2016 Full Year Results

Investor Presentation
28 February 2017

GRUPPO CAMPARI

BUILDING LIFESTYLE BRANDS AND PEOPLE WITH PASSION

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Results for Full Year ended 31 December 2016

Solid results across all key performance indicators

Key figures	FY 2016		Change vs. FY 2015 [4]			
	€ million	% on sales	Reported	*Organic*	*FX*	*Perimeter* [1]
Net sales	**1,726.5**	*100.0%*	**+4.2%**	***+4.7%***	***-3.3%***	***+2.8%***
of which: Global priorities				*+6.3%*		
Regional priorities				*+9.3%*		
Gross profit	**984.6**	*57.0%*	**+7.4%**	***+5.8%***	***-2.8%***	***+4.3%***
margin accretion (bps)			+170 bps	*+60 bps*	*+30 bps*	*+80 bps*
EBIT adjusted [2]	**352.5**	*20.4%*	**+6.0%**	***+3.6%***	***-1.9%***	***+4.3%***
margin accretion (bps)			+30 bps	*-20 bps*	*+30 bps*	*+30 bps*
EBITDA adjusted [2]	**405.3**	*23.5%*	**+6.6%**	***+4.4%***	***-2.1%***	***+4.4%***
margin accretion (bps)			+50 bps	*-10bps*	*+30 bps*	*+30 bps*
Group net profit adjusted [3]	**198.6**	*11.5%*	**+7.0%**			
Free cash flow	**243.2**		**+21.6%**			

(1) Grand Marnier acquisition (closed on 29 June 2016), net of disposals and agency brands terminations

(2) EBITDA and EBIT before operating adjustments, including Grand Marnier transaction costs and restructuring projects

(3) Group net profit before operating and financial adjustments, related tax effects and other tax adjustments in 2016 and 2015. Group net profit Report

(4) Variations in bps rounded to the nearest ten

Delivering on strategy
Key highlights

> **Organic growth**

- **Solid organic sales growth in FY 2016: +4.7%** (+3.2% in Q4), in line with Group's mid-to-long term goal
  - **Continuous improvement in sales mix** driven by the consistent **outperformance of Global Priorities, up +6.3%** (+0.7% in Q4), and **Regional Priorities, up +9.3%** (+8.4% in Q4), **in key high-margin developed markets**
- **EBIT adjusted organic growth +3.6%** (+1.7% in Q4)
  - **Gross margin expansion of +60 bps in FY 2016** fully reinvested in both accelerated A&P and distribution capabilities in H2, as planned

> **Perimeter effect**

- **Significant accretive effect** due to the combined impact of the Grand Marnier acquisition and disposals of low margin businesses: Gross profit +60 bps, EBIT adjusted +30 bps
- **Overall positive value impact of Grand Marnier**: net sales of € 81.5 million and EBIT adjusted of € 16.1 million, included in the perimeter effect in H2

> **Net profit adjusted**

- **Group net profit adjusted** [(1)] **up +7.0% on a like-for-like basis. Decline in reported Group net profit entirely driven by overall pretax negative adjustments of € 57.8 million** (€ 32.3 million post tax) including Grand Marnier acquisition costs, restructuring projects and debt refinancing

> **Free cash flow**

- Strong generation of cash flow **(€ 243.2 m in FY2016, +21.6%)** mainly driven by **higher EBITDA and decrease in organic OWC**

> **Net financial debt**

- **Net financial debt at € 1,199.5 million** as of 31 December 2016 (vs. € 825.8 million as of 31 December 2015), after the dividend payment of € 52.1 million and the acquisition of Grand Marnier, net of proceeds from various disposals, of € 584.1 million [(2)]. **Net financial debt to EBITDA pro-forma ratio** of 2.9 times as of 31 December 2016 up from 2.2 times as of 31 December 2015

> **Dividend**

- **Proposed full year dividend for fiscal year 2016 of € 0.045 per share, on a rectified basis after the proposed stock split** [(3)], **unchanged vs. previous year**

(1) Group net profit before operating and financial adjustments in full year 2016 and full year 2015
(2) Grand Marnier acquisition of € 682.9 million plus net debt / (cash) position of€ (32.5) million, net of proceeds from disposals of € (65.0) million plus (net debt) / cash position of € (1.4) million
(3) The Board of Directors have voted to propose to the Shareholders' meeting, convened on 28 April 2017, a 1 to 2 stock split, via the issue of two new shares for each existing share. Proposed full year dividend of € 0.045 per share on a rectified basis i.e resulting from the stock split (corresponding to € 0.09 per share on an unrectified basis)

Positive organic growth across all the regions

Organic sales growth highlights by region

> **Americas**

FY2016: +2.9% (Q4: +2.3%)

- Positive full year growth in **US (+2.1%)** mitigated by rebalancing of stock in Q4 ahead of route-to-market changes. Continued **growth in Canada, Argentina** and **Mexico**
- **Decline in Brazil,** due to continued macroeconomic weakness, **positive growth in Jamaica** spirits business more than offset by weakness in our non-core low-margin sugar business

> **Southern Europe, Middle East & Africa**

FY2016: +2.6% (Q4: -0.2%)

- **Steady growth in Italy +0.3%** driven by our **Global Priorities** portfolio, primarily the aperitifs **Aperol** and **Campari**, compensating for **weakness in single serve aperitifs** and **Italian still wine businesses** (disposals completed in December 2016). Pro-forma organic growth (i.e. excluding the divested businesses) of +1.0% in FY 2016
- Sustained **strong results in France, Spain, Greece** and **Global Travel Retail** helped to offset the macro weakness in **Nigeria** and **shipment phasing in South Africa** ahead of the **in market company set-up**

> **North, Central & Eastern Europe**

FY2016: +11.9% (Q4: +8.6%)

- **Continued positive** performance in our **core market Germany (+6.0%)** thanks to **Aperol** and **Campari** as well as **Regional Brands** such as **Frangelico**
- Turnaround year for **Russia** with continued **positive results vs. low comparison base** while local macro environment remains uncertain
- **UK had a sustained growth,** particularly with **positive results from Aperol** and **Campari**

> **Asia Pacific**

FY2016: +6.0% (Q4: +6.7%)

- Sustained growth in **Australia (+7.2%)** while **New Zealand** also registers **good trends**
- **Weakness in Japan (-1.4%)** due to orders phasing and route-to-market challenges

Sales organic performance driven by Global & Regional brands
Organic sales growth highlights

Global Priorities

Organic sales growth in FY (1) +6.3%

Solid growth driven by high margin global priority portfolio: **Aperol +18.5%, Campari +8.6%**, **Wild Turkey +1.0%**, the **Jamaican rums +2.0%** with a slight decline in **SKYY -1.4%**

Regional Priorities

Organic sales growth in FY (2) +9.3%

Very strong performance from **Espolòn +38.6%** with solid growth among all other major brands, in particular: **Averna**, **GlenGrant, Frangelico, Cinzano** and **other sparkling wines**

Local Priorities

Organic sales growth in FY -1.2%

High single digit growth from **Ouzo 12** in Germany and slightly positive results of **Wild Turkey ready-to-drink** in Australia were offset by weakness of local **single-serve aperitifs** in Italy and local Brazilian brands

(1) Global Priorities organic growth include Campari, SKYY, Wild Turkey, Jamaican Rum in FY 2016

(2) Bulldog brand to be classified under Regional priorities as of 2017 (acquisition completed in February 2017)

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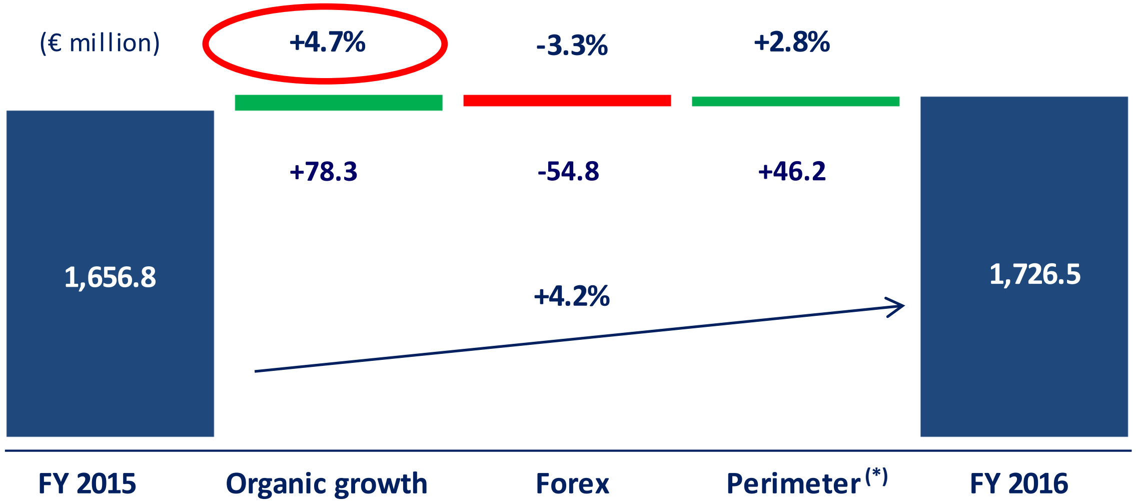
Net sales results for Full Year 2016

Growth drivers



(*) **Breakdown of change in perimeter**	€ m
- Acquisitions (1)	81.5
- Disposals (2)	(22.3)
- New agency brands	2.9
- Termination of agency brands (3)	(15.9)
Total perimeter change	**46.2**

(1) Acquisition of Grand Marnier consolidated as of July 1, 2016
(2) Disposals of non-core businesses, including **private label** business (March 2016) in Italy, **Agri-Chemicals** (July 2015) and **Federated Pharmaceutical** (March 2015) in Jamaica
(3) Includes merchandise third party business in Jamaica and agency wines in Italy

> **Organic change of +4.7%** (or € 78.3 million), driven by **strong organic growth of high-margin Global Priorities (+6.3%)** and **Regional Priorities (+9.3%)**

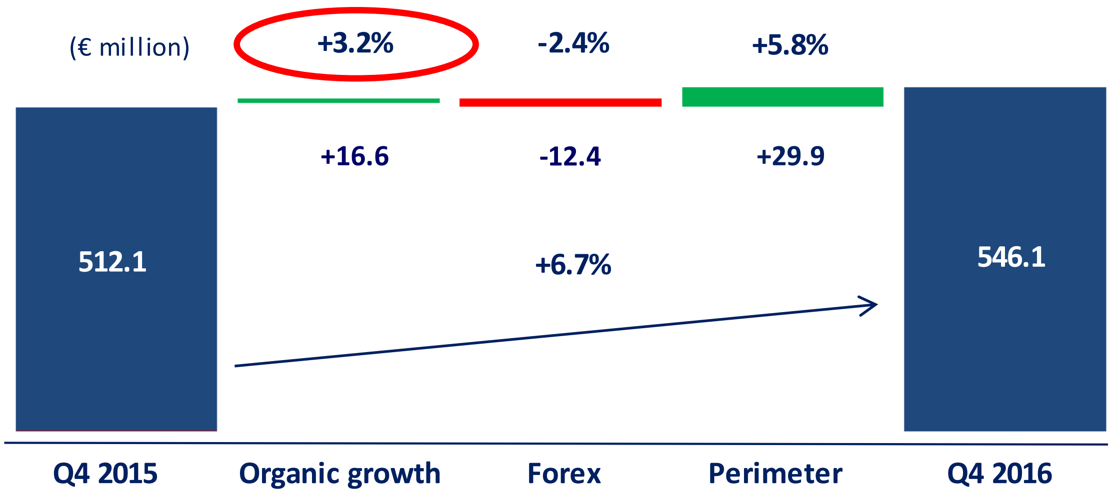
> **Forex effect of -3.3%** (or € -54.8 million) mainly due to **devaluation of ARS** (-37.2%) and **MXN** (-14.8%) as well as **unfavourable trends in other Group currencies** like **GBP, JMD** and continued decline in **BRL**. Neutral **USD** FX effect in FY

> **Perimeter impact of +2.8%** (or € 46.2 million) was the combined effect of the Grand Marnier acquisition, consolidated as of July 1, 2016, the termination of some distribution agreements and the sale of non-core businesses, in line with the Group's strategy of streamlining non-strategic and low-margin activities and increasing focus on the core business

- **Half year Grand Marnier contribution fully compensated for the negative FX impact**

Net sales results for Q4 2016

Growth drivers



Group sales organic growth by quarter

	2016	2015
Q1	7.2%	4.2%
Q2	3.4%	1.7%
1H	5.0%	2.7%
Q3	6.1%	2.1%
9M	5.4%	2.5%
Q4	3.2%	4.2%
2H	4.5%	3.3%
FY	4.7%	3.0%

- **Positive results,** with an **organic change of +3.2%** (or € 16.6 million). Primarily driven by **strong organic growth of high-margin Regional Priorities (+8.4%)**
- **Forex effect of -2.4%** (or € -12.4 million) driven by unfavourable trends in all key Group currencies, particularly **ARS, MXN** and **GBP**
- **Perimeter effect of +5.8%** (or €29.9 million) driven by **Grand Marnier (€ 37.7 million)**, only in part offset by the **termination of some distribution agreements** and **the sale of non-core businesses**

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Net sales by regions and key markets

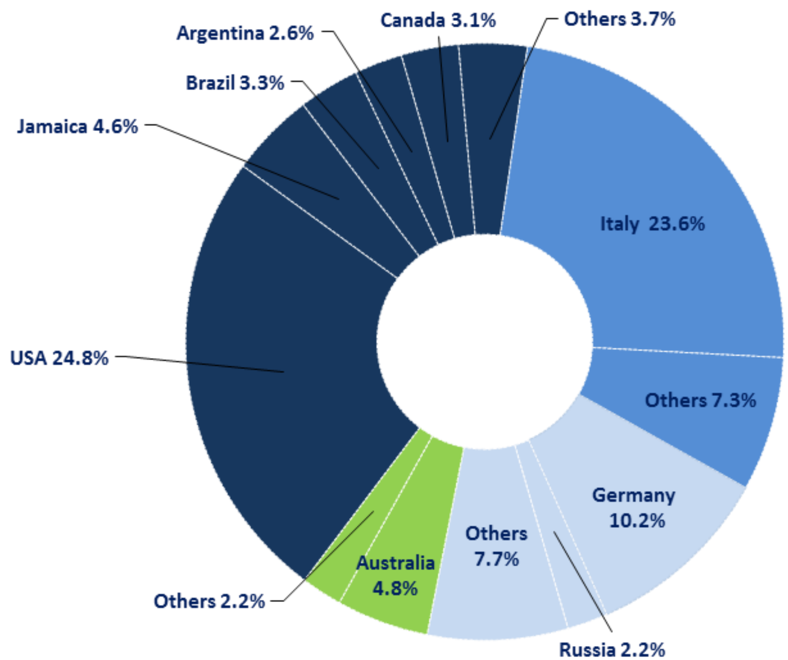
Full Year 2016

FY 2016 net sales: € 1,726.5 m

Organic growth: +4.7%

Americas
(42.1% of Group net sales)
Organic growth: +2.9%

Southern Europe, Middle East and Africa
(30.9% of Group net sales)
Organic growth: +2.6%



