

Annex "B" to Index n. 60.468/7408

**ARTICLES OF ASSOCIATION**

**HEADING I**

**Company name, registered offices, purpose and term**

**Article 1**

A joint-stock company is established under the name "Davide Campari-Milano S.p.A." or, in abbreviated form, "D.C.M. S.p.A", "DCM S.p.A." or "Campari S.p.A."

**Article 2**

The company has its registered offices in Sesto San Giovanni.

**Article 3**

The Company's purpose is the performance - directly and/or indirectly - of the following activities:

- a) production of foods and beverages of all kinds, both alcoholic and non-alcoholic, and production of goods and materials involved in or linked with this industry;
- b) purchase, sale, distribution and promotion of the foods, beverages, goods and materials identified in point a);
- c) taking on equity investments in other companies or organisations in Italy or abroad operating (directly or indirectly) in the beverages sector, the food sector and other related sectors;

d) financing and technical and financial coordination of the companies or organisations identified in point c) above or which are members of the Group led by the Company, including the providing of guarantees (personal and/or real) and services in the areas of administration, management control, information technology and data processing, general, legal, financial and real estate services, human resources, logistics, purchasing, marketing and commercial services;

e) serving food and beverages;

f) borrowing and lending in any form for performance of the activities identified in the letters above;

g) construction, purchase and sale, management, operation and administration of urban and rural real estate.

Provided that it is not prevalent over the activities listed in the first point, the Company may also conduct, in its own interests or in the interests of the companies or organisations identified in point c) above or other members of the Group led by the Company, all moveable, real estate, financial and commercial transactions, even in sectors other than food and beverages, excluding professional providing of services to the public which the law reserves for banks and/or financial brokers.

#### **Article 4**

The Company shall have an indeterminate term.

#### **HEADING II**

#### **Share capital and types of share**

#### **Article 5**

The company's share capital is € 29,040,000.00 (twenty-nine million forty thousand/00), represented by 290,400,000 (two hundred ninety million four hundred thousand) shares with a par value of € 0.10 (zero point one) each.

The company's share capital of € 29,040,000.00 (twenty-nine million forty thousand/00) has been entirely subscribed and paid up.

For five years following the resolution of the April 24 2006 extraordinary shareholders' meeting, the Board of Directors shall have the power to:

- (i) increase the company's share capital once or more than once, for a price and/or free of charge, possibly in more than one instalment, up to a total par value of € 100,000,000.00 (one hundred million/00) by issuing new shares; and
- (ii) the power to issue, in one or more instalments, bonds convertible into shares and/or securities (including securities other than bonds) permitting subscription of new shares up to a

total share capital par value of € 100,000,000.00 (one hundred million/00), provided the amount issued each time does not exceed the legal limit for bond issues.

In accordance with the applicable provisions of the law, the power described in the paragraph above may also be exercised with limitation and/or exclusion of the right of first call, in the following cases:

a) in the case of a share capital increase to be paid up by contribution in kind, if it allows the Company to acquire one or more assets which are prudently assessed by the Board of Directors as being of strategic importance for achievement of the company's purpose;

b) in the case of a share capital increase to be paid up in cash, if the economic conditions and terms of sale (including, simply by way of example, third parties' commitments to subscription) are prudently assessed by the Board of Directors as being advantageous for the Company;

c) in the case of a share capital increase in kind or in cash, if it constitutes part of a wider-ranging industrial agreement which is prudently assessed by the Board of Directors as being of strategic importance to the Company.

In the case of issues of shares with limitation and/or

exclusion of rights of first call, the Board resolution concerning the increase must explain the presence of one of the three circumstances identified in the previous paragraph and the criteria applied to determination of the subscription price.

In addition to the specific opinions required by the applicable law, the congruity of the issue price must first be assessed by a primary bank, and the issue price (including any share premium) may not be any lower than the value of consolidated net worth per share as stated in the company's most recent duly approved financial statements.

Within the limits set by the law and by Article 5, the Board of Directors is given the broadest power to establish the methods of placement in each case (public sale and/or private placement), category (ordinary or special shares, including shares without voting rights), any equity and/or administrative privileges, issue price and share premium (differentiated as necessary if shares of different types are issued at the same time) of new shares, and shares serving convertible bonds and/or securities (other than bonds) permitting subscription of new shares.

