PRESS RELEASE

Board of Directors Meeting

PARMALAT: THE DRAFT OF THE 2006 ANNUAL REPORT IS APPROVED

PARMALAT S.p.A. REPORTS A PROFIT (125.6 million euros) AND PAYS DIVIDENDS FOR MORE THAN 41 MILLION EUROS EQUAL TO 0,025 EURO FOR EACH ENTITLED SHARE

- *NET REVENUES RISE TO 3,844.05 MILLION EUROS (+4.4%)*
- *CONSOLIDATED EBITDA INCREASE TO 350.68 MILLION EUROS (+26.1%)*
- *GROUP INTEREST IN NET PROFIT IS 192.5 MILLION EUROS*
- *NET INDEBTEDNESS DECREASES BY 170 MILLION EURO (-54.0%)*
- *FURTHER GAINS IN IMPROVING THE PRODUCT MIX (FUNCTIONAL MILK)*
- *CONTINUED SUCCESSFUL IMPLEMENTATION OF PROGRAMS TO OPTIMIZE PROCUREMENT COST PROCESSES AND REGAIN MANUFACTURING AND ORGANIZATIONAL EFFICIENCY*

Consolidated Financial Highlights *(in millions of euros)*

	2005 pro forma (*)	*2005 (pro forma reclassified) (**)*	*2006*	*% change*
Net revenues	**3,876.26**	**3,680.98**	**3,844.05**	**+4.4%**
EBITDA	**278.09**	**278.09**	**350.68**	**+26.1%**
Group interest in net profit (loss)	**(0.3)**	**(0.3)**	**192.5**	**n.m.**
Net indebtedness	**(369.3)**	**(369.3)**	**(170.0)**	**(54.0%)**

(*) Approved at the Shareholders' Meeting of April 29, 2006.
(**) The adjustments compared with the financial statements approved at the abovementioned Shareholders' Meeting are discussed in the section of the Annual Report entitled "Adjustments to the Financial Statements at December 31, 2005."

Parmalat S.p.A. announces that its Board of Directors, meeting today under the chairmanship of Raffaele Picella, approved the draft of the 2006 Statutory and Consolidated Financial Statements.

Parmalat Group

When making year-over-year comparisons with the data for 2006, it is important to keep in mind that the 2005 consolidated financial statements refer essentially to the fourth quarter of 2005, since the assets and liabilities of the companies included in the proposal of composition with creditors were transferred to Parmalat on October 1, 2005. In 2006, in keeping with best industry practices, the Company also changed the accounting classification it assigns to certain types of discounts and trade promotions it provides to retail chains. As a result of this change, discounts and trade promotions, which previously were booked as distribution cost, are being deducted from sales revenues. The corresponding items in the 2005 pro forma income statements have been reclassified accordingly. Consequently, in order to allow a comparison between homogeneous data, this press release shows the 2006 data computed in accordance with the new classification criteria and the pro forma 2005 data reclassified on the same basis.

In 2006, **consolidated net revenues** increased to 3,844.05 million euros, or 4.4% more than in 2005.

EBITDA were up 26.1%, rising to 350.68 million euros (278.09 million euros at December 31, 2005), equal to 9.1% of revenues, posting a gain of 1.6 percentage points compared with 2005 (7.6%), despite a weak performance by the Spanish operations.
This improvement reflects a favorable shift in the sales mix, the implementation of measures to increase manufacturing and distribution efficiency and a positive change in foreign exchange rates. Specifically, changes in exchange rates boosted revenues by 33.36 million euros (0.9% of revenues) and EBITDA by 1.91 million euros (0.5% of EBITDA). A decrease in writedowns of current assets and other provisions (34.8 million euros in 2005 and 5.0 million euros in 2006) also contributed to increasing EBITDA in 2006.

