

February 25th, 2010



Parmalat FY 2009 Results



Listed on the Italian Stock Exchange since October 6th, 2005

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2009 key highlights

Operations

- Increased support on key Parmalat brands
- Cost reduction projects implemented
- Recovery of South Africa and Australia
- Australia: acquisition and integration completed; synergies in progress

Financial

- 2.8% Revenue growth (€ 3,964.8 m)
- 9.3% EBITDA Margin (€ 367.8 m + 120 bp vs. 2008)
- Strong cash flow from operations (€ 200.6 m) and net cash position (€ 1,384.6 m)
- Shareholder 2009 dividends (€ 69.8 m interim dividend paid in September 2009, balance € 108.8 m to be paid in April 2010)
- Group Structure:
 - Simplification of Control chain completed
 - Financial structure optimisation to be completed by December 2010

Legal matters

- Settlements: € 438.2 m (of which € 151.3 m deconsolidation of debt vs./third party)
- Citigroup appeal fully briefed



FY 2009 key consolidated financial figures

REVENUE
€ 3,964.8 m
(growth + 2.8 % vs 2008)

NET CASH POSITION
€ 1,384.6 m

EBITDA ⁽¹⁾
€ 367.8 m
Margin 9.3 %
(+17.7 % vs 2008)

**CASH FLOW
FROM OPERATIONS**
€ 200.6 m

(1) The operating margin does not include restructuring costs and legal fees for revocatory and damages

Share capital

€ m	Extr. Gen. Meeting September 19, 2005	Extr. Gen. Meeting April 29, 2007	Update as of February 24, 2010
	<u>Approved</u>	<u>Approved</u>	<u>Issued</u>
Share Capital	1,930.0	1,930.0	1,709.9 ⁽¹⁾
Warrant	80.0	95.0	17.4
Total	2,010.0	2,025.0	1,727.3

(1) Of which approx. 10.4 million shares at par value (1 Euro) registered in the name of the Foundation, of which:

- ⚡ 10.3 million shares or 0.6% of share capital which pertain to currently undisclosed creditors
- ⚡ 120,000 shares representing the initial share capital of Parmalat S.p.A.



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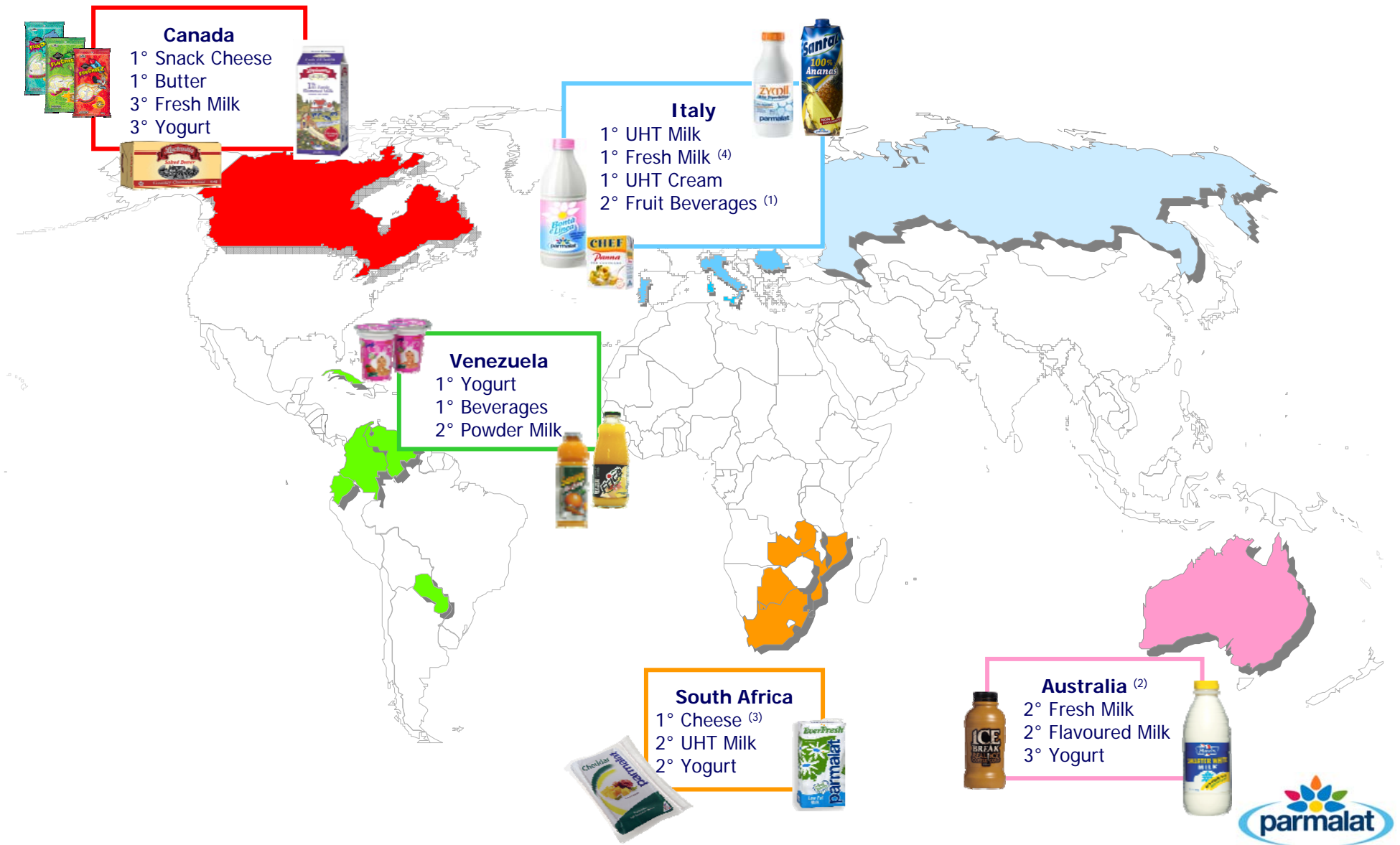
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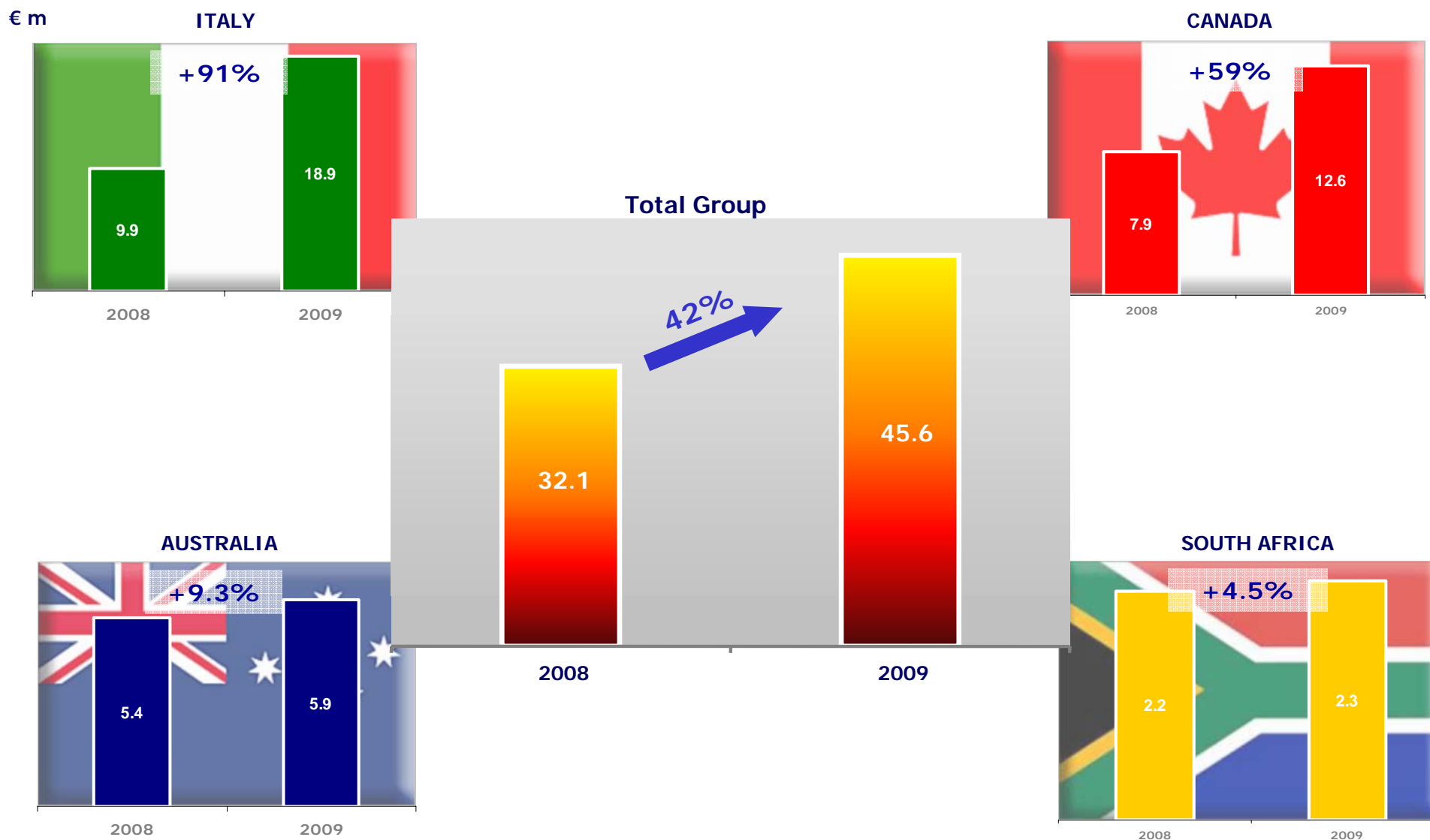
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Focus on key brands and categories