The Board of Directors is also given the power to make

decisions regarding any requests for issuing shares and/or convertible bonds and/or securities (other than bonds) permitting subscription of new shares on one or more public stock exchanges in Italy or abroad.

It is understood that, on the basis of the regulations stated in paragraphs four, five and six above (to be applied mutatis mutandis), the power described in this article must be considered also delegated with reference to issuing of financial instruments involving equity and/or administrative rights, excluding voting rights in the shareholders' meeting, for contribution of cash and/or assets in kind and/or work or services.

Subscription of such financial instruments must be offered as an option to the Company's shareholders, except in the circumstances described in letters **a)** and/or **b)** and/or **c)** of paragraph four above (noting that, for this purpose, contribution of work and services is considered equivalent to contribution of assets in kind).

If financial instruments are issued for a contribution of work or services, the Board of Directors must determine the sanctions applicable in the event of defaulting on these obligations.

The Board of Directors will also determine the equity and/or administrative rights consequent upon financial instruments, while it is understood that in no case will owners of financial instruments issued be granted the right to appoint more than one third of the members of the Board of Directors and/or the right to more than a 30% (thirty percent) share in the profits or available reserves appearing in the financial statements.

The Board of Directors will also have the right to decide on incorporation of financial instruments into securities for circulation, and the power to request admission for negotiation on one or more public stock exchanges in Italy or abroad.

**Article 6**

Shares are indivisible.

Each ordinary share comports one vote.

**Article 7**

If there are shares of different types other than ordinary shares, such as shares with limited or conditioned voting rights or without any voting rights, these shares may be converted into ordinary shares by resolution of the Extraordinary Shareholders' Meeting, with the approval of a special meeting of shareholders of the type involved.

**Article 8**

In the event of a share capital increase, owners of shares of each type shall have proportionate rights of first call for new shares of the same type issued and, if there are no shares of the same type or to make up the difference, shares of other types.

#### **Article 9**

Resolutions to issue new shares of the same type as those in circulation (by share capital increase, conversion of other types of shares, or conversion of other financial instruments) do not require further approval by special meetings of the owners of shares of a particular type.

#### **Article 10**

If the Company has issued shares not comporting voting rights, the Board of Directors shall summon meetings if the shares without voting rights or ordinary shares have been excluded from negotiation, to determine whether shares without voting rights may be converted into ordinary shares at a rate of exchange to be determined by the Extraordinary Shareholders' Meeting.

### **HEADING III**

#### **Shareholders' meetings and withdrawal rights**

#### **Article 11**

Shareholders' meetings may be ordinary or extraordinary in accordance with the law.

The Board of Directors will summon a Shareholders' Meeting in the city where the company has its registered offices or in another location in Italy by publishing a summons to meet in the newspaper "*Il Sole - 24 Ore*" or in the newspaper "*Il Corriere della Sera*" by the deadline set by law.

Shareholders wishing to attend the meeting must lodge their shares at least two days prior to the meeting date at the company's head offices or with authorised intermediaries identified in the summons to meet or, if they are uncertificated, present certification issued by the authorised intermediary, notifying the Company in accordance with the regulations at least two days in advance.

#### **Article 12**

Meetings shall be chaired by the Chairman of the Board of Directors, or, in the absence thereof, by the senior Deputy Chairman, or, in the absence thereof, by a person designated by the majority of those present.

The Meeting shall also appoint a Secretary by majority vote.

The Secretary need not be a shareholder.

The Chairman shall perform the tasks and exercise the powers

assigned by law.

### **Article 13**

Shareholders may withdraw from the Company only in cases specified by law for which no exceptions are allowed.

They may not, therefore, withdraw in the event of introduction or removal of limitations on the circulation of shares or if shares are no longer listed on the stock exchange.

If a shareholder duly exercises the right to withdrawal, and if the Directors need to place the shares with third parties in accordance with the law, placement must take place within a maximum of six months of the expiration of the term for shareholders to exercise the right of first call on the shares of the withdrawing shareholder.

