CAMPARI GROUP

Consistent delivery of strategy with sustained growth across all key organic performance indicators

Continued positive business momentum, despite selective destocking ahead of changes in route-to-market

Increase in proposed full year dividend to €0.055 per share, up +10.0% vs. previous year

Continuation of share buy-back program to be implemented up to an increased amount of €350 million in the next 12 months

FY 2019-HIGHLIGHTS

- **Reported sales of €1,842.5 million**. **Organic growth** of **+5.9%**. On a **reported basis**, growth of **+7.6%** after exchange rate and perimeter effects.
- **Positive organic sales growth**, **driven by key high-margin brand and market combinations**, despite selective **destocking** in **Japan** and **South Africa** ahead of **changes in route to market.**
- **EBIT adjusted**[1] of **€408.0 million**, up **organically by +6.7%** (+7.7% on a reported basis). Organic margin expansion of **+20 basis points**, driven by **organic gross margin expansion of +60 bps** despite the agave price headwinds, reinvestments back into brand building and continued strengthening of the route-to-market.
- **Group net profit adjusted**[2] of **€267.4 million**, up **+7.3%**. **Group net profit** of **€308.4 million**, **up +4.1%**.
- **Free cash flow of €258.5 million,** of which **recurring free cash flow of €267.3 million, at 55.7% of EBITDA adjusted**.
- **Net financial debt** of **€777.4 million** as of December 31st, 2019 down €68.9 million vs. €846.3 million as of December 31st, 2018, **driven by positive cash flow**, net of acquisitions and non-core assets disposal and despite the effect of adopting the accounting principle IFRS16-'Leases'.
- Proposed full year **dividend** of **€0.055 per share**, up **+10.0% vs. previous year**.
- Continuation of **share buy-back program to be implemented up to an increased amount of €350 million** in the next 12 months.

Milan, February 18th, 2020- The Board of Directors of Davide Campari-Milano S.p.A. (Reuters CPRI.MI-Bloomberg CPR IM) approved the consolidated results and the draft separate financial statements for the full year ended on December 31st, 2019.

Bob Kunze-Concewitz, **Chief Executive Officer**: *'In full year 2019 the Group continued to **deliver on its long term strategy**, despite the negative effects of **destocking** ahead of **route-to-market changes** in **selective markets** as well as the negative agave purchase price effect. Nonetheless, we achieved a **positive performance across all the key business indicators in terms of organic growth and margin expansion**.*
***Looking ahead into 2020,** our outlook remains **balanced** in terms of **risks and opportunities** as uncertainty around **macroeconomic instability** and **currency volatility**, particularly in emerging markets, remains. **We are confident to achieve a positive EBIT growth in value in 2020**, driven by the **key high-margin brand and market combinations.** The tail-end effect of the destocking activities, linked to route-to-market changes, is expected to impact the first half of the year, on top of a tough comparison base. Moreover, the trend in marginality will continue to be affected by the increasingly elevated agave purchase price and the import tariffs imposed by the United States, the Group's largest market. Overall, we will also benefit from the **recent acquisitions**, as well as the **expected future developments in the French market**, thanks to the agreement for the **acquisition of our local distributor**, which is expected to be completed during the first part of the year[3].*

[1] Before negative operating adjustments of €(21.7) million in FY 2019, mainly attributable to restructuring operations (positive operating adjustments of €1.9 million in FY 2018).
[2] Group net profit before overall net positive adjustments of €41.0 million in FY 2019 (overall net positive adjustments of €47.0 million in FY 2018).
[3] Closing subject to Antitrust approval.