Supporting our key brands and products with advertising



In 2009 Parmalat increased ADV expenditure to support its key brands globally and increase brand equity

Source: internal data (media + production)



Innovation & Renovation focused on our core business



Operational Efficiency

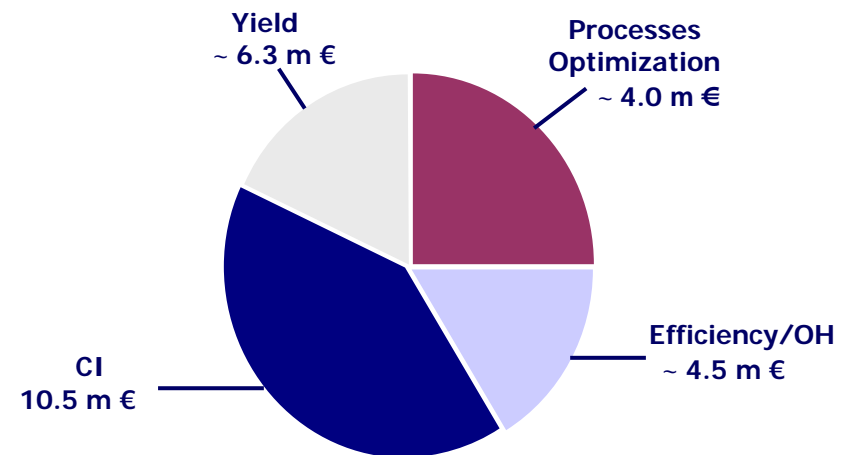
/// Parmalat demonstrated strong commitment to cost reduction programs

- /// In 2009 Parmalat implemented almost 100 projects and activities in order to improve the operational efficiency

/// € 25 m of savings were achieved in the following areas:

- /// CI (Continuous Improvement) / Saving projects
- /// Yield / Formula / Ingredients Optimization
- /// Process / Utilities Optimization
- /// Efficiency and overhead spending improvements

Total 2009 savings (~25 M€) divided by area



Key strategic priorities

/// The current strategy is confirmed

- /// Focus on key brands with superior growth potential
- /// Continue reducing cost and improving efficiency on the entire value chain
- /// Drive the cross-fertilization and the coordination between the Group subsidiaries maintaining a multi-local model of governance
- /// Improve R&D central coordination to maximise the synergies in global innovation development
- /// Implement a strategy to better penetrate the growing distribution channels



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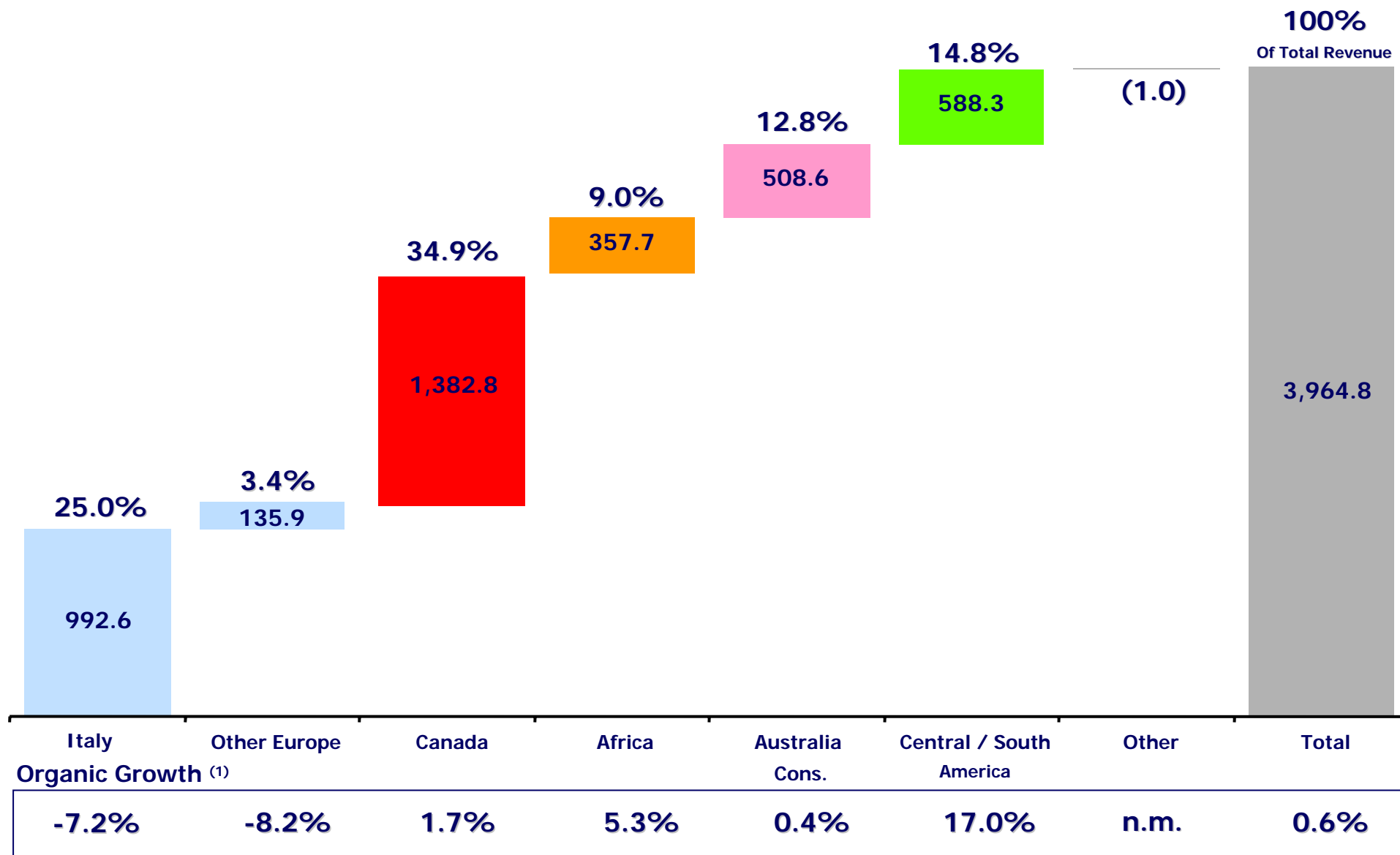
Corporate events

