



2008 First Quarter Results

Conference call

14 May 2008



Results highlights and sales review

Bob Kunze-Concewitz, CEO



First quarter ended 31 March 2008

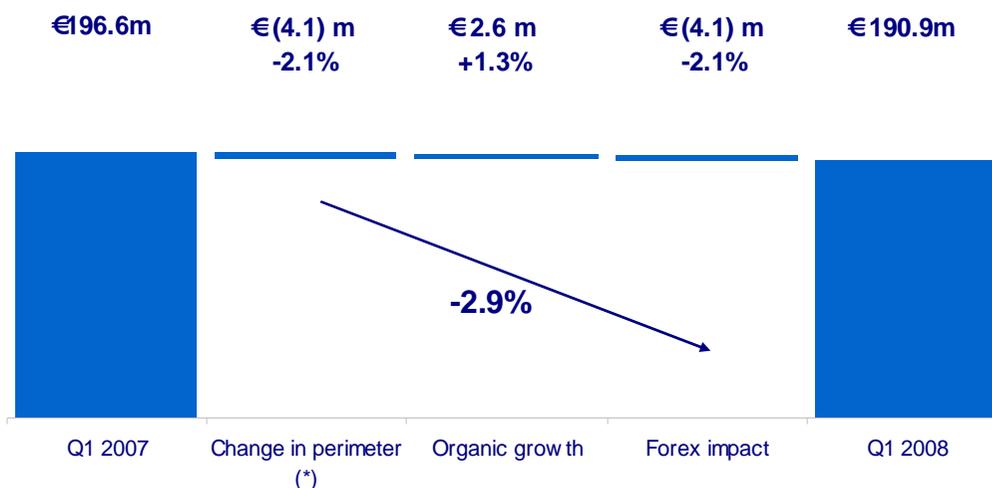
	Q1 2008 € million	% change at actual forex	% change at constant forex
Net sales	190.9	-2.9%	-0.7%
Contribution after A&P ⁽¹⁾	76.7	1.1%	3.3%
EBITDA before one-off's	47.3	1.8%	3.9%
EBITDA	50.2	8.0%	10.1%
EBIT before one-off's	42.1	1.1%	3.4%
Operating profit = EBIT	45.0	8.0%	10.3%
Group's pretax profit	40.1	6.8%	8.6%

⁽¹⁾ According to new P&L format

- > In an expected tougher environment we are performing as planned
- > In small quarter, net sales were negatively affected by changes in US portfolio (perimeter and SKYY destocking) and forex
- > Achieved objective of offsetting Tequila 1800 profit loss via new brands (Cabo Wabo, X-Rated and new agency brands)
- > A&P shift from Q1 to Q2 and Q3 on the back of SKYY Infusions launch and CampariSoda return to tv advertising
- > Continued strong cash generation driven by improvement in operating working capital (€53.6 m vs Dec 07)



2008 First quarter net sales - Growth drivers



(*) Breakdown of change in perimeter

	€m
Acquisitions ⁽¹⁾	5.3
Agency brands ⁽²⁾	(9.4)
Total external growth	(4.1)

(1) Cabo Wabo ; X-Rated Brands

(2) Tequila 1800 ; Bowmore and Flor de Cana (US)

- > Organic growth was soft as expected driven by previously announced SKYY destocking, ahead of franchise relaunch, and tough comps (Q107: +11.3% vs Q106)
- > Negative change in perimeter related to termination of Tequila 1800, partly offset by positive contribution of Cabo Wabo, X-Rated, Bowmore and Flor de Cana
- > Negative foreign exchange impact was attributable to significant US Dollar decline (-12.6%)