SUMMARY FINANCIAL INFORMATION FOR THE FULL YEAR ENDED 31 DECEMBER 2019

	FY 2019 € million	FY 2018 € million	Reported Change	Organic change	Forex impact	Perimeter Impact
Net sales	**1,842.5**	**1,711.7**	**7.6%**	**5.9%**	**2.1%**	**-0.4%**
Gross profit	**1,121.2**	**1,028.1**	**9.1%**	**7.0%**	**2.2%**	**-0.1%**
% on sales	*60.9%*	*60.1%*				
EBIT adjusted	**408.0**	**378.8**	**7.7%**	**6.7%**	**1.7%**	**-0.7%**
% on sales	*22.1%*	*22.1%*				
EBIT	386.3	380.7	1.5%			
Group net profit adjusted	**267.4**	**249.3**	**7.3%**			
Group net profit	**308.4**	**296.3**	**4.1%**			
EBITDA adjusted	**479.8**	**432.6**	**10.9%**	**9.6%**	**1.7%**	**-0.4%**
% on sales	*26.0%*	*25.3%*				
EBITDA	458.1	434.5	5.4%			
Free cash flow, of which:	**258.5**	**235.6**	**9.7%**			
Recurring free cash flow	**267.3**	**267.7**				
Net financial debt at the end of the period	**777.4**	**846.3**				
Proposed full year dividend per share (€)	**0.055**	**0.050**	**10.0%**			

REVIEW OF CONSOLIDATED SALES FOR THE FULL YEAR 2019 RESULTS

By **geography**:

- Sales in the **Americas** (44.6% of total Group sales) grew organically by **+5.8%**, thanks to the **Group's largest market**, **the US**, which grew organically by **+5.3%**, with positive growth across all key Global and Regional priority brands with the exception of SKYY, **Jamaica**, which registered positive organic growth of **+17.6%**, thanks to the consistent outperformance of the rum portfolio and Campari, and **Canada**, which grew by **+2.6%** thanks to Aperol, Espolòn and Campari. In South America, **Brazil** and **Argentina**, which benefitted from a favourable comparison base, grew respectively by **+3.3%** and **+9.7%** in 2019, largely thanks to Aperol and Campari. Macroeconomic weakness, high unemployment and political instability remain.

- Sales in **Southern Europe, Middle East and Africa**[4] (27.1% of total Group sales) registered organic growth of **+5.3%**, driven by a **sustained performance** in **Italy** (**+5.8%**), largely thanks to the entire aperitif portfolio. **Other markets in the region** grew **+3.9%** overall, thanks to the solid performance in **France** (**+14.2%**) and growth in **Global Travel Retail (+4.1%)**, both largely driven by Aperol**,** partly offset by the soft performance in Spain and South Africa, with the latter penalized by destocking ahead of route-to-market change.

- **North, Central and Eastern Europe** (21.4% of total Group sales) grew organically by **+8.8%** thanks to growth in **Germany** (**+3.3%**), **the UK** (**+39.6%**) and **Russia** (**+11.9%**) as well as positive performance in most of the other European markets. The performance was largely driven by **double-digit growth** of **Aperol across the region**, while the performance in the UK was also driven by growth in Wray&Nephew Overproof and Magnum Tonic.

- Sales in **Asia Pacific** (7.0% of total Group sales) grew organically by **+0.8%**. **Australia** registered an organic growth of **+2.0%**, against a tough comparison base, driven by **Aperol**, **Wild Turkey ready-to-drink**, **SKYY** and **Espòlon**. Other markets in the region declined overall by -1.8% as growth in China and New Zealand was more than offset by strong decline in Japan due to destocking ahead of route-to-market change.

By **brand**:

- **Global Priorities** (57% of total Group sales) registered strong organic growth (**+7.3%**), despite a low-single digit decline in **SKYY** due to persistent competitive pressure in the US market and destocking which affected mainly the flavours. The overall positive performance was driven by **Aperol** (**+20.5%**), thanks to double-digit growth in its three largest markets (Italy, Germany and the US) and positive growth **across all the other high potential and seeding markets**, the **Jamaican rums** (**+7.5%**), thanks to the positive performance of **Wray&Nephew Overproof** in core **Jamaica** as well as the **US**, **Canada** and **the UK**, and also **Campari** (**+4.6%**), building on the positive international trends of the previous years, despite

[4] Includes Global Travel Retail.

temporary softness in core Germany. **Wild Turkey** registered **positive growth of +2.9%** as solid momentum in the **core US market** was partially offset by a decline in **Japan**, due to destocking ahead of route-to-market change. **Grand Marnier** overall was flattish with **growth** in the **core US market** compensating temporary weakness in Global Travel Retail and some European markets.

- **Regional Priorities** (17% of total Group sales) grew organically by **+4.3%**, thanks to a very positive performance from **Espolòn** (**+32.4%**), driven by the core US market, where the brand continues to outpace category trends. Solid growth in **Riccadonna** was offset by weakness in **GlenGrant**, which reflects the Group's long-term strategic refocus into the super-premium and high-margin aged variants coupled with the destocking activities in South Africa, as well as in **Bulldog** and **Cinzano**.