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Revenue breakdown by region

Primary reporting - € m

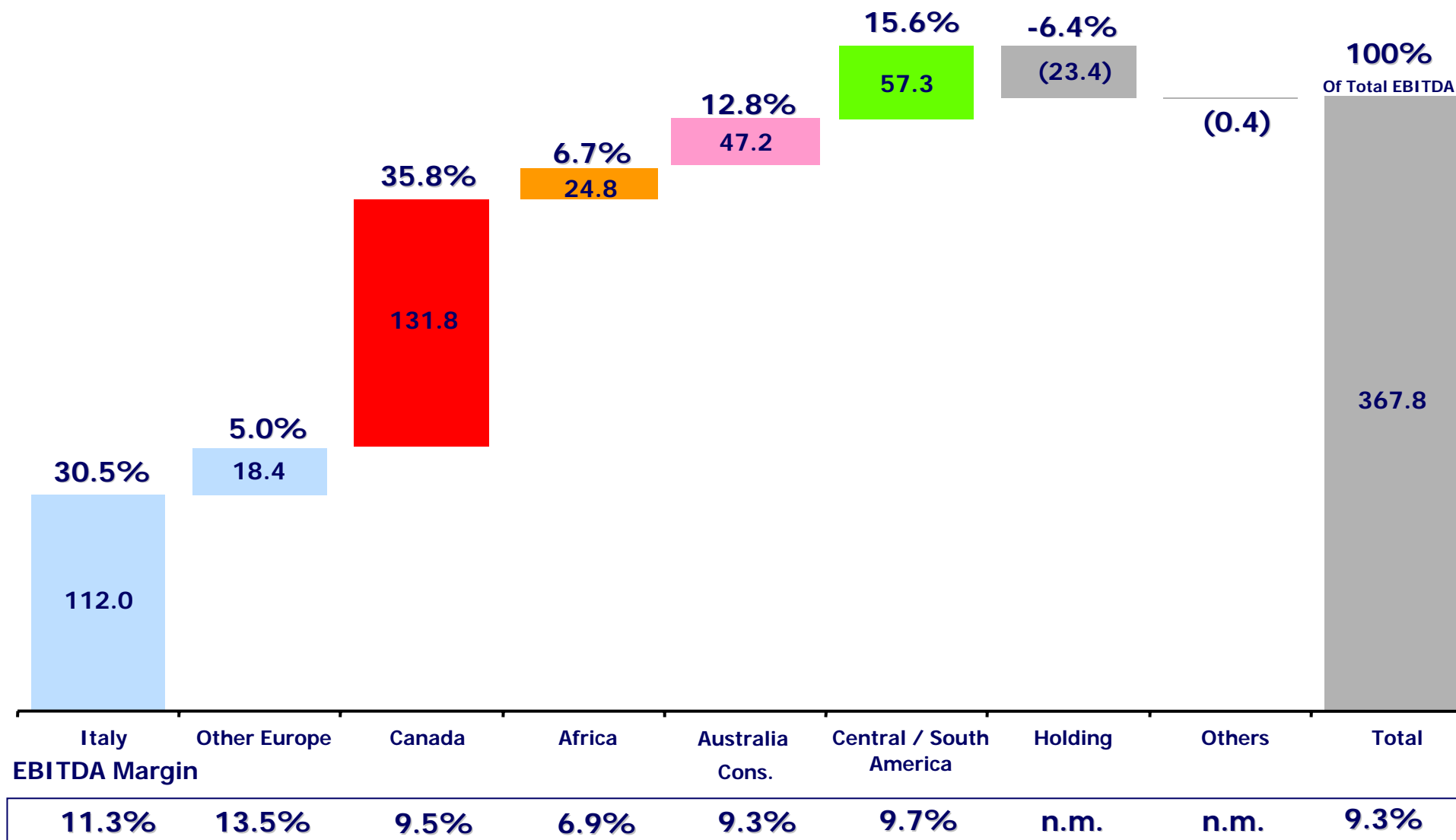


1. Constant perimeter, FX and excluding hyperinflation effect in Venezuela



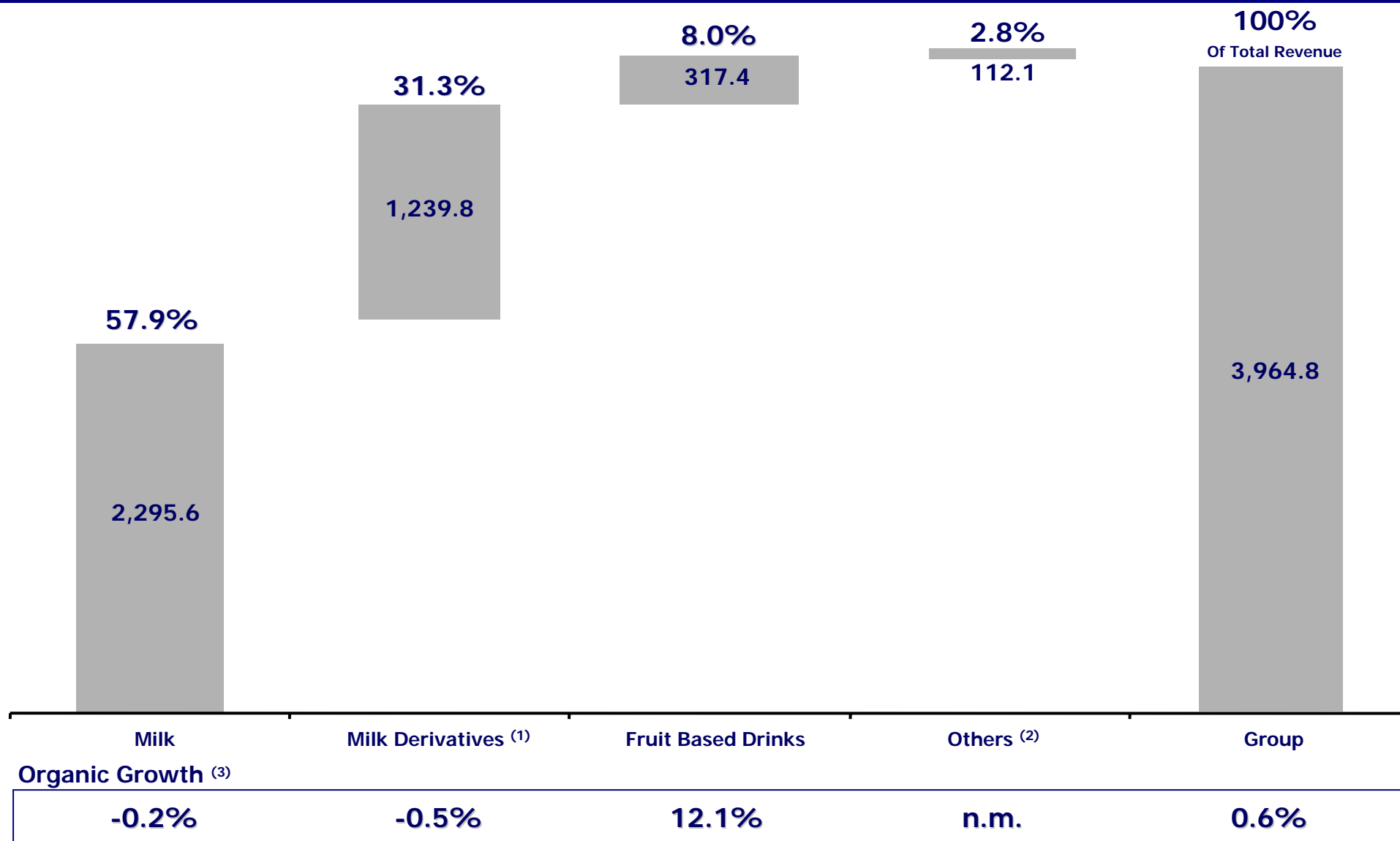
EBITDA breakdown by region

Primary reporting - € m



Revenue breakdown by segment

Secondary reporting - € m



1. Includes Yogurt, Cheeses, Dessert

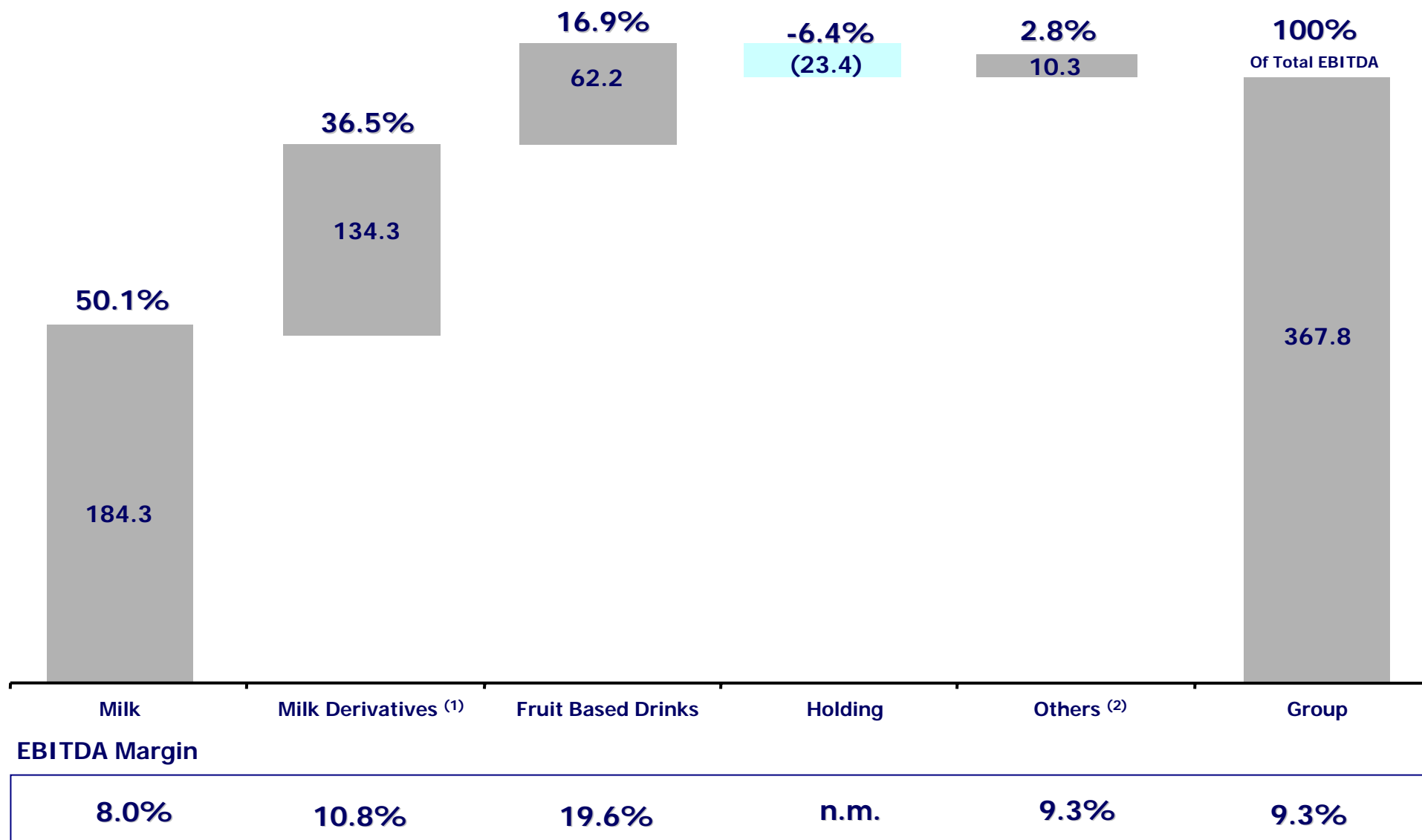
2. Includes mainly milk whey, other products and hyperinflation effect in Venezuela

3. Constant perimeter, FX and excluding hyperinflation effect in Venezuela



EBITDA breakdown by segment

Secondary reporting - € m

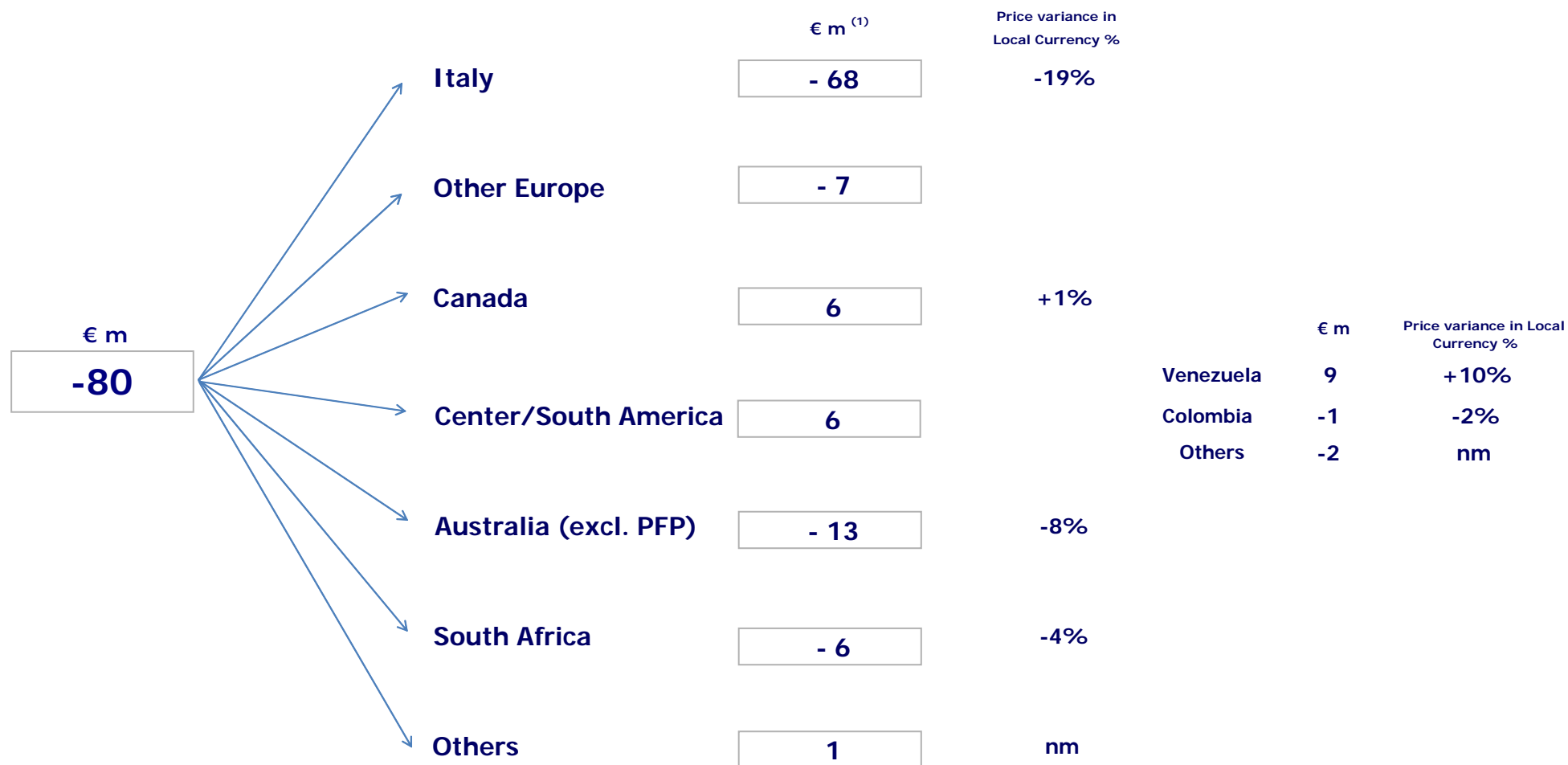


1. Includes Yogurt, Cheeses, Dessert

2. Includes mainly milk whey and other products and hyperinflation effect in Venezuela



Raw milk price variance



(1) Data represent the raw milk cost variance due to price effect



Capex and advertising, promo consumer & other costs

Parmalat Group				Advert., Promo Consumer & Other Costs			
€ m	FY 2008	FY 2009	Δ%	€ m	FY 2008	FY 2009	Δ%
Europe	46.9	36.0	(23.2%)	Europe	38.8	47.9	+23.2%
North America	36.6	30.1	(17.8%)	North America	18.2	24.1	+31.9%
Central and South America	14.3	12.0	(16.1%)	Central and South America	9.5	9.2	-2.9%
Africa and Australia	31.4	12.8	(59.2%)	Africa and Australia	20.4	24.6	+20.3%
				Other	-0.5	0.0	n.s.
Group	129.2	90.9	(29.6%)	Group	86.5	105.7	22.2%



Country Analysis Italy

/// A profitable result in a challenging environment

Revenue -7.2%

EBITDA Margin from 10.3% to 11.3%

/// Consumer behaviour affected by down trading as economic conditions deteriorated: increased private label penetration and discount channel growth also benefited

