 3 June 2014)



Sales by Region - Americas (cont'd)

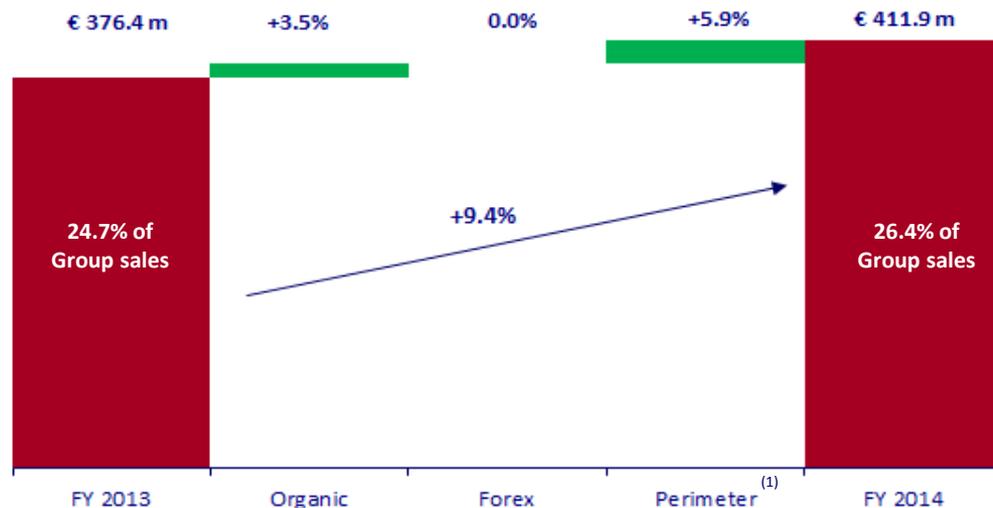
Analysis of organic growth by key markets

- > **US** (19.6% of Group sales)
 - Overall organic performance of **+0.9%**: SKYY and Wild Turkey shipments were soft, as their gradual realignment to positive underlying depletions and consumption trends did not fully offset the soft shipments performance at beginning of the year
 - **Positive progression in Aperol, Campari, Rum portfolio and tequilas**
- > **Jamaica** (6.5% of Group sales)
 - Sales declined organically by **-4.4%**, with **Q4 up +1.8%**, driven by soft performance of non core, partly offset by positive results of rum portfolio and Campari
- > **Brazil** (5.2% of Group sales)
 - Overall organic growth of **+7.6%**, driven by premium spirits **Campari, SKYY and Aperol**, and, on a smaller scale, imported spirits
 - Good results in Dreher, more than offsetting the continuous slowdown in local whiskies
- > **Argentina** (2.3% of Group sales)
 - **Strong momentum continued (+41.2%)**, driven mainly by **Campari (triple digit growth), SKYY (double digit growth) and Cinzano Vermouth (double digit growth)**
 - **Positive development in Aperol (up double digit)**
- > **Canada** (2.5% of Group sales)
 - Overall negative organic change of **-7.4%**, in line with expected distribution change ⁽¹⁾

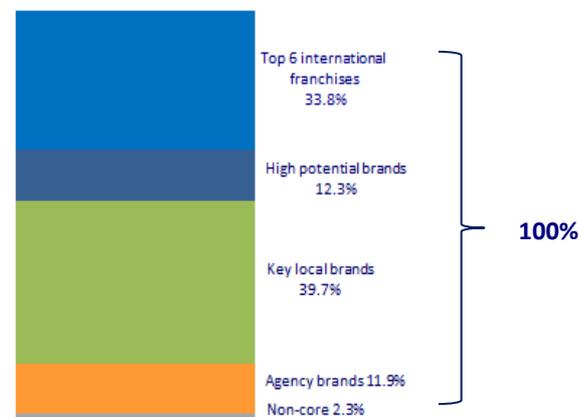
⁽¹⁾ As of 1 January 2015, Gruppo Campari started direct distribution in Canada



Sales by Region - Italy



Italy sales breakdown by brand in FY 2014



- > **Italy: 26.4% of Group sales in FY 2014** (vs. 24.7% in FY 2013)
- > **Overall sales growth was +9.4%**
 - **Organic growth at +3.5%**, with **top 6 international franchises up +4.1%** and **key local brands up +5.1%**
 - **Perimeter effect of +5.9%**, mainly attributable to the acquisition of Gruppo Averna⁽¹⁾

Italy sales organic growth by quarter

Italy	2014	2013
Q1	5.2%	-26.3%
Q2	11.2%	-6.6%
Q3	-5.1%	24.5%
Q4	2.0%	0.5%
1H	8.7%	-16.0%
2H	-1.1%	10.0%
9M	4.2%	-5.9%
FY	3.5%	-4.1%

⁽¹⁾ Acquisitions of Gruppo Averna closed on 3 June 2014



Sales by Region - Italy (cont'd)

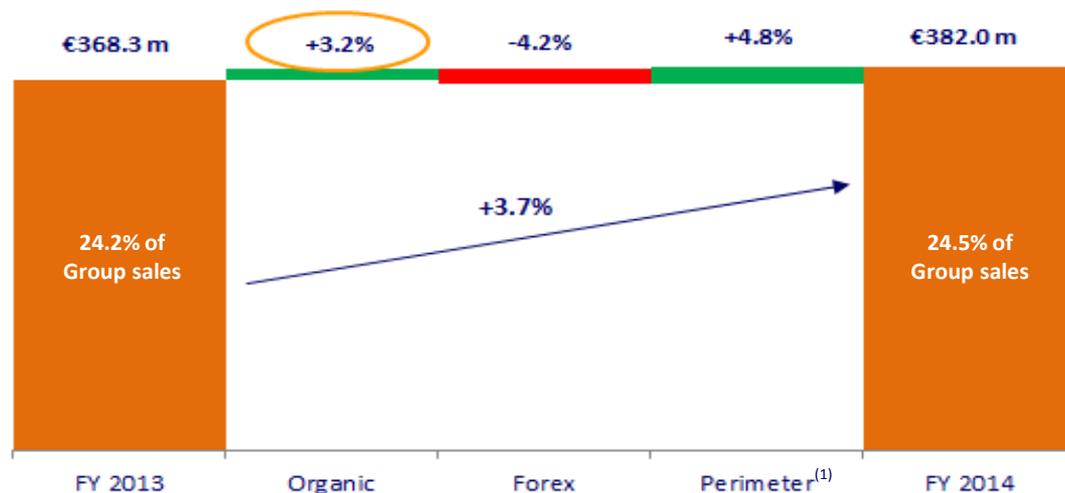
Analysis of organic growth by key brands

- > Positive organic growth on a full year basis was driven by **outperformance of the aperitifs business**. In particular **Aperol grew by +5.4%** with Aperol Spritz reaching key milestone of **#1 Italian Cocktail⁽¹⁾**, **Crodino was up +15.0%** and **Campari Soda was up +5.6%**. **Jamaican rum portfolio continued its positive development**
- > **Q4 was positive at +2.0%** recovering after weak Q3 affected by adverse weather conditions. **Campari accelerated (+11.8%)**, partially compensating the temporary slowdown in 9M, and Campari Soda and Crodino were back to normalized trend as expected

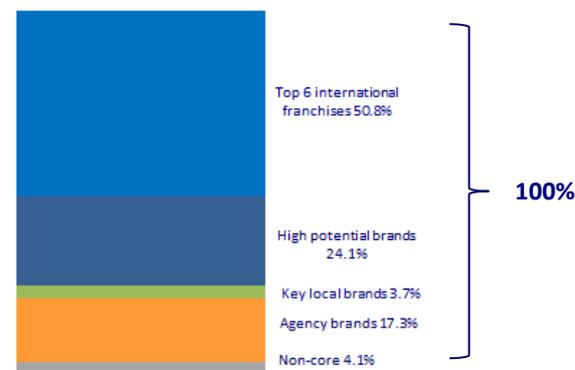
⁽¹⁾ Source: GfK Total Single Source Panel data – Italian market release 2014.2 processed by DCM S.p.A.



Sales by Region - Europe (excl. Italy)



Europe sales breakdown by brand in FY 2014 (as % of Region sales)



By market:	Total change	Organic	Forex	Perimeter	% of Group sales
Germany	6.3%	-3.3%	0.0%	9.5%	10.8%
Russia	-11.3%	11.0%	-18.2%	-4.1%	4.5%
Other countries	9.8%	6.1%	-0.9%	4.6%	9.2%

Europe sales organic growth by quarter

	2014	2013
Q1	0.4%	-8.8%
Q2	3.5%	7.3%
Q3	-1.4%	1.9%
Q4	7.2%	7.4%
1H	2.2%	0.0%
2H	3.8%	5.1%
9M	0.8%	0.7%
FY	3.2%	3.1%

> Rest of Europe: 24.5% of Group sales in FY 2014 (vs. 24.2% in FY 2013)

> Overall growth of +3.7%

- Organic growth of +3.2%
- Forex effect of -4.2%
- Perimeter effect of +4.8%, mainly due to distribution of William Grant&Sons portfolio in Germany and the acquisition of Gruppo Averna ⁽¹⁾

⁽¹⁾ Acquisitions of Gruppo Averna closed on 3 June 2014



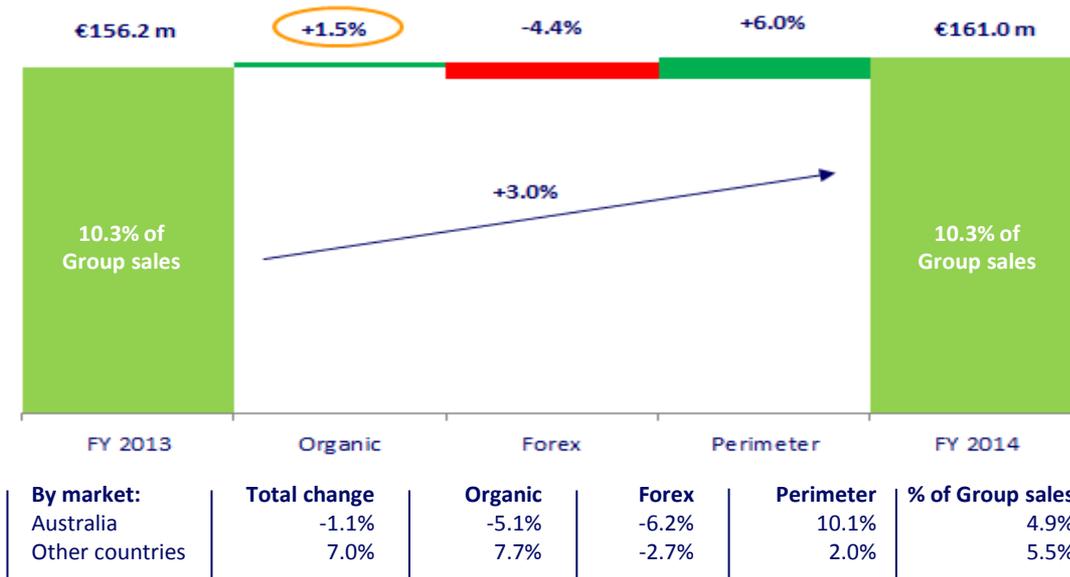
Sales by Region - Europe (excl. Italy) (cont'd)