- **Local Priorities** (11% of total Group sales) registered a positive organic performance of **+1.8%**, as growth in the single-serve aperitifs of **Campari Soda** (**+1.6%**) and **Crodino** (**+2.4%**), as well as growth in **Wild Turkey ready-to-drink** (**+5.0%**), more than offset weakness in the local Brazilian brands.

REVIEW OF FULL YEAR 2019 RESULTS

Group sales totalled **€1,842.5 million,** up by **+7.6%** in value **on a reported basis**. The result reflects a **positive organic sales performance** of **+5.9%**, despite **selective destocking** in **Japan** and **South Africa** ahead of **changes in route-to-market**, a **positive FX effect** of **+2.1%**, thanks to a strong US Dollar vs. the Euro, and a **negative perimeter effect** of **-0.4%**[5], driven by the termination of agency brands distribution contracts.

Gross profit was **€1,121.2 million**, up by **+9.1%** in value **on a reported basis** and up **+80 basis points** to 60.9% of net sales. It **grew organically** by **+7.0%,** ahead of sales, generating an organic margin expansion of **+60 basis points**, driven by **favourable sales mix by brand and market**, despite the **adverse agave purchase price**.

Advertising and Promotion spending (**A&P**) was **€319.9 million**, up by **+10.6%** in value **on a reported basis**, corresponding to 17.4% of net sales. **It grew organically** by **+7.7%,** ahead of sales and was dilutive on margin by -30 basis points, reflecting higher marketing investments particularly behind global brands namely Aperol, Campari, the Jamaican rum portfolio, as well as selected Regional Priority brands, such as Espolòn.

CAAP (Contribution after A&P) was **€801.3 million**, up by **+8.5%** in value **on a reported basis** (up **organically** by **+6.7%**), corresponding to 43.5% of net sales.

Structure costs, i.e. selling, general and administrative costs, totalled **€393.3 million**, up by **+9.2%** in value **on a reported basis**, to 21.3% of net sales. They grew **organically** by **+6.8%**, generating a dilution of -20 basis points, mainly due to the strengthening of on-premise commercial capabilities in selected markets.

EBIT adjusted was **€408.0 million**, up by **+7.7%** in value **on a reported basis**, stable at 22.1% of net sales, in line with last year. It **grew organically** by **+6.7%**, ahead of sales growth, generating **+20 bps margin accretion**, thanks to solid organic gross margin accretion, net of investments in marketing and structure costs. The adoption of IFRS16-'Leases' accounting principle (effective from 1 January 2019) generated a positive effect of €1.4 million.

Operating adjustments were negative by **€(21.7) million**, mainly attributable to restructuring projects (including outsourcing of administrative services and information technology).

EBITDA adjusted was **€479.8 million**, up by **+10.9%** in value **on a reported basis** (**up organically +9.6%**), corresponding to 26.0% of net sales. The increase includes a positive effect generated by the adoption of **IFRS 16-'Leases'** of **€15.0 million**, driven by the incremental depreciation on the rights of use.

EBIT (21.0% of net sales) and **EBITDA** (24.9% of net sales) reached €386.3 million and €458.1 million respectively, after negative **operating adjustments** of **€**(**21.7**) **million**, mainly attributable to restructuring initiatives.

Net financial costs were **€33.0 million**, broadly in line vs. last year, reflecting the lower average indebtedness (€865.8 million in FY 2019 vs €925.4 million in FY 2018) compensating the effect of the adoption of IFRS 16-'Leases' application, which generated additional financial charges of €3.4 million in 2019.

[5] Including the effects generated by termination of distribution contracts, partly mitigated by the recent acquisitions of Rhumantilles as well as Ancho Reyes and Montelobos closed in the fourth quarter of 2019.

Positive financial adjustments of **€5.8 million**, mainly attributable to the recognition of financial income for credits relating to the closing of a tax dispute in Brazil.

Group pre-tax profit adjusted[6] was **€370.4 million** (**+6.7%**)**. Group pre-tax profit** was **€354.6 million**, up **+1.1%**.

Tax expenses totalled **€46.2 million, including** the **'Patent box' one-off tax benefit of €25.4 million**[7], as well as other fiscal adjustments.

