Campari acquires a controlling stake in Lascelles deMercado,
becoming a key player in the attractive rum category
with the Appleton Estate, Appleton Special / White, Wray & Nephew and Coruba brands

HIGHLIGHTS

- **Agreement reached with holders of 81.4% stake in Jamaican company Lascelles deMercado & Co. Limited ('LdM'). At closing the entity will primarily consist of LdM's spirits business**
- **Campari's acquisition will be made through a formal tender offer to the LdM board and public shareholders to acquire all outstanding ordinary and preference shares pursuant to the Jamaican Takeover Code and applicable requirements**
- **Gruppo Campari (the 'Group' or 'Campari') enters the large and attractive rum category, adding a portfolio of leading premium brands with a unique and distinctive Jamaican heritage**
- **The acquisition entails the award winning Appleton Estate, Appleton Special / White, Wray & Nephew and Coruba brands as well as substantial ageing inventory to support future expansion**
- **Campari enhances its critical mass in key Americas markets - including the US, Canada, Mexico, the Caribbean, and acquires a leading market position in Jamaica, creating the foundations for future international growth**
- **This transaction further boosts Campari's internationalisation, significantly growing the business outside of Italy, whilst strengthening its largest and most profitable business, the Spirits segment**
- **Total purchase price for 100% of LdM's share capital is USD 414,754,200 (or approximately € 330 million at current exchange rate) on a cash free / debt free basis. The deal is EPS accretive in year 1**
- **Third largest acquisition in Campari's history following the successful acquisitions of Wild Turkey and Skyy Spirits**
- **Campari continues to leverage its acquisition framework in a very disciplined and consistent manner for future growth**
- **Completion of the CLF stake acquisition and formal tender offer is expected in Q4 2012**

Milan, September 3, 2012 - Gruppo Campari announces it has signed an agreement (the 'Agreement') with members of the CL Financial Limited group of companies ('CLF') to acquire an **81.4% ownership in Lascelles deMercado & Co. Limited** ('LdM'), a publicly traded holding company, based in Kingston, Jamaica.

Campari's acquisition will be made through a formal tender offer to the LdM board and public shareholders to acquire all outstanding ordinary and preference shares pursuant to the Jamaican Takeover Code and applicable requirements.

Pursuant to the Agreement, at the time of closing, LdM will comprise the Spirits business, led by a **world-renowned, leading Jamaican rum range**, including **Appleton Estate, Appleton Special / White**, **Wray &**

Nephew and **Coruba**, the related upstream supply chain, as well as its successful local consumer products distribution business (the 'Acquired Business').

This transaction marks the **third largest acquisition in Campari's history** and positions the Group as a **leading producer of premium rum globally**.

Bob Kunze-Concewitz, Chief Executive Officer: '*With Lascelles deMercado, the award winning distiller of world class premium dark, overproof and gold Jamaican rums, we are once again leveraging our acquisition framework in a very disciplined and consistent manner for future growth. The addition of the Appleton, Wray & Nephew and Coruba rum brands as well as a portfolio of local Jamaican brands will help us build our critical mass further in key North American markets, provide a leading market position in Jamaica, a major destination in the Caribbean, whilst laying the foundations for future international growth across all major usage occasions of the growing and premiumising rum category. When completed, this acquisition will give a further boost to the internationalisation of Gruppo Campari, further expanding our business outside of Italy, as well as strengthening our largest and most profitable business, the Spirits segment.*'

The Acquired Business includes an **unrivalled Portfolio of world-class premium and overproof rums**, including **Appleton Estate** (super premium aged rum designed for sipping), **Appleton Special** and White (blend specially designed for mixing), **Wray & Nephew White Overproof** (the world's top selling award-winning overproof rum), **Coruba** and a **strong portfolio of local brands**. In Fiscal Year ended September 30, 2011, the rum and spirits portfolio achieved total sales volume of **3.5 million 9 litre cases**.

Upstream supply chain operations consist of agriculture facilities, including sugar cane fields, two distilleries, one sugar factory, nine farms and 18 warehouses, all located in Jamaica, as well as a **complete and deep inventory of aged rum** to support the global expansion of the Acquired Business. The Acquired Business also includes **local merchandising operations** focused on the warehousing, sales, marketing and distribution of a wide range of third party branded products from well-known consumer goods companies.

