Very positive full year 2011 results with solid growth across all business performance indicators

Dividend increase of +16.7%

Summary

- **Sales +9.6% (organic growth +8.8%) with positive growth across key product and market combinations and an improved mix by region and by segment:**
  - **international business at 68.4% of consolidated net sales (increasing from 65.8%)**
  - **spirit segment at 76.6% of consolidated net sales (increasing from 75.4%)**
- **Strong growth in operating profit indicators (EBITDA +10.3%), notwithstanding higher investments in marketing (+50 bps on net sales)**
- **Group net profit: € 159.2 million (Group net profit Adjusted[1]: € 167.5 million)**
- **Overall Group performance benefits from increased investments in marketing, innovation and strengthened route-to-market**
- **Proposed dividend +16.7% (increasing to € 0.07 per share)**

Bob Kunze-Concewitz, Chief Executive Officer: '***Full year 2011 results confirm the solid underlying trends of Gruppo Campari. The significant investments in marketing and in route-to-market, coupled with product innovation and acquisitions, further strengthened our business, broadening our development opportunities in terms of product and market combinations.***

***Whilst the traditionally small first quarter will be soft in 2012 due to a very tough comparison base and some isolated events, which are expected to be recovered throughout the remainder of the year, our expectations for the full year 2012 remain cautiously optimistic. Notably, we expect our strong business fundamentals to continue supporting our positive overall momentum and help overcome the challenges created by the weak macroeconomic environment, strained credit situation and business transitions. Moreover, we remain confident of the medium to long term potential of our key growth engines.*'.**

---

[1] Adjusted for all operating, financial and fiscal one-off's and relating fiscal effects.

PRESS RELEASE

Milan, March 12, 2012 - The Board of Directors of Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM) approved the consolidated full year results for the year ending 31 December 2011.

HIGHLIGHTS 2011

- **Sales: € 1,274.2 million (+9.6%, organic growth +8.8%)**
- **Contribution after A&P: € 505.5 million (+9.0%, organic growth +6.5%, 39.7% of sales)**
- **EBITDA before one-offs: € 329.0 million (+10.2%, organic growth +8.2%, 25.8% of sales)**
- **EBIT before one-offs: € 298.7 million (+9.5%, organic growth +7.1%, 23.4% of sales)**
- **Group net profit: € 159.2 million (Group net profit Adjusted[1]: € 167.5 million)**
- **Net financial debt at € 636.6 million (€ 677.0 million as of 31 December 2010), after acquisitions for a total value of € 31.5 million**
- **Proposed dividend: € 0.07 per share, an increase of +16.7%**

In 2011 Gruppo Campari achieved **very positive results**, with **strong growth across all business performance indicators**, driven by **sustained organic growth** and a **positive contribution of perimeter**, offsetting a slightly negative exchange rate impact. In particular, in the fourth quarter the Group achieved **continued positive trend in organic sales growth (+5.2%)**, notwithstanding an unfavourable comparison base (+12.0%).

CONSOLIDATED RESULTS 2011

	1 January- 31 December 2011 (€ millions)	1 January- 31 December 2010 (€ millions)	Change at actual exchange rates	Change at constant exchange rates
Net sales	**1,274.2**	**1,163.0**	**+9.6%**	**+10.2%**
Contribution after A&P(*)	505.5	463.6	+9.0%	+9.3%
EBITDA before one-offs	**329.0**	**298.6**	**+10.2%**	**+10.5%**
EBITDA	325.8	295.3	+10.3%	+10.6%
EBIT before one-offs	**298.7**	**272.8**	**+9.5%**	**+9.6%**
EBIT	295.5	269.5	+9.7%	+9.7%
Group net profit	**159.2**	**156.2**	**+1.9%**	**+1.4%**

(*) EBIT before SG&A.

2011 Group sales totalled **€ 1,274.2 million** showing a reported growth of **+9.6%**, and organic growth of **+8.8%.** Perimeter effect was positive by +1.4%, mainly due to the acquisition of Frangelico, Carolans and Irish Mist. The exchange rates effect was negative by -0.7%.