Group net profit adjusted reached **€267.4 million**, up **+7.3%** in value on a reported basis**. Group net profit was €308.4 million,** up **+4.1%** in value on a reported basis, against a tough comparison base which benefitted from significant positive adjustments.

Free cash flow was **€258.5 million**. The **recurring free cash flow amounted to €267.3 million (-0.2%),** at **55.7% of EBITDA adjusted**, from 61.9% in full year 2018.

Net financial debt stood at **€777.4 million** as of December 31th, 2019 (€846.3 million as of December 31st, 2018), a decrease of **€68.9 million**, driven by **strong generation of cash flow**, net of the acquisitions of Rhumantilles and Ancho Reyes and Montelobos and the disposal of Villa Les Cèdres[8], and after the dividend payment (€ 57.3 million), the net purchase of own shares (€ 47.3 million) and the effect of IFRS16-'Leases' application (€ 90.4 million).

Net debt to EBITDA adjusted ratio at **1.6 times as of December 31st, 2019**, down from 2.0 times[9] as of December 31st, 2018.

OTHER EVENTS AND RESOLUTIONS

Dividend. The Board of Directors voted to propose to the Shareholders' meeting a full year dividend per share of €0.055, gross of withholding taxes, for the fiscal year 2019, up +10.0% vs. previous year.
The cash dividend will be payable on April 22nd, 2020 (the detachment date of the coupon n. 4 will be April 20th, 2020 pursuant to the Borsa Italiana calendar, with a record date April 21st, 2020). The Board of Directors therefore agreed to convene the ordinary Shareholders Meeting on March 27th, 2020 (instead of April 7th, 2020 as previously announced in the corporate financial calendar) to approve, among other items, the separate financial statements for the full year ended December 31st, 2019.

Share buyback. The Board of Directors approved the report to be presented to the Shareholders' meeting to authorize the purchase and/or the sale of own shares, mainly aimed at the replenishment of the portfolio of own shares to serve the current and future stock option plans for the Group's management, according to the limits and procedures provided by the applicable laws and regulations. The authorization is requested until June 30th, 2021.

With regard to the execution of the buyback, compared to previous years, the Board of Directors has approved to **continue the buyback program in place but for an increased amount up to €350 million in the next twelve months**. The increase of the buyback serves the purpose of implementing the Company's new policy of having a portfolio of treasury shares sufficient to serve all outstanding stock options plans as opposed to the ones approaching the vesting period only, in order to hedge the risk of the price increase of the shares underlying the options and, as a result, contain the overall outlay to service the incentive plans. Additional details on the program will be communicated before the commencement of the purchases through a press release in accordance with applicable laws and regulations.

Stock options. Moreover, the Board of Directors has approved a resolution to be presented to the Shareholders' meeting approving a stock option plan pursuant to article 114-bis of the Consolidated Law on Financial Intermediation, and in accordance with the stock option Regulation in effect, to which partial amendments in favour of the stock options beneficiaries were advisable following the implementation of previous plans. The plan foresees the granting of stock option plans to directors of the Board and the Company's management, granting the relevant bodies the authorization to implement the plan by June 30th, 2021.

[6] In FY 2019, net negative operating and financial adjustments of €(15.8) million, mainly attributable to restructuring operations . This compares with the net positive operating and financial adjustment of €3.7 million in FY 2018.
[7] Cumulated Patent box benefit in 2014-2019 of €96.2 million.
[8] Impacting the net financial debt as of 31 December 2019 by €141.9 million, of which €60.1 million related to tax to be paid in 2020 (to impact net financial debt in 2020).
[9] Calculated based on the same criteria adopted for the ratio of 31 December 2019.

Remuneration Report. The Board of Directors approved a resolution to be presented to the Shareholders' meeting for approval of the Report on the remuneration policy and the compensation paid in accordance to article 123-ter, of legislative decree 58 of February 24th, 1998 as most recently amended.

Non-financial Declaration. The Board of Directors approved the non-financial declaration for the fiscal year ending December 31st, 2019, in accordance with Legislative Decree No. 254/2016 implementing Directive 2014/95/EU.