All other LdM assets that are not in the scope of the Acquired Business (principally LdM's insurance business, Globe, its transportation assets, as well as securities in other companies) **are currently involved in a process of divestment and consequently will not form part of the Acquired Business**. All net proceeds will be paid to LdM's current shareholders by the way of one-time extraordinary dividend(s).

The completion of the acquisition of CLF's stake in LdM and the formal tender offer process are subject to various closing conditions and are expected to occur in **the fourth quarter of 2012**.

In the full year ended September 30, 2011, the Acquired Business achieved **total pro-forma sales of USD 265.4 million (or € 190.7 million at the average exchange rate for the period)** and a **pro-forma EBITDA of USD 24.2 million (or € 17.4 million). In the last twelve months ending June 30, 2012** ('LTM') the Acquired Business achieved **total pro-forma sales of USD 277.0 million (or € 207.6 million)** and a **pro-forma EBITDA of 27.7 million (or € 20.7 million).**

The **total purchase price for 100% of LdM's share capital is USD 414,754,200 (or approximately € 330 million at current exchange rate) on a cash free / debt free basis**, which corresponds to a price per ordinary share of USD 4.32 and price per preference share of USD 0.57. This corresponds to a historic multiple of **15 times the LTM (June 2012) EBITDA**, excluding any potential synergies. The consideration will be paid for in cash. Campari's **pro forma Net debt / LTM EBITDA ratio will become 2.7 times**, calculated on the basis of closing and payment of USD 414,754,200 on June 30, 2012.

Through the acquisition of **LdM**, Campari enters the **attractive and growing rum category**, which combines **tradition**, **heritage** and **authenticity** with **dynamism** and **vibrancy**. Today the rum category is expanding significantly with **premiumisation**, **innovation** and a **broad international appeal**, raising consumers demand for **aged, spiced and high-proof rums** all over the world.

Campari will develop its **critical mass in key international Appleton markets – the US, Canada, Mexico**, and acquire a **leading franchise in Jamaica**, creating the foundations for **future international growth**. It will also leverage its **strong distribution capabilities**, enhanced following the Group's recent investment in **its route-to-market**.

This acquisition is a significant step in the development of Campari into a leading spirits player. It positions the Group to exploit the **dynamism of key global consumption trends** and **further boosts its internationalisation**, significantly growing the business outside of Italy as well as **strengthening** its largest and most profitable business, **the Spirits segment.**

Bank of America Merrill Lynch acted as financial advisor to Campari on this transaction. Morrison & Foerster acted as legal advisors.

The transaction will be fully financed through credit facilities underwritten by three relationship banks, namely Banc of America Securities, Banca Intesa and Deutsche Bank.

ANALYST CONFERENCE CALL

At **11:30 am (CET) today, Monday, September 3, 2012**, Campari's management will hold a conference call to present the Acquisition to analysts and investors. 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

INTERNATIONAL MEDIA CONFERENCE CALL

At **3:30 pm (CET) today, Monday, September 3, 2012**, Bob Kunze-Concewitz, Gruppo Campari's CEO, will hold a conference call in English to present the Acquisition to the media. To participate, please dial one of the following numbers:

- **from Italy: 02 8058 811**
- **from abroad: +44 1212 818003**

FOR FURTHER INFORMATION

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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 2,300 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 -

Appendix A) Key Financials and Ratios of Lascelles deMercado & Co. Limited (Acquired Business)

Table A.1.
EBITDA reconciliation for Last Twelve Months ending 30 June 2012 (1)(4)(5)

	USD million
Spirits Segment	23.9
Merchandise Segment	4.0
Acquired Business	**27.9**
Reported Profit Before Tax	
Corporate costs (2)	(4.7)
Accounting and other adjustments (3)	(2.2)
Acquired Business Profit Before Tax (Pro Forma for Divested Assets)	**21.0**
Financial charge	1.4
Depreciation and amortisation	5.3
Acquired Business EBITDA (Pro Forma for Divested Assets)	**27.7**

Notes:

(1) Financials converted at average FX rate for the last twelve months (LTM) period ending 30 June 2012 (JMD 86.3/US$). Fiscal year ends 30 September. EBITDA reconciliation based on the last published financial statements reflecting unaudited consolidated results for the Nine Months ending 30 June 2012