A breakdown of revenues and EBITDA by geographic region is provided below:

	2005 Pro Forma					**2006**				
	Net Revenues					**Net Revenues**				
(in millions of euros)	**Net revenues**	**Restat. for new classif. criteria**	**Restated net revenues**	**EBITDA**	***EBITDA as a % of revenues***	**Net revenues**	**Restat. for new classif. criteria**	**Restated net revenues**	**EBITDA**	***EBITDA as a % of revenues***
Italy	1,147.70	(156.25)	991.45	72.12	*7.3*	1,156.33	(171.42)	984.91	105.13	*10.7*
Canada	1,338.11	(1.78)	1,336.34	104.95	*7.9*	1,382.72	(1.46)	1,381.25	123.11	*8.9*
Australia	425.14	(14.98)	410.15	39.59	*9.7*	435.06	(17.14)	417.92	39.51	*9.5*
Africa (consolidated data)	328.31	(3.57)	324.74	38.52	*11.9*	348.52	(4.68)	343.84	39.88	*11.6*
Spain	207.67	(7.29)	200.38	10.06	*5.0*	190.74	(6.86)	183.88	(0.97)	*(0.5)*
Portugal	67.79	(5.65)	62.14	8.13	*13.1*	81.34	(17.57)	63.77	7.12	*11.2*
Russia	41.80	(0.35)	41.45	5.93	*14.3*	57.73	(0.47)	57.27	9.91	*17.3*
Romania	10.67	(0.36)	10.31	2.96	*28.7*	12.10	(0.42)	11.68	1.65	*14.1*
Nicaragua	25.66		25.66	(0.35)	*(1.4)*	26.08		26.08	3.52	*13.5*
Cuba	1.30		1.30	(0.19)	*(14.6)*	3.59		3.59	1.96	*54.5*
Venezuela	152.85	(3.93)	148.92	10.00	*6.7*	199.04	(4.48)	194.56	27.76	*14.3*
Ecuador **	0.01		0.01	(1.05)	*n.m.*	3.25	(0.00)	3.25	(0.65)	*n.m.*
Colombia	102.11	(1.11)	100.99	10.55	*10.5*	109.57	(1.28)	108.29	10.92	*10.1*
Other *	27.15	0.00	27.15	(23.14)	*(85.2)*	63.76	0.00	63.76	(18.17)	*n.m.*
Total for the Group	**3,876.26**	**(195.28)**	**3,680.98**	**278.09**	***7.6***	**4,069.82**	**(225.78)**	**3,844.05**	**350.68**	***9.1***

** Other: Changes in scope of consolidation (Boschi, Newlat, Carnini), holding companies and eliminations.*
*** Ecuador: The local subsidiary restarted operations in 2006.*
**** Australia: The result of the Australian joint venture, which contributed 2.63 million euros, was classified below the EBITDA line in 2006 and above the EBITDA line in 2005.*

An overview of the performance of the Group's operations in the main countries is provided below:

In **Italy,** consolidated revenues totaled 948.91 million euros, or 0.7% less than the 991.45 million euros booked in 2005. These amounts do not include the revenues generated by the subsidiaries Boschi, Newlat and Carnini, which were included in the Group's line-by-line consolidated data only recently.
EBITDA increased to 105.13 million euros, for a gain of 33.01 million euros compared with the amount earned in 2005 (72.12 million euros).
The return on sales was 10.7%, up 3.4 percentage points from the 7.3% reported in 2005.
Positive results in all of the main business segments (particularly in the area of functional milks), strong sales of fruit-based beverages (which benefited from an upward trend in the closing months of the year) and efficiency gains at the manufacturing and organizational levels account for this improvement.

In **Canada,** 2006 consolidated revenues totaled 1,381.25 million euros, up from 1,336.34 million euros the previous year (+3.4%).
EBITDA increased to 123.11 million euros, or 18.16 million euros more than the 104.95 million euros reported in 2005. The ratio of EBITDA to net revenues improved from 7.9% to 8.9%.
This positive performance, which was achieved despite a decrease in the number of days available for deliveries and billing (one week less in 2006 compared with 2005), was made possible by an improvement in the product mix, a streamlining of the operating processes and a favorable change in foreign exchange rates.

In **Australia,** consolidated revenues totaled 417.92 million euros, for a gain of 1.9% compared with the 410.15 million euros booked in 2005.
At 39.51 million euros, EBITDA were about the same as in 2005 (39.59 million euros), but the return on sales was down 0.2 percentage points, decreasing to 9.5% (9.7% in 2005).
The benefits produced by gains in manufacturing efficiency and an increased focus on improving the product mix succeeded in offsetting the negative impact of the sale of a 50% interest in the Norco Pauls joint venture, of the costs incurred to unbundle the joint venture and establish a direct sales network (which should be viewed as an investment that will boost revenues and profits in 2007), and of the higher prices paid for petroleum products.