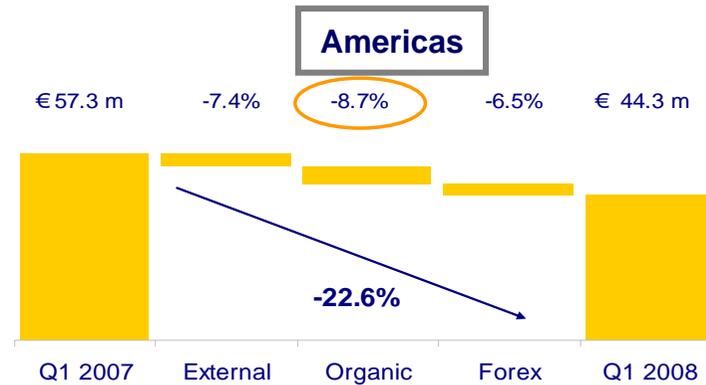


Net sales analysis by region



> **Good organic growth** across all key **categories** in a tough market environment

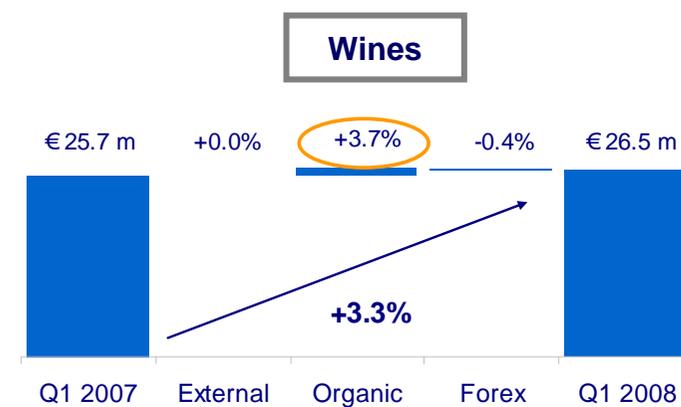
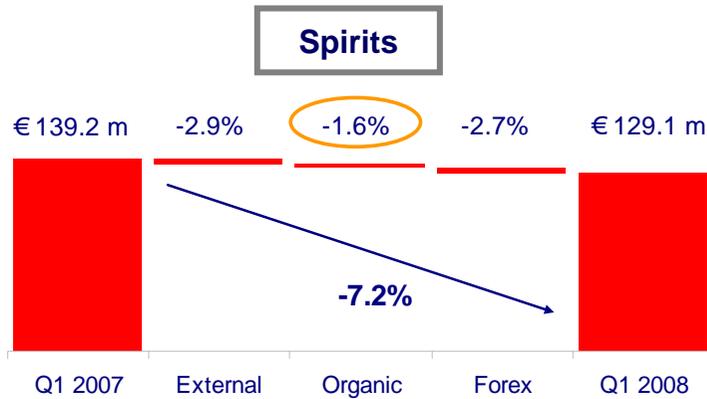
> **Solid progression** across major markets



- > Negative change in perimeter due to Tequila 1800 distribution agreement termination, partly offset by **Cabo Wabo**, **X-Rated**, **Bowmore** and **Flor de Cana**
- > Negative organic growth driven by planned US **SKYY destocking** and **tough comps** (strong Q1 ahead of price increase in Apr 07)
- > Sizable negative US\$ effect

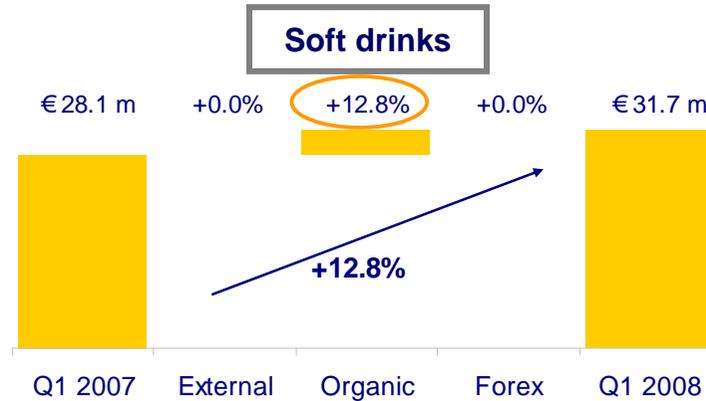


Net sales analysis by segment



- > Overall organic sales driven by planned US **SKYY destocking** and **tough comps** (Q1 ahead of price increase in Apr 07)
- > Negative change in perimeter due to Tequila 1800 distribution agreement termination, partly offset by **Cabo Wabo**, **X-Rated**, **Bowmore** and **Flor de Cana**