Gross margin increased to **€ 734.6 million**, up 10.2%, or 57.7% of sales, mainly thanks to a **favourable sales mix** driven by **spirits' double-digit growth**.

Advertising and promotion (A&P) was up by +12.8% to **€ 229.1 million**, or 18.0% of sales (17.5% of sales in 2010).

Contribution after A&P (gross margin after A&P) was up by +9.0% to **€ 505.5 million** (**+6.5% organic growth**), or 39.7% of sales.

Structure costs, i.e. selling, general and administrative costs, increased by **+8.4%**, resulting in a **lower share on sales**, from 16.4% in 2010 to **16.2% in 2011**.

EBITDA before one-offs was up by +10.2% to **€ 329.0 million** (**+8.2% organic growth**), or 25.8% of sales.

[1] Adjusted for all operating, financial and fiscal one-off's and relating fiscal effects.

EBITDA reached **€ 325.8 million**, an increase of +10.3%.

EBIT before one-offs rose by +9.5% to **€ 298.7 million** (**+7.1% organic growth**), or 23.4% of sales.

EBIT reached **€ 295.5 million**, an increase of +9.7%.
Net financing costs for 2011 stood at **€ 43.2 million**, a rise of € 5.7 million in 2010. The rise in interest payments is mainly due to the Group's **higher average debt level** as a result of acquisitions.

Profit before tax reached € 250.6 million (+7.6%; +7.2% at constant exchange rates).

Group net profit reached € 159.2 million, up +1.9% (+1.4% at constant exchange rates) after taking into higher interest and tax charges as well as negative fiscal one-offs of € 4.7 million. **Rectified for all operating, financial and fiscal one-off's,** the **Group net income reached € 167.5 million**, or 13.1% of sales.

As of 31 December 2011, **net financial debt** stood at **€ 636.6 million** (€ 677.0 million as of 31 December 2010), after acquisitions (in particular the Russian distribution company Vasco and the Brazilian brand Sagatiba) for a total value of € 31.5 million (including estimated value of put option and earn out's).

CONSOLIDATED SALES OF 2011

Looking at sales **by region** in 2011, the **Americas** (**the largest region**, accounting for 33.5% of total Group sales) posted **overall growth of +5.4%**, with an **organic increase of +9.4%**, a negative perimeter effect of -0.4%, and a negative exchange rate effect of -3.6%. In the Americas, sales in the **US market** (19.8% of total Group sales), registered an **organic increase of +3.3%**, thanks to the **Wild Turkey franchise** and **SKYY Infusions**; as a result of a negative perimeter effect of -1.9% (due to termination of Tullamore Dew and Cutty Sark agencies) and a negative exchange rate effect of -4.2%, the overall change was -2.8%. Sales in **Brazil** (8.3% of total Group sales) grew overall by +9.2%, due to an **organic growth of +8.9%**, driven by **Campari, Dreher, SKYY Vodka** and **Cynar**, and an exchange rate effect of +0.4%. Sales in the **other Americas grew by +40.8%**, with an **organic growth of +42.9%**, mainly driven by **Argentina** (driven by Cinzano, Campari e Old Smuggler), **Canada** (driven by SKYY Vodka and Wild Turkey) and **Mexico** (driven by a very positive performance of SKYY ready-to-drink's), a perimeter effect of +7.1% and an exchange rate effect of -9.2%.

The **Italian market** (31.6% of total Group sales) recorded a total growth of **+1.3%**, attributable to **organic growth (+1.4%)**, and a negative perimeter effect of -0.1%. The organic growth was driven by the strong momentum in **Aperol** and **Campari**, **both brands achieving record sales in Italy in 2011**, and the launch of Aperol Spritz single serve home edition which more than offset a soft performance of the other single serve Campari Soda and Crodino brands.