In **Africa,** consolidated revenues continued to grow, rising from 324.74 million euros in 2005 to 343.84 million euros in 2006 (+5.9%). EBITDA improved from 38.52 million euros to 39.88 million euros (+1.36%), but the return on sales contracted from 11.9% to 11.6% (-0.3 percentage points).
The performance of the South African operations reflects the favorable trend of the local economy and was made possible by a successful positioning strategy that included the addition of new wellness products; healthy sales of cheese, UHT milk, yogurt and fruit juices; and rapidly rising consumer demand, which had a significant positive impact on the Group's product line. The positive impact of these developments was partly offset by the loss in value of the local currency (the South African rand) versus the euro.

The Group's interest in net profit amounted to 192.5 million euros, as against a loss of 0.3 million euros in 2005. This remarkable improvement was made possible by the positive performance of the Group's industrial operations and reflects the contribution of the legal settlements finalized in 2006.

At December 31, 2006, the Group's **net indebtedness** amounted to 170.0 million euros, a significant reduction of 199.3 million euros (-58.9%) from the 369.3 million euros owed at the beginning of the year. The balance at December 31, 2006 includes the net financial position of the Venezuelan operations (150.4 million euros) but does not reflect the proceeds generated by the settlement with BNL (112 million euros), which was reached on December 29, 2006 and booked on January 5, 2007.

Factors that had a positive impact on the level of net indebtedness include the following: a cash flow from operations of 183.4 million euros, proceeds from asset sales and other income totaling 185.3 million euros, proceeds from the BPI settlement amounting to 44.5 million euros and a net foreign exchange translation gain of 57.3 million euros.

At the same time, other factors had the reverse effect on net indebtedness. These factors included the following non-recurring transactions: payments of preferential and prededuction claims filed by creditors of Parmalat S.p.A. and Boschi Luigi & Figli S.p.A. (62.4 and 15.2 million euros, respectively); outlays for costs related to the extraordinary administration proceedings (15.8 million euros), expenses incurred to pursue legal actions (55.0 million euros); consolidation of the indebtedness owed by Boschi, Newlat and Carnini (36.3 million euros); and changes in other assets and liabilities (16.2 million euros).

PARMALAT S.p.A.

Net revenues totaled 841.9 million euros, down slightly (-2.46%) from the 863.1 million euros reported at December 31, 2005.

EBITDA increased to 69.5 million euros, or 27.8 million euros more than the 41.7 million euros earned in 2005.

In 2006, the net profit rose to 125.6 million euros, as against a loss of 29.3 million euros in 2005. Significant gains in the results of the industrial operations and the positive impact of the settlements finalized in 2006 account for this improvement.

The Company's **net liquid assets** totaled 341.4 million euros, up from 324.5 million euros at December 31, 2005. This improvement reflects the contribution of a positive cash flow from operations and the proceeds generated by settlements.

At today's meeting, the Board of Directors approved a motion for submission to the Shareholders' Meeting, the subject of which is the payment of a dividend equal to 0,025 euro for each of the 1,468,337,620 ordinary shares issued at 20 March 2007, for a total of euro 41,208,440 beyond the addition to reserve of euro 3,961,736 in compliance with the Proposal of Composition in favour of the Challenging Creditors".

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Outlook for the Balance of 2007

In 2007, absent non-recurring transactions and changes in the scope of consolidation, the Group expects to report higher revenues and EBITDA than in 2006, consistent with its performance in the first two months of the current year. These expectations are based on to the assumption of a positive contribution by functional products and the success of marketing and industrial projects that are currently being implemented.

The positive operational results of the countries where the Group operates could partially suffer, in the Group consolidation, of the appreciation in value of the euro versus the currencies of the countries.

Thanks to the collection early in 2007 of the receivables generated by the settlements with BNL, BPM and Deloitte, virtually all of the net indebtedness has been eliminated. Moreover, the Group's operations in the various countries are expected to generate sufficient cash flows to fund their capital investment programs and their debt service obligations.

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Corporate Governance

The Board of Directors approved the 2006 Annual Report on Corporate Governance.

Officer Responsible for the Preparation of Corporate Accounting Documents(*)

The Board of Directors, having been informed of the new provisions set forth in Article 154-*bis* of Legislative Decree No. 58 of February 24, 1998, as amended by Article 15, Sections *a)* and *f)*, of Legislative Decree No. 303/06, agreed to submit to the upcoming Extraordinary Shareholders' Meeting a motion to add a special provision to the Bylaws setting forth the professional qualifications required of the Officer responsible for the preparation of corporate accounting documents and to amend Article 20 *bis* of the Bylaws accordingly.