- > Continued strong performance of Cinzano mitigated by tough comps (Q107: +24,5%) and a weak quarter on Riccadonna in Australasia



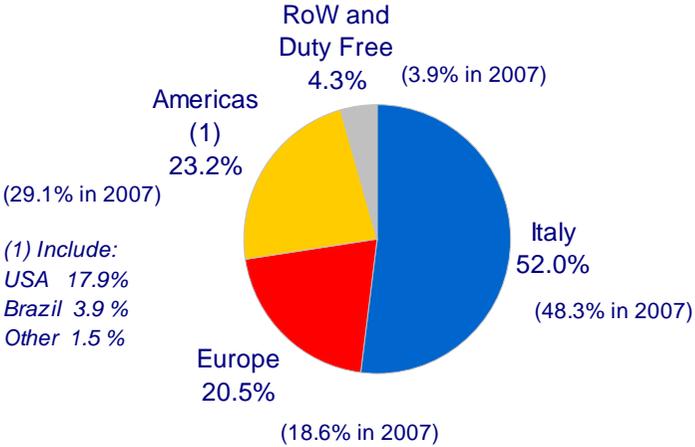
- > Excellent performance driven by strong **Crodino** as well as good **carbonated soft drinks** results



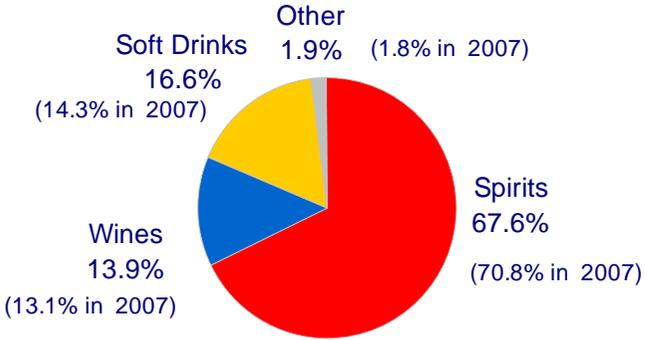
Net sales breakdown

Q1 2008 consolidated net sales : €190.9 m

Breakdown by region



Breakdown by segment



Review of main brands

Spirits	% change in sales value Q1 2008 / Q1 2007		
	at constant FX	at actual FX	
Campari	1.4%	0.9%	> Overall satisfactory progression, with impact of positive consumption mitigated by tough shipments comps (Q107: +10.7%)
SKYY	-2.3%	-13.2%	> Weak quarter in US shipments due to planned destocking and tough comps (Q107: +21.5%), ahead of price increase
CampariSoda	2.8%	2.8%	> Positive quarter in Italy, ahead of start of new campaign
Aperol	11.6%	11.5%	> Double digit organic growth driven by strong performance in Italy and Germany
Brazilian brands	-20.3%	-15.4%	> Weak shipments in a very small quarter due to early Carnival; Nielsen growth continued double digit
Cynar	-9.3%	-8.9%	> Good performance in Europe mitigated by weak shipments in Brazil
Glen Grant	-15.5%	-15.6%	> Weak performance in a small quarter (representing 15% of volumes)



Review of main brands (cont'd)

	% change in sales value Q1 2008 / Q1 2007		
	at constant FX	at actual FX	
Wines			
Cinzano sparkling wines	9.3%	9.1%	> Strong performance mainly driven by innovation and brand building in major markets (Germany and Italy)
Cinzano vermouths	9.7%	8.5%	> Strong result achieved in major markets, in particular Eastern Europe
Sella & Mosca	2.2%	2.2%	> Satisfactory results in Europe mitigated by weak shipments in US
Soft drinks			
Crodino	14.1%	14.1%	> Continued very strong results