Analysis of organic growth by key markets

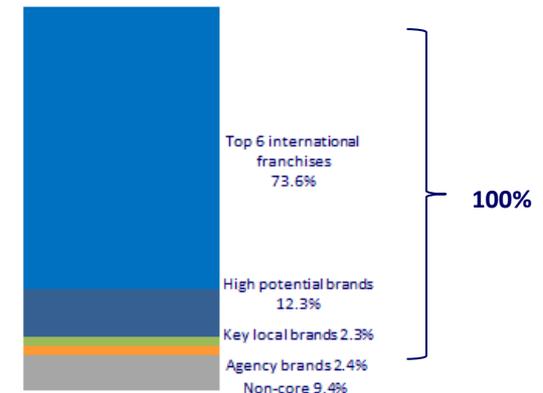
- > **Germany** (10.8% of Group sales)
 - **Overall organic decline of -3.3%**, despite a positive Q4 (up by +0.9%)
 - Aperitifs and sparkling wines continued to be negatively impacted by **persistent pricing pressure** as well as competition from flavoured sparkling wines and Ready-to-Serve beverages, partially offset by positive progression of SKYY
- > **Russia** (4.5% of Group sales)
 - **Very satisfactory and positive results of +11.0%** in a highly volatile market
 - **Positive performance of the sparkling wine portfolio** (Cinzano sparkling wines, Mondoro), more than offsetting the continuing decline of the vermouth category
 - Strong **triple digit growth in Riccadonna, Wild Turkey and Aperol**, although from small base
- > **Other European markets** (9.2% of Group sales)
 - **Very positive growth of +6.1%**, notwithstanding distribution changes in Spain and UK, driven by **strong growth of Aperol in Central European countries**, in particular **France (more than tripled)**



Sales by Region - RoW and GTR



RoW and GTR sales breakdown by brand in FY 2014 (as % of Region sales)



- > **RoW and GTR: 10.3% of Group sales in FY 2014** (vs. 10.3% in FY 2013)
- > Overall sales change of +3.0% with an **organic change of +1.5%**

RoW and GTR sales organic growth by quarter

	2014	2013
Q1	-18.0%	-6.9%
Q2	43.2%	0.0%
Q3	2.4%	-2.7%
Q4	-7.3%	3.9%
1H	7.7%	-3.5%
2H	-4.4%	0.9%
9M	5.7%	-3.2%
FY	1.5%	-1.1%

Analysis of organic growth by key markets

- > **Australia** (4.9% of Group sales) was weak (-5.1%), due to continuing competition and weak consumer confidence, in line with expectation
- > **Other markets** (5.5% of Group sales) **up by +7.7%**, driven by positive performance in **Nigeria (+18.4%), South Africa (+12.1%), China (+8.5%)** and **GTR (+19.7%)**



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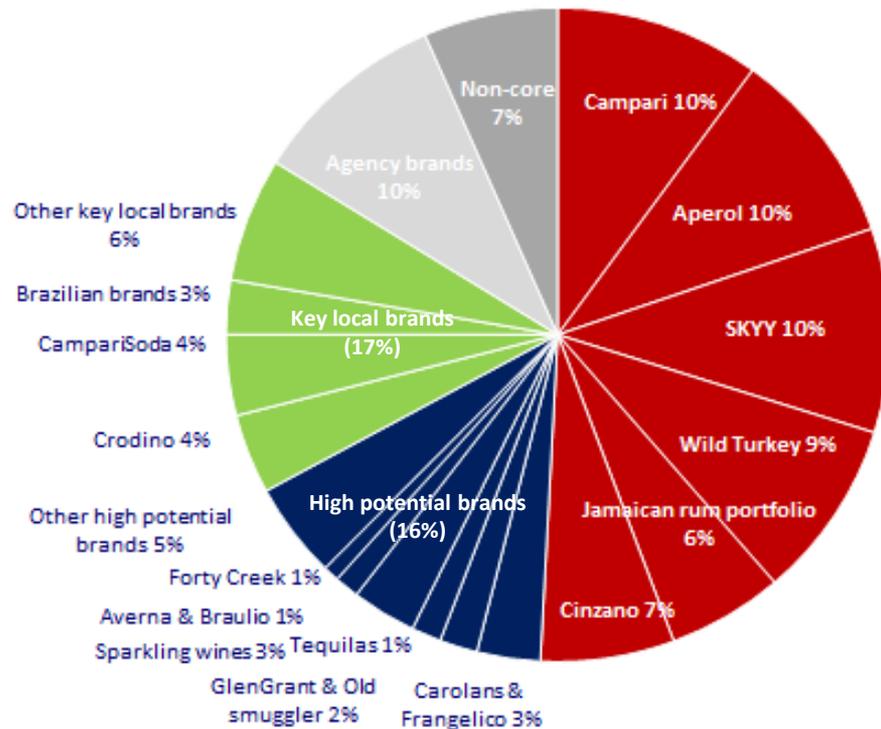
Outlook



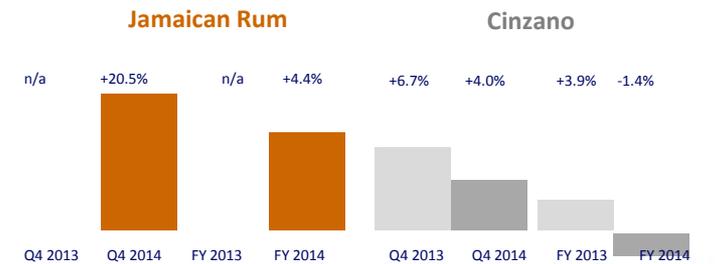
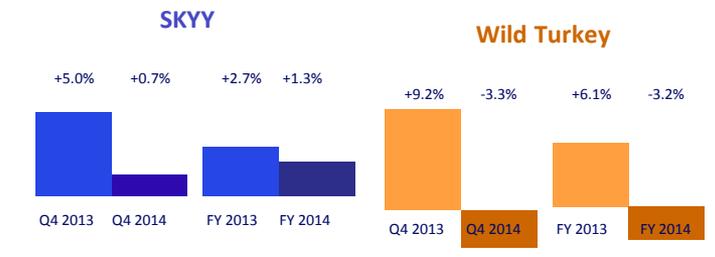
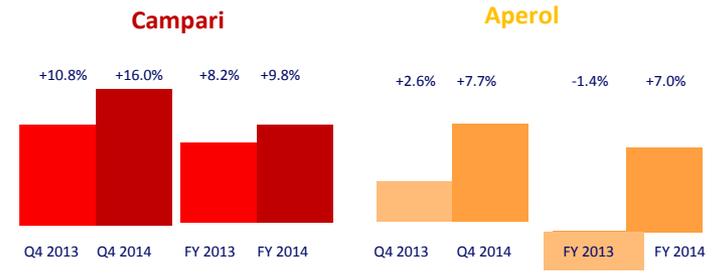
FY 2014 Net sales

Breakdown by brand

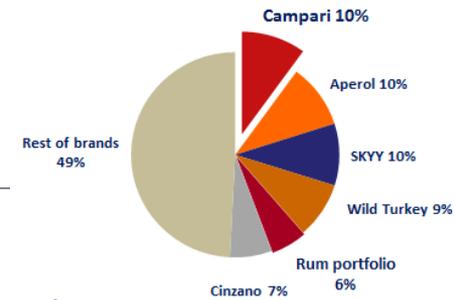
FY 2014 Net sales: € 1,560.0 m



Top 6 International franchises: 51% of Group sales



Review of top franchises:



- > **Organic growth in FY 2014: +9.8% (Q4: 16.0%)(1) (2)**
 - Strong growth led by acceleration in **international markets, benefiting also from the positive trend of classic cocktails.** In particular:
 - **more than triple digit growth in Argentina**, mostly driven by volume
 - continued **double digit growth in Brazil**
 - high single digit growth in **US**
 - very positive development in **France, Nigeria** and **Global Travel Retail**, up by double digit
 - **Flat results in Italy**, with acceleration of growth in Q4, offsetting slowdown in 9M affected by adverse weather conditions

(1) Sales at constant FX (+4.4% at current FX)
 (2) Excluding sales of Campari Orange Passion

Activation



Worldwide Campaign to leverage the globally consumed classic cocktail Negroni



Classic cocktail activation in Switzerland, Russia, Brazil and Argentina

Trade & consumer education



Campari academy launched in US



On trade activation in France, Brazil and Germany

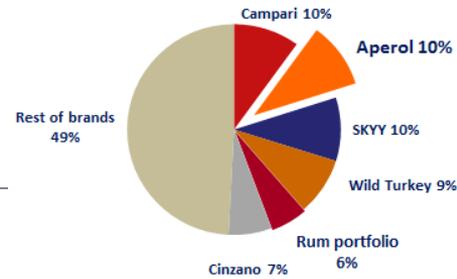
Innovation



Limited Edition art labels 2014



Review of top franchises:



- > **Organic growth in FY 2014: +7.0% (Q4: +7.7%)** ⁽¹⁾ ⁽²⁾
 - Overall **solid performance across all key brand markets and very positive development in new markets**
 - **11 years of uninterrupted growth in Italy (+5.4% in FY 2014), making Aperol Spritz reach key milestone of #1 Italian Cocktail** ⁽³⁾
 - **Continuing positive growth in core central European countries, compensating the softness in Germany**
 - **Excellent development in new markets like US, UK, France, Brazil, Argentina and Australia**

⁽¹⁾ Sales at constant FX (+6.6% at current FX)

⁽²⁾ Excluding sales of Aperol Spritz home edition

⁽³⁾ Source: GfK Total Single Source Panel data – Italian market release 2014.2 processed by DCM S.p.A.