Capital Increase Reserved for the Conversion of Warrants

The Board of Directors, having been informed:

1. that the allocation of Company shares to about 145,000 shareholders resulted in the distribution of about 85 million warrants; and
2. that about 27 million shares with warrants attached still need to be allocated to individual owners;
3. which would require the issuance of 15 million additional warrants;

resolved to submit to the upcoming Shareholders' Meeting a motion to:

- Carry out a further capital increase of 15 million euros, as allowed by Article 5 of the Bylaws, reserved for the exercise of warrants, for a maximum amount of 95 million euros;
- Amend the provision of the "Parmalat S.p.A. 2005-2015 Common Share Warrants" regulations that apply to the amount of share capital that may be reserved for the exercise of warrants, without changing the warrant exercise procedure, the rights of warrant holders, the parties in charge, the expiration deadlines, the tax status, the stock market listing and the rules concerning the manner in which communications should be addressed to warrant holders.

Independent Auditors

As required by Legislative Decree No. 303/06, which amended Article 159 of the Uniform Financial Code, the Shareholders' Meeting convened to approve the Annual Report at December 31, 2006, upon a detailed motion submitted by the Oversight Board, will be asked to vote to extend the duration of the current audit assignment of PricewaterhouseCoopers S.p.A. until the approval of the financial statements for the year ending December 31, 2013.

2007 Forecast Data

The forecast data for 2007 were presented to the Board of Directors and report an expected increase in a range between 3-5% (net revenues). The increase trend for EBITDA is expected between 12-15%. The Group net indebtedness is foreseen to be positive.

(*) "Dirigente Preposto alla redazione dei documenti contabili"

Presentation to Investors

The data for the year ended December 31, 2006 and the 2007 forecast data will be presented to the financial community at 10.00 AM (Italian time) – 9.00 AM (GMT) on March 22, 2007 at the Hotel Gallia, in Milan. The live presentation may be followed in one of the following modes:

- webcasting: http:// parmalat.netick.it – USER: parmalat - Password: Parmalat
- audioconferencing by calling the telephone number: +39 02 8020911 – Password: Parmalat

A recording of the same presentation will be available from 5:00 PM (Italian time) on March 22, 2007 until March 30, 2007 using the link provided above.

Financial statement schedules are annexed to this press release.

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The draft of the 2006 financial statements discussed above, the Report on Operations for the same year and the motions to distribute a dividend, amend the Bylaws with regard to the professional qualifications required of the Officer responsible for the preparation of corporate accounting documents, and carry out a capital increase reserved for the conversion of warrants will be submitted for approval to the Shareholders' Meeting convened both in ordinary and extraordinary session. The Shareholders' Meeting is scheduled for April 26, 2007, on the first calling for both the ordinary and extraordinary session, for April 27, 2007 on the second calling exclusively for the extraordinary session, and on April 28, 2007 on the second calling for the ordinary session and on the third calling for the extraordinary session.

The draft of the 2006 financial statements and the Report on Operations for the same year, together with the reports of the Board of Directors on the items on the Agenda of the Shareholders' Meeting, will be made available to the public within the deadlines and in the manner required by the applicable statutes.

Parmalat S.p.A.

Milan, March 21, 2007

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Balance Sheet and Income Statement

Parmalat S.p.A.