Q1 2008 consolidated results

Paolo Marchesini, CFO



GRUPPO
CAMPARI

Change in P&L format

Q1 2007		CONSOLIDATED INCOME STATEMENT			
Previous format		New format			
	€ m	%	€ m	%	
Net sales	196.6	100.0%	Net sales	196.6	100.0%
COGS	(81.7)	-41.6%	COGS ⁽¹⁾	(88.9)	-45.2%
Gross margin	114.8	58.4%	Gross margin after distribution costs	107.6	54.8%
Advertising and promotion	(31.8)	-16.2%	Advertising and promotion	(31.8)	-16.2%
Selling and distribution expenses	(25.3)	-12.9%	Contribution after A&P	75.8	38.6%
Trading profit	57.7	29.4%	SG&A ⁽²⁾	(34.2)	-17.4%
G&A and other operating income/expenses	(16.0)	-8.2%	EBIT before one-off's	41.7	21.2%
EBIT before one-off's	41.7	21.2%	One-off's	0.0	0.0%
One-off's	0.0	0.0%	Operating profit = EBIT	41.7	21.2%
Operating profit = EBIT	41.7	21.2%			

⁽¹⁾ Cost of materials + Production costs + distribution expenses

⁽²⁾ G&A + other operating income/expenses + selling expenses

> Key changes:

Selling and distribution expenses → Distribution expenses to COGS (COGS at point of sale)
 → Selling expenses to SG&A

> Therefore:

> Gross margin → Gross margin after distribution expenses
 > Trading profit → CAA&P (excl. selling expenses)
 > EBIT = EBIT



Consolidated EBIT

(€million)	Q1 2008		Q1 2007		Change at actual forex	Change at constant forex
Net sales	190.9	100.0%	196.6	100.0%	-2.9%	-0.7%
COGS ⁽¹⁾	(86.7)	-45.4%	(88.9)	-45.2%	-2.6%	
Gross margin after distribution costs	104.3	54.6%	107.6	54.8%	-3.1%	
Advertising and promotion	(27.6)	-14.5%	(31.8)	-16.2%	-13.2%	
Contribution after A&P	76.7	40.2%	75.8	38.6%	1.1%	+3.3%
SG&A ⁽²⁾	(34.6)	-18.1%	(34.2)	-17.4%	1.1%	
EBIT before one-off's	42.1	22.1%	41.7	21.2%	1.1%	+3.4%
One-off's ⁽³⁾	2.9	1.5%	0.0	0.0%	-	
Operating profit = EBIT	45.0	23.6%	41.7	21.2%	8.0%	+10.3%
<i>Other information:</i>						
Depreciation	(5.1)	-2.7%	(4.8)	-2.4%	7.3%	
EBITDA before one-off's	47.3	24.8%	46.4	23.6%	1.8%	+3.9%
EBITDA	50.2	26.3%	46.5	23.6%	8.0%	+10.1%

⁽¹⁾ Cost of materials + Production costs + distribution expenses

⁽²⁾ G&A + other operating income/expenses + selling expenses

⁽³⁾ According to IAS/IFRS net exceptional income (renamed as one-off's) is reclassified as a component of operating profit.