Brand awareness



Aperol Spritz Manchester United
End Of the Season Pitch day

Activation and frequency



Aperol Spritz: "3, 2, 1...Everybody's
Welcome!@mountain tour" in Italy



Cocktail Food moments
'The brunch society' in the US

Trade & consumer education



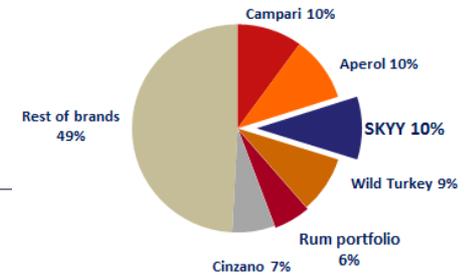
On-trade
events in
France



Piknic &
Brunch
Elektronik
in Spain



Review of top franchises:



- > **Organic growth in FY 2014: +1.3% (Q4: +0.7%)** (1) (2)
 - **Growth mainly driven by very positive results in international markets (ca. 25% of total brand sales):**
 - **Brazil**, the second largest brand market globally, up double digit
 - **Continuing positive development in other international markets**, such as **South Africa, Germany, Italy, China, Global Travel Retail, Argentina, Mexico and Chile**
 - **Soft results in the core US market (-0.8%)** driven by strong price competition and the on-going realignment of shipments to positive underlying depletions and consumption trends

(1) Sales at constant FX (0.0% at current FX)
 (2) Including SKYY Vodka and SKYY Infusions

Brand awareness



SKYY "West of Expected" campaign in the US

Activation



SKYY sponsors the first Italian talent show dedicated to DJs

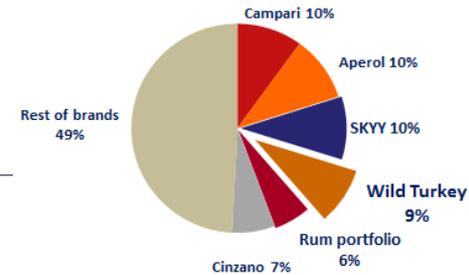
Innovation



SKYY new packaging roll out



Review of top franchises:



- > **Organic growth in FY 2014: -3.2% (Q4: -3.3%)** ⁽¹⁾
 - **Core bourbon** (52% of WT franchise)
 - **core US market was flat on a full year basis, accelerating in Q4 (+12.2%)**. Overall trend improved throughout the year helped by the **strong double digit growth in premium expressions**
 - positive momentum in international markets: **Italy, Brazil, Poland, Germany, Russia, and Global Travel Retail**
 - **American Honey** (23% of WT franchise): -7.7%, with soft results in core US and Australia markets due to increasing competitiveness in the flavoured whisky category, partly offset by good progression in **GTR, Nigeria, New Zealand and Russia**
 - **Ready-To-Drink's** (25% of WT franchise): -4.2%, driven by competitive pressure in core Australian market

(1) Sales at constant FX (-6.0% at current FX)

Brand awareness



"#Nevertamed - Jimmy Russel" campaign in the US



Sponsorship partnership with Tough Mudder in UK

Consumer trial & frequency



Wild Turkey On premise program in Canada

Innovation & brand extensions



Wild Turkey Diamond anniversary limited edition

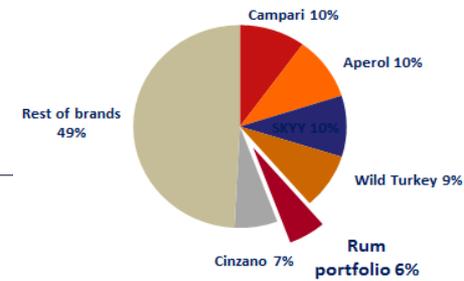
"American Honey Sting" with ghost peppers

A new look of Rare Breed

"Wild Turkey Rare" in Australia



Review of top franchises:



Organic growth in FY 2014: +4.4% (Q4: +20.5%) (1) (2)

- Overall very good results, showing improving progression throughout the year **mainly driven by the US**
- **Improving trend in core markets (Canada, Jamaica)** as brands started to benefit from new marketing strategies
- **Positive momentum in new brand markets, such as Italy, Germany, Japan, Austria, France and Chile**

(1) Sales at constant FX (-1.6% at current FX)

(2) Including Appleton Estate, Wray&Nephew White Overproof, and Coruba

Brand awareness



Appleton Estate Jamaica Rum Unveils New Brand Campaign "From Jamaica With Love" in the US



Appleton Estate Jamaica Rum New Canadian Campaign "We are rum people"

Consumer trial & frequency



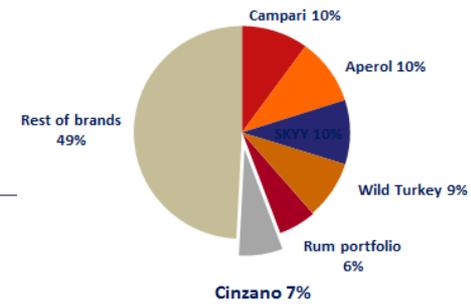
'The Appletons' summer tour in Italy



Appleton Estate Passport Contest in Canada



Review of top franchises:



> **Organic growth in FY 2014: -1.4% (Q4: +4.0%)⁽¹⁾**

- **Slightly positive results in sparkling wines (+0.5%)**, driven by Russia, offsetting softness in Germany
- **Decline in vermouth (-3.9%)** driven by Russia and Germany due to category weakness, notwithstanding **very positive performance in Argentina**, its second largest market



(1) Sales at constant FX (-11.4% at current FX)

Consumer activation



Cinzano Asti Tour in Italy from Russia



Cinzano Asti Hour on and off-trade activation in Russia



In store promotions in Argentina

Innovation

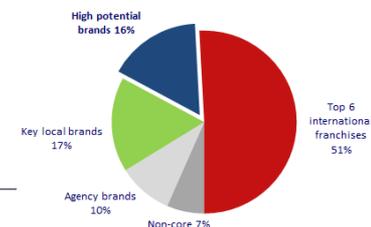


Cinzano 1757 Premium Vermouth launch



Review of top brands

High potential brands



FY/Q4 2014 organic sales performance review

Liqueurs and specialties

Brand sales as % of Group's sales in FY 2014	Organic change in FY 2014	Organic change in Q4 2014
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3%	-3.3%	-15.8%
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- > Carolans showed overall positive performance with continuing growth in the US. Shipments were negatively impacted in Canada ahead of the distribution change
- > Frangelico remained weak

Tequilas



1%	+6.7%	-3.3%
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- > Overall positive results, mainly driven by the core US market
- > Positive momentum in Russia

Scotch whisky



2%	+8.3%	+4.5%
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- > Positive performance across key brand markets, in particular, Italy, France, South Africa, Argentina, Switzerland and Global Travel Retail

Other sparkling wines



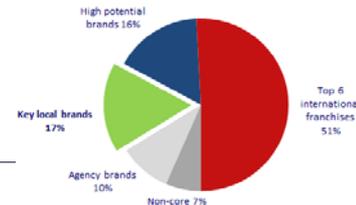
3%	+18.4%	+20.6%
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- > Very positive performance in almost all key markets, in particular Russia (+24.0%)



Review of top brands

Key local brands



FY/Q4 2014 organic sales performance review

Single-serve aperitifs

Brand sales as % of Group's sales in FY 2014 Organic change in FY 2014 Organic change in Q4 2014

	4%	+5.8%	-4.9%	> Very satisfactory results achieved in core Italian market
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	4%	+14.2%	-1.9%	> Very good performance , with trend stabilizing in the second half of the year, in line with expectation
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Brazilian brands

	3%	+3.7%	+1.3%	> Overall positive results , with Dreher over compensating weak performance of local whiskies
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Results highlights

Sales results

- overall
- by region
- by brand

Operating results by region

Consolidated P&L

Cash flow and Net debt analysis

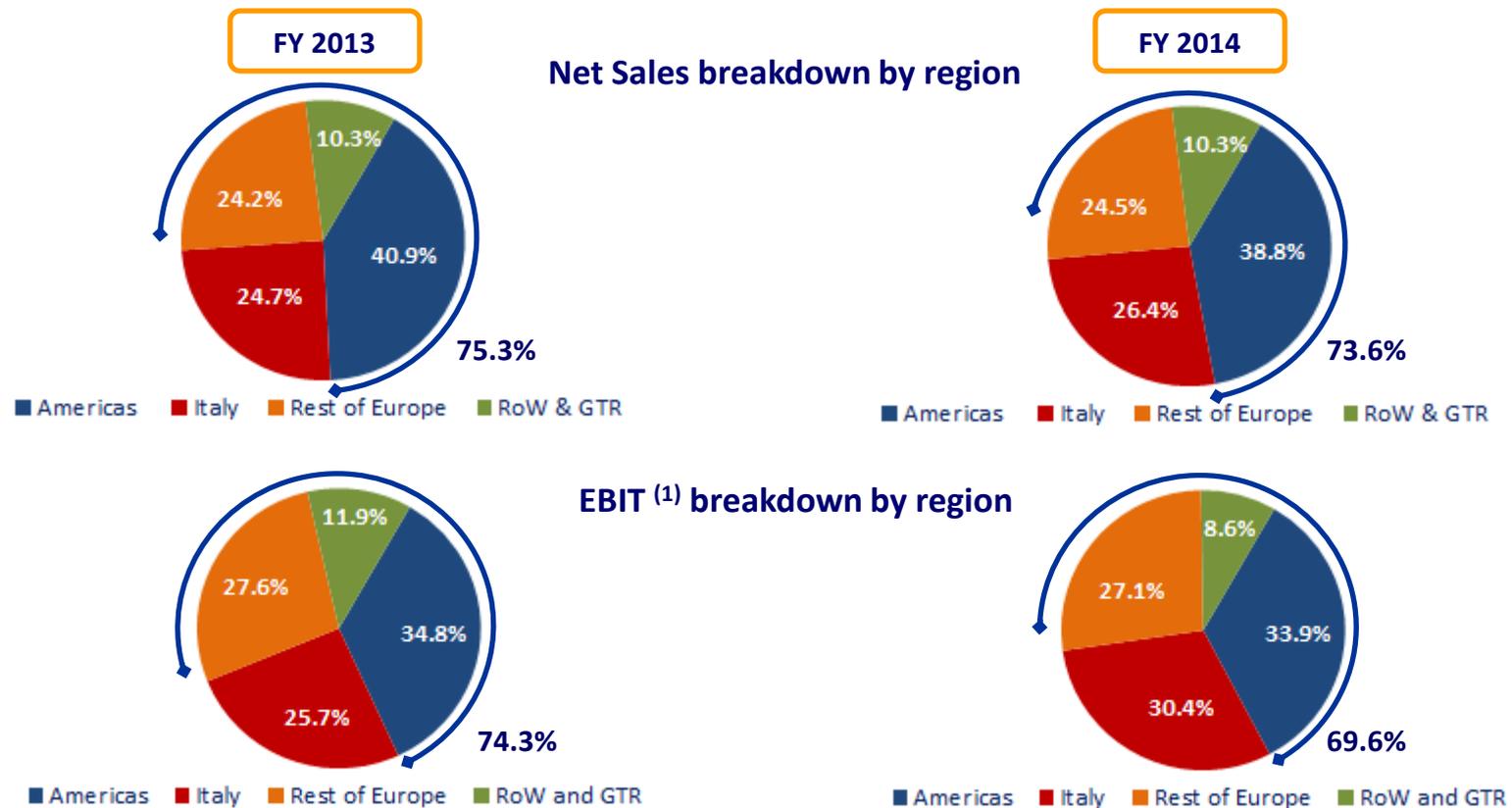
Outlook



FY 2014 Net sales and EBIT ⁽¹⁾ analysis by region

> **Balanced geographic exposure of sales and profitability in 2014, showing:**

- **increased weight of Italy** in Sales and EBIT ⁽¹⁾ driven by **improved sales mix vs. 2013** as well as **acquisitions**
- **diminished weight of the Americas** in Sales and EBIT ⁽¹⁾ mainly due to **unfavourable Forex** as well as **brand and geographic mix**