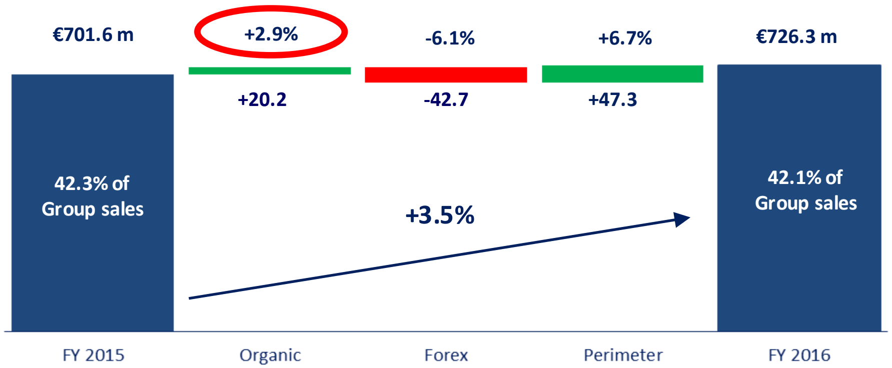
Asia Pacific
(7.2% of Group net sales)
Organic growth: +6.0%

North, Central & Eastern Europe
(19.9% of Group net sales)
Organic growth: +11.9%

Developed vs. emerging markets: 78% vs 22% in FY 2016 [1]

[1] Key emerging markets include Jamaica, Brazil, Argentina, Russia, South Africa and Nigeria

Net sales by region – Americas



FY 2016 geographic overview

By market	Organic	Forex	Perimeter	% Group sales
USA	2.1%	0.3%	14.7%	24.8%
Jamaica	-2.1%	-5.4%	-11.1%	4.6%
Brazil	-12.7%	-3.8%	-0.7%	3.3%
Argentina	42.3%	-52.7%	-0.4%	2.6%
Canada	4.8%	-3.5%	9.1%	3.1%
Other countires	0.8%	-10.2%	0.9%	3.7%

Americas net sales organic growth by quarter

Q1 2015	4.8%	Q2 2015	2.3%	Q3 2015	8.9%	Q4 2015	11.0%
Q1 2016	6.9%	Q2 2016	0.2%	Q3 2016	3.1%	Q4 2016	2.3%

> **US**

- Full year **organic growth of +2.1%** affected by a negative contraction in Q4 (-4.2%) impacted by rebalancing of stock ahead of route-to-market changes
- **Global Priorities positive on the year** driven by **Wild Turkey** (**+1.7%**) and the Italian specialties, particularly **Aperol** (**+42.8%)** and **Campari**. Continued **positive momentum of Espolòn,** up high double digits

> **Jamaica**

- **Organic decline** entirely due to non-core sugar business. Most of the decline was recovered by strong underlying business performance during the second half of the year. Performance excluding the sugar negative effect: +12.9%. **Global Priorities: +23.3%,** driven by Campari (up triple digit) and the Jamaican rums (up double digit)

> **Brazil**

- **Difficult trading conditions** contributed to a full year organic decline, with consumption affected by macro-economic woes

> **Argentina**

- **Strong double digit growth** despite a weakening environment, driven by good performance of **Cinzano, SKYY** and **Aperol** as well as pricing to compensate for local inflation

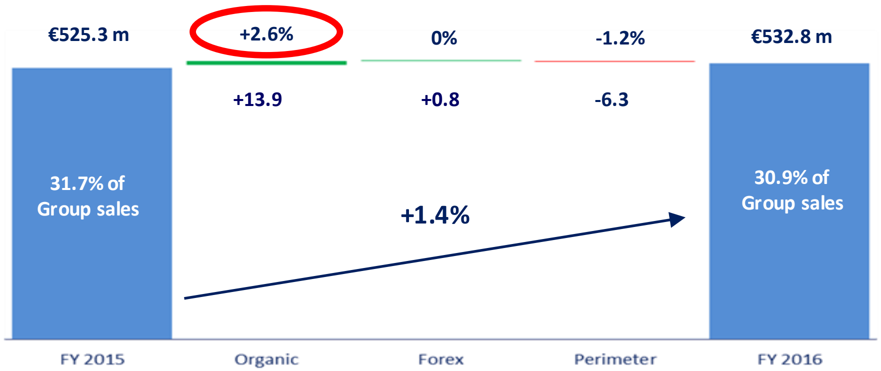
> **Canada**

- **Solid organic growth** driven by **Forty Creek (+5.4%)** and the aperitifs (**Aperol**, **Campari**). The Jamaican rum was impacted by transition to new ranges and packaging

> **Mexico**

- **Continued FY double digit growth of +17%,** driven by **SKYY ready-to-drink** and the **Jamaican rum portfolio**

Net sales by region - Southern Europe, Middle East & Africa (1)



FY 2016 geographic overview

By market	Organic	Forex	Perimeter	% Group sales
Italy	0.3%	0.0%	-2.5%	23.6%
Other markets	11.6%	-0.1%	3.8%	7.3%

SEMEA net sales organic growth by quarter

Q1 2015	5.5%	Q2 2015	3.9%	Q3 2015	-2.8%	Q4 2015	1.4%
Q1 2016	4.8%	Q2 2016	2.7%	Q3 2016	4.3%	Q4 2016	-0.2%

> **Italy**

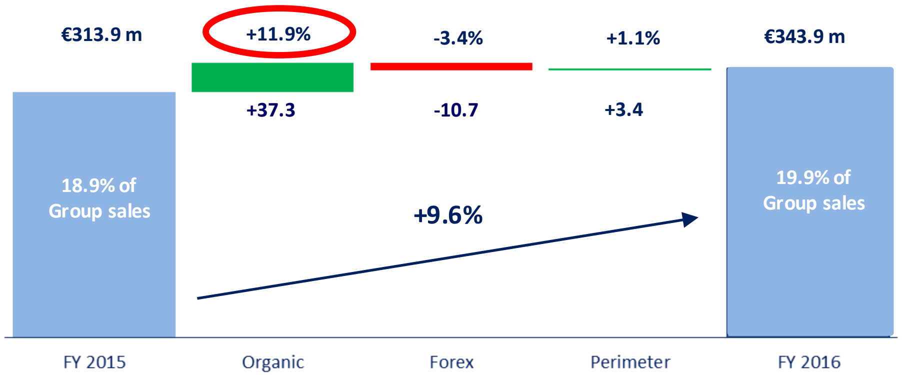
- Results in line with expectations: +0.3% (Q4 +0.7%) with weakness in still wines business which was subsequently disposed. Pro-forma organic growth (excluding the divested businesses) of +1.0%
- **Global Priorities +6.1% on the year,** driven by the positive trend in global aperitifs, particularly **Aperol** (**+4.4%)** and **Campari (+10.7%),** as confirmed by sell-out data.
- Continued double digit growth in **Averna**, **Cinzano** and **Braulio** as well as positive growth of **SKYY Vodka**

> **Others**

- A solid performance from the rest of the region (+11.6%) despite a weaker Q4 (-4.5%): exceptional continued growth in France (+54.1%, primarily driven by **Aperol, Campari, GlenGrant and Riccadonna** as well as **good performance in Spain** (**Aperol**) and **Greece** (**Campari** and **Aperol** up double digit). The negative impact in Q4 can be accredited to weakness in Nigeria, where macroeconomic conditions remain negative as well as destocking effects in South Africa, ahead of the set up of a new in-market company
- **Global Travel Retail** up +11.9% mainly driven by **GlenGrant**, **Aperol**, **Campari**, **Averna** and **Bulldog** as well as positive trends from **Frangelico Liqueur** and **Ouzo 12**

(1) Incl. Global Travel Retail

Net sales by region - North, Central & Eastern Europe



FY 2016 geographic overview

By market	Organic	Forex	Perimeter	% Group sales
Germany	6.0%	0.0%	0.5%	10.2%
Russia	27.7%	-10.7%	4.3%	2.2%
Other markets	16.1%	-6.3%	1.1%	7.6%

NCEE net sales organic growth by quarter

Q1 2015	-1.5%	Q2 2015	-4.0%	Q3 2015	-0.6%	Q4 2015	-6.3%
Q1 2016	13.3%	Q2 2016	12.7%	Q3 2016	14.8%	Q4 2016	8.6%

> **Germany**

- Very positive full year organic growth of +6.0% (Q4: +5.1%), driven by the continued outperformance of **Aperol** (+11.3%), **Ouzo** (+7.4%) and **Averna** (+11.8%) as well as positive performances from **Frangelico** (+38.0%), **Campari** and **SKYY,** despite weakness in **Cinzano**

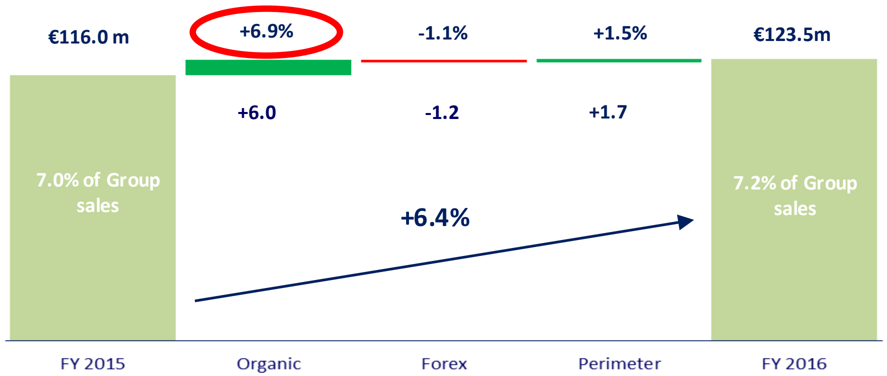
> **Russia**

- **Positive performance** for the full year (+27.7%) as the market normalized after a tough 2015 (-41.4%) when macro-economic conditions and Ruble deterioration have caused severe consumer weakness as well as precautionary measures regarding customer credit
- **Cinzano** and **Mondoro** both had double digit growth. Italian specialties are showing promise, albeit off a small base, particularly **Aperol** and **Campari**

> **Others**

- **Overall positive organic growth at +16.1%,** mainly driven by **UK** (**+47.4%**) thanks to the continued successful development of **Aperol**, **Campari**, the **Jamaican rums**, **Bulldog** and **Wild Turkey**. Switzerland, Austria other Northern and Eastern European markets all recorded positive growth for the aperitif brands

Net sales by region - Asia Pacific



FY 2016 geographic overview

By market	Organic	Forex	Perimeter	% Group sales
Australia	7.2%	-0.9%	0.3%	5.0%
Other markets	3.2%	-1.5%	4.3%	2.2%

Asia Pacific net sales organic growth by quarter

Q1 2015	7.2%	Q2 2015	2.8%	Q3 2015	-3.9%	Q4 2015	17.3%
Q1 2016	5.8%	Q2 2016	2.7%	Q3 2016	8.2%	Q4 2016	6.7%

> **Australia**

- Solid organic growth of +7.2% (Q4: +3.0%), with **Global Priorities up +4.2%** driven by **Aperol,** the **Wild Turkey ready-to-drink** portfolio and **SKYY** Vodka. There were positive results too from **Campari, Espolòn** and **GlenGrant**, up double digits from a small base, and the newly launched spiced rum **Baron Samedi**. One off spike in the co-packing business contributed as well to the overall positive organic performance

> **Others**

- Other markets were up +3.2% on the year (Q4: +3.0%) thanks to a very good performance from **New Zealand** (**+10.3%**) driven by **Riccadonna,** the **Wild Turkey** franchise, along with positive results from **Aperol, GlenGrant, Appleton Rum** and **Cinzano sparkling wines** and **Espolòn** (off a small base)
- In Japan (-1.4%), the sales decline is primarily due phasing issues and route-to-market challenges. **GlenGrant** had positive sales trends. Trading in China continues to be tough

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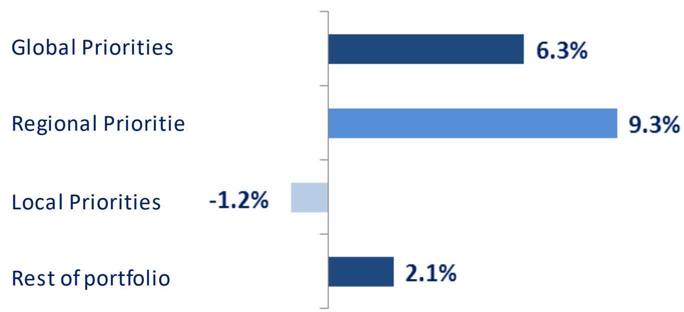
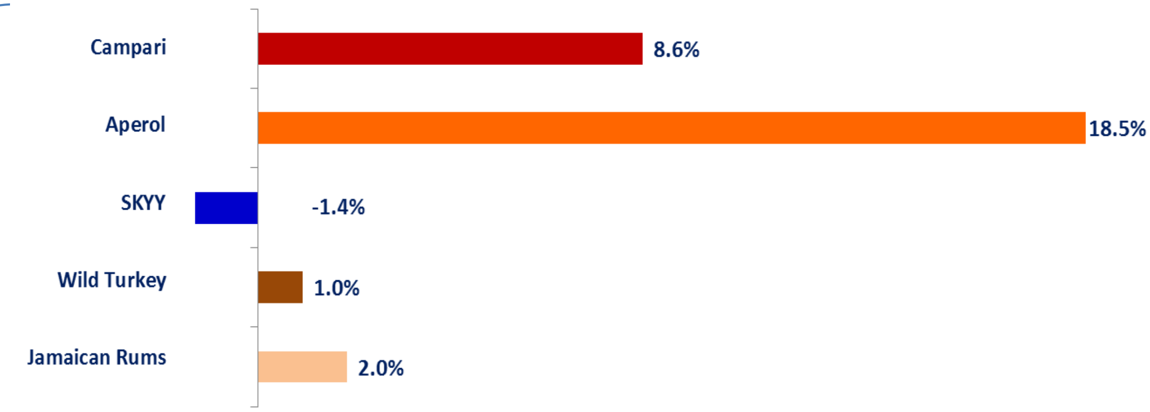
Net sales by brand - Overview

Full Year 2016

Organic growth by category FY 2016

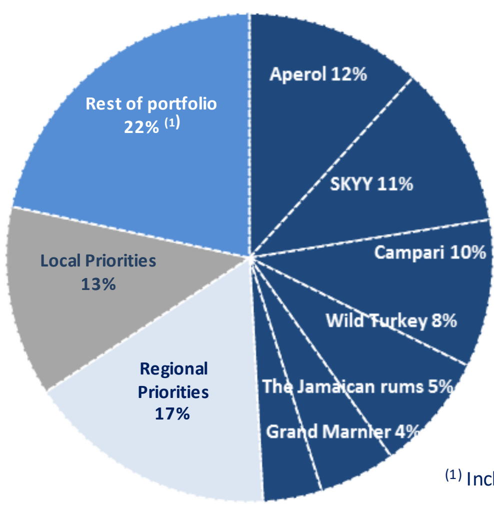


Organic growth by Global Priority in FY 2016



FY 2016 Net sales: € 1,726.5 m

Organic growth: +4.7%



Local Priorities

- Campari Soda
- Crodino
- Wild Turkey rtd
- Dreher & Sagatiba
- Cabo Wabo
- Ouzo 12