/// The savings obtained through milk buying was partially passed on to the consumer through promotional activities

/// Parmalat strengthened its leadership in UHT milk (35% MS)

/// Growth (+5% vs. 2008) in basic milk supporting the Parmalat brand with promotion and advertising

/// An advertising support to Zymil to continue to develop its leading position in the growing lactose free segment (65% MS)

/// Significant growth of private labels in fresh milk market

/// Parmalat reacted with a price re-positioning of Blu Premium (extended shelf life milk) supported by an advertising campaign and with focused activities on one of the main local brands

/// Increase value market share in fruit juices strengthening the Santal brand leadership (15.8% MS)



Country Analysis Canada

/// Stable trend and good performance results

Revenue +1.7% vs. 2008

EBITDA Margin from 9.2% to 9.5%

/// The economic situation still affected the consumer's behaviour increasing the preference for low cost products

/// Increasing competitiveness in price promotion and growing advertising pressure by the multinational competitors

/// Stable position in milk category after market consolidation

/// Increasing leading position in premium milk with filtered and lactose free milk (35.1% MS)

/// Advertising campaign focused on PurFiltre and Lactaid to support the brands

/// Enlarged distribution in yoghurt market

/// Low fat yoghurt launch in Quebec to complete the existing functional range

/// Growth in drinking yoghurt segment (+52% vs. 2008)

/// Maintain strong position in cheese market

/// Innovation and advertising support in snack cheese segment where Parmalat maintained its leading position (43.4% MS)

/// Growth in "Natural" and "Processed Slices" segments



Country Analysis Australia

- /// **A significant recovery in profitability**
 - Revenue +16.2%
 - EBITDA Margin from 6.2% to 9.3%
- /// **In July 2009 Parmalat acquired FreshCo , a branch of National Food operating in New South Wales and South Australia, which now operates independently under the Parmalat Food Products (PFP) company**
- /// **The integration of PFP into Parmalat Group has been successfully completed and allowed Parmalat to enter regions where it was not present with its own key brands**
- /// **The incremental impact of the acquired business, included in the total figures above, was 123.1 mill/\$ of revenues and 1.9 mill/\$ of EBITDA for the last 5 months of 2009**
- /// **The Australian economy was relatively stable in 2009, with the consumer confidence improving during the year from the initial state of crisis**
- /// **Private labels compete aggressively in fresh milk market**
 - /// Private label milk grew in volume by 5.9% by broadening the price gap between private label and branded products
 - /// The negative trend for Parmalat was mitigated in the modified milk segment (low fat and functional products) where the brand equity is more important in the consumer purchasing decision
- /// **Growth in flavoured milk, an important and growing market for Australia, outperforming the market trend (+3.9% Parmalat and +2.3% market)**
- /// **In the yoghurt market Parmalat was focused on the functional segment strengthening its leading position with Vaalia supported by advertising**

Country Analysis South Africa

/// Growth in sales and profitability recovery

Revenue +2.2 % vs. 2008

EBITDA Margin from 1.7 % to 6.7 %

/// The macro economic condition in the country remained under pressure but the pace of decline started to decrease since the second half of 2009

/// Price policy oriented to re-build the premium position in the main categories where Parmalat is present: UHT milk and cheese

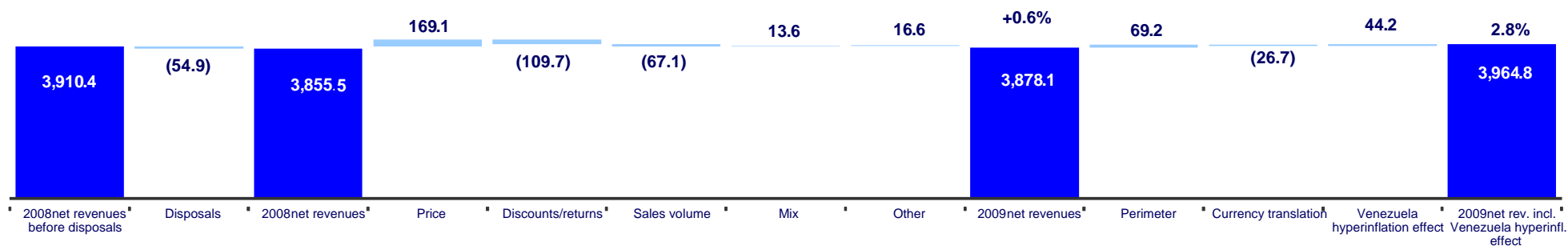
/// Focus on key branded products and partial discontinuing in milk production for private labels with a consequent volume decrease and improvement in net sales mix

/// Strengthening of the leading position in cheese market due to new product launch and advertising support on the brands

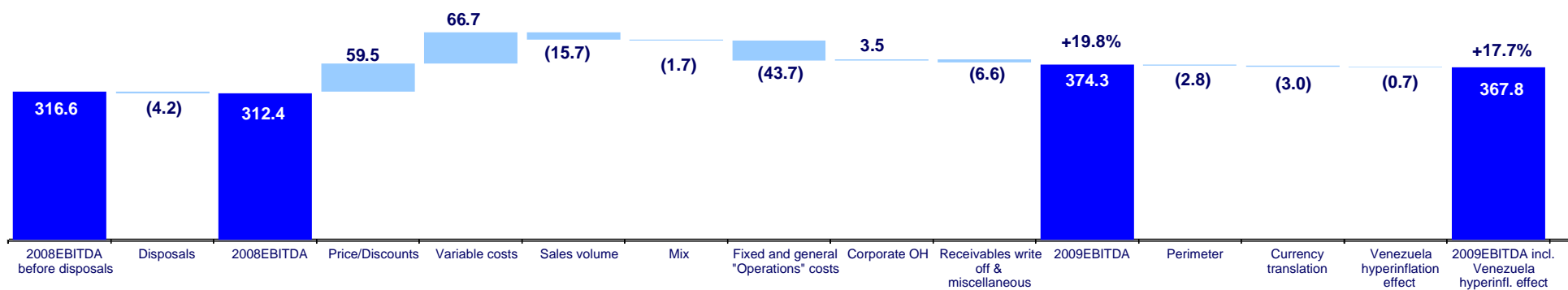


Revenue and EBITDA analysis

Revenues FY 2009 vs FY 2008 (€ m)



EBITDA FY 2009 vs FY 2008 (€ m)



Key FY 2009 earnings figures (IFRS/IAS Gaap)

€ m	FY 2008	FY 2009
Revenue	3,910.4	3,964.8
Growth	1.2%	1.4%
EBITDA	316.6	367.8
Margin	8.1%	9.3%
Other gains/(losses)	635.3	416.3
Depreciation and amortization	(213.1)	(117.3)
Net operating result (EBIT)	738.8	666.8
Margin	18.9%	16.8%
Net financial income/(charges) and other	18.9	(0.4)
Taxes	(82.0)	(144.9)
Result of the period	675.7	521.5
Margin	17.3%	13.2%
Minority interest (profit)/loss	(2.6)	(2.5)
Result for the period (of the Group)	673.1	519.0

FY 2009 Other gains/(losses) include:

- Proceeds from litigations: € 441.8 m
- Legal fees: € (14.7) m
- Others: € (10.8) m

FY 2009 Taxes include:

- Current taxes:
 - Italy € 79.7 m
 - Other countries € 59.5 m
- Deferred taxes:
 - Italy € 3.3 m
 - Other countries € 2.4 m



Key FY 2009 balance sheet items (IFRS/IAS Gaap)

€ m	31/12/2008	31/12/2009
Fixed assets	1,698.7	1,900.1
Intangible assets	999.2	1,063.5
Tangible assets	646.3	774.0
Financial assets and prepaid taxes	53.2	62.6
Net working capital	379.7	352.9
Operating working capital	329.2	343.1
Other assets/liabilities	50.5	9.8
Discontinuing operations	8.1	1.0
Employee severance indemnity liabilities	(87.1)	(92.6)
Provisions	(266.1)	(289.2)
Net invested capital	1,733.3	1,872.2