⁽¹⁾ EBIT before one-off's



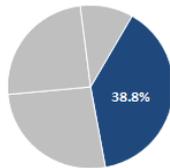
Analysis of EBIT⁽¹⁾ by region: Americas

	FY 2014		FY 2013		Reported change	FY 2014 at constant perimeter and FX			Organic margin change (bps)		
	€ million	% of sales	€ million	% of sales		€ million	% of sales	Organic	FY	2H	1H
Net sales	605.1	100.0%	623.3	100.0%	-2.9%	648.3	100.0%	4.0%			
Gross profit	304.2	50.3%	311.3	49.9%	-2.2%	315.2	48.6%	1.3%	-130	-60	-210
A&P	(105.4)	-17.4%	(108.1)	-17.3%	-2.5%	(109.5)	-16.9%	1.3%	+40	+40	+60
SG&A	(97.8)	-16.2%	(99.0)	-15.9%	-1.3%	(103.4)	-15.9%	4.4%	-10	-	-10
EBIT⁽¹⁾	101.1	16.7%	104.1	16.7%	-2.9%	102.3	15.8%	-1.8%	-90	-20	-160

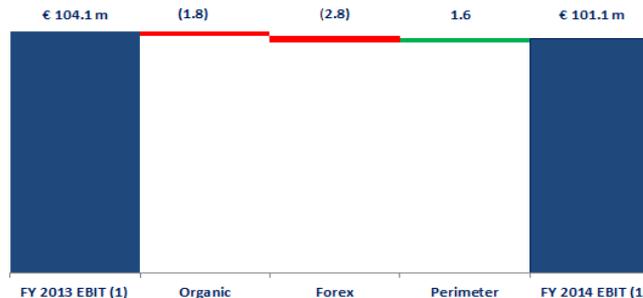
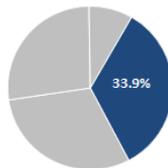
⁽¹⁾ EBIT before one-off's

0 bps

Americas sales as % of Group sales



Americas EBIT⁽¹⁾ as % of Group EBIT⁽¹⁾



EBIT change	% margin on sales accretion/(dilution)	YoY % change
Organic	-90 bps	-1.8%
Perimeter and FX	+90 bps	-1.1%
Total	0 bps	-2.9%

- > In existing business, Net sales and EBIT changed by +4.0% and -1.8% respectively. EBIT margin declined by -90 bps (from 16.7% to 15.8%):
 - Gross profit increased in value by +1.3% and declined by -130 bps as % of Net sales (from 49.9% to 48.6%) with improving trend in 2H (margin dilution of -60 bps), due to
 - a) overlapping start up costs in the new US plant
 - b) unfavourable sales mix by geography and brand driven by higher than average growth in lower margin markets (Brazil and Argentina)
 - c) soft shipment performance in 1H of SKYY and Wild Turkey in the US, partially recovered in 2H
 - A&P increased in value by +1.3% and was accretive on EBIT margin by +40 bps (from 17.3% to 16.9% of net sales)
 - SG&A increased in value by +4.4% and was in line with last year as % of net sales (at 15.9%)
- > FX effect: Net sales and EBIT declined by -6.5% and -2.7% respectively
- > Perimeter change: Net sales decreased by -0.5% and EBIT increased by +1.6%, with Forty Creek acquisition (closed on 2 June 2014) compensating the termination of agency brands (consumer brands in Jamaica and other agency brands in the US)

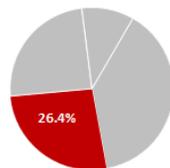
Analysis of EBIT ⁽¹⁾ by region: Italy

	FY 2014		FY 2013		Reported change	FY 2014 at constant perimeter and FX			Organic margin change (bps)		
	€ million	% of sales	€ million	% of sales		€ million	% of sales	Organic	FY	2H	1H
Net sales	411.9	100.0%	376.4	100.0%	+9.4%	389.7	100.0%	3.5%			
Gross profit	248.0	60.2%	220.8	58.7%	+12.3%	235.8	60.5%	6.8%	+180	+150	+210
A&P	(63.8)	-15.5%	(55.0)	-14.6%	+16.0%	(61.6)	-15.8%	12.1%	-120	-260	+30
SG&A	(93.5)	-22.7%	(88.7)	-23.6%	+5.5%	(87.7)	-22.5%	-1.1%	+110	+20	+200
EBIT ⁽¹⁾	90.7	22.0%	77.2	20.5%	+17.5%	86.5	22.2%	12.1%	+170	-90	+430

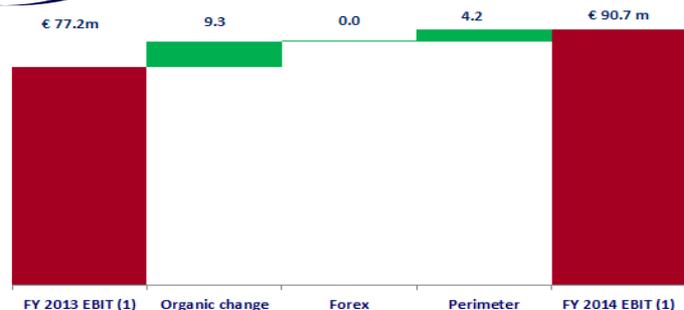
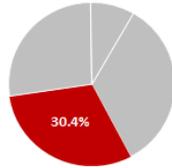
⁽¹⁾ EBIT before one-off's



Italy sales as % of Group sales



Italy EBIT⁽¹⁾ as % of Group EBIT⁽¹⁾



EBIT change	% margin on sales accretion/(dilution)	YoY % change
Organic	+170 bps	+12.1%
Perimeter and FX	-20 bps	+5.4%
Total	+150 bps	+17.5%

> In existing business, Net sales and EBIT increased by +3.5% and +12.1% respectively. EBIT margin improved by +170 bps (from 20.5% to 22.2%):

- **Gross profit increased in value by +6.8% and increased by +180 bps** as % of net sales (from 58.7% to 60.5%), driven by sales volume increase, positive sales mix and continuous focus on costs containment (fixed production & logistic costs)
- **A&P increased in value by +12.1%** and was **dilutive on EBIT margin by -120 bps** (from 14.6% to 15.8% of net sales), driven by higher A&P spend, as expected, on aperitif business, in particular, Crodino Twist and Campari Soda
- **SG&A decreased in value by -1.1%** and was **accretive on EBIT margin by +110 bps** (from 23.6% to 22.5%), achieving positive operating leverage thanks to positive sales growth trend

> **Perimeter change:** Net sales and EBIT increased by +5.9% and +5.4% respectively, almost fully contributed by Averna acquisition ⁽¹⁾

⁽¹⁾ Acquisition closed on 3 June 2014



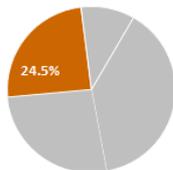
Analysis of EBIT ⁽¹⁾ by region: Europe (excluding Italy)

	FY2014		FY2013		Reported change	FY2014 at constant perimeter and FX			Organic margin change (bps)		
	€ million	% of sales	€ million	% of sales		€ million	% of sales	Organic	FY	2H	1H
Net sales	382.0	100.0%	368.3	100.0%	+3.7%	379.9	100.0%	3.2%			
Gross profit	196.6	51.5%	190.5	51.7%	+3.2%	198.8	52.3%	4.4%	+60	+60	+60
A&P	(58.7)	-15.4%	(57.4)	-15.6%	2.3%	(58.3)	-15.3%	1.6%	+20	-	+50
SG&A	(57.1)	-15.0%	(50.3)	-13.7%	+13.6%	(59.0)	-15.5%	17.3%	-190	-210	-150
EBIT ⁽¹⁾	80.8	21.1%	82.8	22.5%	-2.5%	81.5	21.5%	-1.5%	-100	-140	-50

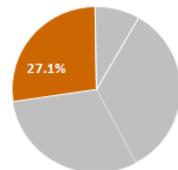
⁽¹⁾ EBIT before one-off's

- 130 bps

Europe sales as % of Group sales



Europe EBIT⁽¹⁾ as % of Group EBIT⁽¹⁾



EBIT change	% margin on sales accretion/(dilution)	YoY % change
Organic	-100 bps	-1.5%
Perimeter and FX	-40 bps	-0.9%
Total	-130 bps	-2.5%

- > In existing business, Net sales increased by +3.2% and EBIT decreased by -1.5%, EBIT margin declined by -100 bps (from 22.5% to 21.5%):
 - **Gross profit increased in value by +4.4% and increased by +60 bps** as % of net sales (from 51.7% to 52.3%), driven by positive brand mix, with very positive performance of Campari and Aperol in most markets
 - **A&P increased in value by +1.6%** and **was accretive on EBIT margin by +20 bps** (from 15.6% to 15.3% of net sales), with higher A&P spend in Spain, UK and France partially compensated by more efficient spend in Germany and Russia
 - **SG&A increased in value by +17.3%** and **was dilutive on EBIT margin by -190 bps** (from 13.7% to 15.5%), due to the increasing costs from setting up own sales organizations in Spain and UK as well as strengthening the existing organization in Russia
- > **FX effect:** Net sales and EBIT decreased by -4.2% and -6.1% respectively
- > **Perimeter change:** Net sales and EBIT increased by +4.8% and +5.1% respectively driven by new agency agreements (William Grant&Sons in Germany and Bulldog gin) and Aversa acquisition ⁽¹⁾

⁽¹⁾ Acquisition closed on 2 June 2014

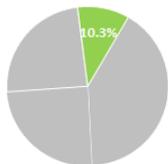
Analysis of EBIT ⁽¹⁾ by region: RoW & GTR

	FY 2014		FY 2013		Reported change	FY 2014 at constant perimeter and FX			Organic margin change (bps)		
	€ million	% of sales	€ million	% of sales		€ million	% of sales	Organic	FY	2H	1H
Net sales	161.0	100.0%	156.2	100.0%	+3.1%	158.5	100.0%	1.5%			
Gross profit	82.9	51.5%	87.9	56.3%	-5.7%	87.5	55.2%	-0.4%	-110	-120	-100
A&P	(33.0)	-20.5%	(28.8)	-18.4%	+14.6%	(32.9)	-20.8%	14.4%	-230	-300	-130
SG&A	(24.4)	-15.1%	(23.6)	-15.1%	+3.3%	(25.3)	-15.9%	7.1%	-80	-90	-40
EBIT ⁽¹⁾	25.6	15.9%	35.5	22.7%	-28.0%	29.3	18.5%	-17.4%	-420	-510	-270