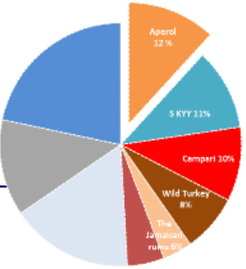
Regional Priorities

- Cynar
- Averna & Braulio
- GlenGrant
- Forty Creek
- Carolans
- Frangelico
- Espolòn
- Cinzano
- Mondoro & Riccadonna

(1) Including other own brands 11%, agency brands 8% and sugar, bulk & co-packing 3%

Brand sales review

Global Priorities



Top 5 markets

- **Italy**
- **Germany**
- **France**
- **Austria**
- **Switzerland**

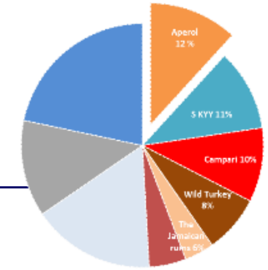
> **High double digit organic growth of Aperol at +18.5% in FY 2016** [1], building on **an outstanding performance from previous years** (**FY2015: +11.8%, FY2014: +7.0%**) due to **continued sustained growth in the brand's core and high potential markets** as well as **new activations in seeding geographies**

> **Performance by key region**

- **SEMEA**
  - **Positive results** in **Italy** (**+4.4%**): continued activations in the core market of Italy is keeping **Aperol's** results strong, with year-on-year mid single digit shipment growth and high single digit growth as reported by Nielsen
  - Significant acceleration in **France** with **triple digit growth**, doubling in size for the 2nd consecutive year. Another good set of results in **Spain,** with organic growth of **+58.6%** (+119.0% organic growth in FY 2015)
  - **Very positive development in the rest of the region**, particularly in **Greece** and **GTR**
- **North, Central & Eastern Europe**
  - **Germany**, as one of the brand's core markets, enjoys **double digit growth at +11.3%**
  - In the **UK, high double digit** growth of **+73.8%** (+232.6% organic growth in FY 2015) keeps **Aperol** as one of the fastest growing brands in the country
  - Continued high **double digit growth** in seeding markets in **Eastern Europe** and **Scandinavia**
- **Americas and Asia Pacific**
  - Continued **high double digit growth** in seeding markets such as **US**, **Canada**, **Brazil, Argentina**, **Chile** as well as **Australia**

(1) Sales at constant FX

Marketing initiatives



Aperol SKI activations

Continued winter **Aperol** brand activations which will open up **new consumption occasions and deseasonalize the brand** – with many promotional activities in the Swiss/Italian ski resorts. Over 120 Swiss outlets activated with further Aperol Spritz events in Italy during the Winter 2016/2017 ski season

Key activations in Spain

Continued activations into a core growth market: Barcelona. High profile promotions and point-of-sale in the main piazza of Barcelona with activation of the Aperol Spritz Piazza concept

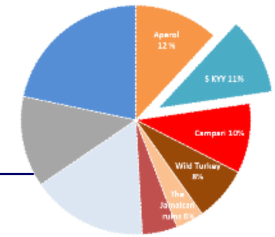
Digital marketing in high potential markets

Aperol Spritz Fiat 500 Tour across the USA with stops at key accounts in the main cities spreading contagious joy via the #AperolSpritz Break

Continued focus on core Italian market, with **special activations in the south of Italy**. Other key activations this year in Germany, Belgium, UK, Brazil, Argentina, France

Brand sales review

Global Priorities



Top 5 markets

- USA
- Brazil
- Germany
- Italy
- China

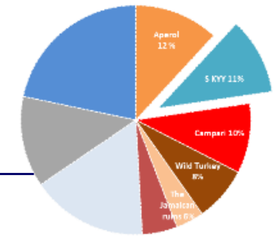
> The **SKYY franchise declined by -1.4% in FY 2016**, with the **Infusions** portfolio bringing down the results for the franchise due to category weakness. The core **SKYY Vodka** was slightly up on the year (+0.2%), despite a tough comparable (+1.7% FY2015)

> **SKYY Vodka** was able to hold **market position in the highly competitive US market, while the brand continues to expand its international footprint** (**22.2% of global sales**)

> **Performance by key region**

- **Americas**
  - **Flat performance of SKYY Vodka in core USA**, despite tough competitive market was offset by a decline in infusions. Key brand activations and premium offering are positively impacting the brands relevance among millennials
  - Decline in **Brazil** (**-20.3% organic growth in FY 2016**) exacerbated by a very tough comparable from last year when the brand grew high double digits. Continued **macro-economic woes and deteriorating consumer sentiment**
  - **More than double in value achieved in Argentina** driven by volume growth after a multi-year brand activation campaign to attract millennials, setting SKYY as an icon of the new generation
  - Positive results continued in **Peru, Chile**, **Mexico**, **Jamaica**
- **SEMEA, North, Central & Eastern Europe** and **Asia Pacific**
  - Positive results achieved in **Italy, Germany** and **Australia**, while other markets produced a slight decline in organic growth
  - Destocking in South Africa ahead of route-to-market change

Marketing initiatives



Innovative marketing in key core market

Experiential marketing in New York over the holiday season; a knitting needle armed crew, led by acclaimed artist Magda Sayeg, created large-scale pieces inspired by the limited edition bottle. A series of brand activations were set up in Chelsea Market, Union Square and Meatpacking district in NY

Holiday season limited edition 'Holidayy sweater bottle'
iconic cobalt blue SKYY bottles is wrapped in blue and white Fair Isle knit sweaters. Core US market deployment for the campaign in major US retailers

Experiential marketing, events and digital in high potential markets

Events & Social media campaign #QuietSKYY in Jamaica

Double marketing campaign in Italy with i) social media campaign #DiscoverTheSkyy and ii) #SKYYVodkaBeachFestival in Italian Riviera

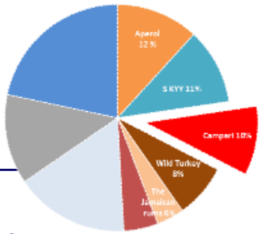
SKYY Vodka sponsorship @International Beach Festival in Mexico

#NOTSOSWEET social media competition 'Fused By SKYY' in Australia

Brand sales review

Global Priorities

CAMPARI



Top 5 markets

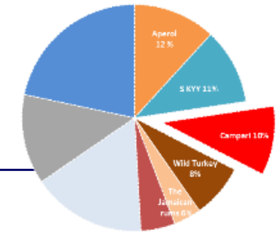
- Italy
- Argentina
- USA
- Germany
- Brazil

> **Continued positive performance of Campari at +8.6% in FY2016, building on the high single digit growth trend in the previous three years** (**FY13: +8.2%, FY14: +9.8%, FY15: +6.1%**)

> **Performance by key region**

- **SEMEA**
  - **Double digit growth** in **Italy** (+10.7%), confirmed by positive sell out trends
  - Very satisfying results in **France** and **Greece**
  - **GTR up double digits**, decline in **Nigeria**
- **North, Central & Eastern Europe**
  - **Germany** is back in growth and **Russia** sales increased high double digit off a small base.
  - **Strong double digit growth in the UK** (+20.4% organic growth in FY 2016) and in **Austria** (**+18.1%**), thanks to increased penetration via awareness and cocktail education as well as millennial targeting in trendy cities with easy-to-mix cocktails like Campari Tonic
- **Americas**
  - **Argentina** is now the second top markets for the brand, thanks to continued strong double digit volume growth (+41.5% organic volume growth in FY 2016)
  - **US** (+3.7% organic growth in FY 2016 after a tough comparable) is leveraging off the revival of Campari based Classic Cocktails, particularly Negroni, in top bars across the states. US market sell-out data shows solid underlying growth at a double digit rate
  - Continued **double digit growth in Canada**. Double digit value and volume growth in Jamaica
  - **Decline in Brazil** due to poor consumer environment
- **Asia Pacific**
  - **Continued double digit growth in Australia, decline in Japan**

Marketing Initiatives



Leveraging the Negroni trend: Negroni week

Due to its success in charity fund raising in previous years, **Negroni week** was back in 2016, reaching over 6,000 venues, which is double that of 2015, in **over 60 countries worldwide** (vs. 44 in 2015). As a celebration of one of the world's greatest cocktails, key brand activations, giveaways and POS allow people to enjoy and give to charity at the same time

7 DAYS
JUNE 6–12
3 INGREDIENTS
CAMPARI / GIN / VERMOUTH
1 SIMPLE WAY
TO GIVE BACK

Red nights – The Negroni BAR UK

A pop up bar in **London's trendy Shoreditch** area was opened in the summer of 2016 with the **largest selection of Negronis** in the world. **30 Negroni variations** were sold, taken from the Campari Classic Cocktails compendium. Two bar tender events, **Red Nights Shifts** ran from 1am-5am giving **500 of London's best bartenders** the chance to party with Campari, a long with celebrity guests

CAMPARI Red Experience

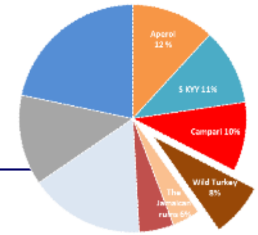
The Campari Red Experience is a brand **activation & communication event in Brazil**. It **included 2 main events**, that brought to the public an immersive experience with **art installations, concerts, DJs and the Campari perfect serve** (**Campari Tonic and Campari Citrus**), promoting the drinking strategy to more than **1500 people present** in the events

CAMPARI activations in ITALY

Celebration Milan being the capital for both the aperitif and fashion at the **Campari Fashion avenue** and the Campari Montenapoleone activation **in Milan. Exlcusive** event names **Aperitif in Red** in the most exclusive boutiques of Montenapoleone avenue

Brand sales review

Global Priorities



Top 5 markets

- **USA**
- **Australia**
- **Japan**
- **GTR**
- **UK**

> **Positive organic growth of +1.0%[(1)(2)]** for the Wild Turkey franchise with **positive results in the core USA market**, while growing markets such as the **UK and Canada enjoyed double digit growth**

> **Performance in Wild Turkey bourbon** (**+1.7%**) was mitigated by phasing of release of a new offering and a strong comparable base (+12.5% in FY 2015), while **American Honey** posted a slight decline

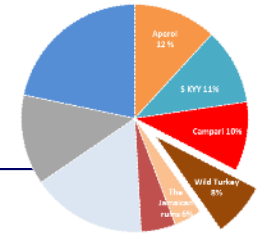
Performance by key region

- **Americas**
  - Positive performance in the **US** (**+1.4% in FY**). Growth was mitigated by a shift of Master's Keep release in the US from 2016 to early 2017. Consumption is ahead of shipments as **sell out trends are confirmed to be high single digit**
  - We continue to leverage on the **brand's quality and heritage**, ensuring that Wild Turkey is a choice for top bartenders and mixologists also thanks to increased success of premium offerings such as Russell's Reserve
  - **Canada continues to grow** while **Brazil** (macroeconomic headwinds) posted a **double digit decline**
- **Asia Pacific**
  - **Australia's decline** (**-4.6% in FY**) primarily driven by a fall in sales of **American Honey** (**-8.6%**), while **bourbon is down -2.9%** albeit outperforming market consumption level as well as core competitors
  - **Subdued bourbon performance in Japan** (**-1.2% in FY**) in connection with route-to-market challenges and shipment phasing
- **SEMEA** and **North, Central & Eastern Europe**
  - **Positive momentum continues in seeding markets** (**UK, Poland, Austria**) from a small base

(1) Sales at constant FX

(2) Incl. Wild Turkey straight bourbon, Russell's Reserve, American Honey, Wild Turkey ready-to-drink and American Honey ready-to-drink are excluded

Marketing initiatives



New Tv commercial with Matthew McConaughy 'THE JOURNEY BEGINS'

A new standout **national TVC campaign** starring **Matthew McConaughey.** Focus on the core brand qualities of the Kentucky based bourbon, **leveraging on the quality, experience and authenticity of the brand**

Core marketing events

Continued activations in the core **US market** with a focus on the premiumisation of our portfolio with brands such as Russell's reserve franchise

Wild Turkey Master's Keep Decades was released in Australia in Q3 2016 and sold through half of its volume by the end of the year

Wild Turkey PR, Digital and TV activities

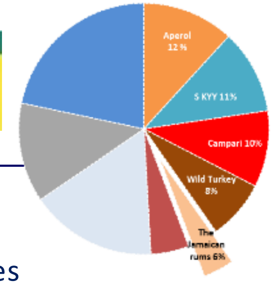
Fourth consecutive year of the trade advocacy program: bringing top barmen and whiskey professionals together

Ongoing support of the new Wild Turkey campaign, as well as the rollout of new packaging. PR efforts are generating 1 billion+ impressions in only a few weeks after the launch

Wild Turkey was awarded the prestigious 'Spirit Brand of the Year' award by Wine Spectator for 2016

Brand sales review

Global Priorities



Top 5 markets

- **Jamaica**
- **USA**
- **Canada**
- **GTR (US)**
- **Mexico**

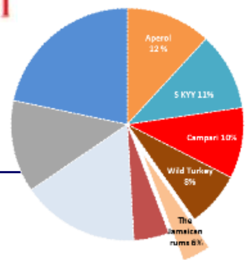
> **Sustained organic growth in FY 2016 at +2.0%** (Q4: -4.4%)[1][2] against tough comparables from previous years of double digit growth. Exceptional results for **Wray&Nephew Overproof** and **J.Wray,** in part mitigated by **Appleton Rum, down low single digit**, as Appleton Special & White branding is transitioning into J.Wray

> **Performance by key region**

- **Americas**
  - **Rum portfolio was flat** in the **core US market** after achieving high double digit growth in FY2015 (+19.4%)
  - **US** and **Canada**: transition to new range and new packaging
  - Positive performance in **Jamaica** with the portfolio **up +11.6%**, led by **Wray&Nephew White Overproof** (**+14.4%**) and **Appleton** (**+3.6%**) as well as strong growth in **Peru** via recruitment of key influential mixologists and rum bars in key cities
- **SEMEA, North, Central and Eastern Europe** and **Asia Pacific**
  - **Positive progression** in seeding markets, **including UK, France, New Zealand** and **Australia**

(1) Sales at constant FX
(2) Incl. Appleton Estate, J.Wray, Wray&Nephew Overproof

Marketing initiatives



J.Wray Jamaican rum

Formerly Appleton Special & White, the new look **J.Wray Jamaica rum** is winning advocacy with top bartenders as the ultimate mixing rum, being **internationally recognised and awarded**. Key POS in the US and brand visibility has been a top priority and will continue in 2017