Sales in the **rest of Europe** (25.7% of total Group sales) increased by **+18.6%**, driven by **organic growth** of **+12.6%**, a positive perimeter effect of +5.3% and a positive exchange rate effect of +0.7%. Notably, organic performance was driven by **Germany** (**+23.0%**), mainly thanks to the **continued growth of Aperol**. **Positive results** were also achieved in other key European markets, particularly **Russia**, **Austria** and **Benelux**.

Sales in the **rest of the world** (including GTR), which accounted for 9.2% of total Group sales, grew by **+39.2%** overall, with a **positive organic change of +28.3%**, mainly driven by very good consumption trends in the whole brand portfolio of the newly established Australian subsidiary, a positive perimeter effect of +4.4%, and a positive exchange rate effect of +6.5%. **South Africa** and **GTR** contributed to the positive performance in this region.

Looking at sales by business segment, **spirits** (76.6% of total sales, up from 75.4% in 2010) **grew +11.3%**, the combined result of **strong organic growth of +10.5%**, a positive perimeter effect of +1.5% and a negative exchange rate effect of -0.8%.

Aperol, **now the Group's largest brand** by sales value, of which more than half is achieved outside Italy, continued its **very strong momentum** (**+38.9%** at constant exchange rates) thanks to a **sustained progression** in **Germany** and **Austria** and **other European markets** where it was recently launched and continued **double digit growth in Italy**. Moreover, it is worth mentioning the **successful launch of Aperol Spritz** single serve home edition (not included in the Aperol brand performance above), the new single serve product introduced in Italy and Austria at the beginning of 2011 and exclusively distributed in the off premise channel with the **objective to strengthen the home consumption of aperitifs**. **Campari** brand sales **increased by +5.6%** at constant exchange rates (**+5.8%** at actual exchange rates), thanks to positive performances in **Italy** and **Brazil**, plus a good progression in **Argentina** and the **US**. **SKYY** sales **grew by +2.2%** at constant exchange rates (**-1.7%** at actual exchange rates), driven by the **strong growth of Infusions** in the US, a still highly competitive vodka market. Moreover, **SKYY** achieved a **good performance in key international markets**, particularly **Brazil**. The **Wild Turkey** franchise sales grew by **+25.4%** overall at constant exchange rates (**+26.8%** at actual exchange rates), driven by the **positive performance of all the brands in key markets**. Notably, **Wild Turkey bourbon** grew by **+7.0%** with positive results in the US, Australia and Japan; **American Honey** grew by **+33.5%** in US and Australia, whilst **Wild Turkey ready-to-drink** achieved **excellent growth** in Australia and New Zealand. **Brazilian brands** were up by **+4.8%** at constant exchange rates (**+5.2%** at actual exchange rates), mainly driven by **Dreher**. **GlenGrant** was up by **+0.9%** at constant exchange rates (**+1.2%** at actual exchange rates) and the **tequilas** were up by **+3.7%** at constant exchange rates (**-0.7%** at actual exchange rates), driven by the good performance of **Espolón**. **Frangelico, Carolans** and **Irish Mist** registered a good performance and overall sales of € 56.2 million in 2011. **Campari Soda** recorded a decrease of **-2.1%** at constant exchange rates, as a consequence of continued weakness in the Italian day bars channel.

Wines, which accounted for 14.5% of total sales, increased by +5.8%, due to the combination of an **organic performance of +5.6%,** a perimeter effect of +0.7% and an exchange rate effect of -0.5%.

Cinzano vermouths grew by **+23.9%** at constant exchange rates (+20.5% at actual exchange rates) driven largely by **Russia** and **Argentina**. **Cinzano sparkling wines** sales increased by **+3.4%** at constant exchange rates (**+3.7%** at actual exchange rates), thanks to a good performance in the key German market and other international markets, more than compensating softer performance in Italy and Russia. The **Other sparkling wines** declined by **-2.1%**, as a result of flat performance of **Riccadonna**, positive trend of **Mondoro** in Russia and a slowdown of Odessa, ahead of overall brand re-positioning in domestic market (Ukraine). **Still wines** (including **Sella&Mosca**, **Enrico Serafino, Teruzzi&Puthod**) declined by **-2.1%** at constant exchange due to the weakness in the Italian on premise channel. The perimeter effect was determined by the new still wines agency brands.