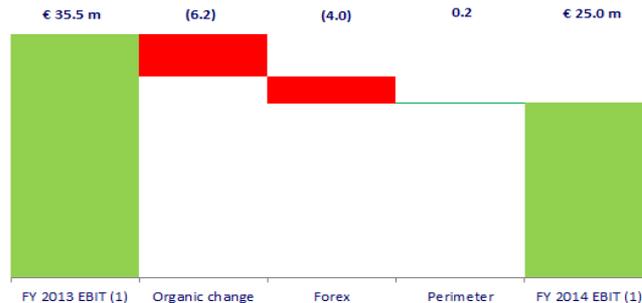
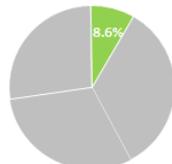
⁽¹⁾ EBIT before one-off's

- 690 bps

ROW/GTR sales as % of Group sales



ROW/GTR EBIT⁽¹⁾ as % of Group EBIT⁽¹⁾



EBIT change	% margin on sales accretion/(dilution)	YoY % change
Organic	-420 bps	-17.4%
Perimeter and FX	-260 bps	-10.6%
Total	-690 bps	-28.0%

- > In existing business, Net sales increased by +1.5% and EBIT decreased by -17.4% respectively, EBIT margin declined by -420 bps (from 22.7% to 17.4%):
 - Gross profit decreased in value by -0.4% and declined by -110 bps as % of net sales (from 56.3% to 55.2%), due to unfavourable sales mix by brand (American honey in Australia) and geography (distribution change in Japan)
 - A&P increased in value by +14.4% and was dilutive on EBIT margin by -230 bps (from 18.4% to 20.8% of net sales), driven by enhanced A&P investment in Australia and GTR, in line with expectation
 - SG&A increased in value by +7.1% and was dilutive on EBIT margin by -80 bps (from 15.1% to 15.9%), driven by investments in high potential markets
- > FX effect: Net sales and EBIT decreased by -4.4% and -11.2% respectively
- > Perimeter change: Net sales and EBIT increased by +6.0% and +0.6% respectively, mainly attributable to the co-packing business in Australia, driving a dilutive effect on margin of -80 bps at the region level



Results highlights

Sales results

- overall
- by region
- by brand

Operating results by region

Consolidated P&L

Cash flow and Net debt analysis

Outlook



FY 2014 Consolidated EBIT

	FY 2014		FY 2013		Reported change	Organic change	Forex impact	Perimeter effect
	€ million	% of sales	€ million	% of sales				
Net sales	1,560.0	100.0%	1,524.1	100.0%	2.4%	+3.4%	-4.1%	+3.1%
COGS ⁽¹⁾	(728.3)	-46.7%	(713.7)	-46.8%	2.0%	+3.6%	-4.5%	+3.0%
Gross profit	831.7	53.3%	810.5	53.2%	2.6%	+3.3%	-3.8%	+3.1%
Advertising and promotion	(260.8)	-16.7%	(249.2)	-16.4%	4.6%	+5.3%	-3.1%	+2.5%
Contribution after A&P	570.9	36.6%	561.2	36.8%	1.7%	+2.5%	-4.1%	+3.4%
SG&A ⁽²⁾	(272.7)	-17.5%	(261.6)	-17.2%	4.3%	+5.2%	-4.3%	+3.4%
EBIT pre one-off's	298.2	19.1%	299.6	19.7%	-0.5%	0.0%	-3.9%	+3.4%
One-off's	(43.2)	-2.8%	(10.3)	-0.7%	-			
Operating profit = EBIT	255.0	16.3%	289.3	19.0%	-11.9%			
Other information:								
Depreciation	(39.4)	-2.5%	(39.5)	-2.6%	-0.3%	-3.9%	-2.8%	+6.4%
EBITDA pre one-off's	337.5	21.6%	339.1	22.3%	-0.5%	-0.4%	-3.8%	+3.8%
EBITDA	294.4	18.9%	328.8	21.6%	-10.5%			

FY 2014 at constant perimeter and FX		Organic margin accretion/ (dilution) (bps)		
€ million	% of sales	FY	2H	1H
1,576.4	100.0%			
(739.1)	-46.9%	(10)	-	(20)
837.3	53.1%	(10)	-	(20)
(262.3)	-16.6%	(30)	(80)	30
575.0	36.5%	(30)	(70)	+10
(275.3)	-17.5%	(30)	(60)	-
299.7	19.0%	(60)	(130)	+10

⁽¹⁾ COGS = cost of materials, production and logistics expenses

⁽²⁾ SG&A = selling expenses + general and administrative expenses



FY 2014 Consolidated P&L - Gross Profit

	FY 2014		FY 2013		Reported change	Organic change	FY 2014 at constant perimeter and FX		Organic margin accretion/ (dilution) (bps)		
	€ million	% of sales	€ million	% of sales			€ million	% of sales	FY	2H	1H
Net sales	1,560.0	100.0%	1,524.1	100.0%	2.4%	+3.4%	1,576.4	100.0%			
COGS ⁽¹⁾	(728.3)	-46.7%	(713.7)	-46.8%	2.0%	+3.6%	(739.1)	-46.9%	(10)	-	(20)
Gross profit	831.7	53.3%	810.5	53.2%	2.6%	+3.3%	837.3	53.1%	(10)	-	(20)

⁽¹⁾ COGS = cost of materials, production and logistics expenses

- > **Gross profit overall up by +2.6% vs. FY 2013, increased by +10 bps to 53.3% on sales in FY 2014 (vs. 53.2% in FY 2013)**
 - **Organic growth of +3.3%**, dilution of **-10 bps** (from 53.2% to 53.1%) in FY 2014, mainly due to:
 - **unfavourable sales mix in terms of both brand and geography** driven by the **outperformance of lower margin markets** (Latin America, Russia), **a decline in Germany and Australia due to strong pricing pressure**. The three effects were almost fully offset by the **good performance of high margin brands** (aperitifs and Jamaican rum) in **other markets**, such as Italy and other European markets
 - temporary **overlapping production costs** in connection with the start up of the new bottling plant in the US
 - **Forex impact of -3.8%**
 - **Perimeter effect of +3.1%**



FY 2014 Consolidated P&L - Contribution after A&P

	FY 2014		FY 2013		Reported change	Organic change	FY 2014 at constant perimeter and FX		Organic margin accretion/ (dilution) (bps)		
	€ million	% of sales	€ million	% of sales			€ million	% of sales	FY	2H	1H
Gross profit	831.7	53.3%	810.5	53.2%	2.6%	+3.3%	837.3	53.1%	(10)	-	(20)
Advertising and promotion	(260.8)	-16.7%	(249.2)	-16.4%	4.6%	+5.3%	(262.3)	-16.6%	(30)	(80)	30
Contribution after A&P	570.9	36.6%	561.2	36.8%	1.7%	+2.5%	575.0	36.5%	(30)	(70)	+10

- > **A&P at 16.7% of net sales in FY 2014** (vs. 16.4% on net sales in FY 2013), up by +4.6%, due to **overall enhanced A&P investments** behind key brand-market combinations, partly offset by **more efficient spending in some volatile markets**
 - Margin dilution of -30 bps at organic level in FY 2014

- > **Contribution after A&P up by +1.7%** vs. FY 2013, driven by an **organic growth of +2.5%**, forex impact of -4.1% and perimeter effect of +3.4%
 - Margin dilution of -20 bps overall and -30 bps at organic level



FY 2014 Consolidated P&L - EBIT and EBITDA pre one-off's

	FY 2014		FY 2013		Reported change	Organic change	FY 2014 at constant perimeter and FX		Organic margin accretion/ (dilution) (bps)		
	€ million	% of sales	€ million	% of sales			€ million	% of sales	FY	2H	1H
Contribution after A&P	570.9	36.6%	561.2	36.8%	1.7%	+2.5%	575.0	36.5%	(30)	(70)	+10
SG&A ⁽²⁾	(272.7)	-17.5%	(261.6)	-17.2%	4.3%	+5.2%	(275.3)	-17.5%	(30)	(60)	-
EBIT pre one-off's	298.2	19.1%	299.6	19.7%	-0.5%	0.0%	299.7	19.0%	(60)	(130)	+10
Other information:											
Depreciation	(39.4)	-2.5%	(39.5)	-2.6%	-0.3%	-3.9%					
EBITDA pre one-off's	337.5	21.6%	339.1	22.3%	-0.5%	-0.4%					

⁽²⁾ SG&A = selling expenses + general and administrative expenses

- > **SG&A increased in value by +4.3%**, with overall increase of +30 bps as % of net sales (from 17.1% to 17.5%) in FY 2014
 - Organic increase of +5.2%, mainly due to the start up of the new distribution initiatives in Spain (1H 2014) and UK & Canada (go live in Q1 2015), accounting for approximately half of the organic growth
 - Forex impact of -4.3% and perimeter effect of +3.4%
- > **EBIT pre one-off's was € 298.2 million**, down -0.5%, with an overall dilution of -50 bps on sales (from 19.7% in FY 2013 to 19.1% in FY 2014) of which -60 bps from existing business and +10 bps from forex and perimeter
 - Overall decrease composed by flat organic growth, -3.9% forex impact and +3.4% perimeter effect
 - Perimeter effect relating to the acquisitions of Forty Creek Distillery Ltd. and Gruppo Averna was +4.7% (or € 13.5 million), in part offset by the negative effect of the termination of agency brands
- > **Depreciation was € 39.4 million in FY 2014**, almost flat vs. FY 2013
- > **EBITDA pre one-off's was € 337.5 million**, down -0.5%, of which -0.4% organic change, -3.8% forex impact and +3.8% perimeter effect, of which +4.4% (or € 14.6 million) attributable to the acquisitions of Forty Creek Distillery Ltd. and Gruppo Averna



FY 2014 Consolidated P&L - One-off's

	FY 2014		FY 2013		Reported change
	€ million	% of sales	€ million	% of sales	
EBIT pre one-off's	298.2	19.1%	299.6	19.7%	-0.5%
One-off's	(43.2)	-2.8%	(10.3)	-0.7%	-
Operating profit = EBIT	255.0	16.3%	289.3	19.0%	-11.9%
EBITDA pre one-off's	337.5	21.6%	339.1	22.3%	-0.5%
EBITDA	294.4	18.9%	328.8	21.6%	-10.5%

> **Negative one-off's of € (43.2) million**

- **€ 23.7 million** relating to write-down of intangible assets (still wine business and X-Rated)
- **€ 12.0 million of provisions relating to restructuring projects**
- **€ 7.5 million of other negative one-off's**, including **legal and consulting fees** in connection with recent acquisitions and other provisions

> **EBIT was € 255.0 million** (down -11.9%) and **EBITDA was € 294.4 million** (down -10.5%), mainly driven by negative one-off's



FY 2014 Consolidated P&L - Pretax profit

	FY 2014 € million	% of sales	FY 2013 € million	% of sales	Reported change
Operating profit = EBIT	255.0	16.3%	289.3	19.0%	-11.9%
Net financing costs	(60.3)	-3.9%	(58.9)	-3.9%	2.3%
One-off financial costs	(0.8)	-0.1%	(0.2)	0.0%	-
Profit (loss) of companies valued at equity	(0.2)	0.0%	(0.2)	0.0%	-
Put option costs	0.5	0.0%	0.2	0.0%	-
Pretax profit	194.2	12.4%	230.2	15.1%	-15.7%