## **HEADING IV**

### **Administration**

#### **Article 14**

The Company shall be administered by a Board of Directors with three to fifteen members appointed by the Ordinary Shareholders' Meeting, which shall also determine the number of members.

#### **Article 15**

The Board of Directors is appointed by the Shareholders'

Meeting based on a series of lists of names submitted by the ordinary shareholders (or, as applicable, the holders of shares with voting rights on the appointment of Directors), each containing a maximum of 15 candidates, numbered sequentially.

Each candidate may be named in one list only, or else he shall not be eligible.

Only shareholders who meet the maximum shareholding requirement set by the law and regulations from time to time in force shall be allowed to submit a list.

Presentation, filing and publication of the above lists are subject to the applicable provisions of law and/or regulations.

In order to demonstrate that the minimum shareholding requirement for the submission of a list has been met, shareholders shall provide, together with their list of candidates, a copy of a statement issued by their custodian bank evidencing their ownership of the shares.

The procedure for the appointment of the Directors is described as follows:

- the number of Directors, which in any event shall not be lower than three nor higher than 15, shall be determined as the number of candidates included in the list that obtained the majority of the votes cast;

- from the list which has obtained the majority of the votes

cast, shall be selected, in the sequential order shown in the list, all the Directors to be appointed, less one;

- the remaining Director shall be selected from the list that obtained the second highest number of votes at the Shareholders' Meeting and is not, either directly or indirectly, linked with the shareholders who submitted or voted for the list which obtained the highest number of votes.

Lists that obtained a number of votes lower than half the qualifying percentage will not be taken into account.

If only one list has been submitted and this obtains a relative majority of the votes cast at the Shareholders' Meeting, all the candidates will be appointed as Directors in the relevant sequential order up to the total number of candidates listed, which in no event shall be lower than three or higher than 15.

If no list has been submitted, the Board of Directors shall be appointed by the Shareholders' Meeting based on statutory majority requirements.

If the Shareholders' Meeting is called to appoint new Directors to replace one or more Directors who have ceased to hold office, their appointment shall be made by the Shareholders' Meeting in accordance with the above procedures. The mandate of any Director appointed in accordance with these procedures shall expire at the same time as the mandates of the Directors

who were in office at the time of his appointment.

Should they cease to meet the applicable statutory requirements, the appointed Directors shall inform the Company accordingly.

Members of the Board of Directors need not be shareholders. They shall remain in office for one to three years, to be determined by the Shareholders' Meeting, and they may be re-elected.

Should one or more vacancies arise on the Board, they shall be replaced in accordance with the law.

Should the majority of the Board default, the entire Board of Directors shall be considered expired and a Shareholders' Meeting shall be called urgently in order to replace the entire Board of Directors.

#### **Article 16**

The Board of Directors elects a Chairman among its members and may appoint one or two Deputy Chairmen, unless the Shareholders' Meeting has already done so. It may also appoint a Secretary (who need not be a member of the Board of Directors).

The Board of Directors shall also approve the regulations governing its internal functioning, containing provisions

regarding handling of confidential information.

#### **Article 17**

The Board of Directors shall have all powers for ordinary and extraordinary administration of the Company.

The Board of Directors is also attributed all powers which may be attributed to the Board of Directors under the law through clauses in the Company's Articles of Association, including the power to resolve on mergers by incorporation of companies entirely owned or no less than ninety percent owned by the Company, the power to open or close secondary offices, branches, agencies and sub-offices in Italy and abroad, the power to identify which director(s) legally represent the Company, the power to resolve to reduce share capital in the event of withdrawal of a shareholder, the power to resolve on amendments to the company's Articles of Association to adapt it to the law, the power to resolve to move the company's head offices within Italy and the power to issue bonds within the limits and by the methods set by the law.

#### **Article 18**

The Board of Directors may, within the limits set by law, delegate those powers it considers suitable for management of the Company and representation of the Company with powers of

signature to one or more of its members, appointing them to the office of Managing Director.

The Board of Directors may also delegate some of its powers, with the related powers of representation, to an Executive Committee which, if set up, will pass resolutions by majority vote.