Soft drinks (7.7% of total sales) decreased by -0.3%, as a result of positive growth in carbonated drinks (+9.9%) and a decline of -3.3% registered in **Crodino** sales, as a consequence of continued weakness in the Italian day bar channel.

CONCLUSION AND OUTLOOK 2011

Full year 2011 results confirm the **solid underlying trends of Gruppo Campari**, thanks to the **good performance of the key product and market combinations**. The significant **investments in marketing** and in **route-to-market**, coupled with **product innovation** and **acquisitions**, further strengthened Gruppo Campari's business, broadening its development opportunities.

Whilst the traditionally small first quarter is expected to be soft in 2012 due to a very tough comparison base and some isolated events (a slow start in Brazil, following a price increase introduced in January 2012, and the potential effects of a commercial dispute in Germany), which are expected to be recovered in the remaining and more significant part of the year, the Group's expectations for the full year 2012 **remain cautiously optimistic**. Notably, **strong business fundamentals are expected to continue supporting the Group positive overall momentum** and help overcome the challenges created by the weak macroeconomic environment, strained credit situation and business transitions (particularly Russia). Moreover, the **Group remains confident of the medium to long term potential of its key growth engines**.

OTHER RESOLUTIONS

Dividend. The Board of Directors has voted to propose to the Shareholders' meeting a **full year dividend per share of € 0.07 (with an increase of 16.7% vs. the 2010 dividend of € 0.06).** The dividend will be paid on 24 May 2012 with the prior detachment of coupon no. 9 on 21 May 2012.

Own shares. The Board of Directors has approved a resolution to be presented to the Shareholders' meeting authorising the purchase and/or sale of own shares, mainly to be used to service the stock option plans. The authorisation concerns the purchase and/or sale of shares, which, including existing own shares, shall not exceed a maximum of 10% of the share capital. The authorisation will remain valid until 30 June 2013. The unit price for the purchase and/or sale of own shares will not differ by more than 25% (whether upwards or downwards) from the weighted average price in the three stock market trading sessions prior to each transaction.

Stock options. The Board of Directors has approved a resolution to be presented to the Shareholders' meeting approving a stock option plan pursuant to Art. 114-bis of the Consolidated Law on Financial Intermediation and in accordance with the stock option master plan approved by the Board of Directors of 18 March 2009 and by the Shareholders' meeting of 30 April 2009. The company will in due course and pursuant to applicable law (article 84-bis, Consob Regulation no. 11971/99) disclose an information document regarding the new stock option plan.

Report on Corporate Governance and Ownership Structure and **Code of Ethics**. The Board of Directors by adopting the Report on Corporate Governance and Ownership Structure resolved the acknowledgement of the amendments to the Code of Conduct for Listed Companies introduced in December 2011. Moreover, the Board of Directors approved some amendments to the Code of Ethics in force since 2004.

The Executive responsible for preparing Davide Campari-Milano S.p.A.'s financial reports, Paolo Marchesini, certifies - pursuant to article 154 bis, paragraph 2 of the Legislative Decree 58/1998 - that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

The consolidated results and the draft financial statements of Davide Campari-Milano S.p.A. as of 31 December 2011 are currently under audit, to date not yet completed.

ANALYST CONFERENCE CALL

At **1:00 pm (CET) today, Monday, March 12, 2012**, Campari's management will hold a conference call to present the Group's 2011 results. To participate, please dial one of the following numbers:

- **from Italy: 02 8058 811**

from abroad: +44 1212 818003

The **presentation slides** can be downloaded before the conference call from the main investor relations page on Gruppo Campari's website, at

http://www.camparigroup.com/en/investors/home.jsp

A **recording of the conference call** will be available from Monday, March 12 until Monday, March 19, 2012.
To listen to it, please call the following number:

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

(access code: **717#**).