- > **Net financing costs were € 60.3 million in FY 2014**, up by € 1.3 million from FY 2013:
 - Average net debt position is € 958.1 million in FY 2014 (vs. € 898.3 million in FY 2013), reflecting the effects of the two acquisitions (Forty Creek Distillery Ltd. and Gruppo Averna) paid in June 2014
 - **Average cost of debt is 6.3% in FY 2014** (excluding non-recurring exchange rate differences), reflecting the negative carry in connection with the available cash held for the acquisitions payment
- > **Group pretax profit was € 194.2 million** in FY 2014, down by -15.7%, mainly driven by negative one-off's



FY 2014 Consolidated P&L - Group net profit

	FY 2014 € million	% of sales	FY 2013 € million	% of sales	Reported change
Pretax profit	194.2	12.4%	230.2	15.1%	-15.7%
Taxes	(64.6)	-4.1%	(79.8)	-5.2%	-19.1%
Net profit	129.5	8.3%	150.4	9.9%	-13.9%
Minority interests	(0.6)	0.0%	(0.6)	0.0%	7.2%
Group net profit	128.9	8.3%	149.8	8.2%	-13.9%
One-offs	(43.2)		(10.3)		
Tax effects from One-offs and other non-recurring positive tax effects	17.7		4.6		
Group net profit adjusted for One-off's and non-recurring tax effects⁽¹⁾	154.4	9.9%	155.4	10.2%	-0.7%

- > **Taxes** reduced by € (15.2) million YoY to **€ 64.6 million** (including goodwill deferred taxes of € 23.1 million)
- > **Group net profit of € 128.9 million**, down -13.9%
- > **Group net profit adjusted ⁽¹⁾ for One-off's and non-recurring tax effects of €154.4 million**, down **-0.7%**

⁽¹⁾ Adjusted net income for one-off's and relating fiscal effects for FY 2014 and FY 2013



FY 2014 Consolidated P&L - Analysis of tax rate

(€ million)		FY 2014	FY 2013
Group pretax profit (Reported) ⁽¹⁾	A	193.5	229.6
One off's	B	(43.2)	(10.3)
Pretax profit (recalculated)	C=A-B	236.7	239.9
Total tax (reported)	D	(64.6)	(79.8)
Goodwill deferred tax (non-cash)	E	(23.1)	(22.3)
Tax effects from One-off's and other non-recurring positive tax effects	F	17.7	4.6
Income tax (recalculated)	G=D-E-F	(59.2)	(62.2)
Reported tax rate	D/A	33.4%	34.8%
Cash tax rate (net goodwill)	(D-E)/A	21.4%	25.0%
cash tax rate adjusted one-off's and non recurring positive tax effects	G/C	25.0%	25.9%

- > **Reported tax rate was 33.4%** in FY 2014
- > **Cash tax rate adjusted one-off's and non recurring positive tax effects was 25.0%** in FY 2014, down from 25.9% in FY 2013

⁽¹⁾ Net of minorities





Results highlights

Sales results

- overall
- by region
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Operating Working Capital

€ million	31 December 2014	% of LTM sales ⁽¹⁾	31 December 2013	% of LTM sales ⁽¹⁾	change	of which		
						organic change	FX effects	Perimeter
Receivables	313.6	20.1%	288.5	18.9%	25.1	21.1	(15.8)	19.8
Inventories	481.2	30.8%	447.1	29.3%	34.0	(6.9)	22.9	18.0
- Maturing inventory	243.5	15.6%	195.3	12.8%	48.2	20.6	20.5	7.1
- All others	237.7	15.2%	251.8	16.5%	(14.1)	(27.4)	2.4	10.9
Payables	(223.2)	-14.3%	(198.1)	-13.0%	(25.1)	(7.3)	(3.7)	(14.1)
Operating Working Capital	571.5		537.5		34.0	6.9	3.4	23.7
Last twelve months reported sales ⁽¹⁾	1,560.0		1,524.1					
OWC / LTM Net sales (%) ⁽¹⁾, as reported	36.6%		35.3%					
OWC / LTM Net sales excluding perimeter effect	36.0%							

⁽¹⁾ Net sales in the Last Twelve Months ('LTM') to period end

- > **OWC at € 571.5 million as of 31 December 2014** (vs. € 537.5 million as of 31 December 2013), showing an **overall increase of € 34.0 million**, of which
 - **Organic change of € 6.9 million**
 - Increase in receivables of € 21.1 million
 - Decrease in inventory of € (6.9) million, with aging liquids up by € 20.6 million and other stock down by € (27.4) million
 - Decrease in payables of € (7.3) million
 - **Perimeter change of € 23.7 million**, of which € 30.5 million from acquisitions of Forty Creek Distillery Ltd. and Gruppo Averna and the balance due to business disposals
 - **Forex impact of € 3.4 million**
- > **OWC as % of LTM was 36.6% as of 31 December 2014**, or 36.0% excluding perimeter effect



Consolidated cash flow

€ million	Notes	31 December 2014	31 December 2013	Change
EBITDA		294.4	328.8	(34.5)
Write down of intangible assets		23.7	0.0	23.7
Changes in non-financial receivables and payables	(1)	20.3	(4.0)	24.2
Other non-cash items		4.9	7.5	(2.6)
Income taxes paid	(2)	(53.0)	(75.8)	22.8
Cash flow from operating activities before changes in OWC		290.2	256.6	33.6
Net change in OWC (at constant FX and perimeter)	(3)	(6.9)	(36.0)	29.1
Cash flow from operating activities		283.3	220.6	62.7
Net interest paid		(57.5)	(55.9)	(1.7)
Capex	(4)	(47.9)	(58.9)	10.9
Free cash flow		177.9	105.9	72.0

Notes:

- 1) Changes in non-financial receivables and payables:** including positive impact from changes in excises taxes and VAT of € 14.9 million and other changes in non-financial receivables and payables
- 2) Taxes paid:** lower taxes paid due to use of tax credits to offset tax debt
- 3) Organic change in OWC:** negative FX impact of € 3.4 million is included in 'Exchange rate differences and other movements'. Perimeter effect of € 23.7 million is included in acquisitions. See slide 'Operating Working Capital' for a detailed analysis
- 4) Capex:** decrease by € (10.9) million, reflecting less extraordinary capex spend in FY 2014 vs. FY 2013



Consolidated cash flow (cont'd)

€ million	Notes	31 December 2014	31 December 2013	Change
Free cash flow		177.9	105.9	72.0
Acquisitions	(5)	(236.1)	(13.6)	(222.6)
Purchase and sale of trademarks and distribution rights and payment of put option and earn out		(6.2)	(15.4)	9.2
Dividend paid by the Parent Company		(46.1)	(39.8)	(6.2)
Other changes	(6)	(6.1)	(25.2)	19.1
Cash flow from other activities		(294.6)	(94.0)	(200.5)
Exchange rate differences and other movements	(7)	(9.2)	(0.2)	(9.0)
Change in net debt as a result of operating activities		(125.9)	11.7	(137.6)
Change in payable for the exercise of put options and payment of earn out		0.2	5.3	(5.0)
Net cash flow of the period = change in net debt		(125.7)	16.9	(142.6)

Notes:

- 5) **Acquisitions:** includes acquisitions of Forty Creek Distillery Ltd. (€ 132.4 million after post-closing adjustments) and Gruppo Averna (€ 103.7 million)
- 6) **Other changes:** include Net sale/(purchase) of own shares for stock option plans
- 7) **Exchange rate differences and other movements:** include a negative FX impact on OWC of € (3.4) million and a negative FX impact of € (9.4) million on Shareholders' equity and other items of € 1.1 million



Consolidated cash flow (cont'd)

- > **Increase in Free Cash Flow from operating activities of € 72.0 million**
(from € 105.9 million in FY 2013 to € 177.9 million in FY 2014)
 - decrease in EBITDA of € (34.5) million
 - + positive impact from write-down of intangibles of € 23.7 million
 - + positive impact from changes in excises taxes and VAT and other changes in non-financial receivables and payables of € 24.2 million
 - negative impact from other changes of € (2.6) million
 - + lower tax paid of € 22.8 million
 - + lower YoY increase in organic OWC change of € 29.1 million
 - increase in net interest paid of € (1.7) million
 - + lower Capex of € 10.9 million due to lower spend on extraordinary capex in 2014
- > **(Decrease) in cash flow from Other Activities of € (200.5) million**
(from € (94.0) million in FY 2013 to € (294.6) million in FY 2014)
 - increase in Acquisitions for € (222.6) million (acquisitions of Forty Creek Distillery Ltd. and Gruppo Averna)
 - + positive impact from purchase and sale of trademarks and distribution rights and payment of put option and earn out of € 9.2 million
 - higher dividends paid for € (6.2) million (due to higher dividend per share)
 - + positive variance in Other changes of € 19.1 million, due to lower net cash outlay from sale/purchase of own shares for stock option plan
- > **(Increase) in Net debt by € (142.6) million in FY 2014**
- > **Net financial debt of € 978.5 million as of 31 December 2014** (from € 852.8 million as of 31 Dec 2013)



Capital Expenditure

€ million	FY 2012A	FY 2013A	FY 2014A
Maintenance capex, net ⁽¹⁾	21.1	33.0	31.4
Extraordinary capex			
Jamaica			5.8
Mexico (distilling capacity)			3.4
New IT projects			4.4
Other projects			2.8
Total extraordinary projects	24.1	25.9	16.4
Total capex	45.2	58.9	47.8

Notes:

(1) Net of disposals, including barrels

- > **In 2014 total capex of € 47.8 million vs. plan of € 51 million**
- > **In 2015 expected capex of approx. € 45 million, including:**
 - € 40 million of maintenance capex
 - phasing of € 3 million from 2014 projects
 - € 2 million of extraordinary investments



Net financial debt

€ million	31 December 2014	31 December 2013	Change
Short-term cash/(debt)	103.0	311.9	(208.9)
Medium to long-term cash/(debt)	(1,076.9)	(1,159.9)	83.0
Liabilities for put option and earn-out payments ⁽¹⁾	(4.6)	(4.8)	0.2
Net cash/(debt)	(978.5)	(852.8)	(125.7)

- > **Net financial debt as of 31 December 2014 was € 978.5 million**, up by € 125.7 million from 31 December 2013, following acquisitions and dividend payment for a total amount of € 282.2 million ⁽²⁾ and unfavourable FX effect of € 20.2 million as of 31 December 2014 vs. 31 December 2013
- > Decrease in short term cash of € (208.9) million also due to:
 - Repayment of the first tranche of 2009 US private placement of USD 40 million (or € 29.6 million at the exchange rate of the repayment day)
 - Reclassification from medium-long term to short-term debt of € 86 million tranche of 2003 USPP maturing in 2015
- > **Net debt to EBITDA pro-forma ratio is 2.9 times as of 31 December 2014** ⁽³⁾
- > **Revolving Credit Facility of € 450 million** made available for general corporate purposes to Campari Group by primary banks for a period of 5 years