(2) Full recognition of corporate costs remaining in LdM after disposals of non-core assets (these costs were recognised in the Investments segment under LdM reported segment financial information)

(3) Adjustments:
- Elimination of Non recurring items: USD (1.3) million
- Recognition of intercompany consolidation adjustments relating to insurance costs and car rental costs: USD (1.4) million
- Other minor adjustments: USD 0.5 million

(4) EBITDA at constant FX rate (vs. FYE 30 Sept. 2011) of USD28.0 million

(5) Net sales of USD 277.0 million in LTM ending 30 June 2012 (reclassified as per Campari reporting format)

Table A.2.
Balance Sheet Reconciliation – Asset and Liabilities as of 30 June 2012 (1)

	USD million
Total Assets (1)	
Reported LdM Assets	**420.4**
Divested Assets	(88.4)
Accounting and Other Adjustments (2)	3.4
Distribution of Cash	(92.3)
New Goodwill (4)	237.6
Pro Forma Acquired Business Assets (3)	**480.7**
Total Liabilities (1)	
Reported LdM Liabilities	**104.7**
Divested Assets	(44.1)
Accounting and Other Adjustments (2)	10.1
Repayment of Financial Liabilities	(4.7)
Acquisition Financing	414.8
Pro Forma Acquired Business Liabilities (3)	**480.7**

Notes:
(1) Financials converted at spot FX rate as at 30 June 2012 (JMD 88.3/USD)
(2) Adjustments to the Balance Sheet to reflect the accounting adjustments in EBITDA reconciliation (elimination of non-recurring items, recognition of corporate costs, insurances and car rental costs and other minor adjustments)
(3) Net of transaction expenses
(4) Before PPA goodwill allocation

Table A.3.
Balance Sheet Reconciliation – Asset and Liabilities as of 30 June 2012 (1) (Key Items)

USD million	Reported LdM Group	Divested Assets	Adjustments (2)	Pro Forma Acquired Business
Assets (Key Items)				
Fixed Assets	48.6	(3.3)	-	45.2
Goodwill	1.2	(1.3)	237.6	237.6
Investments	28.4	(23.2)	(5.0)	0.2
Inventories and Biological Assets	111.1	(4.0)	-	107.1
Trade Receivables	62.1	(7.5)	3.4	57.9
Cash	115.8	(28.4)	(87.3)	-
Other	53.3	(20.6)	-	32.7
Liabilities (Key Items)				
Trade Payables	45.3	(10.2)	10.1	45.2
Bank Loans and Overdraft	5.4	(0.7)	(4.7)	-
Other Long-term Liabilities	16.5	(1.0)	-	15.4
Other Short-term Liabilities	37.5	(32.2)	-	5.3
Acquisition Financing	-	-	414.8	414.8

Notes:
(1) Financials converted at spot FX rate as at 30 June 2012 (JMD 88.3/USD)
(2) Refers to accounting & other adjustments, distribution of cash, repayment of financial liabilities, new goodwill and acquisition financing

Appendix B) Historic Financials of Lascelles deMercado & Co. Limited (Acquired Business)

Table B.1.
EBITDA reconciliation for Fiscal Year ending 30 September 2011 (1)

	USD million
Spirits Segment	18.2
Merchandise Segment	6.4
Acquired Business	**24.6**
Reported Profit Before Tax	
Corporate costs (2)	(4.2)
Accounting and other adjustments (3)	(2.1)
Acquired Business Profit Before Tax (Pro Forma for Divested Assets)	**18.2**
Financial charge	1.1
Depreciation and amortisation	4.9
Acquired Business EBITDA (Pro Forma for Divested Assets)	**24.2**

Notes:

(1) Financials converted at average FX rate for the period (JMD 85.4/USD)

(2) Full recognition of corporate costs remaining in LdM after disposals of non-core assets (these costs were recognised in the Investments segment under LdM reported segment financial information)

(3) Adjustments:
- Elimination of Non recurring items: USD (1.3) million
- Recognition of intercompany consolidation adjustments relating to insurance costs and car rental costs: USD (1.4) million
- Other minor adjustments: USD 0.5 million

Table B.2.
Acquired Business P&L for Fiscal Year ending 30 September 2011 (1)
LdM segments reclassified as per Campari Financial Reporting format