- > Increase in COGS by 20bp on net sales
- > A&P decrease on net sales mainly driven by a different phasing of advertising initiatives quarter on quarter
- > Increase in **contribution after A&P** of 1.1% was composed of:
 - organic growth: +3.7%
 - change in perimeter: -0.4% (contribution of Cabo Wabo and X-Rated almost offset profit lost from termination of Tequila 1800)
 - forex impact: -2.2%
- > SG&A increased by 1.1% overall. At constant forex: +3.2%
- > **One-off's** of €2.9 m reflect capital gain from real estate disposal (warehouse in Italy), net of provision for assets write-downs and personnel restructuring cost



Consolidated Group's pretax profit

(€million)	Q1 2008		Q1 2007		Change at actual forex	Change at constant forex
Operating profit = EBIT	45.0	23.6%	41.7	21.2%	8.0%	+10.3%
Net financial income (expenses)	(4.5)	-2.3%	(4.2)	-2.1%	7.2%	
Income from associates	0.1	0.0%	0.0	0.0%	55.0%	
Pretax profit	40.6	21.3%	37.6	19.1%	8.2%	
Minority interests	(0.6)	-0.3%	(0.0)	0.0%	0.0%	
Group's pretax profit	40.1	21.0%	37.5	19.1%	6.8%	+8.6%

- > **Net financial expenses** up due to floating rates increase quarter on quarter
- > Increase in **minority interests** due to recognition of **Cabo Wabo minorities**



Analysis of net debt

€ million	31 March 2008	31 December 2007
Cash and cash equivalents	191.0	199.8
Payables to banks	(99.7)	(114.4)
Real estate lease payables	(3.2)	(3.2)
Private placement and bond issues	(11.6)	(17.3)
Other assets or liabilities	1.1	1.3
Total short-term cash/(debt)	77.6	66.3
Payables to banks	(1.8)	(1.8)
Real estate lease payables	(12.1)	(12.9)
Private placement and bond issues	(330.7)	(338.8)
Other financial payables	(0.8)	(1.0)
Total medium to long-term cash/(debt)	(345.4)	(354.4)
Total cash/(debt) on ordinary activities	(267.8)	(288.1)
Estimated debt for possible exercise of put option on remaining Cabo Wabo stake ⁽¹⁾	(18.4)	0.0
Total net cash/(debt)	(286.2)	(288.1)

(1) Estimated debt for possible exercise of put option (15% and 5% to be exercised in 2012 and 2015 respectively) on remaining 20% minority stake in Cabo Wabo

- > Net debt on ordinary activities down by €20.3 m to €267.8 after:
 - > Payment of 80% stake in Cabo Wabo (\$ 80.8 m) in January 2008
 - > Sale of warehouse in Italy (€6.7 m)

- > Total net debt down by €1.9 m to 286.2 after provisioning €18.4 m for exercise cost of Cabo Wabo put/call options



Net Working Capital

(€million)	31 Mar 2008	31 Dec 2007	Change	31 Mar 2007
Trade receivables	202.9	280.0	(77.1)	186.0
Inventories	172.8	166.9	5.8	179.2
Trade payables	(138.9)	(156.6)	17.6	(127.6)
Net Working Capital	236.7	290.4	(53.6)	237.6
Last 12 months sales to 31 Mar 2008	951.9	957.5	(5.6)	946.9
NWC / LTM (%) ⁽¹⁾	24.9%	30.3%		25.1%

(1) LTM = Last 12 Months

- > On a like for like basis **net working capital as % of sales down from 25.1% to 24.9%**
- > **Net working capital** in March 08 decreases by €53.6 m vs Dec 07, mainly due to expected reduction in trade receivables following seasonal peak



Outlook

Bob Kunze-Concewitz, CEO



Outlook

> **Outlook for 2008 remains unchanged despite tougher market environment**

- Confirmed good performance in major Italian market
- US business expected to return to growth following completion of portfolio changes in Q1
- Brazilian business expected to leverage positive consumption trends across portfolio
- US dollar negative effects expected to continue



Supplementary schedules

- Schedule - 1 Analysis of net sales growth by segment and region
- Schedule - 2 Consolidated income statement
- Schedule - 3 Consolidated income statement new format
- Schedule - 4 Trading profit/CAA&P by business area new format
- Schedule - 5 Average exchange rates