FILING OF DOCUMENTATION

The annual financial report and the non-financial declaration at 31 December 2019 will be made available to the general public at the Company's head office and on the 1INFO circuit for the storage of Regulated Information, operated by Computershare (www.1Info.it) within the limits expressed by the law. The documentation will also be available in the 'Investors' section of the website www.camparigroup.com/en and by all other means allowed by applicable regulations.

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

Disclaimer
This document contains forward-looking statements that relate to future events and future operating, economic and financial results of Campari Group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Actual results may differ materially from those reflected in forward-looking statements due to a variety of factors, most of which are outside of the Group's control.
It should be noted that the company's accounts and consolidated results are currently subject to auditing.

ANALYST CONFERENCE CALL

At **7:00 pm (CET) today, February 18th, 2020**, Campari's management will hold a conference call to present the Group's FY 2019 results. To participate, please dial one of the following numbers:

- **from Italy: 02 805 88 11**
- **from abroad: + 44 121 281 8003**

The **presentation slides** can be downloaded before the conference call from the main investor relations page on Campari Group's website, at http://www.camparigroup.com/en/investors.
A **recording of the conference call** will be available from today, February 18th, until Tuesday, February 25th, 2020.

To listen to it, please call the following numbers:

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

(Access code: **900#**).

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FOR FURTHER INFORMATION

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ABOUT CAMPARI GROUP

Campari Group is a major player in the global spirits industry, with a portfolio of over 50 premium and super premium brands, spreading across Global, Regional and Local priorities. Global Priorities, the Group's key focus, include **Aperol, Campari, SKYY**, **Grand Marnier, Wild Turkey** and **Appleton Estate**. The Group was founded in 1860 and today is the sixth-largest player worldwide in the premium spirits industry. It has a global distribution reach, trading in over 190 nations around the world with leading positions in Europe and the Americas. Campari Group's growth strategy aims to combine organic growth through strong brand building and external growth via selective acquisitions of brands and businesses.

Headquartered in Milan, Italy, Campari Group owns 21 plants worldwide and has its own distribution network in 20 countries. Campari Group employs approximately 3,700 people. The shares of the parent company Davide Campari-Milano S.p.A. (Reuters CPRI.MI - Bloomberg CPR IM) have been listed on the Italian Stock Exchange since 2001. For more information: http://www.camparigroup.com/en. Please enjoy our brands responsibly.

- Appendix to follow -

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Consolidated net sales breakdown by brand for the full year 2019

	% on Group sales	% change, of which:			
		total	organic	exchange rate effect	external growth
Global Priorities	56.9%	9.7%	7.3%	2.5%	0.0%
Regional Priorities	16.8%	7.4%	4.3%	2.1%	1.1%
Local Priorities	11.5%	1.6%	1.8%	-0.2%	0.1%
Rest of portfolio	14.8%	4.9%	6.2%	2.6%	-3.9%
Total	**100.0%**	**7.6%**	**5.9%**	**2.1%**	**-0.4%**

Consolidated net sales by geographic area for the full year 2019

	1 January-31 December 2019		1 January-31 December 2018		%
	€ million	%	€ million	%	Change
Americas	821.5	44.6%	744.7	43.5%	**10.3%**
SEMEA (Southern Europe, Middle East and Africa)	498.7	27.1%	479.8	28.0%	**3.9%**
North, Central & Eastern Europe	393.8	21.4%	358.9	21.0%	**9.7%**
Asia Pacific	128.5	7.0%	128.3	7.5%	**0.2%**
Total	**1,842.5**	**100.0%**	**1,711.7**	**100.0%**	**7.6%**

Breakdown of % change	total % change	organic growth	exchange rate effect	external growth
Americas	**10.3%**	5.8%	4.5%	-0.1%
SEMEA (Southern Europe, Middle East and Africa)	**3.9%**	5.3%	-0.1%	-1.3%
North, Central & Eastern Europe	**9.7%**	8.8%	1.0%	0.0%
Asia Pacific	**0.2%**	0.8%	-0.7%	0.0%
Total	**7.6%**	**5.9%**	**2.1%**	**-0.4%**

Consolidated EBIT adjusted by geographic area for the full year 2019

	1 January-31 December 2019		1 January-31 December 2018		change	change
	€ million	%	€ million	%	% total	% organic
Americas	171.4	42.0%	161.5	42.6%	**6.1%**	2.5%
SEMEA (Southern Europe, Middle East and Africa)	88.1	21.6%	83.6	22.1%	**5.5%**	8.4%
North, Central & Eastern Europe	132.9	32.6%	115.1	30.4%	**15.5%**	14.3%
Asia Pacific	15.6	3.8%	18.7	4.9%	**-16.5%**	-12.5%
Total	**408.0**	**100.0%**	**378.8**	**100.0%**	**7.7%**	**6.7%**