Premium spiced rum: The Baron Samedi

A dark, high proof, mixable rum with a **focus on quality and unique ingredients** (Haitian Vetiver & spices) differentiate this brand from competitors. With a **focus for on-premise**, the brand has significant promotional activity, with **emphasis on digital marketing & app compatibilities**

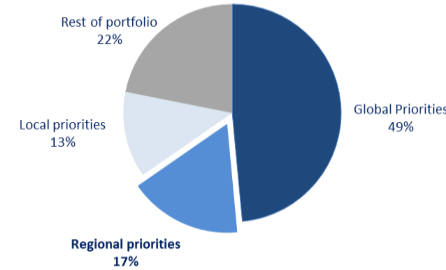
Appleton Estate

Media and Bartender Education - Appleton Estate continued to focus on driving brand education via the 'From Cane to Cocktail' program across key markets

Appleton Estate driving **discovery and trial** via cocktail solutions by **introducing the Appleton Mule in on and off-premise**, and social media

Brand sales review

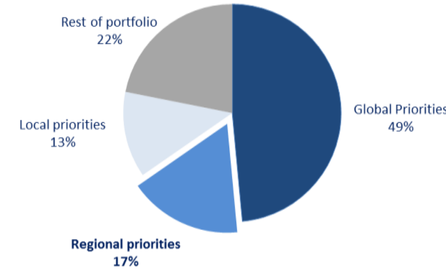
Regional Priorities



	Regional Priorities	Brand sales as % of Group's sales FY 2016	Organic change FY 2016	Organic change Q4 2016	
Bitters	CYNAR	1%	+1.8%	-2.6%	> **Overall positive** results mainly driven by **Italy** and the **USA**, which offset weakness in **Brazil** and **Switzerland**
	AVERNA / BRAULIO	2%	+18.7%	+7.9%	> **Positive results of Braulio** in core **Italy**, while **Central Europe** posted double digit growth > **Averna** had strong double digit growth in core **European markets** (Italy, Germany and Austria) as well as USA and GTR
Whiskies	GLEN GRANT SINGLE MALT	1%	+11.1%	-4.3%	> **Positive performance overall, led by France, GTR** and **Asia Pacific**
	FORTY CREEK	1%	+1.0%	+3.6%	> **Good performance** in **Canada** partially offset by weak shipments in the **US**
Liqueurs	CAROLANS IRISH CREAM	2%	-1.2%	+12.1%	> Down on the year due to a tough Q4. Good trends in **Canada, Portugal, Russia and Mexico** held back by weakness other markets
	Frangelico liqueur	2%	+4.6%	+9.0%	> **Positive results mainly driven by Germany** and **UK**, with good **stabilisation in the US** and **positive trends in Canada**

Brand sales review

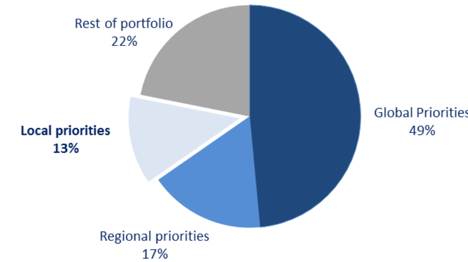
Regional Priorities (cont'd)



	Regional Priorities	Brand sales as % of Group's sales in FY 2016	Organic change FY 2016	Organic change Q4 2016	
Tequila	ESPOLÒN	2%	+38.6%	+27.4%	> Sustained **strong double digit growth** in our **core US** market (**+41.9%**) while also registering **positive momentum** in new markets (particularly **Australia** and **Canada,** but also **Italy** and the **UK**)
Sparkling wine & vermouth	CINZANO	4.5% [1]	+2.2%	+1.4%	> **Strong performance in vermouth** driven by **Argentina** and **Russia**, partly offset by continued weakness **Germany** and a decline in the **UK** > Mid single digit decline in **sparkling wines**, as core markets (**Germany, Italy** and **Russia**) declined. **Positive performances** in other **Eastern European** markets and the **USA**
	MONDORO RICCADONNA	2%	+25.6%	+26.9%	> **Positive performance** driven by **Russia** (Mondoro) and **France** (Riccadonna)

[1] Incl. Cinzano vermouth and Cinzano sparkling wines

Brand sales review
Local Priorities



Local Priorities	Brand sales as % of Group's sales in FY 2016	Organic change FY 2016	Organic change Q4 2016	
CAMPARISODA	3%	-2.4%	+5.3%	> **Continued weakness** in the **core Italian market**, despite a positive Q4
CRODINO	3%	-3.3%	+5.0%	> **Decline in core Italian** markets (91% of brands sales) > Positive progression in **Central European** markets
	2%	+0.8%	-8.1%	> **Slight growth** achieved in **core Australian market,** outperforming key competitors
Dreher Sagatiba	2%	-3.0%	-8.2%	> **Negative** results primarily driven by the **deteriorating macroeconomic environment in Brazil**
12 OUZO	1%	+7.0%	+12.2%	> Good growth mainly driven by core **German** market

GRUPPO CAMPARI

BUILDING LIFESTYLE BRANDS AND PEOPLE WITH PASSION

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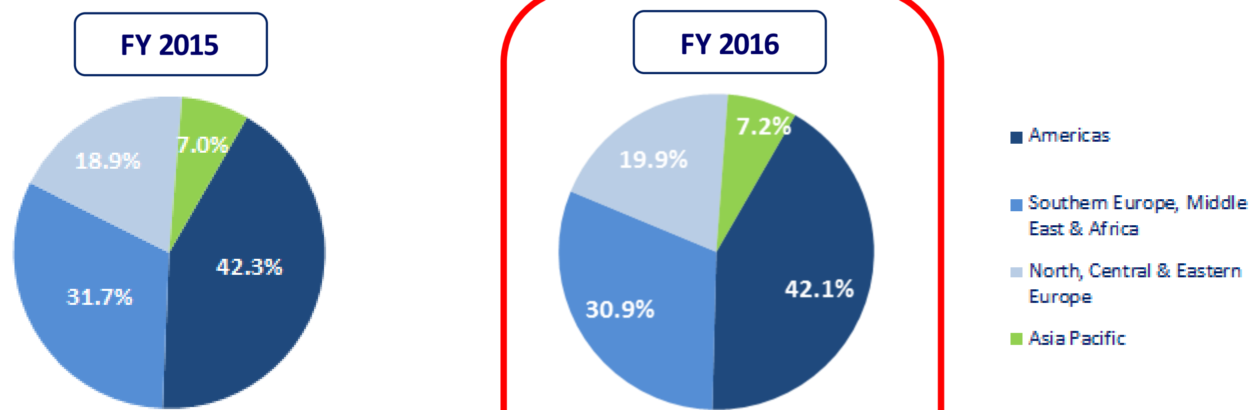
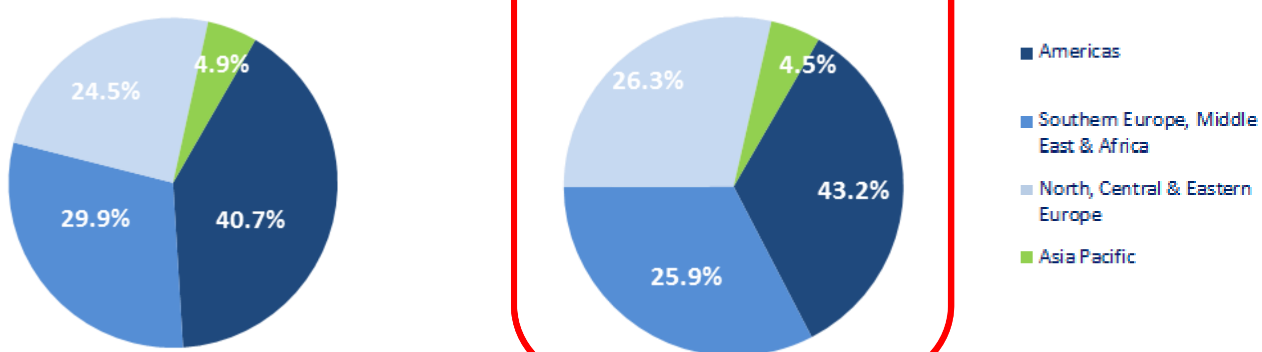
Net sales and EBIT (1) analysis by region

Net Sales breakdown by region



EBIT (1) breakdown by region



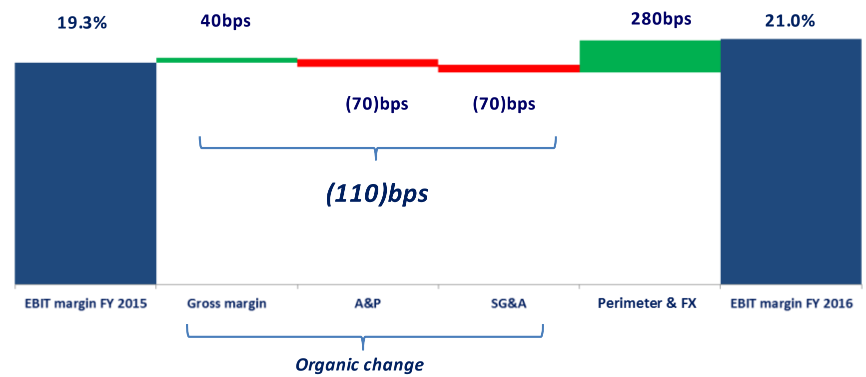
> **Americas** represent the **Group's largest region** (42.1% of Group's net sales in FY 2016, from 42.3% in FY 2015) and also represents **the largest profit pool for the Group** (43.2% of Group's EBIT (1) in FY 2016, up from 40.7% in FY 2015)

(1) EBIT adjusted

EBIT [1] by region – Americas

	FY 2016		FY 2015		Reported	Organic change
	€ million	% of sales	€ million	% of sales	change	change
Net sales	726.3	100.0%	701.6	100.0%	3.5%	2.9%
Gross profit	412.3	56.8%	377.0	53.7%	9.4%	3.6%
A&P	(136.8)	-18.8%	(124.0)	17.7%	10.3%	7.0%
SG&A	(123.1)	-16.9%	(117.6)	16.8%	4.7%	7.3%
EBIT [1]	**152.4**	**21.0%**	**135.4**	**19.3%**	**12.5%**	**-2.9%**

+170 bps



> Organic change [2]

Net sales increased by +2.9% and **EBIT decreased by -2.9%**. **EBIT margin contracted by -110 bps** (**from 19.3% to 18.2% on net sales on an organic basis**):

Gross Profit

- **Gross profit increased in value by +3.6%** (partly affected by the negative performance of the non-core sugar business in Jamaica) and **was accretive by +40 bps**, driven by the positive sales mix by brand and market, driven by the US

A&P

- **A&P increased in value by +7.0%** and **was dilutive on EBIT margin by -70bps**, mainly due to a phasing of marketing expenses across different fiscal years, particularly the new **Wild Turkey marketing campaign**

SG&A

- **SG&A increased in value by +7.3%** due to strengthening the on-premise capabilities following the Grand Marnier acquisition [3] as well as an inflation effect in emerging markets. **EBIT** margin was therefore diluted by -70 bps

> FX

- **Net sales** and **EBIT** decreased by **-6.1%** and **-2.2%** respectively, mainly due to currency devaluations in Latin America

> Perimeter

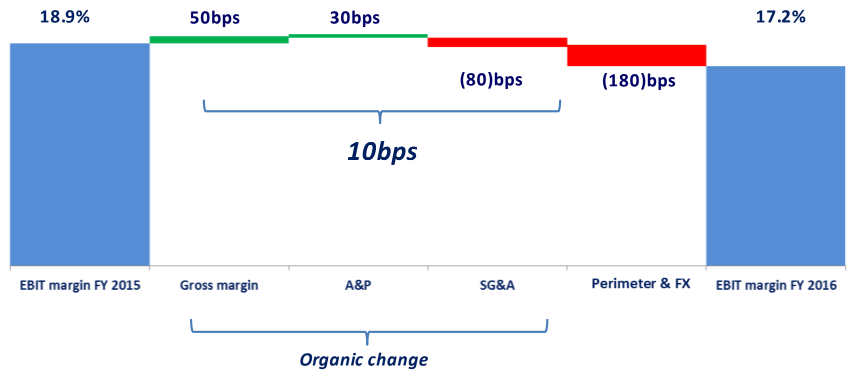
- **Net sales** and **EBIT** increased by **+6.7%** and **+17.5%** respectively driven by the combined effects of the Grand Marnier acquisition, the termination of some distribution agreements and the sale of non-core businesses in Jamaica

[1] EBIT adjusted
[2] Results at constant perimeter and FX
[3] Acquisitions of Grand Marnier (closed on 29 June 2016)

EBIT (1) by region – SEMEA

	FY 2016		FY 2015		Reported	Organic change
	€ million	% of sales	€ million	% of sales	change	change
Net sales	532.8	100.0%	525.3	100.0%	1.4%	2.6%
Gross profit	313.7	58.9%	304.6	58.0%	3.0%	3.5%
A&P	(99.0)	-18.6%	(95.4)	-18.2%	3.8%	0.8%
SG&A	(123.3)	-23.1%	(109.7)	-20.9%	12.4%	6.3%
EBIT (1)	**91.5**	**17.2%**	**99.5**	**18.9%**	**-8.1%**	**3.0%**

-170 bps



> Organic change [2]

Net sales and **EBIT increased by +2.6% and +3.0% respectively**. **EBIT margin improved by +10 bps** (**from 19.2% to 19.3% on net sales on an organic basis**):

Gross Profit

- **Gross profit increased in value by +3.5%** and **was accretive by +50 bps**, driven by driven by positive sales mix following brand premiumisation initiatives and growth in our Global Priorities as well as strong performances in high-margin Western Europe

A&P

- **A&P increased in value by +0.8%** and **was accretive on EBIT margin by +30 bps**, due to investment phasing of marketing initiatives, particularly for new campaigns with Aperol in high potential markets as well as the 'Red Diaries' campaign for Campari

SG&A

- **SG&A increased in value by +6.3%** and therefore was dilutive on EBIT margin by -80 bps, driven by set up of new route-to-market in South Africa

> FX

- **Net sales was flat** and **EBIT** increased by **+0.8%**

> Perimeter

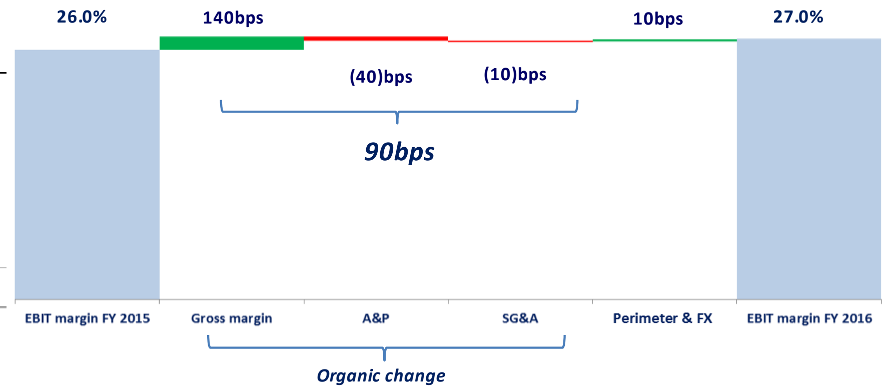
- **Net sales** and **EBIT** changed by **-1.2%** and **-11.9%** respectively driven by disposals of non-core businesses in Italy (still wines and co-packing business). The delta effect on EBIT vs. net sales was driven by the first time consolidation of Grand Marnier which, due to the concentration of admin structures in the region, determined a disproportional increase of SG&A overall (+12.4% on a reported basis)