RECLASSIFIED BALANCE SHEET

(in millions of euros)	12/31/06	12/31/05 restated (**)	12/31/05 (*)
NON-CURRENT ASSETS	1,605.4	1,671.8	1,704.9
Intangibles	483.6	499.1	592.4
Property, plant and equipment	138.0	135.7	132.0
Non-current financial assets	964.5	1.021.1	964.6
Deferred-tax assets	19.3	15.9	15.9
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	7.5	7.4	7.4
NET WORKING CAPITAL	269.4	84.9	70.5
Inventories	36.1	32.6	32.6
Trade receivables	225.7	256.4	245.7
Other current assets	298.5	192.1	181.3
Trade payables (-)	(204.0)	(293.3)	(286.2)
Other current liabilities (-)	(86.9)	(102.9)	(102.9)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	1,882.3	1,764.1	1,782.8
PROVISIONS FOR EMPLOYEE BENEFITS (-)	(40.6)	(40.7)	(40.7)
PROVISIONS FOR RISKS AND CHARGES (-)	(209.2)	(214.5)	(233.2)
PROVISION FOR LIABILITIES ON CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	(22.8)	(20.9)	(20.9)
NET INVESTED CAPITAL	1,609.7	1,488.0	1,488.0
Covered by:			
SHAREHOLDERS' EQUITY	1,951.1	1,812.5	1,812.5
Share capital	1,641.5	1,619.9	1,619.9
Reserve for creditor challenges, contested liabilities and claims of late-filing creditors convertible exclusively into share capital	224.9	233.4	233.4
Other reserves	(11.6)	(11.5)	(11.5)
Retained earnings (Loss carryforward)	(29.3)	0.0	0.0
Profit (Loss) for the period	125.6	(29.3)	(29.3)
NET BORROWINGS	(341.4)	(324.5)	(324.5)
Loans payable to banks and other lenders	12.5	17.7	17.7
Loans receivable from (-) and payable to (+) other Group companies	(7.1)	(3.2)	(3.2)
Other financial assets (-)	(206.0)	0.0	0.0
Cash and cash equivalents (-)	(140.8)	(339.0)	(339.0)
TOTAL COVERAGE SOURCES	1,609.7	1,488.0	1,488.0

(*) Approved at the Shareholders' Meeting of April 29, 2006.
(**) The adjustments compared with the financial statements approved at the abovementioned Shareholders' Meeting are discussed in the section of the Annual Report entitled "Adjustments to the Financial Statements at December 31, 2005."

Parmalat S.p.A.

RECLASSIFIED INCOME STATEMENT

(in millions of euros)	2006	2005 restated (**)		2005 (*)	
		Actual	*Pro forma (unaudited)*	*Actual*	*Pro forma (unaudited)*
TOTAL NET REVENUES	872.7	225.0	873.7	256.6	1,021.2
Revenues from operations	841.9	221.7	863.1	253.3	1,010.6
Other revenues	30.8	3.3	10.6	3.3	10.6
OPERATING EXPENSES		(211.8)	(816.6)	(243.4)	(964.1)
Purchases, services and miscellaneous costs	(697.6)	(182.1)	(701.9)	(213.7)	(849.4)
Labor costs	(103.9)	(29.7)	(114.7)	(29.7)	(114.7)
Subtotal	71.2	13.2	57.1	13.2	57.1
Writedowns of receivables and other provisions	(1.7)	(2.4)	(15.4)	(2.4)	(15.4)
EBITDA	69.5	10.8	41.7	10.8	41.7
Depreciation, amortization and writedowns of non-current assets	(29.9)	(6.9)	(25.5)	(6.9)	(25.5)
Other revenues and expenses					
- Costs incurred due to the alleged ITX contamination	0.0	(10.8)	(10.8)	(10.8)	(10.8)
- Legal fees for actions to void and actions for damages	(55.0)	(6.9)	(6.9)	(6.9)	(6.9)
- Restructuring costs	0.0	(9.4)	(9.4)	(9.4)	(9.4)
- Additions to provision for losses of investee companies	(42.4)	(7.6)	(7.6)	(7.6)	(7.6)
- Additions to provision for losses of companies under E.A.	0.0	(5.5)	(5.5)	(5.5)	(5.5)
- Miscellaneous revenues and expenses	180.1	2.3	1.8	2.3	1.8
EBIT	122.3	(34.0)	(22.2)	(34.0)	(22.2)
Financial income	20.5	3.9	21.1	2.6	21.1
Financial expense (-)	(7.7)	(1.6)	(5.9)	(0.3)	(5.9)
PROFIT (LOSS) BEFORE TAXES AND THE RESULT FROM DISCONTINUING OPERATIONS	135.1	(31.7)	(7.0)	(31.7)	(7.0)
Income taxes	(9.6)	3.8	(0.6)	3.8	(0.6)
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	125.5	(27.9)	(7.6)	(27.9)	(7.6)
Net profit (loss) from discontinuing operations	0.1	(1.4)	(4.7)	(1.4)	(4.7)
NET PROFIT (LOSS) FOR THE PERIOD	125.6	(29.3)	(12.3)	(29.3)	(12.3)

(*) Approved at the Shareholders' Meeting of April 29, 2006.
(**) The adjustments compared with the financial statements approved at the abovementioned Shareholders' Meeting are discussed in the section of the Annual Report entitled "Adjustments to the Financial Statements at December 31, 2005."

Parmalat S.p.A.