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Consolidated income statement for the full year 2019

	1 January-31 December 2019		1 January-31 December 2018		
	€ million	%	€ million	%	Change
Net sales[1]	**1,842.5**	**100.0%**	**1,711.7**	**100.0%**	**7.6%**
Cost of goods sold[2]	(721.3)	-39.1%	(683.6)	-39.9%	5.5%
Gross margin	**1,121.2**	**60.9%**	**1,028.1**	**60.1%**	**9.1%**
Advertising and promotional costs	(319.9)	-17.4%	(289.2)	-16.9%	10.6%
Contribution margin	**801.3**	**43.5%**	**738.9**	**43.2%**	**8.5%**
SG&A[3]	(393.3)	-21.3%	(360.1)	-21.0%	9.2%
Result from recurring activities (EBIT adjusted)	**408.0**	**22.1%**	**378.8**	**22.1%**	**7.7%**
Adjustments to operating income (expenses)	(21.7)	-1.2%	1.9	0.1%	-
Operating result (EBIT)	**386.3**	**21.0%**	**380.7**	**22.2%**	**1.5%**
Financial income (expenses)	(33.0)	-1.8%	(33.8)	-2.0%	-2.4%
Adjustments to financial income (expenses)	5.8	0.3%	1.8	0.1%	-
Profit (loss) related to companies valued at equity	0.1	0.0%	(0.2)	0.0%	-
Put option, earn out income (charges) and hyperinflation effects	(4.7)	-0.3%	2.3	0.1%	-
Profit before taxes and non-controlling interests	**354.6**	**19.2%**	**350.8**	**20.5%**	**1.1%**
Group profit before taxes adjusted	**370.4**	**20.1%**	**347.1**	**20.3%**	**6.7%**
Taxes	(46.2)	-2.5%	(54.5)	-3.2%	-15.1%
Net Profit	**308.4**	**16.7%**	**296.3**	**17.3%**	**4.1%**
Non-controlling interests	0.0	0.0%	0.0	0.0%	-
Group net profit	**308.4**	**16.7%**	**296.3**	**17.3%**	**4.1%**
Group net profit adjusted	**267.4**	**14.5%**	**249.3**	**14.6%**	**7.3%**
Total depreciation and amortisation	(71.8)	-3.9%	(53.8)	-3.1%	33.4%
EBITDA adjusted	**479.8**	**26.0%**	**432.6**	**25.3%**	**10.9%**
EBITDA	**458.1**	**24.9%**	**434.5**	**25.4%**	**5.4%**

(1) Net of discounts and excise duties.
(2) Includes cost of material, production and logistics costs.
(3) Includes selling, general and administrative costs.

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Consolidated balance sheet as of 31 December 2019

	31 December 2019 € million	31 December 2018 € million
ASSETS		
Non-current assets		
Net tangible fixed assets	496.4	454.4
Right of use assets	80.5	-
Biological assets	3.9	1.0
Investment property	1.1	122.8
Goodwill and trademarks	2,431.8	2,341.0
Intangible assets with a finite life	49.3	42.9
Investments in associates and joint ventures	0.5	0.4
Deferred tax assets	37.5	38.4
Other non-current assets	22.8	23.9
Total non-current assets	**3,123.8**	**3,024.9**
Current assets		
Inventories	617.7	565.3
Biological assets	0.9	0.8
Trade receivables	316.9	286.0
Short-term financial receivables	8.3	29.1
Cash and cash equivalents	704.4	613.9
Income tax receivables	18.7	22.4
Other receivables	44.7	32.3
Total current assets	**1,711.6**	**1,549.8**
Assets held for sale	5.3	7.8
Total assets	**4,840.7**	**4,582.5**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	58.1	58.1
Reserves	2,331.6	2,104.7
Parent company's portion of shareholders' equity	2,389.7	2,162.8
Non-controlling interests' portion of shareholders' equity	1.9	-
Total shareholders' equity	**2,391.6**	**2,162.8**
Non-current liabilities		
Bonds	349.4	778.7
Other non-current liabilities	476.4	463.7
Defined benefit obligations	33.4	31.6
Provisions for risks and charges	51.4	118.7
Deferred tax liabilities	386.1	368.2
Total non-current liabilities	**1,296.7**	**1,760.9**
Current liabilities		
Payables to banks	31.0	4.5
Bonds	580.0	218.6
Other financial liabilities	84.3	52.5
Trade payables	240.7	216.0
Income tax payables	75.1	13.9
Other current liabilities	141.5	153.4
Total current liabilities	**1,152.5**	**658.9**
Liabilities held for sale	-	-
Total liabilities	**2,449.1**	**2,419.7**
Total liabilities and shareholders' equity	**4,840.7**	**4,582.6**