FOR FURTHER INFORMATION

Investor enquiries:
Chiara Garavini
Tel.: +39 02 6225 330
Email: chiara.garavini@campari.com

www.camparigroup.com

Media enquiries:
Chiara Bressani
Tel.: +39 02 6225 206
Email: chiara.bressani@campari.com

Alex Balestra
Tel. : +39 02 6225 364
Email: alex.balestra@campari.com

Giorgia Bazurli
Tel. : +39 02 6225 548
Email: giorgia.bazurli@campari.com

http://www.camparigroup.com/en/investors/home.jsp
http://www.camparigroup.com/en/press_media/image_gallery/group_images.jsp

About Gruppo Campari

Davide Campari-Milano S.p.A., together with its affiliates ('Gruppo Campari'), is a major player in the global beverage sector, trading in over 190 nations around the world with a leading position in the Italian and Brazilian markets and a strong presence in the USA and Continental Europe. The Group has an extensive portfolio that spans three business segments: spirits, wines and soft drinks. In the spirits segment its internationally renowned brands, such as Campari, Carolans, SKYY Vodka and Wild Turkey stand out. It also has leading regional brands including Aperol, Cabo Wabo, Campari Soda, Cynar, Frangelico, Glen Grant, Ouzo 12, X-Rated Fusion Liqueur, Zedda Piras and the local Brazilian brands Dreher, Old Eight and Drury's. Its wine segment boasts the global brand Cinzano, as well as important regional brands including Liebfraumilch, Mondoro, Odessa, Riccadonna, Sella&Mosca and Teruzzi&Puthod. The soft drinks segment comprises the non-alcoholic aperitif Crodino and Lemonsoda as well as its respective line extension dominating the Italian market. The Group employs over 2,200 people. The shares of the parent company, Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM), are listed on the Italian Stock Exchange. www.camparigroup.com

- Appendix to follow -

GRUPPO CAMPARI

Consolidated net revenues by geographic area

	1 January-31 December 2011		1 January-31 December 2010		%
	€ million	%	€ million	%	change
Americas	427.0	33.5%	405.3	34.8%	**5.4%**
Italy	402.6	31.6%	397.3	34.2%	**1.3%**
Rest of Europe	328.1	25.7%	276.7	23.8%	**18.6%**
Rest of the world and duty free	116.5	9.2%	83.7	7.2%	**39.2%**
Total	**1,274.2**	**100.0%**	**1,163.0**	**100.0%**	**9.6%**

Breakdown of % change	Total % change	Organic growth	External growth	Exchange rate effect
Americas	**5.4%**	9.4%	-0.4%	-3.6%
Italy	**1.3%**	1.4%	-0.1%	0.0%
Rest of Europe	**18.6%**	12.6%	5.3%	0.7%
Rest of the world and duty free	**39.2%**	28.3%	4.4%	6.5%
Total	**9.6%**	**8.8%**	**1.4%**	**-0.7%**

Consolidated net revenues by segment

	1 January-31 December 2011		1 January-31 December 2010		%
	€ million	%	€ million	%	change
Spirits	975.1	76.6%	876.4	75.4%	**11.3%**
Wines	185.1	14.5%	175.0	15.0%	**5.8%**
Soft drinks	98.2	7.7%	98.5	8.5%	**-0.3%**
Other revenues	15.8	1.2%	13.1	1.1%	**20.0%**
Total	**1,274.2**	**100.0%**	**1,163.0**	**100.0%**	**9.6%**

Breakdown of % change	Total % change	Organic growth	External growth	Exchange rate effect
Spirits	**11.3%**	10.5%	1.5%	-0.8%
Wines	**5.8%**	5.6%	0.7%	-0.5%
Soft drinks	**-0.3%**	-0.4%	0.0%	0.1%
Other revenues	**20.0%**	8.3%	13.4%	-1.7%
Total	**9.6%**	**8.8%**	**1.4%**	**-0.7%**

