



***Report of the Board of Directors***

Ordinary Shareholders' Meeting  
of April 8 and 9, 2009

*(courtesy translation)*

## Contents

<u>Call to Meeting</u> .....	2
------------------------------	---

Report of the Board of Directors on the first item on the agenda:

- Approval of the balance sheet, income statement and accompanying notes at December 31, 2008, together with the Report on Operations for the same year and the proposal of distribution of profits. Review of the Report of the Statutory Auditors.

Consequent resolutions .....	3
------------------------------	---

Report of the Board of Directors on the second item on the agenda:

- Increase of the Compensations of the Independent Auditors' firm.

Consequent resolutions .....	4
------------------------------	---



## **Call to Meeting**

**"PARMALAT S.p.A."**

**Head Office: Via delle Nazioni Unite n. 4, Collecchio (Parma) Italy**

**Approved Share Capital €2,025,087,908 – €1.691.470.413 subscribed and paid-in**

**Parma Company Register, Tax I.D. and VAT No. 04030970968**

Company shareholders are hereby invited to the Ordinary Shareholders' Meeting that will be held at the offices of Unione Parmense degli Industriali - Palazzo Soragna - 6/a Via al Ponte Caprazucca, Parma, Italy at 5:00 pm on April 8, 2009, on the first calling, and, if necessary, at 5:00 pm on April 9, 2009 on the second calling, to discuss and vote on the following:

### **Agenda**

- Approval of the balance sheet, income statement and accompanying notes at December 31, 2008, together with the Report on Operations for the same year with the relevant proposal of distribution of profits. Review of the Report of the Statutory Auditors. Consequent resolutions;
- Increase of the compensation to the Independent Auditors' firm. Consequent resolutions.

Only the holders of voting rights who can provide evidence of their eligibility to attend the Shareholders' Meeting by means of a certification issued by the record keeping intermediary, attesting that their shares have been deposited in dematerialized form with the centralized clearing system at least two days before the first calling of the Shareholder's Meeting, and have caused the abovementioned certification to be forwarded to the Company by the intermediary in accordance with the applicable statutes, may attend the Shareholders' Meeting.

In order to facilitate the process of verifying the effectiveness of powers of attorney, it is recommended to those who plan to attend the Shareholders' Meeting as representatives of shareholders or other holders of voting rights by virtue of a statutory or voluntary proxy may submit evidence of their powers by fax, sending it to +39-02-46776850 at least two days before the date set for the first calling of the Shareholders' Meeting.

Documents concerning the other items on the Agenda will be available at the Company's headquarters at 4, Via delle Nazioni Unite n. 4, Collecchio (Parma) Italy, at the offices of Borsa Italiana S.p.A. and at the Group's website ([www.parmalat.com](http://www.parmalat.com)) at least 15 days before the date set for the Shareholders' Meeting. Shareholders are entitled to view these documents and request copies of them.

Collecchio, March 4<sup>th</sup>, 2009

On behalf of the Board of Directors  
The Chairman  
Raffaele Picella

## **Report of the Board of Directors on the first item on the Agenda of the Ordinary Shareholders' Meeting:**

**Approval of the balance sheet, income statement and accompanying notes at December 31, 2008, together with the Report on Operations for the same year and the proposal of distribution of profits. Review of the Report of the Statutory Auditors. Consequent resolutions.**

Dear Shareholders:

We recommend that you:

- (i) Approve the statutory financial statements as at December 31, 2008, which show a net profit of 615.392.163 euros, and the Report on Operations for the same year;
- (ii) Add to the statutory reserve 5% of the net profit which amounts to 30.769.608 euros;
- (iii) Appropriate:
  - a) to the distribution of dividends the 50% of the net residual profit, which rounded up to 0,173 euro for each share and considering the partial statutory dividend for 2008 of euro 0.077 distributed in September 2008, implies a balance of 0.096 euros for each of the 1,691,470,413 common shares issued on February 20, 2009, with an amount to liquidate of 162.381.160 euros and a total payout (partial statutory dividend plus balance) equal to 292.611.486 euros;
  - b) to add 4,953,790 euros to the reserve for creditors who are challenging the rejection of their claims or hold conditional claims and who may be found subsequently to be entitled to receive shares, pursuant to the terms of the Composition with Creditors;
  - c) to set aside the remaining 287,057,279 euros to "retained earnings".

The dividend of 0.096 euros per share, which corresponds to Coupon No. 4, will be payable on April 23, 2009, Stock Exchange coupon presentation date of April 20, 2009.

Collecchio, March 4<sup>th</sup>, 2009

On Behalf of the Board of Directors  
The Chairman  
(Raffaele Picella)

The Chief Executive Officer  
(Enrico Bondi)

## **Report of the Board of Directors on the second item on the Agenda of the Ordinary Shareholders' Meeting:**

### **Increase of the compensation to the Independent Auditors' firm. Consequent resolutions.**

Dear Shareholders:

As you are probably aware, the 2008 Budget Law has added new responsibilities for the parties responsible for performing the audit of the accounting records required pursuant to law and broadening the scope of the requisite review and testing procedures.

Moreover, on February 24, 2009, Consob adopted a new independent auditing principle concerning the rendering of an opinion on the consistency of the report on operations with the financial statements. This new principle, called "Opinion on the Consistency of the Report on Operations with the Financial Statements," must be applied when performing independent audits of statutory and consolidated financial statements of issuers of securities.

The independent auditors are required to render a consistency opinion which comes from the amendments to the Civil Code (Article 2490-*ter*) and the Uniform Financial Code (Article 156, Section 4-*bis*), starting with the opinion provided on the 2008 financial statements, the independent auditors are also required to render an opinion on the consistency of the report on operations prepared by the Board of Directors with the Company's financial statements.

Because of these changes in the regulatory framework, we submit for your approval the duly justified motion by the Oversight Board in relation to the addition to the fees payable to the independent auditors for their auditing services, above and beyond those approved by the Shareholders' Meeting of April 28, 2007, in the amount of 1,055,000 euros (plus ISTAT cost-of-living adjustment), which shall be increased annually by 60,000 (sixty thousand) euros.

Collecchio, March 4<sup>th</sup>, 2009

On Behalf of the Board of Directors  
The Chairman  
Raffaele Picella