#### **Article 19**

The delegated bodies shall perform the tasks assigned to them by law. The appointed Board of Directors and Board of Auditors must present a report at least once every quarter.

#### **Article 20**

The Managing Director(s) or Executive Committee, if one exists, shall appoint and empower one or more parties to audit the internal procedures (administrative and operative) adopted to ensure healthy, efficient management.

The parties entrusted with internal auditing shall report on their work to those who appointed them and to the committee described in the next article, if established.

#### **Article 21**

The Board of Directors may, having heard the opinion of the Board of Auditors (and the Audit Committee referred to below), appoint one or more manager/s or officer/s to prepare the

accounting records and carry out the relevant statutory functions. Any employee with several years' administrative or financial experience in large companies may be appointed to this office.

The Board of Directors may set up an internal auditing committee ("Auditing Committee") to serve a consulting function and able to take independent initiative, composed primarily of members of the Board of Directors who are not linked with the Group of which the Company is a member by contractual and/or shareholding relationships.

The Chairman of the Board of Auditors may attend the Auditing Committee's meetings.

The Auditing Committee will assess the adequacy of internal auditing procedures and of the work of the parties in charge of internal auditing, reporting to the Board of Directors and Board of Auditors periodically.

#### **Article 22**

The Board of Directors may set up a Committee for payment and appointment ("Payment and Appointment Committee") to serve a consulting function and able to take independent initiative, made up of members of the Board of Directors, with a majority of non-executive members.

The Payment and Appointment Committee shall have the task of proposing the appointment and pay of Directors assigned specific functions and powers and, if necessary, those playing key roles in the management of the Company.

#### **Article 23**

The Chairman of the Board of Directors has overall powers to represent the Company before third parties and the law.

Managing Directors also have the power to represent the Company, within the scope of the powers assigned to them.

Powers of representation may be granted to people who are not members of the Board of Directors, subject to the regulations governing power of attorney.

#### **Article 24**

The Board of Directors shall meet in response to a summons by the Chairman, and must be summoned whenever a written request is made by the majority of Directors or by at least two Acting Auditors.

It may meet in the Company's offices or another location, which need not be in Italy.

Board of Directors' meetings may be attended by videoconferencing or telephone conferencing, on the condition that all those entitled to attend can participate in the

meeting, that they may be identified, and that they can follow the proceedings and participate in discussion of the topics on the Agenda in real time and read any documents required. In this case the Board of Directors' meeting shall be considered to have been held in the place where the Chairman and the Secretary were located.

Summons are sent by registered mail sent to the official addresses of Directors and Auditors at least eight days in advance, or, in urgent cases, by telegram, fax or e-mail sent at least four days prior to the meeting date.

Meetings are chaired by the Chairman, or in the Chairman's absence by the senior Deputy Chairman; in the absence of both, the meeting will be chaired by another member of the Board designated by the Board itself.

#### **Article 25**

The majority of members of the Board of Directors must be present for a meeting to be considered valid.

Resolutions may be validly passed even if a Board of Directors' meeting has not been summoned, provided all members of the Board of Directors and the Board of Auditors are present.

The Board of Directors passes resolutions by absolute majority vote among those present and not abstaining. If the vote is

split, the Chairman of the meeting shall cast the deciding vote.

Resolutions of the Board of Directors shall be recorded in minutes written in the Book of Minutes and signed by the Chairman of the meeting and the Secretary.

#### **Article 26**

Directors have the right to be reimbursed for expenses born in office; they may be paid an additional annual payment determined by the ordinary Shareholders' Meeting, while payments due to Directors assigned particular responsibilities under the Company's Articles of Association shall be determined by the Board of Directors, having consulted the Board of Auditors, in response to a proposal of the Payment and Appointment Committee.

#### **HEADING V**

#### **Board of Auditors**

#### **Article 27**

The Board of Auditors consists of three Acting Auditors and three Substitute Auditors.

The minority shareholder shall elect one Acting Auditor and one Substitute Auditor.

The Board of Auditors shall be appointed on the basis of lists

presented by shareholders listing candidates with a progressive number.