€ m	31/12/2008	31/12/2009
Shareholders equity	2,842.1	3,256.8
Share capital	1,687.4	1,712.6
Contested liabilit. and late creditors excl. convert. into share capital	193.2	168.8
Other reserves and net result	936.6	1,350.9
Minority interest	24.9	24.5
Net financial debt	(1,108.8)	(1,384.6)
Financial debt	498.8	260.4
Cash & other financial assets	(1,607.6)	(1,645.0)
Total sources of funds	1,733.3	1,872.2

31/12/2009 Operating working capital includes:

- Inventories: € 376.1 m
- Trade receivables: € 459.9 m
- Trade payables: € (492.9) m

Other assets/liabilities include:

- Other current assets: € 211.8 m
- Other current liabilities: € (202.0) m

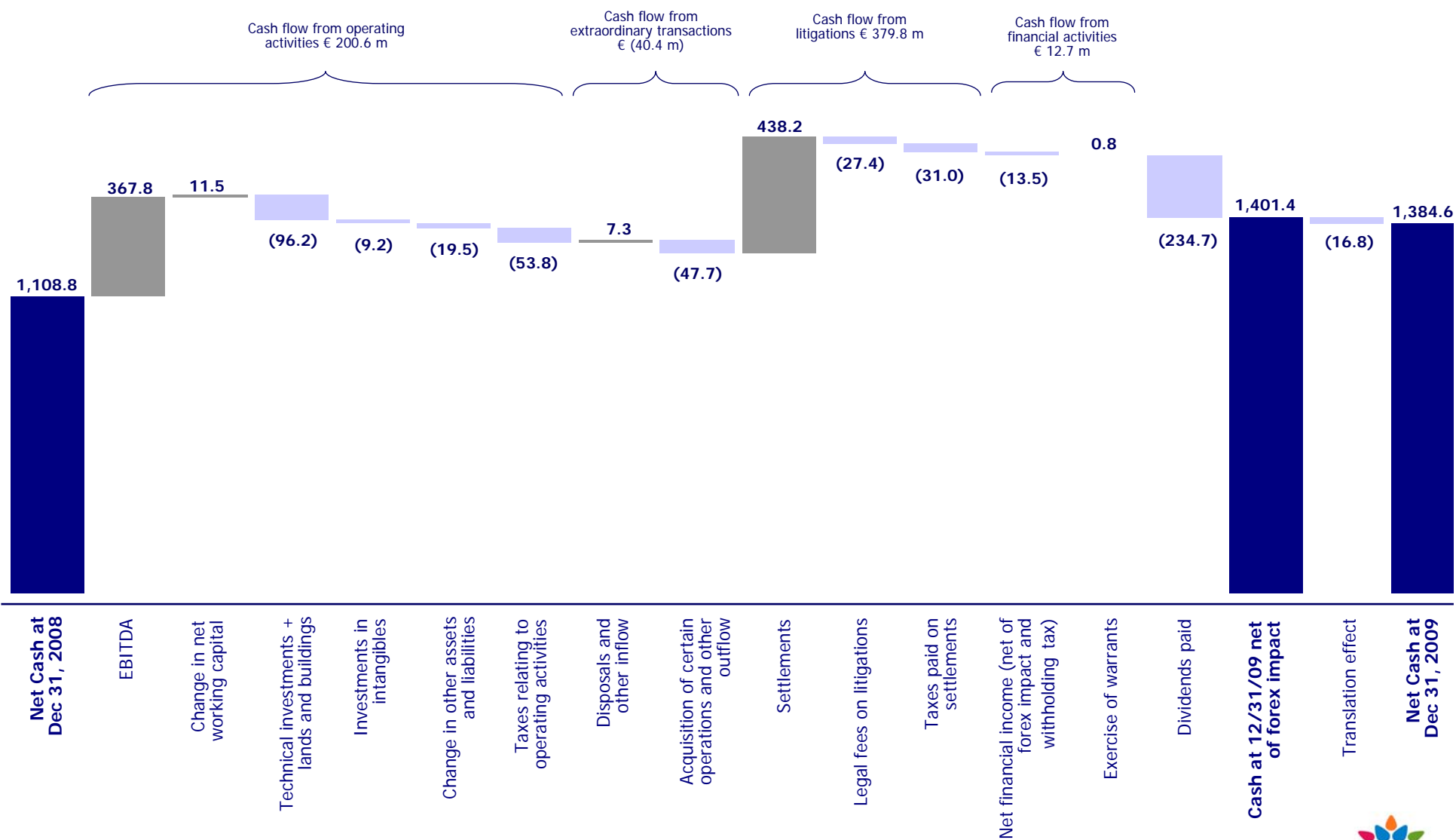
31/12/2009 Provisions include:

- Deferred tax liabilities: € 181.2 m
- Provision for tax risk: € 59.9 m
- Provision for contingent liabilities/Others: € 48.1 m



Key 2009 cash flow items (IFRS/IAS GAAP)

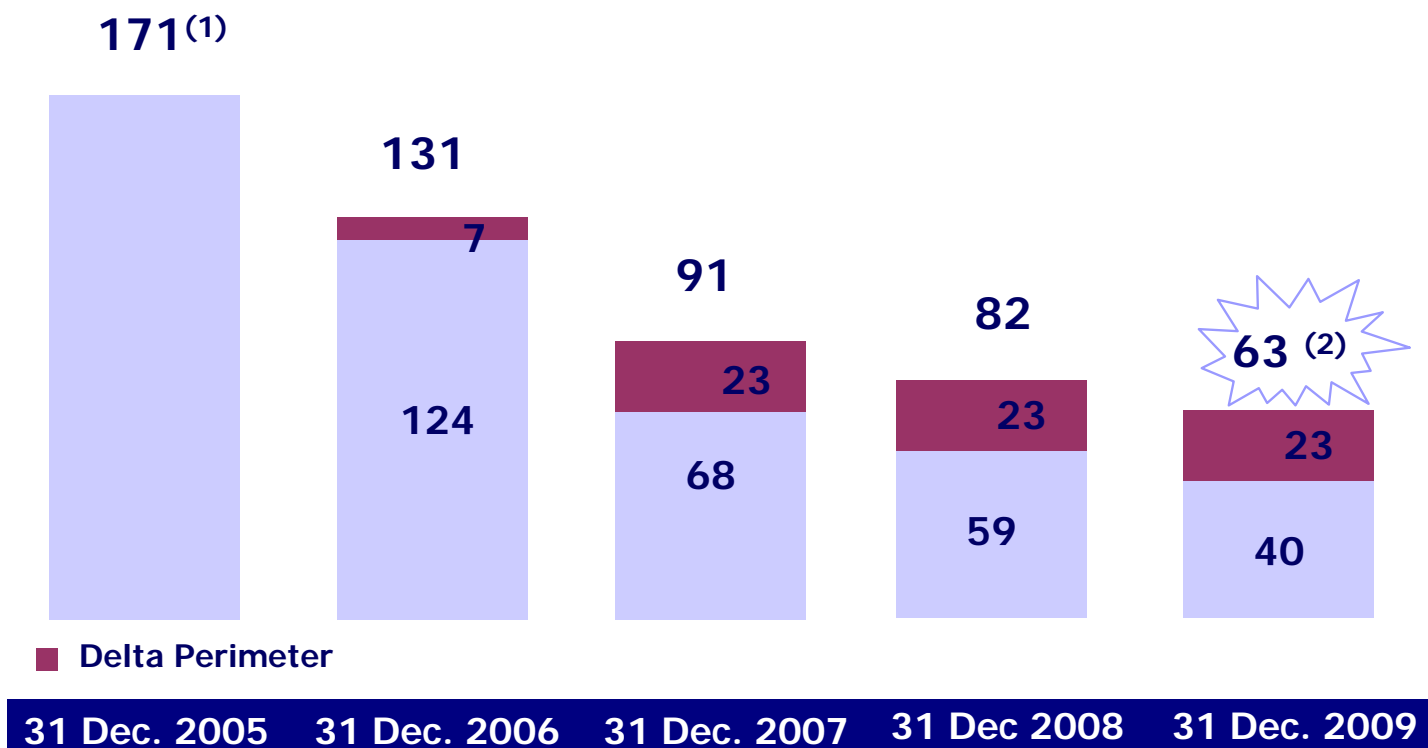
€ m



Simplification of Control Chain

(n° of companies)