	Spirits (4)	Merchandise	Corporate Costs	Pro Forma Acquired Business	
	USD million	USD million	USD million	USD million	*% margin on net sales*
Net sales (2)	**204.2**	**61.2**	**-**	**265.4**	***100.0%***
Cost of goods sold	(126.4)	(45.4)	-	(171.8)	*-64.7%*
Gross profit	77.8	15.8	-	93.6	*35.3%*
Advertising & Promotion expenses	(20.7)	-	-	(20.7)	*-7.8%*
Contribution after A&P	**57.1**	**15.8**	**-**	**72.9**	***27.5%***
SG&A	(39.3)	(10.1)	(4.2)	(53.6)	*-20.2%*
Operating result (EBIT)	**17.8**	**5.8**	**(4.2)**	**19.3**	***7.3%***
EBITDA (3)	**22.1**	**6.3**	**(4.2)**	**24.2**	***9.1%***

Notes:
(1) Financials converted at average FX rate for the period (JMD 85.4/USD)
(2) Net sales: post accounting and other adjustments for Spirits and Merchandise of USD 0.7 million and USD 4.0 million respectively
(3) EBITDA: post accounting and other adjustments for Spirits and Merchandise of USD (2.0) million and USD (0.1) million respectively
(4) Including related upstream supply chain (sugar operations and bulk sales)

Table B.3.
Acquired Business P&L for Fiscal Year ending 30 September 2011 (1)
Reclassified to Campari Segment Reporting (2)

	Spirits & Wines		Other(3)		Pro Forma Acquired Business	
	USD million	% margin on net sales	USD million	% margin on net sales	USD million	% margin on net sales
Net sales (2)	**178.1**	**100.0%**	**87.3**	**100.0%**	**265.4**	**100.0%**
Cost of goods sold	(100.4)	-56.4%	(71.5)	-81.8%	(171.8)	-64.7%
Gross profit	77.7	43.6%	15.9	18.2%	93.6	35.3%
Advertising & Promotion expenses	(20.7)	-11.6%	-	0.0%	(20.7)	-7.8%
Contribution after A&P	**57.0**	**32.0%**	**15.9**	**18.2%**	**72.9**	**27.5%**

Notes:
(1) Financials converted at average FX rate for the period (JMD 85.4/USD)
(2) Under Campari Segment Reporting LdM spirits and wine business is classified under 'Spirits & Wine' and upstream supply chain (sugar operations and bulk sales) are reported in the 'Other' segment
(3) Other includes Merchandise and Spirits related upstream supply chain (sugar operations and bulk sales)

Table B.4.
Net revenues of LdM (Acquired Business) for Fiscal Year ending 30 September 2011 [(1)]
Breakdown by segment and by brand

	Pro Forma Acquired Business	
	USD million	**%**
Spirits & Wines	178.1	67.1%
Appleton Estate	*34.9*	*13.1%*
Appleton Special	*22.0*	*8.3%*
Wray & Nephew White Overproof	*39.8*	*15.0%*
Coruba	*13.8*	*5.2%*
Other brands (incl. Magnum, Red Label and other local brands)	*67.6*	*25.5%*
Other revenues [(2)]	87.3	32.9%
Total	**265.4**	**100.0%**

Notes:
(1) Financials converted at average FX rate for the period (JMD 85.4/USD)
(2) Includes Merchandise, spirits related upstream supply chain (sugar operations and bulk sales)

Table B.5.
Net revenues of LdM (Acquired Business) for Fiscal Year ending 30 September 2011 [(1)]
Breakdown by geographic area

	Pro Forma Acquired Business	
	USD million	**%**
Americas	**228.6**	**86.1%**
USA	*8.4*	*3.1%*
Other Americas [(2)]	*220.2*	*83.0%*
Rest of the world	**20.0**	**7.6%**
Europe	**16.7**	**6.3%**
Total	**265.4**	**100.0%**

Notes:
(1) Financials converted at average FX rate for the period (JMD 85.4/USD)
(2) Includes Jamaica (70.2%), Canada (8.0%), Caribbean (3.6%), Mexico (1.2%). Jamaica Spirits & Wines segment accounts for 70.1% of Americas Spirits & Wines