The list shall have two sections: one for candidates for the office of Acting Auditor, and one for candidates for the office of Substitute Auditor.

Only shareholders who, individually or together with others, hold the maximum shareholding allowed in the Company's capital by the laws and regulations from time to time in force or, alternatively, who hold at least 5% (five per cent) of the shares with voting rights on the appointment of Auditors, shall be allowed to submit candidates' lists.

In order to demonstrate that the minimum shareholding requirement for the submission of a list has been met, shareholders shall provide, together with their list of candidates, a copy of a statement issued by their custodian bank evidencing their ownership of the shares.

Individual shareholders and shareholders belonging to the same group cannot, either directly or indirectly through a nominee or fiduciary company, submit more than one list of candidates or vote for different lists.

Each candidate may appear on one list only, or else he shall not be eligible.

Auditors can hold director or auditor positions with other companies, in accordance with the provisions of law and/or the regulations from time to time in force.

Submission, filing and publication of the lists are subject to the applicable provisions of law and/or regulations.

Auditors are elected as follows:

1. two Acting Auditors and two Substitute Auditors from the list which obtained the most votes in the Shareholders' Meeting;

2. the remaining Acting Auditor and the other Substitute Auditor are appointed, based on their sequential number, from the list that obtained the second highest number of votes in the Shareholders' Meeting.

The first candidate on the list that obtained the second highest number of votes shall be elected Chairman of the Board of Auditors; however where only one list has been submitted or if the laws from time to time applicable allow it, the Chairman of the Board of Auditors shall be the first candidate on the list that obtained the highest number of votes.

If, for any reason, the appointment cannot be made under the procedure outlined above, the Shareholders' Meeting shall elect the Chairman of the Board of Auditors by a relative majority

vote.

Any Auditor who no longer meets the legal requirements shall be removed from office.

If an Auditor must be replaced, his or her position shall be taken over until the expiration of the current Board of Auditors by the first Substitute Auditor appearing on the same list as the member leaving office and meeting the requirements for the office, if this person is available. If the Chairman of the Board must be replaced, this position shall be taken over by the other Acting Auditor from the same list.

The above provisions governing election of the Board of Auditors shall not apply to Shareholders' Meetings appointing Substitute Auditors when only a single auditor remains in office. In this case the Shareholders' Meeting shall decide by relative majority vote.

Auditors shall remain in office for three years and may be re-elected.

Meetings may also be held with the aid of telecommunications devices, in compliance with article 24 of these Articles of Association.

#### **HEADING VI**

#### **Financial statements, profits and advances**

**Article 28**

The Company's financial year shall end on December 31 (thirty-first) of each year.

**Article 29**

Annual financial statements shall be prepared in accordance with the law and by the deadline set by law and submitted to the approval of the Shareholders' Meeting.

An ordinary Shareholders' Meeting must be summoned to approve the financial statements within one hundred twenty days of the end of the year, or one hundred eighty days under the conditions set by law.

Provided the provisions of the law are applied, the destination of the net profit resulting from the financial statements shall be determined by resolution of the ordinary Shareholders' Meeting.

**Article 30**

During the year and whenever considered appropriate in relation to the results of management, the Board of Directors may resolve to pay advances on the annual dividend in compliance with the provisions of the law.

**Article 31**

Dividends may be paid in the company's head offices and/or at

appointed banks.

Dividends not collected within five years of the day on which they become collectible shall be assigned to the Company.

#### **HEADING VII**

#### **Final provisions and miscellaneous provisions**

#### **Article 32**

Shareholders' official addresses for the purpose of their relations with the Company shall be the addresses appearing in the book of Shareholders.

#### **Article 33**

The Company shall be liquidated under the circumstances specified by law and in accordance with the provisions of the law.

An extraordinary Shareholders' Meeting shall be held to determine the methods of liquidation, appointing one or more liquidators and determining their powers.

#### **Article 34**

The Company shall fall under the jurisdiction of the Court of Milan.

#### **Article 35**

All aspects not regulated by these Articles of Association shall be subject to the provisions of the law.

Original signed by:

Luca Garavoglia

Stefano Zanardi Notary