STATEMENT OF CHANGES IN NET FINANCIAL POSITION IN 2006

(in millions of euros)	2006	2005
Net borrowings at beginning of period	(324.5)	0.5
Changes during the period:		
- Cash flow from operating activities	(116.3)	(76.9)
- Cash flow from investing activities	6.3	(1,582.5)
- Cash flow from financing activities	24.3	(254.7)
- Cash flow from Group financing activities	(3.8)	(3.2)
- Acquisition executed on October 1, 2005	0.0	1,600.8
- Payments of prededuction and preferential claims	62.4	
- Cash flow from discontinuing operations	0.1	(8.8)
- Miscellaneous items	10.0	0.3
Total changes during the period	(17.0)	(325.0)
Net borrowings at end of period	(341.5)	(324.5)

Parmalat Group

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(in millions of euros)	12/31/06	12/31/05 restated (**)	12/31/05 (*)
NON-CURRENT ASSETS	2,158.5	2,305.2	2,346.6
Intangibles	1,290.5	1,405.1	1,567.6
Property, plant and equipment	728.1	719.5	698.3
Non-current financial assets	99.3	138.5	39.8
Deferred-tax assets	40.6	42.1	40.9
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	24.2	118.0	100.9
NET WORKING CAPITAL	545.4	330.8	337.6
Inventories	348.3	332.1	335.6
Trade receivables	530.0	555.5	546.1
Other current assets	406.6	261.8	266.5
Trade payables (-)	(521.0)	(575.6)	(567.7)
Other current liabilities (-)	(218.5)	(243.0)	(242.9)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	2,728.1	2,754.0	2,785.1
PROVISIONS FOR EMPLOYEE BENEFITS (-)	(122.1)	(113.0)	(113.0)
PROVISIONS FOR RISKS AND CHARGES (-)	(359.5)	(373.1)	(404.2)
PROVISION FOR LIABILITIES ON CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	(24.8)	(20.9)	(20.9)
NET INVESTED CAPITAL	2,221.7	2,247.0	2,247.0
Covered by:			
SHAREHOLDERS' EQUITY	2,051.7	1,877.7	1,877.7
Share capital	1,641.5	1,619.9	1,619.9
Reserve for creditor challenges, contested liabilities and claims of late-filing creditors convertible exclusively into share capital	224.9	233.4	233.4
Other reserves	(44.5)	(4.9)	(4.9)
Retained earnings (Loss carryforward)	(0.3)		
Profit (Loss) for the period	192.5	(0.3)	(0.3)
Minority interest in shareholders' equity	37.6	29.6	29.6
NET BORROWINGS	170.0	369.3	369.3
Loans payable to banks and other lenders	694.2	871.0	871.0
Loans payable to investee companies	5.4	3.5	3.5
Other financial assets (-)	(207.8)	(2.1)	(2.1)
Financial accrued income and prepaid expenses (-)		(0.4)	(0.4)
Cash and cash equivalents (-)	(321.8)	(502.7)	(502.7)
TOTAL COVERAGE SOURCES	2,221.7	2,247.0	2,247.0

(a) The schedule that reconciles the result and shareholders' equity at December 31, 2006 of Parmalat S.p.A. and the consolidated result and shareholders' equity is explained in the Notes to the Consolidated Financial Statements.

(*) Approved at the Shareholders' Meeting of April 29, 2006.

(**) The adjustments compared with the financial statements approved at the abovementioned Shareholders' Meeting are discussed in the section entitled "Adjustments to the Financial Statements at December 31, 2005."