From 70 operative companies in 2005 to 36 in 2009



(1) Of which 70 operative

(2) Of which 36 operative



Key targets for 2010

	FY 2008	FY 2009	FY 2010 Outlook
€ m			
Net Revenues	3,910	3,920	
	Pro-forma Venezuela	3,720	~ 4,000
EBITDA	316	368	
	Pro-forma Venezuela	343	~ 365

This Report contains forward looking statements. Projections for 2010 extrapolate the projections provided in the fourth quarter of 2009, confirmed by the trend in the early months of 2010

It is important to keep in mind that the Group's portfolio of investments includes companies that (excluding the major ones) operate in countries that are more exposed to the effects of the global crisis

Consequently, should the current crisis significantly deepen in the future, it could have a negative impact on the Group's performance

In particular, it is important to highlight the great economic/financial/currency strain in Venezuela which could have an impact on the 2010 Guidance



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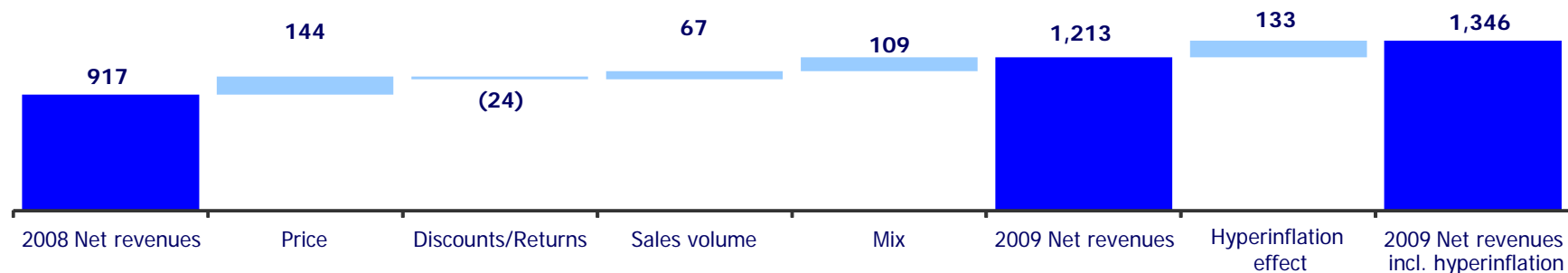
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VENEZUELA – Like for Like Revenues & EBITDA (Local Currency)

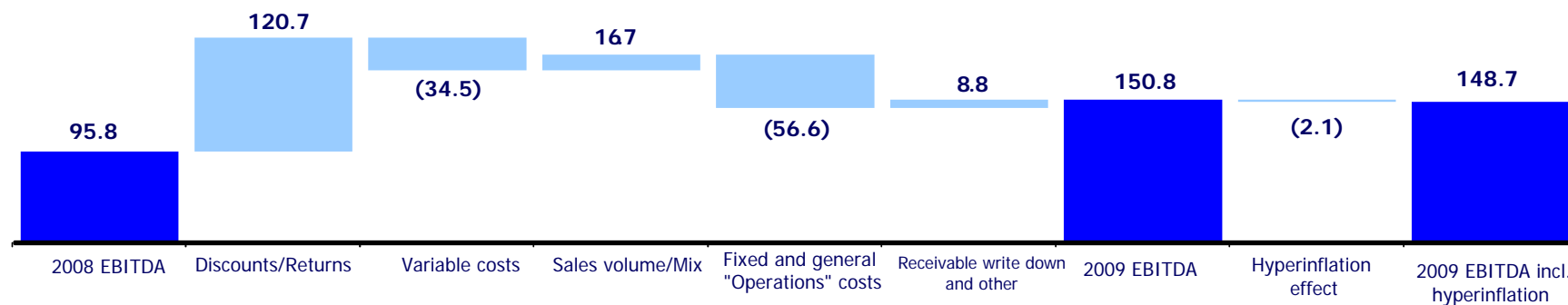
VENEZUELA - Cumulative net Revenues December 2009 vs 2008

(Bolivares m)



VENEZUELA - Cumulative EBITDA December 2009 vs 2008

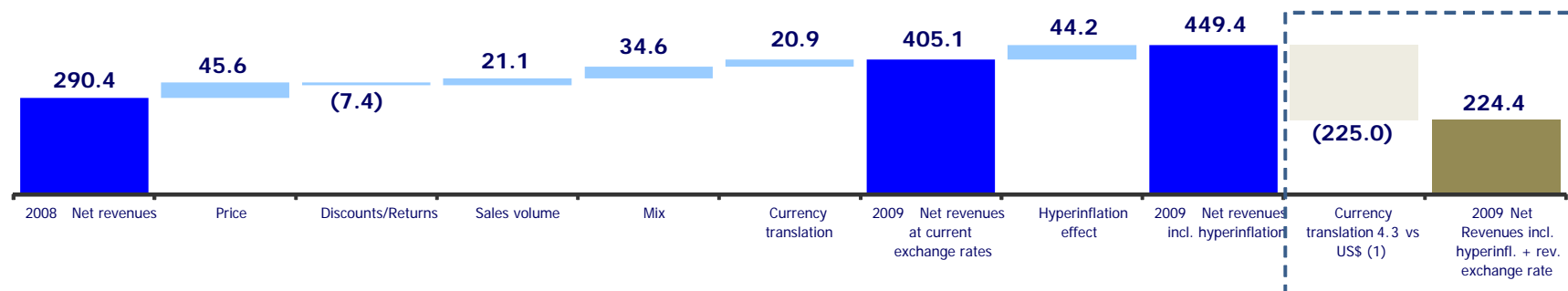
(Bolivares m)



VENEZUELA – Like for Like Revenues & EBITDA (€ m)

(€ m)

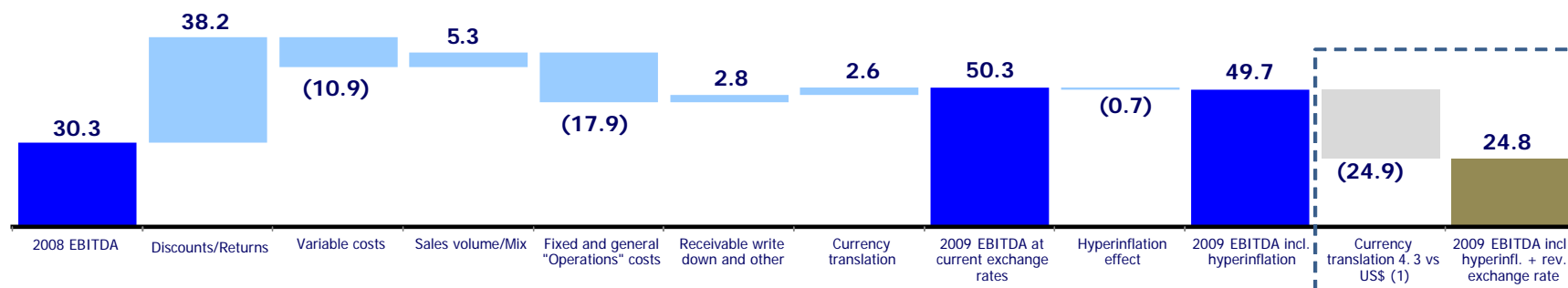
VENEZUELA - Cumulative net revenues December 2009 vs 2008



(1) Data recalculated including the effects of the devaluation of Bolivar Fuerte vs US Dollar (4.3 Bol = 1 US\$) occurred on January 8, 2010

(€ m)

VENEZUELA - Cumulative EBITDA December 2009 vs 2008

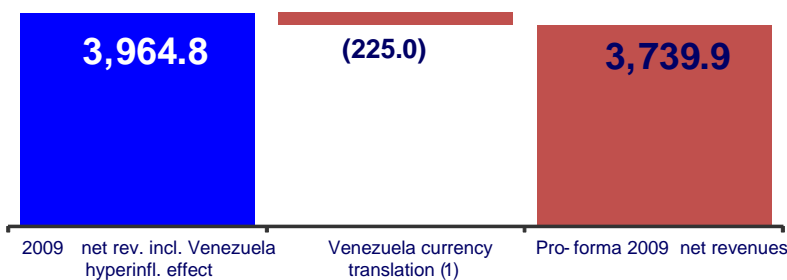


(1) Data recalculated including the effects of the devaluation of Bolivar Fuerte vs US Dollar (4.3 Bol = 1 US\$) occurred on January 8, 2010