(1) EBIT adjusted
(2) Results at constant perimeter and FX

EBIT (1) by region – NCEE

	FY 2016		FY 2015		Reported	Organic change
	€ million	% of sales	€ million	% of sales	change	change
Net sales	343.9	100.0%	313.9	100.0%	9.6%	11.9%
Gross profit	198.5	57.7%	177.8	56.6%	11.6%	14.7%
A&P	(52.5)	-15.3%	(46.8)	-14.9%	12.3%	14.9%
SG&A	(53.2)	-15.5%	(49.4)	-15.7%	7.8%	12.9%
EBIT [1]	**92.7**	**26.9%**	**81.6**	**26.0%**	**13.6%**	**15.7%**

+90 bps



> Organic change [2]

Net sales and **EBIT increased by +11.9% and +15.7% respectively**. **EBIT margin improved by +90 bps** (**from 26.0% to 26.9% on net sales on an organic basis**):

Gross Profit

- **Gross profit increased in value by +14.7%** and **was accretive by +140 bps** thanks to strong sales mix improvement as well as **continued sustained growth in Germany and the UK** which was driven by high margin aperitifs and regional brands

A&P

- **A&P increased in value by +14.9%** and **was dilutive on EBIT margin by -40 bps** due to phasing of marketing activities, especially of Aperol in high potential markets

SG&A

- **SG&A increased in value by +12.9%** driven by the effect of the UK route-to-market set up entering the cost base. EBIT margin was therefore diluted by -10 bps

> FX

- **Net sales** and **EBIT** decreased by **-3.4%** and **-4.4%** respectively, particularly driven by the recent weakness of GBP

> Perimeter

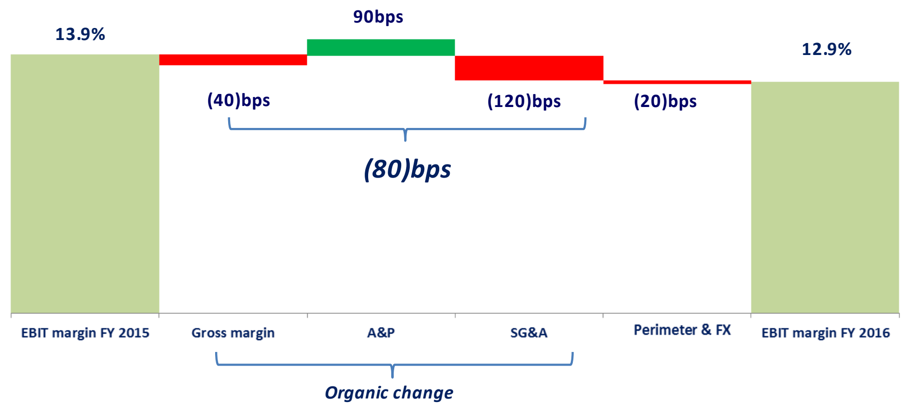
- **Net sales** and **EBIT** changed by **+1.1%** and **+2.3%** respectively

(1) EBIT adjusted
(2) Results at constant perimeter and FX

EBIT (1) by region – Asia Pacific

	FY 2016		FY 2015		Reported	Organic change
	€ million	% of sales	€ million	% of sales	change	change
Net sales	123.5	100%	116.0	100.0%	6.4%	6.0%
Gross profit	60.0	48.6%	57.6	49.7%	4.2%	5.1%
A&P	(20.2)	-16.4%	(20.1)	-17.3%	0.9%	0.7%
SG&A	(23.9)	-19.3%	(21.4)	-18.5%	11.4%	13.1%
EBIT (1)	**15.9**	**12.9%**	**16.1**	**13.9%**	**-1.3%**	**0.0%**

-100 bps



> Organic change (2)

Net sales increased by +6.0% and EBIT was flat. EBIT margin decreased by -80 bps (from 13.9% to 13.1% on net sales on an organic basis):

Gross Profit

- **Gross profit increased in value by +5.1%** and **was dilutive by -40 bps** due to the one-off spike of lower margin local co-packing activities in FY 2016

A&P

- **A&P increased in value by +0.7%** and **was accretive on EBIT margin by +90 bps**

SG&A

- **SG&A increased in value by +13.1%** and was **dilutive on margin by -120bps** due to strengthening of sales structures in Australia and selected Asian markets

> FX

- **Net sales** and **EBIT** decreased by **-1.1%** and **-5.1%** respectively

> Perimeter

- **Net sales** and **EBIT** changed by **+1.5%** and **+3.8%** respectively

(1) EBIT adjusted
(2) Results at constant perimeter and FX

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FY 2016 Consolidated EBIT

	FY 2016		FY 2015					
	€ million	% of sales	€ million	% of sales	Reported change	Organic change	Forex impact	Perimeter effect
Net sales	1,726.5	100.0%	1,656.8	100.0%	4.2%	+4.7%	-3.3%	+2.8%
COGS [1]	(741.9)	-43.0%	(739.8)	-44.6%	0.3%	+3.4%	-4.0%	0.9%
Gross profit	984.6	57.0%	917.1	55.4%	7.4%	+5.8%	-2.8%	+4.3%
Advertising and promotion	(308.6)	-17.9%	(286.3)	-17.3%	7.8%	+5.8%	-3.0%	+5.0%
Contribution after A&P	**676.0**	**39.2%**	**630.8**	**38.1%**	**7.2%**	**+5.8%**	**-2.7%**	**+4.0%**
SG&A [1]	(323.5)	-18.7%	(298.0)	-18.0%	8.5%	+8.3%	-3.4%	+3.7%
EBIT adjusted	**352.5**	**20.4%**	**332.7**	**20.1%**	**6.0%**	**+3.6%**	**-1.9%**	**+4.3%**
Operating adjustments	(33.2)	-1.9%	(22.9)	-1.4%	-			
Operating profit = EBIT	319.4	18.5%	309.8	18.7%	3.1%			
Other information:								
Depreciation	(52.7)	-3.1%	(47.4)	-2.9%	11.3%	+10.2%	-3.4%	+4.5%
EBITDA adjusted	**405.3**	**23.5%**	**380.1**	**22.9%**	**6.6%**	**+4.4%**	**-2.1%**	**+4.4%**
EBITDA	372.1	21.6%	357.1	21.6%	4.2%			

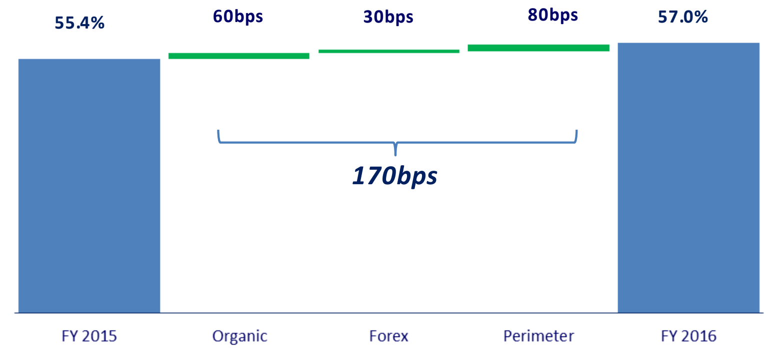
[1] COGS = cost of materials, production and logistics expenses

[2] SG&A = selling, general and administrative expenses

FY 2016 Consolidated P&L - Gross Profit

	FY 2016 € million	% of sales	FY 2015 € million	% of sales	Reported change	Organic change	Forex impact	Perimeter effect
Net sales	1,726.5	100.0%	1,656.8	100.0%	4.2%	+4.7%	-3.3%	+2.8%
COGS [1]	(741.9)	-43.0%	(739.8)	-44.6%	0.3%	+3.4%	-4.0%	0.9%
Gross profit	984.6	57.0%	917.1	55.4%	7.4%	+5.8%	-2.8%	+4.3%

+170 bps [2]



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

(2) variations in bps rounded to the nearest ten

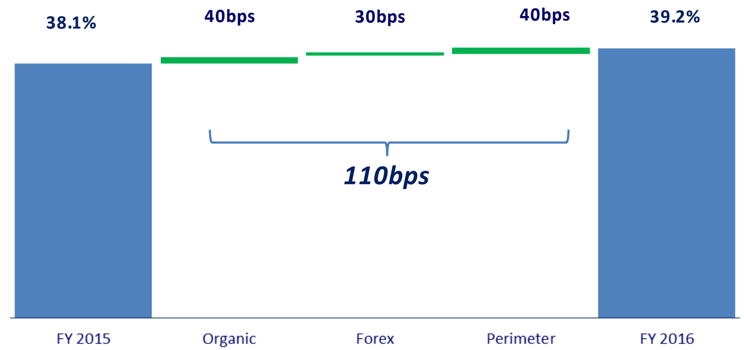
> **Gross profit overall up by +7.4%** vs. FY 2015, **increasing by +170 bps** to 57.0% on net sales in FY 2016 (vs. 55.4% in FY 2015)

- **Organic growth of +5.8%**, with an accretion of **+60 bps** (from 55.4% to 56.0%) in FY 2016. Key drivers:
  - **continued sales mix improvements** by brand: outperformance of Global and Regional Priority brands. By region: outperformance of key developed markets, in part mitigated by faster growth of low margin emerging markets (Argentina and Russia) and partly affected by the negative effect of the non-core Jamaican sugar business
- **Forex impact of -2.8%,** driven by the **devaluation of several Group currencies against Euro apart from USD**, particularly ARS and BRL as well as the GBP
- **Perimeter effect of +4.3%**, driven by the H2 Grand Marnier contribution, partly offset by the termination of some distribution agreements and the sale of non-core businesses in Jamaica and Italy. Overall accretive effect of perimeter: +80bps in FY2016

FY 2016 Consolidated P&L - Contribution after A&P

	FY 2016		FY 2015					
	€ million	% of sales	€ million	% of sales	Reported change	Organic change	Forex impact	Perimeter effect
Gross profit	984.6	57.0%	917.1	55.4%	7.4%	+5.8%	-2.8%	+4.3%
Advertising and promotion	(308.6)	-17.9%	(286.3)	-17.3%	7.8%	+5.8%	-3.0%	+5.0%
Contribution after A&P	**676.0**	**39.2%**	**630.8**	**38.1%**	**7.2%**	**+5.8%**	**-2.7%**	**+4.0%**

+110 bps



> **A&P at 17.9% on net sales in FY 2016** (vs. 17.3% on net sales in FY 2015), up by +7.8%, with an overall margin dilution of **-60 bps**:

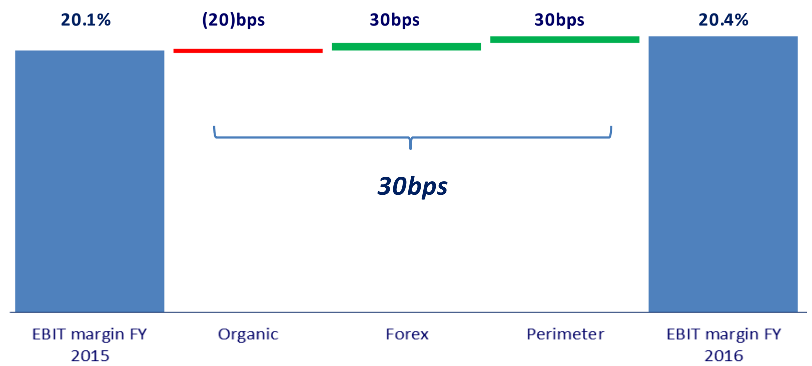
- **organic growth of +5.8%,** with a margin dilution of **-20 bps**, due to accelerated A&P investments due to phasing of marketing campaigns on Global Priorities. **A&P on a net sales at constant FX and perimeter**: **17.5%**
- **forex impact of -3.0%**
- perimeter effect of +5.0% with a dilution of 40 bps entirely due to the discontinuation of low A&P intense businesses (wines and co-packing)

> **Contribution after A&P up by 7.2% at 39.2% on net sales in FY 2016** (vs. 38.1% on net sales in FY 2015), with an overall margin accretion of **+110 bps**:

- **organic growth of +5.8%** with a margin accretion of **+40 bps**
- **forex impact of -2.7%** and **perimeter effect of +4.0%**

FY 2016 Consolidated P&L - EBIT and EBITDA adjusted

	FY 2016 € million	% of sales	FY 2015 € million	% of sales	Reported change	Organic growth	Forex impact	Perimeter impact
Contribution after A&P	**676.0**	**39.2%**	**630.8**	**38.1%**	**7.2%**	**+5.8%**	**-2.7%**	**+4.0%**
SG&A [1]	(323.5)	-18.7%	(298.0)	-18.0%	8.5%	+8.3%	-3.4%	+3.7%
EBIT adjusted	**352.5**	**20.4%**	**332.7**	**20.1%**	**6.0%**	**+3.6%**	**-1.9%**	**+4.3%**
Operating adjustments	(33.2)	-1.9%	(22.9)	-1.4%	-			
EBIT	319.4	18.5%	309.8	18.7%	3.1%			
Other information:								
Depreciation	(52.7)	-3.1%	(47.4)	-2.9%	11.3%	+10.2%	-3.4%	+4.5%
EBITDA adjusted	**405.3**	**23.5%**	**380.1**	**22.9%**	**6.6%**	**+4.4%**	**-2.1%**	**+4.4%**
EBITDA	372.1	21.6%	357.1	21.6%	4.2%			



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

- **SG&A increased in value by +8.5%** in FY 2016, with a margin dilution of -70 bps on net sales (from 18.0% in FY 2015 to 18.7% in FY 2016):
  - organic increase of +8.3%, accelerating in H2 (+9.7%) as planned, with **margin dilution of -60 bps**. Key drivers:
    - strengthening of the Group's distribution structures in newly established direct markets (e.g. South Africa) and enhancement of the on-premise capabilities in the US to leverage the premium brand portfolio, including Grand Marnier in this strategic channel
    - inflation effect in some emerging markets, such as Argentina
  - forex impact of -3.4% and perimeter effect of +3.7%
- **EBIT adjusted was € 352.5 million** (+6.0% vs. FY 2015) with an **accretion of +30 bps on sales** (from 20.1% in FY 2015 to 20.4% in FY 2016). Key drivers:
  - **organic growth of +3.6%**, showing a **slight margin dilution of -20 bps**
  - **forex impact of -1.9%,** showing a **slight margin accretion of +30 bps**
  - **perimeter effect of +4.3%**, showing an overall margin accretion of +30 bps due to the combined effect of the **Grand Marnier acquisition (€ 16.1 million, or + 4.8%)** and the **termination of some distribution agreements** and the **sale of non-core businesses.**
- **Depreciation was € 52.7 million**, increasing by € 5.4 million vs. FY 2015, mainly driven by Grand Marnier acquisition
- **EBITDA adjusted was € 405.3 million**, up +6.6%, driven by **+4.4% organic change**
- **Negative operating adjustments of € 33.2 million in FY 2016**, of which € 8.8 million related to the Grand Marnier transaction costs and the balance related to write offs from restructuring and asset disposals [1]