Parmalat Group

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(in millions of euros)	2006	2005 restated (**)		2005 (*)	
		Actual	*Pro forma (unaudited)*	*Actual*	*Pr forma (unaudited)*
TOTAL NET REVENUES	*3,881.4*	*1,034.5*	*3,706.1*	*1,083.5*	*3,901.4*
Revenues from operations	3,844.0	1,021.6	3,681.0	1,070.6	3,876.3
Other revenues	37.4	12.9	25.1	12.9	25.1
OPERATING EXPENSES	(3,525.7)	(948.7)	(3.393,2)	(997.7)	(3,588.5)
Purchases, services and miscellaneous costs	(3,047.8)	(824.0)	(2,933.6)	(873.0)	(3,128.9)
Labor costs	(477.9)	(124.7)	(459.6)	(124.7)	(459.6)
Subtotal	355.7	85.8	312.9	85.8	312.9
Writedowns of receivables and other provisions	(5.0)	(7.0)	(34.8)	(7.0)	(34.8)
EBITDA	350.7	78.8	278.1	78.8	278.1
Depreciation, amortization and writedowns of non-current assets	(150.5)	(29.7)	(101.7)	(29.7)	(101.7)
Other revenues and expenses:					
- Rebilling of costs incurred due to the alleged ITX contamination	10.4				
- Costs incurred due to the alleged ITX contamination		(10.8)	(10.8)	(10.8)	(10.8)
- Legal fees for actions to void and actions for damages	(55.0)	(6.9)	(6.9)	(6.9)	(6.9)
- Restructuring costs	(12.3)	(9.4)	(9.4)	(9.4)	(9.4)
- Addition to provision for losses of companies under E.A.	(0.3)	(5.5)	(5.5)	(5.5)	(5.5)
- Miscellaneous revenues and expenses	156.5	7.8	30.3	7.8	30.3
EBIT	299.5	24.3	174.1	24.3	174.1
Financial income	30.6	13.5	13.5	13.5	13.5
Financial expense (-)	(100.9)	(30.7)	(85.1)	(30.7)	(85.1)
Interest in profit (loss) of companies valued by the equity method		(0.3)	(0.2)	(0.3)	(0.2)
Other income from (charges for) equity investments	0.5				
PROFIT (LOSS) BEFORE TAXES	229.7	6.8	102.3	6.8	102.3
Income taxes	(34.2)	(4.2)	(47.3)	(4.2)	(47.3)
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	195.5	2.6	55.0	2.6	55.0
Net profit (loss) from discontinuing operations	(0.1)	(1.4)	(4.7)	(1.4)	(4.7)
NET PROFIT (LOSS) FOR THE PERIOD	195.4	1.2	50.3	1.2	50.3
Minority interest in net (profit) loss	(2.9)	(1.5)	(5.0)	(1.5)	(5.0)
Group interest in net profit (loss)	192.5	(0.3)	45.3	(0.3)	45.3

Continuing operations:

Basic earnings per share	**0.1178**	**0.0028**			
Diluted earnings per share	**0.1140**	**0.0028**			

(*) Approved at the Shareholders' Meeting of April 29, 2006.

(**) The adjustments compared with the financial statements approved at the abovementioned Shareholders' Meeting are discussed in the section entitled "Adjustments to the Financial Statements at December 31, 2005."

Parmalat Group

STATEMENT OF CHANGES IN NET FINANCIAL POSITION IN 2006

(in millions of euros)	2006	2005
Net borrowings at beginning of period	369.3	0.5
Changes during the period:		
- Cash flow from operating activities	(51.2)	(18.5)
- Cash flow from investing activities	102.7	29.0
- Acquisition executed on October 1, 2005		370.1
- Cash flow from settlements	(44.5)	
- Cash flow from discontinuing operations and miscellaneous items	(185.3)	(21.2)
- Impact of changes in the scope of consolidation	36.3	
- Currency translation impact	(57.3)	9.4
Total changes during the period	(199.3)	368.8
Net borrowings at end of period	170.0	369.3

BREAKDOWN OF NET FINANCIAL POSITION

(in millions of euros)	12/31/06	12/31/05
Net borrowings		
Loans payable to banks and other lenders	694.2	871.0
Loans payable to investee companies	5.4	3.5
Other financial assets (-)	(207.8)	(2.1)
Financial accrued income and prepaid expenses		(0.4)
Cash and cash equivalents (-)	(321.8)	(502.7)
Total	170.0	369.3

RECONCILIATION OF CHANGE IN NET INDEBTEDNESS AND CASH FLOW STATEMENT (Cash and Cash Equivalents)

(in millions of euros)	Cash and cash equivalents	Indebtedness net of cash and cash equivalents	Net amount
Balance at beginning of period	(502.7)	872.0	369.3
Cash flow from operating activities	(51.2)		(51.2)
Cash flow from investing activities	102.7		102.7
New borrowings	(460.7)	460.7	-
Loan repayments	618.0	(618.0)	-
Investments in current financial assets and miscellaneous items	209.9	(209.9)	-
Cash flow from settlements	(44.5)		(44.5)
Cash flow from discontinuing operations and miscellaneous items	(185.3)		(185.3)
Impact of changes in the scope of consolidation	(22.4)	58.7	36.3
Currency translation impact	14.4	(71.7)	(57.3)
Balance at end of period	(321.8)	491.8	170.0