Contribution after A&P by segment

	1 January-31 December 2011		1 January-31 December 2010		%
	€ million	%	€ million	%	change
Spirits	416.3	82.3%	375.4	81.0%	**10.9%**
Wines	49.3	9.8%	46.9	10.1%	**5.2%**
Soft drinks	36.8	7.3%	39.1	8.4%	**-5.9%**
Other revenues	3.1	0.6%	2.2	0.5%	**37.3%**
Total	**505.5**	**100.0%**	**463.6**	**100.0%**	**9.0%**

Breakdown of % change	Total % change	Organic growth	External growth	Exchange rate effect
Spirits	**10.9%**	7.7%	3.5%	-0.3%
Wines	**5.2%**	5.4%	-0.7%	0.5%
Soft drinks	**-5.9%**	-6.1%	0.0%	0.2%
Other revenues	**37.7%**	35.8%	7.2%	-5.7%
Total	**9.0%**	**6.5%**	**2.8%**	**-0.2%**

Consolidated income statement

	1 January-31 December 2011		1 January-31 December 2010		%
	€ million	%	€ million	%	change
Net sales(1)	**1,274.2**	**100.0%**	**1,163.0**	**100.0%**	**9.6%**
Total cost of goods sold(2)	(539.6)	-42.3%	(496.2)	-42.7%	8.7%
Gross profit	**734.6**	**57.7%**	**666.8**	**57.3%**	**10.2%**
Advertising and promotion	(229.1)	-18.0%	(203.2)	-17.5%	12.8%
Contribution after A&P	**505.5**	**39.7%**	**463.6**	**39.9%**	**9.0%**
SG&A(3)	(206.8)	-16.2%	(190.8)	-16.4%	8.4%
EBIT before one-off's	**298.7**	**23.4%**	**272.8**	**23.5%**	**9.5%**
One off's	(3.1)	-0.2%	(3.3)	-0.3%	-
Operating profit = EBIT	**295.5**	**23.2%**	**269.5**	**23.2%**	**9.7%**
Net financing costs	(43.2)	-3.4%	(37.5)	-3.2%	15.1%
One off's financial expenses	(1.9)	-0.1%	1.9	0.2%	-
Income from associates	(0.4)	-0.0%	(0.6)	-0.1%	-
Put option	0.5	0.0%	(0.3)	0.0%	-
Profit before taxes and minority interests	**250.6**	**19.7%**	**232.9**	**20.0%**	**7.6%**
Taxes	(90.9)	-7.1%	(76.2)	-6.6%	19.2%
Net profit	**159.8**	**12.5%**	**156.7**	**13.5%**	**1.9%**
Minority interests	(0.6)	-0.0%	(0.5)	0.0%	-
Group net profit	**159.2**	**12.5%**	**156.2**	**13.4%**	**1.9%**
Depreciation and amortisation	(30.3)	-2.4%	(25.8)	-2.2%	17.4%
EBITDA before one-off's	**329.0**	**25.8%**	**298.6**	**25.7%**	**10.2%**
EBITDA	**325.8**	**25.6%**	**295.3**	**25.4%**	**10.3%**

(1) Net of discounts and excise duties.

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

(3) Includes selling. general and administrative costs.