(1) In FY 2015 negative adjustments of € 22.9 million mainly related to write offs and restructuring costs, net of proceeds from disposals

FY 2016 Consolidated P&L – Group pretax profit

	FY 2016		FY 2015		Change
	€ million	%	€ million	%	%
Operating profit = EBIT	**319.4**	**18.5%**	**309.8**	**18.7%**	**3.1%**
Net financial income (charges)	(58.6)	-3.4%	(60.9)	-3.7%	-3.8%
Financial adjustments	(24.6)	-1.4%	0.9	0.1%	-
Pretax profit	**236.7**	**13.7%**	**249.4**	**15.1%**	**-5.1%**

> **Negative financial charges were € 58.6 million in FY 2016**, down by € 2.3 million vs. FY 2015, due to:

- **Higher average net debt**, at € 1,130.0 million in FY 2016 vs. € 950.5 million in FY 2015, mainly driven by the Grand Marnier acquisition
- **Average cost of net debt of 5.6%** [1] **in FY 2016** down from 6.6% [2] in FY 2015, thanks to the reduced negative carry effect on available cash after the € 682.9 million Grand Marnier acquisition[2], the repayment of € 350 million Eurobond in October 2016 and the prepayment of all outstanding USPPs notes in September 2016 for a principal amount of USD 310 million (€ 277.7 million)

> **Financial adjustments** included make-whole amount of € (29.1) million [3] in connection with USPPs prepayment, ancillary financial expenses of € (0.6) million from Grand Marnier acquisition and other non-recurring financial income of € 5.1 million

> **Pretax profit** was **€ 236.7 million**, down by **-5.1% in FY 2016. Pretax profit adjusted** [4] was € 294.5 million, **up +8.7%** on a like-for-like basis

(1) Excluding FX effects, ancillary financial expenses and financial adjustments
(2) Total value of € 682.9 million, of which € 489.8 million paid with available cash and € 193.1 million earn-out payments for future commitments
(3) Corresponding to the present value of the delta interest rate between the contractually agreed future coupon payments and the applicable US Treasury yield for the same maturity
(4) Pretax profit before pretax operating and financial adjustments in FY 2016 and FY 2015

FY 2016 Consolidated P&L – Group net profit

	FY 2016 € million	% of sales	FY 2015 € million	% of sales	Reported change
Pretax profit	**236.7**	**13.7%**	**249.4**	**15.1%**	**-5.1%**
Taxes	(70.5)	-4.1%	(73.4)	-4.4%	-4.0%
Net profit	**166.3**	**9.6%**	**176.0**	**10.6%**	**-5.5%**
Minority interests	(0.0)	-	(0.6)	-	-
Group net profit	**166.3**	**9.6%**	**175.4**	**10.6%**	**-5.2%**
Operating and financial adjustments	(57.8)		(22.9)		
Adjustments related tax effects and other positive tax adjustments	25.5		11.9		
Group net profit adjusted (1)	**198.6**	**11.5%**	**185.6**	**11.2%**	**7.0%**

> **Taxes** decreased by € 2.9 million to **€ 70.5 million** (including goodwill deferred taxes of € 28.0 million)

> **Group net profit of € 166.3 million**, down -5.2%

> **Group net profit adjusted of € 198.6 million** (1) **up +7.0%** on a like-for-like basis

(1) Group net profit before operating and financial adjustments, related tax effects and other tax adjustments in 2016 and 2015.

FY 2016 Consolidated P&L – Tax rate

(€ million)		FY 2016	FY 2015
Pretax profit (Reported)	A	**236.7**	**249.4**
Operating and financial adjustments[(1)]	B	(57.8)	(22.9)
Pretax profit (adjusted)	C=A-B	**294.5**	**272.3**
Total tax (reported)	D	**(70.5)**	**(73.4)**
Goodwill deferred tax (non-cash)	E	(28.0)	28.0
Tax effects and other non-recurring positive tax effects	F	25.5	11.9
Cash tax (adjusted)	G=D-E-F	**(67.9)**	**(57.3)**
Reported tax rate	D/A	***29.8%***	***29.4%***
Cash tax rate	G/C	***23.1%***	***21.0%***

> **Reported tax rate was 29.8% in FY 2016**

> **Cash tax rate was 23.1% in FY 2016**, up from 21.0% in FY 2015, driven by country mix

(1) of which operating adjustments of € (33.2) million and financial adjustments of € (24.6) million

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Operating Working Capital

€ million	31 December 2016	31 December 2015	change	organic change	Forex	Perimeter
Receivables	306.4	295.9	10.5	(10.4)	7.8	13.1
Inventories	543.0	498.2	44.8	14.0	(4.7)	35.4
- Maturing inventory	*293.7*	269.8	*23.9*	(3.7)	(5.5)	33.0
- All others	*249.3*	228.4	*20.9*	17.7	0.8	2.4
Payables	(262.8)	(217.2)	(45.6)	(33.6)	(0.5)	(11.5)
Operating Working Capital	**586.6**	**576.9**	**9.7**	**(29.9)**	**2.6**	**37.0**
Full year reported sales	1,726.5	1,656.8				
OWC / Net sales (%), as reported	***34.0%***	***34.8%***				

> **OWC at € 586.6 million as of 31 December 2016** vs. € 576.9 million as of 31 December 2015, **showing an overall increase of € 9.7 million, of which**

- Organic change of € (29.9) million driven by:
  - decrease in receivables of € 10.4 million
  - net increase in inventory of € 14.0 million (of which a decrease in ageing liquid by € (3.7) million, having closed the catch up phase, and an increase of € 17.7 million in all others)
  - increase in payables of € 33.6 million mostly due to calendar (approx. € 25 million)
- Forex effect of € 2.6 million
- Perimeter effect of € 37.0 million, mainly driven by the consolidation of Grand Marnier, net of disposals

> **OWC was 34.0% of Net Sales as of 31 December 2016, down 80 bps vs. 31 December 2015, or 33.0% on a like-for-like basis** [1]

(1) Pro-forma ratio, i.e. excluding the perimeter effects (Grand Marnier net of disposals) from net sales and OWC

Consolidated cash flow

€ million	Notes	31 Dec 2016	31 Dec 2015	Change
EBITDA		**372.1**	**357.1**	**15.0**
Write-down's of goodwill and trademark and disposed assets	(1)	0.0	16.2	(16.2)
Other adjustments to operating profit	(2)	22.6	(14.8)	37.4
Changes in other non financial receivables and payables	(3)	17.3	10.4	7.0
Taxes paid		(46.6)	(54.0)	7.4
Cash flow from operating activities before changes in OWC		**365.5**	**314.9**	**50.5**
Net change in OWC (at constant FX and perimeter)	(4)	29.9	(9.6)	39.6
Cash flow from operating activities		**395.4**	**305.3**	**90.1**
Net interest paid		(96.2)	(56.3)	(39.9)
Capex	(5)	(56.1)	(49.1)	(7.0)
Free cash flow		**243.2**	**200.0**	**43.2**

Notes:

1) Mainly X-Rated trademark in 2015
2) Other adjustments, mainly attributable to provisions for restructuring projects and incentive plans, net of use of funds.
3) Changes in other non financial receivables and payables, mainly relating to indirect taxes
4) See slide 46 for detailed analysis of OWC. FX effect of € 2.6 million is included in 'Exchange rate differences and other movements'. Perimeter effect of € 37.0 million is included in 'acquisitions and disposals'
5) Mostly maintenance Capex

Consolidated cash flow (cont'd)

€ million	Notes	31 Dec 2016	31 Dec 2015	Change
Free cash flow		**243.2**	**200.0**	**43.2**
Acquisitions and disposals net of NFP	(6)	(396.1)	22.9	(419.0)
Dividend paid by the Parent Company		(52.1)	(45.7)	(6.4)
Other changes	(7)	(7.5)	(16.9)	9.4
Cash flow from other activities		**(455.6)**	**(39.7)**	**(416.0)**
Exchange rate differences and other movements	(8)	**26.5**	**(7.6)**	**34.1**
Change in net debt as a result of operating activities		**(186.0)**	**152.7**	**(338.7)**
Change in payable for the exercise of put options and payment of earn out		0.4	0.0	0.4
Future commitments for Grand Marnier's minority purchases and other changes	(9)	(188.1)	0.0	(188.1)
Net cash flow of the period = change in net debt		**(373.7)**	**152.7**	**(526.4)**
Net debt at the start of the period		(825.8)	(978.5)	152.7
Net debt at the end of the period		**(1,199.5)**	**(825.8)**	**(373.7)**

Notes:

6) In FY 2016 it includes Grand Marnier for € 489.8 million, net of disposals. See detailed analysis of perimeter impacts in table below. In FY 2015 disposals of non core businesses in Jamaica and Italy

7) Mainly attributable to purchases of own shares

8) In FY 2016, it includes a forex effect of € 2.6 million in OWC and other non-cash items

9) In FY 2016, it includes a negative variance of € (193.1) million relating to future commitments of purchases for Grand Marnier's minority shares and € 5 million for receivables arising from business disposals

€ million	Grand Marnier acquisition	Disposals	Total
Total proceeds / (payment) until the 31 December 2016	**(489.8)**	**60.0**	**(429.9)**
NFP acquired / divested companies	**32.5**	**1.4**	**33.9**
Proceeds / (payment) net of NFP	**(457.3)**	**61.4**	**(396.0)**
Grand Marnier minority purchases	(193.1)	0.0	(193.1)
Receivables from the deferred payments from disposals	-	5.0	5.0
Net total value of acquisitions / disposals	**(650.4)**	**66.3**	**(584.1)**

Consolidated cash flow (cont'd)

- **Increase/(Decrease) in Free Cash Flow from operating activities of € 43.2 million** (from € 200 million in FY 2015 to € 243.2 million in FY 2016)
  - \+ increase in EBITDA of € 15.0 million
  - \- negative variance from write down of intangibles and disposed assets by € (16.2) million
  - \+ positive variance in other adjustments to operating profit by € 37.4 million
  - \+ positive variance from changes in other non-financial receivables and payables of € 7.0 million due to a phasing in indirect taxes
  - \+ lower tax paid of € 7.4 million
  - \+ higher YoY decrease in OWC of € 39.6 million due to calendar
  - \- higher net interest paid by € (39.9) million driven by financial adjustments
  - \- higher Capex by € (7.0) million
- **Negative variance in cash flow from Other Activities of € (416.0) million** (from € (39.7) million in FY 2015 to € (455.7) million in FY 2016)
  - \- Negative variance from acquisitions and disposals (net of net financial position) for € (419.0) million (acquisition of Grand Marnier in FY 2016)
  - \- negative impact from dividends paid for € (6.4) million
  - \+ positive variance in other changes due to lower purchase of own shares by € 9.4 million
- **Positive variance in exchange rate differences and other movements by € 34.1 million**
- **Change in financial payables relating to put options and earn out payments and other variations of € (187.7) million**, mainly due to the future commitments on Grand Marnier's minority purchases of € (193.1) million

- **Negative variance in changes of net debt by € (526.4) million in FY 2016**
- **Net financial debt of € 1,199.5 million as of 31 December 2016** (from € 825.8 million as of 31 December 2015)

Net financial debt

€ million	31 December 2016	31 December 2015	Change	of which perimeter, net
Short-term cash/(debt)	**241.4**	**423.4**	**(182.0)**	**27.1**
- Cash and cash equivalents	*354.1*	*844.3*	*(490.2)*	*45.6*
- Short-term debt	*(112.7)*	*(420.9)*	*308.2*	*(18.5)*
Medium to long-term net cash/(debt)	**(1,243.7)**	**(1,244.7)**	**1.0**	**6.7**
Liabilities for put option and earn-out payments [1]	**(197.2)**	**(4.6)**	**(192.6)**	**(193.7)**
Net cash/(debt)	**(1,199.5)**	**(825.8)**	**(373.7)**	**(159.2)**

> **Net financial debt at € 1,199.5 million** as of 31 December 2016 (vs. € 825.8 million as of 31 December 2015), after the dividend payment of € 52.1 million and the acquisition of Grand Marnier, net of proceeds from various disposals, of € 584.1 million [2]

> Key changes:

- decrease in **Short-term cash/(debt)** of € 182.0 million, mainly due to the Grand Marnier payment (cash-out of € 489.8 million), funded with available cash, and repayment of € 350 million Eurobond
- small decrease in **Medium to long-term debt** of € 1.0 million:
  - decrease in USPP notes of € 271.9 million, due to prepayment of all USPP outstanding debt
  - increase in Payable to banks of € 297.9 million, due to Term Loan underwriting for the above prepayment
  - decrease in other financial receivables and payables of € 26.9 million
- Increase in Liabilities for put option and earn-out payments of € 192.6 million, mainly attributable to future commitments for Grand Marnier share purchases from selling shareholders

> **Net financial debt to EBITDA pro-forma ratio at 2.9 times as of 31 December 2016**, in line with June 2016, up from 2.2 times as of 31 December 2015, mainly due to Grand Marnier acquisition

(1) Including future commitments for Grand Marnier's minority purchases
(2) Grand Marnier acquisition of € 682.9 million plus net debt / (cash) position of € (32.5) million, net of proceeds from disposals of € (65.0) million plus (net debt) / cash position of € (1.4) million

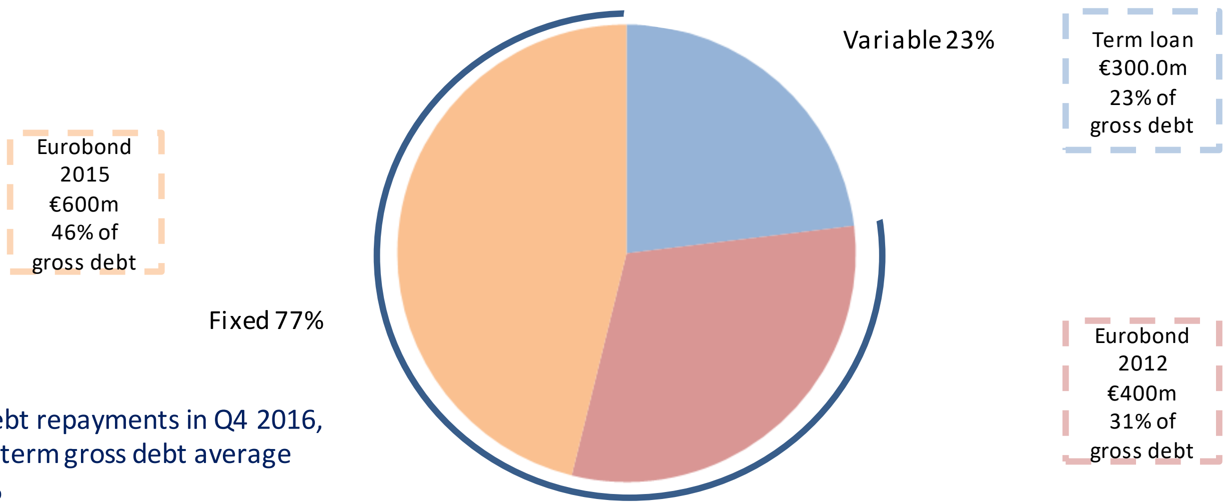
Long-term outstanding gross debt as of 31 December 2016

> **Long-term gross debt** down from € 1,714.9 million as of 31 December 2015 to **€ 1,300.0 million as of 31 December 2016** after **prepayment of all outstanding USPPs of USD 310 million** in September 2016.