CAMPARI GROUP

Consolidated reclassified cash flow statement as of 31 December 2019

	31 December 2019	31 December 2018
	€ million	€ million
EBITDA Adjusted	**479.8**	**432.6**
Provisions and other changes from operating activities	(41.9)	(31.1)
Taxes paid	(45.3)	(48.5)
Cash flow from operating activities before changes in working capital	**392.5**	**353.0**
Changes in net operating working capital	(29.6)	(25.5)
Cash flow from operating activities	**363.0**	**327.5**
Net interests paid	(27.9)	(22.8)
Adjustments to financial income (expenses)	5.8	1.8
Capital expenditure	(82.4)	(70.9)
Free cash flow	**258.5**	**235.6**
(Acquisition) disposal of companies or business division	110.8	22.2
Dividend paid out by the Parent Company	(57.3)	(57.5)
Other changes (net purchase of own shares included)	(54.3)	(62.0)
Total cash flow used in other activities	**(0.8)**	**(97.3)**
Exchange rate differences and other changes	(13.9)	(4.0)
Change in net financial position due to operating activities	**243.7**	**134.3**
Put option and earn-out changes	(77.6)	1.0
Effect of IFRS 16-'Leases' application	(81.4)	-
Increase in investments for lease right of use	(15.8)	-
Net cash flow of the period=change in net financial position	**68.9**	**135.3**

Net financial position at the beginning of the period	**(846.3)**	**(981.5)**
Net financial position at the end of the period	**(777.4)**	**(846.3)**

CAMPARI GROUP
DAVIDE CAMPARI-MILANO S.p.A.

Parent company income statement

	1 January-31 December 2019	1 January-31 December 2018
	€ million	€ million
Net sales	**671.2**	**630.5**
Cost of goods sold	(247.0)	(250.8)
Gross margin	**424.2**	**379.7**
Advertising and promotional	(67.8)	(62.5)
Contribution after A&P	**356.4**	**317.2**
Structure costs(1)	(135.3)	(62.1)
Operating result	**221.1**	**255.1**
Financial income (charges)	(97.2)	(44.9)
Dividends	13.5	16.2
Profit before tax	**137.4**	**226.4**
Taxes	(27.2)	(26.8)
Net profit	**110.2**	**199.6**

(1) Including operating adjustments of €(13.5) million for FY 2019 (vs €48.0 million for FY 2018).

Parent company balance sheet

	31 December 2019	31 December 2018
	€ million	€ million
Total non-current assets	2,715.5	2,762.4
Total current assets	600.2	585.1
Total assets held for sale	1.0	1.0
Total assets	**3,316.7**	**3,348.5**
Total shareholders’ equity	1,360.8	1,355.2
Total non-current liabilities	762.4	1,257.0
Total current liabilities	1,193.5	736.3
Liabilities held for sale	-	-
Total liabilities and shareholders’ equity	**3,316.7**	**3,348.5**

Parent company cash flow

	31 December 2019	31 December 2018
	€ million	€ million
Cash flow generated from (used in) operating activities	241.1	198.1
Cash flow generated from (used in) investing activities	0.1	40.6
Cash flow generated from (used in) financing activities	(224.3)	(220.8)
Exchange rate differences and other changes in shareholders' equity	4.6	-
Net change in cash and cash equivalents: increase (decrease)	**21.5**	**17.8**
Cash from mergers	-	0.1
Cash and cash equivalents at the beginning of period	235.5	217.5
Cash and cash equivalents at end of period	**257.0**	**235.5**