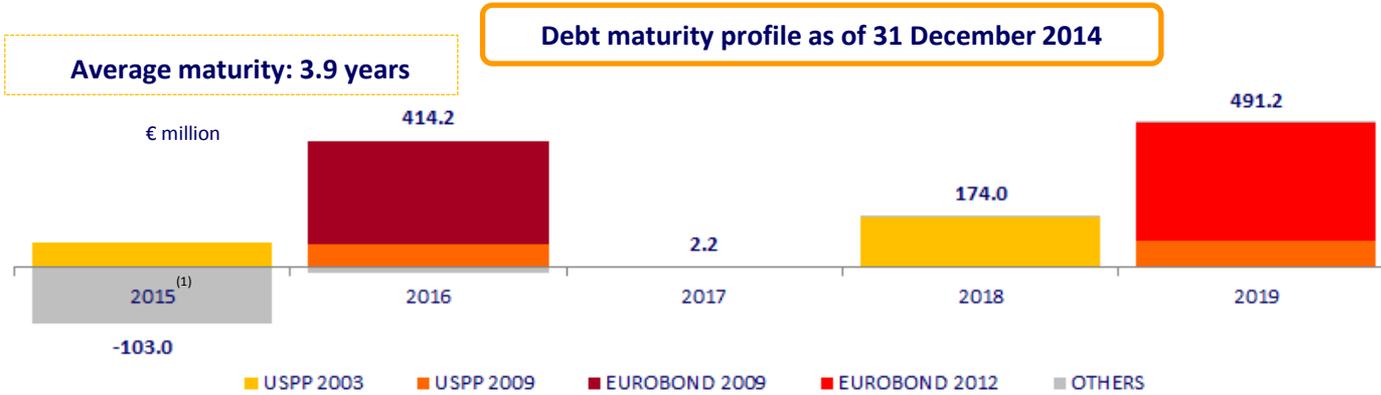
⁽¹⁾ Estimated debt for the future acquisition of minority stock in LdM and earn out's relating to Sagatiba

⁽²⁾ Acquisitions of Forty Creek Distillery Ltd. (€ 132.4 million after post-closing adjustments) and Gruppo Averna (€ 103.7 million). Dividend payment of € 46.1 million

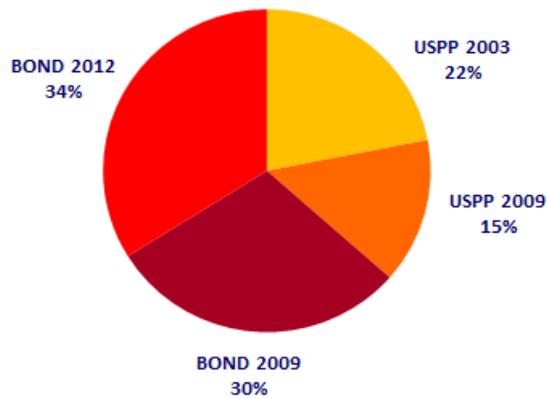
⁽³⁾ Net debt includes the effects of the acquisitions of Forty Creek Distillery Ltd. and Gruppo Averna and EBITDA considers the pro-forma full year P&L effect of the two acquisitions



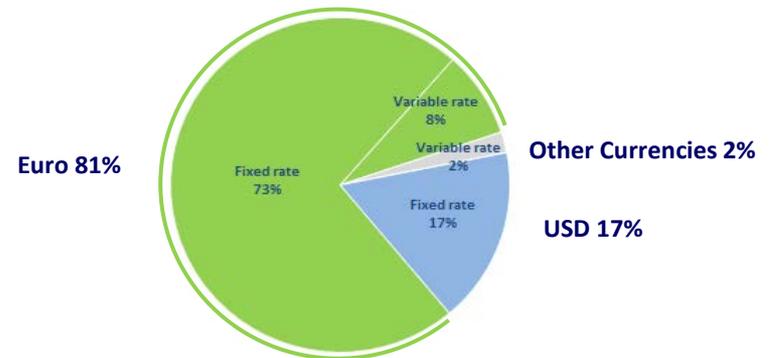
Net financial debt (cont'd)



Analysis of gross debt by class and issue date



Analysis of gross debt by currency and interest rates





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Outlook

- > Looking forward, we expect the **market conditions to remain challenging in 2015**, with continuing macro volatility, particularly in emerging markets, and competitive pressure, limiting visibility at this stage
- > **However, despite market challenges, we expect business overall and marginality to be positively impacted by:**
 - **Positive performance of the Top 5 spirits brands**, in particular the aperitifs business, the rum portfolio and the American whisky
 - **Innovation** to accelerate growth
 - **Benefit from input costs trend**, driven by oil price
 - **Positive return from significant investments in product supply chain and route-to-market initiatives**
 - **More favourable FX environment**



Supplementary schedules

Annex - 1	Net sales analysis by region and key market
Annex - 2	FY 2014 consolidated income statement
Annex - 3	Q4 2014 consolidated P&L
Annex - 4	Consolidated balance sheet as of 31 December 2014 - Invested capital and financing sources
Annex - 5	Consolidated balance sheet at 31 December 2014 - Asset and liabilities
Annex - 6	2014 consolidated cash flow
Annex - 7	Exchange rates effects



GRUPPO
CAMPARI

Net sales analysis by region and key market

Consolidated Net sales by region

	FY 2014		FY 2013		Change %	of which:		
	€ m	%	€ m	%		organic	forex	perimeter
Americas	605.1	38.8%	623.3	40.9%	-2.9%	4.0%	-6.5%	-0.5%
Italy	411.9	26.4%	376.4	24.7%	9.4%	3.5%	0.0%	5.9%
Rest of Europe	382.0	24.5%	368.3	24.2%	3.7%	3.2%	-4.2%	4.8%
RoW & Duty Free	161.0	10.3%	156.2	10.3%	3.0%	1.5%	-4.4%	6.0%
Total	1,560.0	100.0%	1,524.1	100.0%	2.4%	3.4%	-4.1%	3.1%

Region Net sales breakdown by key market

Americas by market

	FY 2014		FY 2013		Change %	of which:		
	€ m	%	€ m	%		organic	forex	perimeter
USA	305.3	19.6%	312.6	20.5%	-2.3%	0.9%	-0.1%	-3.2%
Jamaica	101.5	6.5%	124.7	8.2%	-18.6%	-4.4%	-8.5%	-5.6%
Brazil	81.7	5.2%	82.7	5.4%	-1.2%	7.6%	-8.9%	0.1%
Argentina	36.0	2.3%	37.8	2.5%	-4.7%	41.2%	-45.9%	0.0%
Canada	38.8	2.5%	29.7	2.0%	30.3%	-7.4%	-5.9%	43.6%
Other countries	41.7	2.7%	35.8	2.3%	16.7%	22.5%	-8.7%	2.9%
Total Americas	605.1	38.8%	623.2	40.9%	-2.9%	4.0%	-6.5%	-0.5%



Net sales analysis by region and key market (cont'd)

Rest of Europe by market

	FY 2014		FY 2013		Change %	of which:		
	€ m	%	€ m	%		organic	forex	perimeter
Germany	167.9	10.8%	158.0	10.4%	6.3%	-3.3%	0.0%	9.5%
Russia	70.5	4.5%	79.5	5.2%	-11.3%	11.0%	-18.2%	-4.1%
Other countries	143.6	9.2%	130.8	8.6%	9.8%	6.1%	-0.9%	4.6%
Total Rest of Europe	382.0	24.5%	368.3	24.2%	3.7%	3.2%	-4.2%	4.8%

RoW & GTR by market

	FY 2014		FY 2013		Change %	of which:		
	€ m	%	€ m	%		organic	forex	perimeter
Australia	75.8	4.9%	76.6	5.0%	-1.1%	-5.1%	-6.2%	10.1%
Other countries	85.2	5.5%	79.6	5.2%	7.0%	7.7%	-2.7%	2.0%
Total RoW & GTR	161.0	10.3%	156.2	10.3%	3.0%	1.5%	-4.4%	6.0%



FY 2014 Consolidated income statement

	FY 2014		FY 2013		Change
	€ m	%	€ m	%	%
Net sales ⁽¹⁾	1,560.0	100.0%	1,524.1	100.0%	2.4%
COGS ⁽²⁾	(728.3)	-46.7%	(713.7)	-46.8%	2.0%
Gross profit	831.7	53.3%	810.5	53.2%	2.6%
Advertising and promotion	(260.8)	-16.7%	(249.2)	-16.4%	4.6%
Contribution after A&P	570.9	36.6%	561.2	36.8%	1.7%
SG&A ⁽³⁾	(272.7)	-17.5%	(261.6)	-17.2%	4.3%
EBIT pre one-off's	298.2	19.1%	299.6	19.7%	-0.5%
One-off's	(43.2)	-2.8%	(10.3)	-0.7%	-
Operating profit = EBIT	255.0	16.3%	289.3	19.0%	-11.9%
Net financing costs	(60.3)	-3.9%	(58.9)	-3.9%	2.3%
One-off financial costs	(0.8)	-0.1%	(0.2)	0.0%	-
Profit (loss) of companies valued at equity	(0.2)	0.0%	(0.2)	0.0%	-
Put option costs	0.5	0.0%	0.2	0.0%	-
Pretax profit	194.2	12.4%	230.2	15.1%	-15.7%
Taxes	(64.6)	-4.1%	(79.8)	-5.2%	-19.1%
Net profit	129.5	8.3%	150.4	9.9%	-13.9%
Minority interests	(0.6)	0.0%	(0.6)	0.0%	7.2%
Group net profit	128.9	8.3%	149.8	9.8%	-13.9%
<i>Other information:</i>					
Depreciation	(39.4)	-2.5%	(39.5)	-2.6%	-0.3%
EBITDA pre one-off's	337.5	21.6%	339.1	22.3%	-0.5%
EBITDA	294.4	18.9%	328.8	21.6%	-10.5%