Maturity	Type	€ million	Coupon	Issue date	Original tenor	Equivalent amount (€ million)	As % of total
Aug-19	Term Loan	300.0	0.75% + 3mEuribo	August, 2016	3 years	300.0	23%
Oct-19	Unrated Eurobond	400.0	4.5%	Oct 25, 2012	7 years	400.0	31%
Sep-20	Unrated Eurobond	600.0	2.75%	Sep 25, 2015	5 years	600.0	46%
Total medium-long term gross debt [1]						**1,300.0**	**100%**

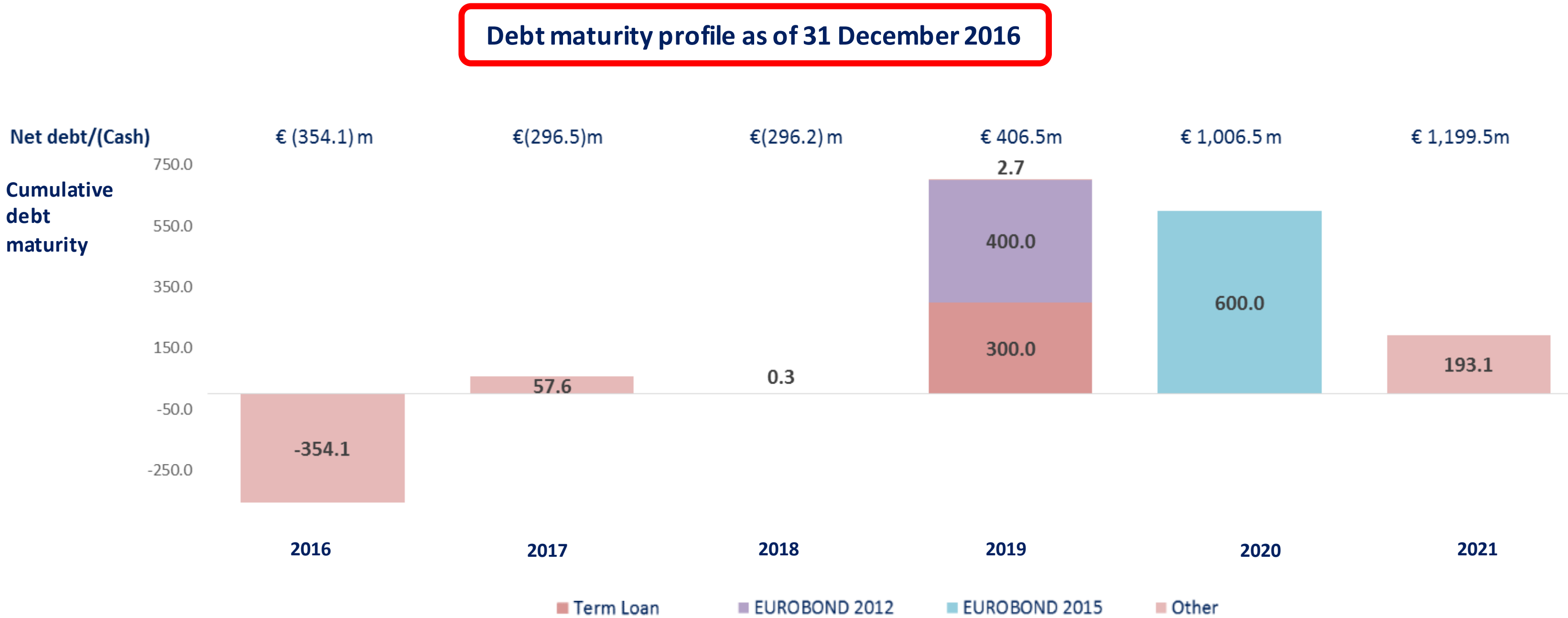
(1) The balance of € 56.3 million to Medium to long-term net debt of € 1,243.7 million is mainly attributable to liquidity investments classified under medium to long term maturities

Analysis of gross debt by category and interest rates



Following the debt repayments in Q4 2016, the overall long term gross debt average coupon is 2.76%

Debt maturity profile as of 31 December 2016



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New marketing Initiatives
Global Priorities

CAMPARI RED DIARIES

This year **Campari** have embarked on an innovative campaign labelled **Campari Red Diaries**: **12 cocktail stories** created by **leading bartenders** across the world to **celebrate the artistry behind the profession**. The pivotal piece, **Killer in Red**, is a short film directed by **Paolo Sorrentino** and starring **Clive Owen**

"Whisky Barons" collection: Pre-prohibition style

With one of the oldest Kentucky distilleries still in existence, **Campari is uniquely capable** of this historical undertaking:

the **Whiskey Barons** project is committed honoring the tradition of these historic brands by releasing **only the highest quality bourbons with respect for authenticity to the original liquid and packaging.**

Two super premium brands are the 'first expressions' to be released:

- **Bond & Lillard Kentucky Straight Bourbon**
- **Old Ripy Kentucky Straight Bourbon**

Australian Open sponsorship

Key **Aperol** sponsorship of the Australian Open with an exclusive Club Aperol area within the campus. Supported by **#CLUBAPEROL Social media Campaign in Australia.** Dedicated Aperol Spritz bars throughout the tournament with additional brand activations

Grand Marnier acquisition – The state of the art…

…and the way forward

Grand Marnier

- The **Group's 4th Global Priority** (1)
- **Acquisition integration on track**
  - Grand Marnier contribution in H2 2016: **net sales of € 81.5 million** and **EBIT adjusted of € 16.1 million**, in line with expectations
  - Perimeter contribution of Grand Marnier to continue until H1 2017
  - **Restructuring initiatives** currently being implemented
  - **Disposal of non-core Lapostolle Chilean still wines** completed on 31 January 2017
- **Global Brand positioning process**
  - the whole market, consumer and bartender understanding, drinking strategy and global routes have been defined
  - **Strategic plans moving onto the execution phase for 2017**

Core — **Cuvées**

(1) In terms of sales value on a FY 2016 pro-forma basis

New developments

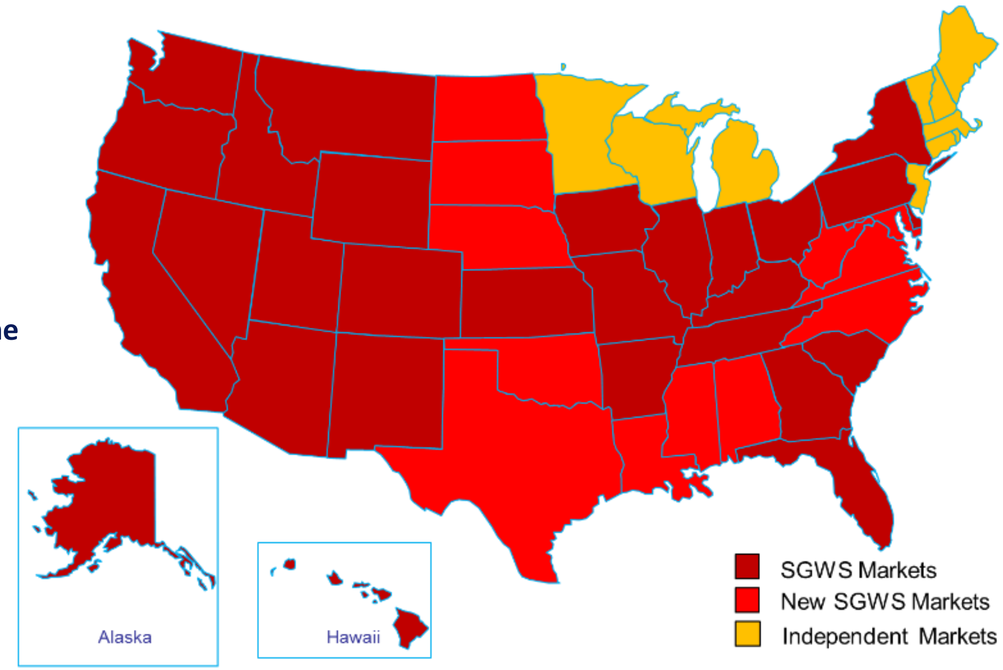
Continuous strengthening of US distribution capabilities

US distribution capabilities

> **Announced strengthening of the Group's existing partnership with Southern Glazer's Wine and Spirits** (SGWS), the largest US wine and spirits distribution company

> Effective 1st March 2017, **14 new markets** (1) **will be moved under SGWS** in addition to the **27 markets already covered by SWGS**

> New agreement is expected to **provide Campari with the US national scale** to benefit from:
- increasing **influence in the on-premise**
- supporting **key priority brands** (such as Grand Marnier)
- leveraging reach to increase support to **national accounts**
- **driving distribution expansion**



(1) The **new markets include**: Texas, Louisiana, Nebraska, North Dakota, South Dakota, Maryland, DC, West Virginia, North Carolina, Virginia, Mississippi, Alabama, Oklahoma, and Montgomery County

Premium brand portfolio strengthening…

…and streamlining of non-core low margin businesses

BULLDOG LONDON DRY GIN

BULLDOG Gin

- Acquisition closed on 10 February 2017
- As a fast growing, leading premium gin brand in the world, Campari Group continues to **consolidate its presence as a key player in the attractive super premium gin category via a super-premium brand** with significant growth potential

- Purchase price of **USD 58.4 million** inclusive of working capital and assumed liabilities, plus earn out
- **EV multiple of 13.6x 2017 expected pro-forma CAAP (€ 4 million)**
- Net sales of approximately **€ 11 m in 2016**, an increase of **22% on 2015** on a like for like basis **with 150,000 9L** cases **sold globally in 95 countries**
- **Key markets include Spain**, **Benelux**, the **UK**, **Global Travel Retail** and the **US**

Disposals of non-core still wine businesses

Sella & Mosca and Teruzzi & Puthod wineries (Italy)

- Sale of 100% of Sella & Mosca and 100% of Teruzzi & Puthod for an **overall deal consideration of € 62 million** on a cash free / debt free basis
- Price corresponds to an **expected multiple of 13.9x pro-forma EBITDA in 2016 (€ 4.4 m)**
- Deal closed on 16 December 2016
- With this transaction, Gruppo Campari fully exits the Italian still wine business

Lapostolle winery in Chile

- Sale of 100% of Lapostolle winery [1] for a total **enterprise value of € 30 million**, including a net financial position of € 23.3 million
- Value corresponds to a historic **EBITDA multiple of 16.3x** (€ 1.8 million EBITDA in 2015)
- Deal closed on 31 January 2017

(1) Entered Group's perimeter within the Grand Marnier acquisition

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Outlook and conclusion

> Looking to the future, the **outlook remains fairly balanced**

> Regarding the **macroeconomic environment**:
- **Uncertain political environments** in **developed markets** and **challenging emerging economies** may affect **consumption trends** and **currencies**

> Yet, the Group remains **confident to continue delivering a positive full year top and bottom line performance**.

> Key organic growth drivers:
- **Top line:**
  - continuing growth in premium portfolio positively leveraging the **strengthened distribution capabilities** and **brand building investments**
- **Gross profit:** continuing to focus on expansion driven by
  - **outperformance of high margin Global Priorities** in key developed markets
  - **gradual improvement** in **Jamaican** sugar business vs. previous year
  - input costs negatively affected by inflation in emerging markets, plus possible spikes in some raw material prices (agave)
- **A&P to increase on sales** driven by
  - disposals of still wines (lower-margin A&P intensity business)
  - the **strengthening of brand building investments** behind global brand opportunities in high-potential and seeding markets, with an increasing focus on digital
  - **expected skew in H1** due to phasing of recent major marketing campaigns
- **SG&A**
  - accelerated organic growth expected in first half of the year, mainly driven by strengthened route-to-market, normalising in H2

> **Moreover, the business will benefit from full year consolidation** of **Grand Marnier** positively leveraging **enhanced distribution capabilities in the US** and **kick-off of the brand strategy deployment** (included in perimeter effect until H1 2017)

> **Perimeter will also be impacted by** disposals and discontinuation of various non-core and lower-margin businesses (still wines and agency brands) with an expected negative perimeter variance of approximately € 40 million of net sales and € 4 million of EBIT and with an accretive impact on consolidated operating margins

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Net sales by region and by key market

Consolidated Net sales by region

	FY 2016		FY 2015		change	of which:		
	€/ml	%	€/ml	%	%	organic	perimeter	forex
Americas	726.3	42.1%	701.6	42.3%	**3.5%**	**2.9%**	6.7%	-6.1%
Southern Europe, Middle East & Africa	532.8	30.9%	525.3	31.7%	**1.4%**	**2.6%**	-1.2%	0.0%
North, Central & Eastern Europe	343.9	19.9%	313.9	18.9%	**9.6%**	**11.9%**	1.1%	-3.4%
Asia Pacific	123.5	7.2%	116.0	7.0%	**6.4%**	**6.0%**	1.5%	-1.1%
Total	**1,726.5**	**100.0%**	**1,656.8**	**100.0%**	**4.2%**	**4.7%**	**2.8%**	**-3.3%**

Region breakdown by key market

Americas by market

	FY 2016		FY 2015		Change	of which:		
	€/ml	%	€/ml	%	%	organic	perimeter	forex
USA	427.6	58.9%	365.3	52.1%	**17.0%**	**2.1%**	14.7%	0.3%
Jamaica	79.1	10.9%	97.2	13.9%	**-18.6%**	**-2.1%**	-11.1%	-5.4%
Brazil	57.0	7.8%	68.8	9.8%	**-17.2%**	**-12.7%**	-0.7%	-3.8%
Argentina	45.4	6.3%	51.0	7.3%	**-10.9%**	**42.3%**	-0.4%	-52.7%
Canada	54.0	7.4%	48.9	7.0%	**10.5%**	**4.8%**	9.1%	-3.5%
Other countries	63.2	8.7%	70.4	10.0%	**-10.1%**	**-0.8%**	0.9%	-10.2%
Americas	**726.3**	**100.0%**	**701.6**	**100.0%**	**3.5%**	**2.9%**	**6.7%**	**-6.1%**