GRUPPO CAMPARI

Consolidated balance sheet

	31 December 2011 € million	31 December 2010 € million
ASSETS		
Non-current assets		
Net tangible fixed assets	320.6	325.7
Biological assets	17.4	18.1
Property	0.6	0.6
Goodwill and trademarks	1,448.6	1,409.1
Intangible assets	21.0	18.8
Interests in associates	0.0	-
Pre-paid taxes	6.5	8.4
Other non-current assets	17.1	6.7
Total non-current assets	**1,831.8**	**1,787.4**
Current assets		
Inventories	331.3	294.9
Trade receivables	278.0	269.4
Financial receivables	1.8	1.6
Cash and cash equivalents	414.2	259.7
Receivables for income taxes	17.8	5.8
Other receivables	23.9	21.1
Total current assets	**1,066.9**	**852.5**
Non-current assets for sale	2.3	11.2
Total assets	**2,901.0**	**2,651.1**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	58.1	58.1
Reserves	1,305.6	1,191.8
Group's shareholders' equity	1,363.7	1,249.9
Minority interests	3.7	3.0
Total shareholders' equity	**1,367.5**	**1,252.9**
Non-current liabilities		
Bonds	787.8	846.3
Other non-current financial payables	37.1	34.3
Staff severance funds	8.8	9.8
Risks funds	7.1	19.6
Deferred tax	144.4	114.0
Total non-current liabilities	**985.2**	**1,024.0**
Current liabilities		
Short term debt banks	144.9	38.4
Other financial payables	103.2	22.9
Trade payables	166.8	187.4
Payables for taxes	34.6	28.7
Other current liabilities	98.9	96.8
Total current liabilities	**548.4**	**374.2**
Total liabilities and shareholders' equity	**2,901.0**	**2,651.1**

GRUPPO CAMPARI

Consolidated cash flow statement

	31 December 2011 € million	31 December 2010 € million
EBIT	295.5	269.5
Amortisation and depreciation	30.3	25.8
Other changes in non-cash items	5.0	9.4
Change in non financial assets and payables	(0.3)	5.5
Taxes on income paid	(68.0)	(50.0)
Cash flow from operating activities before change in operating working capital	**262.5**	**260.2**
Net change in operating working capital	(60.1)	(29.6)
Cash flow from operating activities	**202.5**	**230.6**
Net interest paid	(41.6)	(38.9)
Cash flow from investing activities	**(24.9)**	**(59.7)**
Free cash flow	**136.0**	**132.0**
Acquisitions	(26.0)	(149.6)
Other changes	(20.9)	2.2
Dividends paid	(34.6)	(34.6)
Cash flow from other activities	**(81.5)**	**(182.0)**
Exchange rate differences and other movements	(9.7)	(9.7)
Change in net financial position as a result of operating activities	**44.7**	**(59.7)**
Future exercise for put options and payment of earn outs	(4.3)	13.5
Change in net financial position	**40.4**	**(46.2)**
Net financial position at start of period	**(677.0)**	**(630.8)**
Net financial position at end of period	**(636.6)**	**(677.0)**

DAVIDE CAMPARI-MILANO S.p.A.

Parent company income statement

	1 January- 31 December 2011 € million	1 January- 31 December 2010 € million
Net sales	**545.5**	**493.4**
Total cost of goods sold	(266.3)	(263.5)
Gross margin	**279.2**	**229.9**
Advertising and promotion	(62.1)	(63.5)
Contribution after A&P	**217.2**	**166.4**
SG&A	(73.6)	(71.8)
of which one-off's	(1.0)	(3.4)
Operating profit	**143.6**	**94.6**
Income from associates	125.0	47.5
Net financial income (expenses)	(31.8)	(26.4)
of which one off's financial expenses	(1.8)	(0.8)
Pretax profit	**236.8**	**115.7**
Taxes	(45.7)	(33.2)
Net profit	**191.1**	**82.5**

Parent company balance sheet

	31 December 2011 € million	31 December 2010 € million
Total non current assets	1,480.4	1,463.5
Total current assets	283.4	257.4
Total non current assets designed for sale	2.3	10.6
Total assets	**1,766.1**	**1,731.6**
Total shareholders' equity	773.4	635.6
Total non current liabilities	701.7	694.2
Total current liabilities	291.0	401.7
Total liabilities and shareholders' equity	**1,766.1**	**1,731.6**

Parent company cash flow

	31 December 2011 € million	31 December 2010 € million
Cash flow from operating activities	103.3	157.0
Cash flow from investing activities	116.6	(78.4)
Cash flow from financing activities	(197.1)	(52.4)
Increase (decrease) in cash and banks	23.0	26.3
Cash and banks at start of financial year	**37.1**	**10.9**
Cash and banks at end of financial year	**60.1**	**37.1**