Net sales analysis by segment and region

Consolidated net sales by segment

	Q1 2008		Q1 2007		Change %	of which:		
	€ m	%	€ m	%		external	organic	currency
Spirits	129.1	67.6%	139.2	70.8%	-7.2%	-2.9%	-1.6%	-2.7%
Wines	26.5	13.9%	25.7	13.1%	3.3%	0.0%	3.7%	-0.4%
Soft drinks	31.7	16.6%	28.1	14.3%	12.8%	0.0%	12.8%	0.0%
Other revenues	3.6	1.9%	3.6	1.8%	1.3%	0.0%	8.2%	-6.9%
Total	190.9	100.0%	196.6	100.0%	-2.9%	-2.1%	1.3%	-2.1%

Consolidated net sales by region

	Q1 2008		Q1 2007		Change %	of which:		
	€ m	%	€ m	%		external	organic	currency
Italy	99.2	52.0%	95.0	48.3%	4.4%	0.0%	5.2%	0.0%
Europe	39.1	20.5%	36.6	18.6%	6.9%	0.0%	7.5%	-0.6%
Americas (1)	44.3	23.2%	57.3	29.1%	-22.6%	-7.4%	-8.7%	-6.5%
RoW & Duty Free	8.3	4.3%	7.7	3.9%	7.8%	1.5%	8.7%	-2.4%
Total	190.9	100.0%	196.6	100.0%	-2.9%	-2.1%	1.3%	-2.1%

(1) Breakdown of Americas

	Q1 2008		Q1 2007		Change %	of which:		
	€ m	%	€ m	%		external	organic	currency
USA	34.2	77.1%	45.7	79.8%	-25.2%	-9.5%	-7.0%	-8.6%
Brazil	7.4	16.6%	9.1	15.9%	-19.1%	0.0%	-23.7%	4.7%
Other countries	2.8	6.3%	2.5	4.3%	10.8%	5.7%	14.9%	-8.1%
Total	44.3	100.0%	57.3	100.0%	-22.7%	-7.4%	-8.7%	-6.5%



Consolidated income statement

	Q1 2008		Q1 2007		Change
	€ m	%	€ m	%	%
Net sales (1)	190.9	100.0%	196.6	100.0%	-2.9%
COGS ⁽²⁾	(86.7)	-45.4%	(88.9)	-45.2%	-2.6%
Gross margin after distribution costs	104.3	54.6%	107.6	54.8%	-3.1%
Advertising and promotion	(27.6)	-14.5%	(31.8)	-16.2%	-13.2%
Contribution after A&P	76.7	40.2%	75.8	38.6%	1.1%
SG&A ⁽³⁾	(34.6)	-18.1%	(34.2)	-17.4%	1.1%
EBIT before one-off's	42.1	22.1%	41.7	21.2%	1.1%
One-off's	2.9	1.5%	0.0	0.0%	
Operating profit = EBIT	45.0	23.6%	41.7	21.2%	8.0%
Net financial income (expenses)	(4.5)	-2.3%	(4.2)	-2.1%	7.2%
Income from associates	0.1	0.0%	0.0	0.0%	55.0%
Pretax profit	40.6	21.3%	37.6	19.1%	8.2%
Minority interests	(0.6)	-0.3%	(0.0)	0.0%	
Group's pretax profit	40.1	21.0%	37.5	19.1%	6.8%
<i>Other information:</i>					
Depreciation	(5.1)	-2.7%	(4.8)	-2.4%	7.3%
EBITDA before one-off's	47.3	24.8%	46.4	23.6%	1.8%
EBITDA	50.2	26.3%	46.5	23.6%	8.0%

Notes:

⁽¹⁾ Net of discounts and excise duties

⁽²⁾ Cost of materials + Production costs + distribution expenses

⁽³⁾ G&A + other operating income/expenses + selling expenses



Consolidated income statement new format

Q1 2007					
Previous format			New format		
	€ m	%		€ m	%
Net sales	196.6	100.0%	Net sales	196.6	100.0%
COGS	(81.7)	-41.6%	COGS ⁽¹⁾	(88.9)	-45.2%
Gross margin	114.8	58.4%	Gross margin after distribution costs	107.6	54.8%
Advertising and promotion	(31.8)	-16.2%	Advertising and promotion	(31.8)	-16.2%
Selling and distribution expenses	(25.3)	-12.9%	Contribution after A&P	75.8	38.6%
Trading profit	57.7	29.4%	SG&A ⁽²⁾	(34.2)	-17.4%
G&A and other operating income/expenses	(16.0)	-8.2%	EBIT before one-off's	41.7	21.2%
EBIT before one-off's	41.7	21.2%	One-off's	0.0	0.0%
One-off's	0.0	0.0%	Operating profit = EBIT	41.7	21.2%
Operating profit = EBIT	41.7	21.2%			

Q2 2007					
Previous format			New format		
	€ m	%		€ m	%
Net sales	244.0	100.0%	Net sales	244.0	100.0%
COGS	(103.2)	-42.3%	COGS ⁽¹⁾	(112.2)	-46.0%
Gross margin	140.8	57.7%	Gross margin after distribution costs	131.8	54.0%
Advertising and promotion	(48.0)	-19.7%	Advertising and promotion	(48.0)	-19.7%
Selling and distribution expenses	(26.7)	-11.0%	Contribution after A&P	83.8	34.3%
Trading profit	66.0	27.0%	SG&A ⁽²⁾	(32.7)	-13.4%
G&A and other operating income/expenses	(14.9)	-6.1%	EBIT before one-off's	51.1	20.9%
EBIT before one-off's	51.1	20.9%	One-off's	(1.7)	-0.7%
One-off's	(1.7)	-0.7%	Operating profit = EBIT	49.4	20.3%
Operating profit = EBIT	49.4	20.3%			

⁽¹⁾ Cost of materials + Production costs + distribution expenses

⁽²⁾ G&A + other operating income/expenses + selling expenses



Consolidated income statement new format (cont'd)

Q3 2007					
Previous format			New format		
	€ m	%		€ m	%
Net sales	204.0	100.0%	Net sales	204.0	100.0%
COGS	(88.7)	-43.5%	COGS ⁽¹⁾	(96.4)	-47.2%
Gross margin	115.3	56.5%	Gross margin after distribution costs	107.7	52.8%
Advertising and promotion	(37.5)	-18.4%	Advertising and promotion	(37.5)	-18.4%
Selling and distribution expenses	(24.8)	-12.2%	Contribution after A&P	70.1	34.4%
Trading profit	53.0	26.0%	SG&A ⁽²⁾	(32.8)	-16.1%
G&A and other operating income/expenses	(15.6)	-7.6%	EBIT before one-off's	37.3	18.3%
EBIT before one-off's	37.3	18.3%	One-off's	0.4	0.2%
One-off's	0.4	0.2%	Operating profit = EBIT	37.7	18.5%
Operating profit = EBIT	37.7	18.5%			

Q4 2007					
Previous format			New format		
	€ m	%		€ m	%
Net sales	312.9	100.0%	Net sales	312.9	100.0%
COGS	(133.5)	-42.7%	COGS ⁽¹⁾	(143.8)	-46.0%
Gross margin	179.4	57.3%	Gross margin after distribution costs	169.1	54.0%
Advertising and promotion	(57.3)	-18.3%	Advertising and promotion	(57.3)	-18.3%
Selling and distribution expenses	(28.2)	-9.0%	Contribution after A&P	111.8	35.7%
Trading profit	94.0	30.0%	SG&A ⁽²⁾	(38.5)	-12.3%
G&A and other operating income/expenses	(20.6)	-6.6%	EBIT before one-off's	73.3	23.4%
EBIT before one-off's	73.3	23.4%	One-off's	(1.6)	-0.5%
One-off's	(1.6)	-0.5%	Operating profit = EBIT	71.7	22.9%
Operating profit = EBIT	71.7	22.9%			