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

Southern Europe, Middle East & Africa by market

	FY 2016		FY 2015		Change	of which:		
	€/ml	%	€/ml	%	%	organic	perimeter	forex
Italy	407.1	76.4%	416.3	79.2%	**-2.2%**	**0.3%**	-2.5%	0.0%
Other countries	125.7	23.6%	109.0	20.8%	**15.3%**	**11.6%**	3.8%	-0.1%
Southern Europe, Middle East & Africa	**532.8**	**100.0%**	**525.3**	**100.0%**	**1.4%**	**2.6%**	**-1.2%**	**0.0%**

North, Central & Eastern Europe by market

	FY 2016		FY 2015		Change	of which		
	€/ml	%	€/ml	%	%	organic	perimeter	forex
Germany	176.1	51.2%	165.4	52.7%	**6.4%**	**6.0%**	0.5%	0.0%
Russia	37.5	10.9%	30.9	9.8%	**21.3%**	**27.7%**	4.3%	-10.7%
Other countries	130.4	37.9%	117.6	37.5%	**10.9%**	**16.1%**	1.1%	-6.3%
North, Central & Eastern Europe by market	**343.9**	**100.0%**	**313.9**	**100.0%**	**9.6%**	**11.9%**	**1.1%**	**-3.4%**

Asia Pacific by market

	FY 2016		FY 2015		Change	of which		
	€/ml	%	€/ml	%	%	organic	perimeter	forex
Australia	86.0	69.6%	80.7	69.5%	**6.6%**	**7.2%**	0.3%	-0.9%
Other countries	37.5	30.4%	35.4	30.5%	**6.0%**	**3.2%**	4.3%	-1.5%
Asia Pacific	**123.5**	**100.0%**	**116.0**	**100.0%**	**6.4%**	**6.0%**	**1.5%**	**-1.1%**

FY 2016 Consolidated income statement

CONSOLIDATED INCOME STATEMENT

	FY 2016		FY 2015		Change
	€ million	%	€ million	%	%
Net sales [1]	**1,726.5**	**100.0%**	**1,656.8**	**100.0%**	**4.2%**
COGS [2]	(741.9)	-43.0%	(739.8)	-44.6%	0.3%
Gross profit	**984.6**	**57.0%**	**917.1**	**55.4%**	**7.4%**
Advertising and promotion	(308.6)	-17.9%	(286.3)	-17.3%	7.8%
Contribution after A&P	**676.0**	**39.2%**	**630.8**	**38.1%**	**7.2%**
SG&A [3]	(323.5)	-18.7%	(298.0)	-18.0%	8.5%
EBIT adjusted	**352.5**	**20.4%**	**332.7**	**20.1%**	**6.0%**
Operating adjustments	(33.2)	-1.9%	(22.9)	-1.4%	-
Operating profit = EBIT	**319.4**	**18.5%**	**309.8**	**18.7%**	**3.1%**
Net financial income (charges)	(58.6)	-3.4%	(60.9)	-3.7%	-3.8%
Financial adjustments	(24.6)	-1.4%	0.9	0.1%	-
Put option costs	0.6	0,0%	(0.4)	0.0%	-
Pretax profit	**236.7**	**13.7%**	**249.4**	**15.1%**	**-5.1%**
Taxes	(70.5)	-4.1%	(73.4)	-4.4%	-4.0%
Net profit	**166.3**	**9.6%**	**176.0**	**10.6%**	**-5.5%**
Minority interests	(0.0)	-	(0.6)	-	-
Group net profit	**236.7**	**13.7%**	**248.8**	**15.0%**	**-4.8%**
Group net profit adjusted	**294.5**	**17.1%**	**270.9**	**16.3%**	**8.7%**
Other information:					
Depreciation	(52.7)	-3.1%	(47.4)	-2.9%	11.3%
EBITDA adjusted	**405.3**	**23.5%**	**380.1**	**22.9%**	**6.6%**
EBITDA	**372.1**	**21.6%**	**357.1**	**21.6%**	**4.2%**

[1] Net of discounts and excise duties

[2] Cost of materials + production costs + logistic costs

[3] Selling, general and administrative costs

Q4 2016 Consolidated P&L

	Q4 2016		Q4 2015			Q4 2016 at constant perimeter and FX					
	€ million	% of sales	€ million	% of sales	Reported change	€ million	% of sales	Organic margin accretion / (dilution) (bps)	Organic change	Forex impact	Perimeter effect
Net sales	546.1	100.0%	512.1	100.0%	6.6%	528.6	100.0%		+3.2%	-2.4%	+5.8%
COGS [1]	(239.1)	-43.8%	(226.4)	-44.2%	5.6%	(233.0)	-44.1%	+10	+2.9%	-2.5%	+5.2%
Gross profit	307.0	56.2%	285.7	55.8%	7.4%	295.6	55.9%	+10	+3.5%	-2.4%	+6.3%
Advertising and promotion	(99.9)	-18.3%	(94.8)	-18.5%	5.4%	(95.3)	-18.0%	+50	+0.5%	-3.2%	+8.0%
Contribution after A&P	**207.1**	**37.9%**	**190.9**	**37.3%**	**8.5%**	**200.3**	**37.9%**	**+60**	**+4.9%**	**-1.9%**	**+5.5%**
SG&A [2]	(88.6)	-16.2%	(78.9)	-15.4%	12.3%	(86.3)	-16.3%	(90)	+9.4%	-1.9%	+4.8%
EBIT adjusted	**118.5**	**21.7%**	**112.0**	**21.9%**	**5.8%**	**114.0**	**21.6%**	**(30)**	**+1.7%**	**-2.0%**	**+6.1%**
Adjustments	(5.5)	-1.0%	(24.0)	-4.7%	-						
Operating profit = EBIT	113.0	20.7%	88.1	17.2%	28.3%						
Net financing costs	(8.2)	-1.5%	(18.6)	-3.6%	-55.9%						
Adjustments to financing costs	(0.2)	0.0%	1.3	0.3%	-						
Put option costs	0.6	0.1%	(0.4)	-0.1%	-						
Pretax profit	105.2	19.3%	70.4	13.8%	49.3%						
Minority interests	0.0	0.0%	(0.1)	0.0%	-						
Group net profit	105.2	19.3%	70.3	13.7%	49.6%						
Group net profit adjusted	110.9	20.3%	92.9	18.1%	19.3%						
Other information:											
Depreciation	(14.1)	-2.6%	(13.3)	-2.6%	5.6%	(12.7)	-2.4%	+20	-4.8%	-0.8%	+11.2%
EBITDA adjusted	**132.6**	**24.3%**	**125.4**	**24.5%**	**5.8%**	**126.7**	**24.0%**	**(50)**	**+1.0%**	**-1.9%**	**+6.6%**
EBITDA	127.1	23.3%	101.4	19.8%	25.3%						

[1] Net of discounts and excise duties

[2] Cost of materials + production costs + logistic costs

[3] Selling, general and administrative costs

Consolidated balance sheet

Invested capital and financing sources

€ million	31 December 2016	31 December 2015	Change
Inventories	543.0	498.2	44.8
Trade receivables	306.4	295.9	10.5
Payables to suppliers	(262.8)	(217.2)	(45.6)
Operating working capital	**586.6**	**576.9**	**9.7**
Tax credits	19.7	22.2	(2.5)
Other receivables and current assets	19.4	15.7	3.8
Assets intended for sale	35.2	23.6	11.6
Other current assets	**74.3**	**61.5**	**12.8**
Payables for taxes	(86.3)	(80.0)	(6.3)
Other current liabilities	(66.3)	(57.4)	(9.0)
Liability intended for sale	(4.6)	(10.0)	5.3
Other current liabilities	**(157.2)**	**(147.3)**	**(9.9)**
Staff severance fund and other personnel-related funds	(36.5)	(8.3)	(28.2)
Deferred tax liabilities	(456.6)	(291.5)	(165.1)
Deferred tax assets	37.2	12.6	24.6
Other non-current assets	9.1	10.2	(1.1)
Other non-current liabilities	(105.1)	(35.9)	(69.2)
Other net non-current assets / liabilities	**(552.0)**	**(313.0)**	**(238.9)**
Net tangible fixed assets	616.6	461.4	155.3
Intangible assets, including goodwill & trademarks	2,531.2	1,932.2	598.9
Equity investments	0.0	0.0	0.0
Total fixed assets	**3,147.8**	**2,393.6**	**754.2**
Invested capital	**3,099.5**	**2,571.6**	**527.9**
Shareholders' equity	1,900.0	1,745.5	154.5
Minority interests	(0.0)	0.3	(0.3)
Net financial position	1,199.5	825.8	373.7
Financing sources	**3,099.5**	**2,571.6**	**527.9**

Consolidated balance sheet (1 of 2)

Assets

(€ million)	31 December 2016	31 December 2015	Change
ASSETS			
Non-current assets			
Net tangible fixed assets	494.3	444.1	50.1
Biological assets	0.4	16.8	(16.4)
Investment property	121.9	0.4	121.5
Goodwill and trademarks	2,504.9	1,906.6	598.3
Intangible assets with a finite life	26.3	25.6	0.6
Deferred tax assets	37.2	12.6	24.6
Other non-current asssets	64.3	47.9	16.4
Total non-current assets	**3,249.4**	**2,454.1**	**795.3**
Current assets			
Inventories	535.5	496.2	39.3
Current biological assets	7.5	2.1	5.4
Trade receivables	306.4	295.9	10.5
Short-term financial receivables	7.2	69.9	(62.7)
Cash and cash equivalents	354.1	844.3	(490.3)
Income tax receivables	12.3	16.3	(4.0)
Other receivables	26.8	21.6	5.2
Total current assets	**1,249.8**	**1,746.3**	**(496.5)**
Assets held for sale	35.2	23.6	11.6
Total assets	**4,534.3**	**4,224.0**	**310.3**

Consolidated balance sheet (2 of 2)

Liabilities

(€ million)	31 December 2016	31 December 2015	Change
Shareholders' equity			
- Share capital	58.1	58.1	0.0
- Reserves	1,841.9	1,687.4	154.5
Group's shareholders'equity	**1,900.0**	**1,745.5**	**154.5**
Minority interests	(0.0)	0.3	(0.3)
Total shareholders'equity	**1,900.0**	**1,745.8**	**154.2**
LIABILITIES			
Non-current liabilities			
Bonds	992.4	1,276.1	(283.6)
Other non-current financial liabilities	506.4	10.5	495.9
Defined benefit obligations	36.5	8.3	28.2
Provisions for risks and future liabilities	96.6	32.8	63.8
Deferred tax	456.6	291.5	165.1
Total non-current liabilities	**2,088.6**	**1,619.3**	**469.3**
Current liabilities			
Short term debt banks	106.9	29.3	77.7
Other financial liabilities	18.8	465.1	(446.3)
Payables to suppliers	262.8	217.2	45.6
Income tax payables	14.0	13.3	0.7
Other current liabilities	138.6	124.0	14.6
Total current liabilities	**541.1**	**848.9**	**(307.8)**
Liabilities held for sale	4.6	10.0	(5.3)
Total liabilities	**2,634.3**	**2,478.2**	**156.2**
Total liabilities and stockholders'equity	**4,534.3**	**4,224.0**	**310.3**

Consolidated cash flow (1 of 2)

€ million	31 Dec 2016	31 Dec 2015	Change
Cash flow generated by operating activities			
EBIT	319.4	309.8	9.6
Depreciation	52.7	47.4	5.4
Gains on sale of fixed assets	(3.7)	(5.4)	1.7
Write-off of tangible fixed assets	0.3	0.5	(0.2)
Funds provisions	18.0	1.2	16.8
Use of funds	(2.8)	(11.6)	8.8
goodwill, trademark and sold business impairment	0.0	16.2	(16.2)
Other non cash items	10.8	0.5	10.3
Net change in Operating Working Capital	29.9	(9.6)	39.6
Changes in tax payables and receivables and other non financial	17.3	10.4	7.0
Income tax paid	(46.6)	(54.1)	7.5
	395.4	**305.2**	**90.2**
Net cash flow generated (used) by investing activities			
Acquisition of tangible and intangible fixed assets	(63.8)	(54.4)	(9.4)
Capital grants received on fixed assets investments	0.0	0.6	(0.6)
Income from disposals of tangible fixed assets	7.5	4.7	2.8
Payments on account for new headquarters	0.2	0.0	0.1
Purchase of companies or holdings in subsidiaries	(429.9)	22.6	(452.5)
Debt assumed with acquisition	45.6	0.3	45.3
Purchase of trademarks and distribution rights	(0.1)	0.0	(0.1)
Payment of put option and earn out	(0.3)	(0.3)	0.0
Interests received	7.0	5.6	1.4
Change in marketable securities	56.6	(47.8)	104.4
Settlement of pension plan net assets	0.0	12.6	(12.6)
Dividends received	0.9	0.6	0.3
Other changes	1.3	0.6	0.7
Cash flow generated (used) by financing activities	**(374.9)**	**(54.9)**	**(320.0)**

Consolidated cash flow (2 of 2)

€ million	31 Dec 2016	31 Dec 2015	Change
Eurobond issue	0.0	600.0	(600.0)
Repayment of medium-/long -term financing	300.0	0.0	300.0
Repayment of private placement Campari America	(719.7)	(86.0)	(633.7)
Repayment of other medium-/long -term financing	(1.9)	(14.8)	13.0
Net change in short-term bank debt	7.4	3.0	4.4
Interests paid	(103.2)	(61.9)	(41.3)
Change in other financial payables and receivables	(9.1)	1.4	(10.5)
Own shares purchase and sale	(8.1)	(29.0)	20.9
Dividend paid to minority shareholders	(1.6)	0.0	(1.6)
Dividend paid by Group	(52.1)	(45.7)	(6.4)
	(538.2)	**367.8**	**(906.0)**
Exchange rate effects and other equity movements			
Exchange rate effects on Operating Working Capital	(2.6)	(5.2)	2.6
Other exchange rate differences and changes in shareholders' equity	30.0	0.5	29.5
	27.4	**(4.6)**	**32.0**
Net increase (decrease) in cash and banks	**(490.3)**	**613.5**	**(1,103.7)**
Net cash position at the beginning of period	844.3	230.9	613.5
Net cash position at the end of period	**354.1**	**844.3**	**(490.3)**

Exchange rates effects

	Average exchange rate		Period end exchange rate	
	2016	change vs 2015	31 December 2016	change vs 31 December 2015
	: 1 Euro	%	: 1 Euro	%
US Dollar	1.107	0.3%	1.054	3.3%
Canadian Dollar	1.467	-3.3%	1.419	6.5%
Jamaican Dollar	138.379	-6.2%	134.906	-3.2%
Mexican Peso	20.660	-14.8%	21.772	-13.1%
Brazilian Real	3.861	-4.4%	3.431	25.7%
Argentine Peso	16.333	-37.2%	16.749	-15.8%
Russian Ruble	74.226	-8.4%	64.300	25.5%
Australian Dollar	1.489	-0.8%	1.460	2.1%
Chinese Yuan	7.350	-5.1%	7.320	-3.5%
British Pound Sterling	0.819	-11.4%	0.856	-14.3%
Swiss Franc	1.090	-2.1%	1.074	0.9%

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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