⁽¹⁾ Net of discounts and excise duties

⁽²⁾ Cost of materials + production costs + logistic costs

⁽³⁾ Selling, general and administrative costs



Q4 2014 Consolidated P&L

	Q4 2014		Q4 2013		Reported change	Q4 2014 at constant perimeter and FX					
	€ million	% of sales	€ million	% of sales		€ million	% of sales	Organic margin dilution (bps)	Organic change	Forex impact	Perimeter effect
Net sales	499.5	100.0%	471.6	100.0%	5.9%	491.2	100.0%		+4.2%	-1.9%	+3.7%
COGS ⁽¹⁾	(233.1)	-46.7%	(228.4)	-48.4%	2.1%	(234.2)	-47.7%	80	+2.5%	-2.0%	+1.5%
Gross profit	266.4	53.3%	243.2	51.6%	9.5%	257.1	52.3%	80	+5.7%	-1.9%	+5.8%
Advertising and promotion	(87.3)	-17.5%	(74.6)	-15.8%	17.0%	(84.5)	-17.2%	(140)	+13.2%	-0.6%	+4.3%
Contribution after A&P	179.1	35.9%	168.6	35.7%	6.2%	172.6	35.1%	(60)	2.4%	-2.5%	+6.4%
SG&A ⁽²⁾	(74.6)	-14.9%	(67.6)	-14.3%	10.4%	(72.0)	-14.7%	(30)	+6.5%	-1.2%	+5.2%
EBIT pre one-off's	104.5	20.9%	101.0	21.4%	3.5%	100.6	20.5%	(90)	-0.4%	-3.4%	+7.2%
One-off's	(9.8)	-2.0%	(5.6)	-1.2%	-						
Operating profit = EBIT	94.7	19.0%	95.4	20.2%	-0.8%						
Net financing costs	(18.1)	-3.6%	(15.0)	-3.2%	20.5%						
One-off financial costs	(0.0)	0.0%	(0.1)	0.0%	-71.2%						
Profit (loss) of companies valued at equity	(0.2)	0.0%	(0.2)	0.0%	-8.4%						
Put option charges	0.5	0.1%	0.2	0.0%	169.1%						
Pretax profit	76.8	15.4%	80.3	17.0%	-4.3%						
Minority interests	(0.2)	0.0%	(0.1)	0.0%	32.2%						
Group pretax profit	76.6	15.3%	80.1	17.0%	-4.4%						
Other information:											
Depreciation	(10.3)	-2.1%	(8.9)	-1.9%	15.2%	(9.0)	-1.8%	10	0.6%	4.2%	+10.4%
EBITDA pre one-off's	114.8	23.0%	110.0	23.3%	4.4%	109.7	22.3%	(100)	-0.3%	-2.9%	+7.5%
EBITDA	105.0	21.0%	104.4	22.1%	0.6%						

⁽¹⁾ Cost of materials + production costs + logistic costs

⁽²⁾ Selling, general and administrative costs



Consolidated balance sheet

Invested capital and financing sources

€ million	31 December 2014	31 December 2013	Change
Inventories	481.2	447.1	34.0
Trade receivables	313.6	288.5	25.1
Payables to suppliers	(223.2)	(198.1)	(25.1)
Operating working capital	571.5	537.5	34.0
Tax credits	22.7	25.1	(2.5)
Other receivables and current assets	17.0	21.2	(4.2)
Assets intended for sale	21.9	1.0	20.8
Other current assets	61.5	47.4	14.2
Payables for taxes	(71.9)	(57.4)	(14.5)
Other current liabilities	(60.8)	(62.9)	2.1
Liability intended for sale	(1.7)	0.0	(1.7)
Other current liabilities	(134.4)	(120.2)	(14.2)
Staff severance fund and other personnel-related funds	(9.4)	(8.6)	(0.8)
Deferred tax liabilities	(266.2)	(204.7)	(61.5)
Deferred tax assets	19.1	12.4	6.7
Other non-current assets	26.1	23.9	2.3
Other non-current liabilities	(41.9)	(36.3)	(5.5)
Other net non-current assets / liabilities	(272.2)	(213.4)	(58.8)
Net tangible fixed assets	460.4	414.3	46.1
Intangible assets, including goodwill & trademarks	1,870.8	1,582.4	288.4
Equity investments	0.7	0.9	(0.2)
Total fixed assets	2,331.9	1,997.6	334.2
Invested capital	2,558.4	2,248.9	309.5
Shareholders' equity	1,574.8	1,391.6	183.2
Minority interests	5.1	4.5	0.6
Net financial position	978.5	852.8	125.7
Financing sources	2,558.4	2,248.9	309.5



Consolidated balance sheet (1 of 2)

Assets

(€ million)	31 December 2014	31 December 2013	Change
ASSETS			
Non-current assets			
Net tangible fixed assets	441.5	396.6	44.9
Biological assets	17.5	17.3	0.2
Investment property	1.5	0.5	1.0
Goodwill and trademarks	1,841.0	1,556.4	284.6
Intangible assets with a finite life	29.8	26.0	3.8
Investment in affiliated companies and joint	0.7	0.9	(0.2)
Deferred tax assets	19.1	12.4	6.7
Other non-current assets	56.7	33.7	23.0
Total non-current assets	2,407.7	2,043.7	364.0
Current assets			
Inventories	477.0	442.6	34.4
Current biological assets	4.1	4.5	(0.4)
Trade receivables	313.6	288.5	25.1
Short-term financial receivables	22.8	31.5	(8.7)
Cash and cash equivalents	230.9	444.2	(213.3)
Income tax receivables	13.0	17.0	(3.9)
Other receivables	26.7	29.4	(2.7)
Total current assets	1,088.2	1,257.8	(169.6)
Assets held for sale	21.9	1.0	20.8
Total assets	3,517.7	3,302.5	215.2



Consolidated balance sheet (2 of 2)

Liabilities

(€ million)	31 December 2014	31 December 2013	Change
Shareholders' equity			
- Share capital	58.1	58.1	0.0
- Reserves	1,516.8	1,333.6	183.2
Group's shareholders' equity	1,574.8	1,391.6	183.2
Minority interests	5.1	4.5	0.6
Total shareholders' equity	1,579.9	1,396.1	183.8
LIABILITIES			
Non-current liabilities			
Bonds	1,086.9	1,127.0	(40.1)
Other non-current financial liabilities	25.8	48.7	(22.9)
Defined benefit obligations	9.4	8.6	0.8
Provisions for risks and future liabilities	37.9	32.4	5.5
Deferred tax	266.2	204.7	61.5
Total non-current liabilities	1,426.1	1,421.4	4.7
Current liabilities			
Short term debt banks	36.7	122.3	(85.6)
Other financial liabilities	117.4	44.4	72.9
Payables to suppliers	223.2	198.1	25.1
Income tax payables	4.9	7.2	(2.3)
Other current liabilities	127.8	113.1	14.7
Total current liabilities	509.9	485.0	24.9
Liabilities held for sale	1.7	0.0	1.7
Total liabilities	1,937.8	1,906.4	31.4
Total liabilities and stockholders' equity	3,517.7	3,302.5	215.2



Consolidated cash flow (1 of 2)

€ million	31 December 2014	31 December 2013	Change
<i>Cash flow generated by operating activities</i>			
EBIT	255.0	289.3	(34.4)
Non-cash items			
Depreciation	39.4	39.5	(0.1)
Gains on sale of fixed assets	(0.7)	(6.6)	5.9
Write-off of tangible fixed assets	0.8	0.6	0.2
Funds provisions	4.7	8.8	(4.1)
Use of funds	(5.7)	(2.0)	(3.7)
Intangible assets write-down	23.7	0.0	23.7
Other non cash items	5.8	6.7	(0.9)
Net change in Operating Working Capital	(6.9)	(36.0)	29.1
Changes in tax payables and receivables and other non financial	20.3	(4.0)	24.2
Taxes on income paid	(53.0)	(75.8)	22.8
	283.3	220.6	62.7
<i>Net cash flow generated (used) by investing activities</i>			
Acquisition of tangible and intangible fixed assets	(55.6)	(64.7)	9.1
Capital grants received on fixed assets investments	0.3	0.7	(0.4)
Capitalized borrowing costs	0.0	(1.3)	1.3
Income from disposals of tangible fixed assets	6.9	6.5	0.4
Payments on account for new headquarters	0.5	(0.1)	0.6
Purchase of companies or holdings in subsidiaries	(216.7)	(13.6)	(203.1)
Debt assumed with acquisition	32.2	0.0	32.2
Acquired tax payables for income tax relating to acquisition	(7.5)	0.0	(7.5)
Purchase of trademarks and distribution rights	(6.0)	(11.2)	5.2
Payment of put option and earn out	(0.2)	(4.2)	4.0
Interests received	5.3	6.4	(1.0)
Change in marketable securities	13.1	10.0	3.1
Dividends received	0.4	0.7	(0.2)
	(227.0)	(70.8)	(156.2)



Consolidated cash flow (2 of 2)

€ million	31 December 2014	31 December 2013	Change
<i>Cash flow generated (used) by financing activities</i>			
Repayment of private placement Campari America	(32.9)	0.0	(32.9)
Repayment of other medium-/long -term financing	(6.2)	(0.3)	(5.9)
Net change in short-term bank debt	(112.0)	1.2	(113.2)
Interests paid	(62.9)	(62.2)	(0.6)
Change in other financial payables and receivables	(15.9)	(9.2)	(6.7)
Own shares purchase and sale	(6.5)	(25.9)	19.3
Dividend paid by Group	(46.1)	(39.8)	(6.2)
	(282.8)	(136.3)	(146.6)
Exchange rate effects and other equity movements			
Exchange rate effects on Operating Working Capital	(3.4)	40.9	(44.3)
Other exchange rate differences and changes in shareholders' equity	19.1	(52.7)	71.8
	15.7	(11.8)	27.5
<i>Net increase (decrease) in cash and banks</i>	(210.8)	1.8	(212.5)
Net cash position at the beginning of period	441.6	442.5	(0.8)
Net cash position at the end of period	230.9	444.2	(213.3)



Exchange rates effects

Average exchange rate	1 January - 31 December 2014	1 January - 31 December 2013	% change FY 2014 vs FY 2013
US dollar : 1 Euro	1.329	1.328	-0.1%
Canadian dollar : 1 Euro	1.467	1.368	-6.7%
Jamaican Dollar : 1 Euro	147.294	133.304	-9.5%
Brazilian Real : 1 Euro	3.123	2.867	-8.2%
Argentine Peso : 1 Euro	10.778	7.277	-32.5%
Mexican Peso : 1 Euro	17.664	16.964	-4.0%
Russian Ruble : 1 Euro	51.031	42.325	-17.1%
Pound Sterling : 1 Euro	0.806	0.849	5.3%
Swiss Franc : 1 Euro	1.215	1.231	1.3%
Australian Dollar : 1 Euro	1.472	1.377	-6.5%
Chinese Yuan : 1 Euro	8.188	8.165	-0.3%

Period end exchange rate	31 December 2014	31 December 2013	% change 31 December 2014 vs 31 December 2013
US dollar : 1 Euro	1.214	1.379	13.6%
Canadian dollar : 1 Euro	1.406	1.467	4.3%
Jamaican Dollar : 1 Euro	138.802	146.176	5.3%
Brazilian Real : 1 Euro	3.221	3.258	1.1%
Argentine Peso : 1 Euro	10.276	8.989	-12.5%
Mexican Peso : 1 Euro	17.868	18.073	1.1%
Russian Ruble : 1 Euro	72.337	45.325	-37.3%
Pound Sterling : 1 Euro	0.779	0.834	7.0%
Swiss Franc : 1 Euro	1.202	1.228	2.1%
Australian Dollar : 1 Euro	1.483	1.542	4.0%
Chinese Yuan : 1 Euro	7.536	8.349	10.8%



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.





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