⁽¹⁾ Cost of materials + Production costs + distribution expenses

⁽²⁾ G&A + other operating income/expenses + selling expenses



Consolidated income statement new format (cont'd)

Previous format	H1 2007		New format		
	€ m	%		€ m	%
Net sales	440.6	100.0%	Net sales	440.6	100.0%
COGS	(185.0)	-42.0%	COGS ⁽¹⁾	(201.1)	-45.7%
Gross margin	255.6	58.0%	Gross margin after distribution costs	239.4	54.3%
Advertising and promotion	(79.8)	-18.1%	Advertising and promotion	(79.8)	-18.1%
Selling and distribution expenses	(52.1)	-11.8%	Contribution after A&P	159.6	36.2%
Trading profit	123.7	28.1%	SG&A ⁽²⁾	(66.9)	-15.2%
G&A and other operating income/expenses	(31.0)	-7.0%	EBIT before one-off's	92.7	21.0%
EBIT before one-off's	92.7	21.0%	One-off's	(1.6)	-0.4%
One-off's	(1.6)	-0.4%	Operating profit = EBIT	91.1	20.7%
Operating profit = EBIT	91.1	20.7%			

Previous format	9M 2007		New format		
	€ m	%		€ m	%
Net sales	644.6	100.0%	Net sales	644.6	100.0%
COGS	(273.7)	-42.5%	COGS ⁽¹⁾	(297.5)	-46.2%
Gross margin	370.9	57.5%	Gross margin after distribution costs	347.1	53.8%
Advertising and promotion	(117.4)	-18.2%	Advertising and promotion	(117.4)	-18.2%
Selling and distribution expenses	(76.9)	-11.9%	Contribution after A&P	229.7	35.6%
Trading profit	176.7	27.4%	SG&A ⁽²⁾	(99.7)	-15.5%
G&A and other operating income/expenses	(46.6)	-7.2%	EBIT before one-off's	130.1	20.2%
EBIT before one-off's	130.1	20.2%	One-off's	(1.2)	-0.2%
One-off's	(1.2)	-0.2%	Operating profit = EBIT	128.8	20.0%
Operating profit = EBIT	128.8	20.0%			

⁽¹⁾ Cost of materials + Production costs + distribution expenses

⁽²⁾ G&A + other operating income/expenses + selling expenses



Consolidated income statement new format (cont'd)

Previous format	FY 2007		New format		
	€ m	%		€ m	%
Net sales	957.5	100.0%	Net sales	957.5	100.0%
COGS	(407.2)	-42.5%	COGS ⁽¹⁾	(441.4)	-46.1%
Gross margin	550.3	57.5%	Gross margin after distribution costs	516.2	53.9%
Advertising and promotion	(174.6)	-18.2%	Advertising and promotion	(174.6)	-18.2%
Selling and distribution expenses	(105.1)	-11.0%	Contribution after A&P	341.5	35.7%
Trading profit	270.6	28.3%	SG&A ⁽²⁾	(138.1)	-14.4%
G&A and other operating income/expenses	(67.2)	-7.0%	EBIT before one-off's	203.4	21.2%
EBIT before one-off's	203.4	21.2%	One-off's	(2.8)	-0.3%
One-off's	(2.8)	-0.3%	Operating profit = EBIT	200.6	20.9%
Operating profit = EBIT	200.6	20.9%			

⁽¹⁾ Cost of materials + Production costs + distribution expenses

⁽²⁾ G&A + other operating income/expenses + selling expenses



Average exchange rates

	Q1 2008	Q1 2007	% change
US dollar : 1 Euro	1.500	1.310	
Euro : 1 US dollar	0.6667	0.7631	-12.6%
Brazilian Real : 1 Euro	2.602	2.763	
Euro : 1 Brazilian Real	0.3843	0.3620	6.2%





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