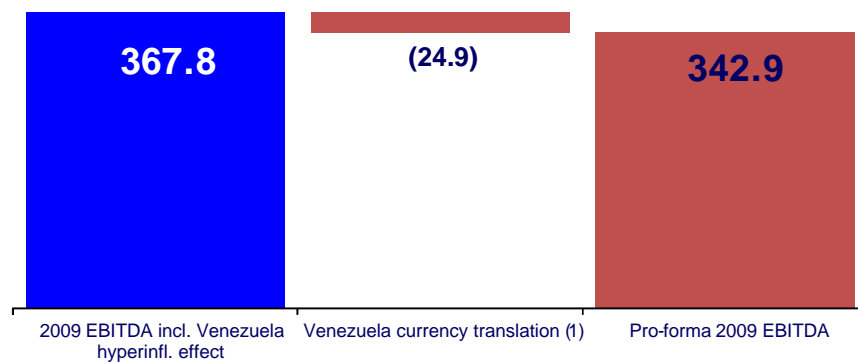


Revenue and EBITDA (Impact of Devaluation of Bolivares vs US \$)

Revenue FY 2009 (€ m)



EBITDA FY 2009 (€ m)



(1)

Data recalculated considering the effect of devaluation of Bolivar Fuerte vs. United States Dollar (4.3 Bol = 1 US\$) occurred on January 8, 2010



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Us cases

/// Citigroup:

/// Appeal fully briefed, expecting date for oral argument to be set. Could be any time, likely during the year 2010

/// Grant Thornton

/// Appeal to Court of Second Circuit pending, argument may be heard in fall 2010



Italian cases

// Revocatory Actions

- // Very few left

// Damages Actions

- // JPM and S&P, experts appointed to respond to questions asked by Milan Court

// Contested and late claims

- // Efforts continue to close these 95 cases

// Court of appeal of Bologna

- // 120 contested and late claims cases pending

// Criminal Cases

// Milan

- // 2nd trial on market abuse, in progress (involving, among others, Citigroup)

// Parma

- // Fraudulent bankruptcy proceedings pending, Parmalat is private party



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Calendar of events

Board Meetings:

Date	Subject
May 14, 2010	Approval of the Report for the First Quarter 2010
July 29, 2010	Approval of the 2010 Interim Report
November 11, 2010	Approval of the Report for the Third Quarter 2010

Shareholders' Meeting:

Date	Subject
March 31, 2009 (First call for ordinary meeting)	Approval of 2009 Annual Report Election of Statutory Auditor and election of an Aternate
April 1, 2009 (Second call for ordinary meeting)	Approval of 2009 Annual Report Election of Statutory Auditor and election of an Aternate

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Q&A



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Parmalat SpA: FY 2008 and FY 2009 financial results

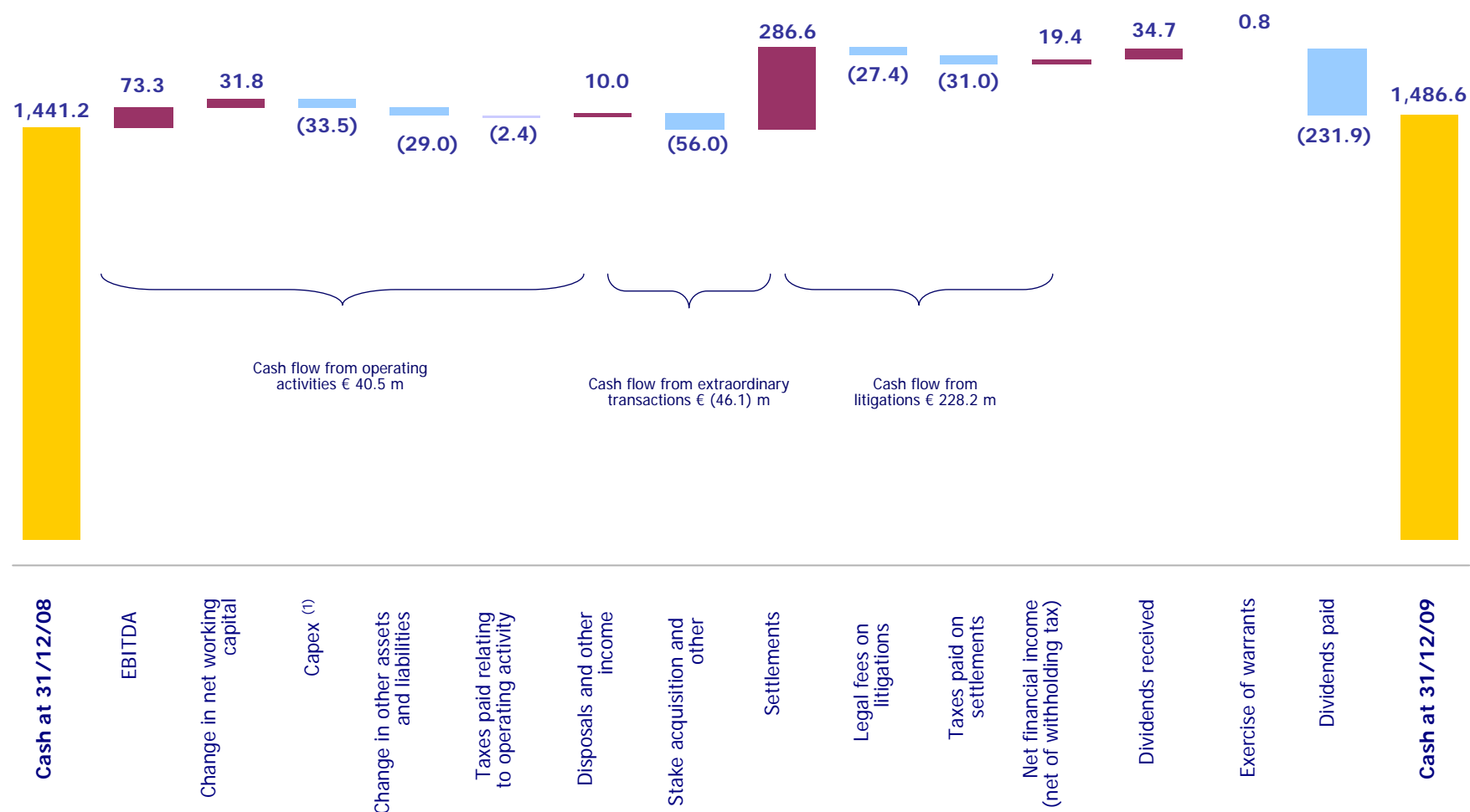
€ m	PARMALAT SPA			
	FY 2008	%	FY 2009	%
REVENUE	€ 896.5 m	100.0	€ 820.0 m	100.0
EBITDA	€ 59.7 m	6.7	€ 73.3 m	8.9
NET OPERATING RESULT	€ 539.3 m	60.2	€ 386.7 m	47.2
NET RESULT	€ 615.4 m	68.6	€ 372.8 m	45.5

OPERATIONS				
	FY 2008	%	FY 2009	%
Revenue	€ 895.7 m	100.0	€ 819.3 m	100
EBITDA	€ 86.6 m	9.7	€ 96.7 m	11.8

CORPORATE		
	FY 2008	FY 2009
Revenue	€ 0.8 m	€ 0.7 m
EBITDA	€ (26.9) m	€ (23.4) m



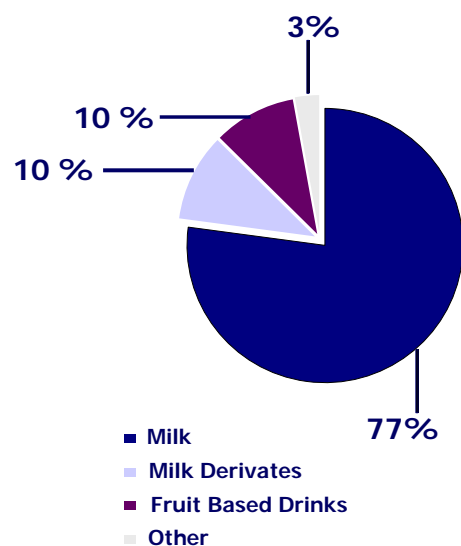
FY 2009 Parmalat SpA cash flow statement



(1) Including tangible and intangible capex

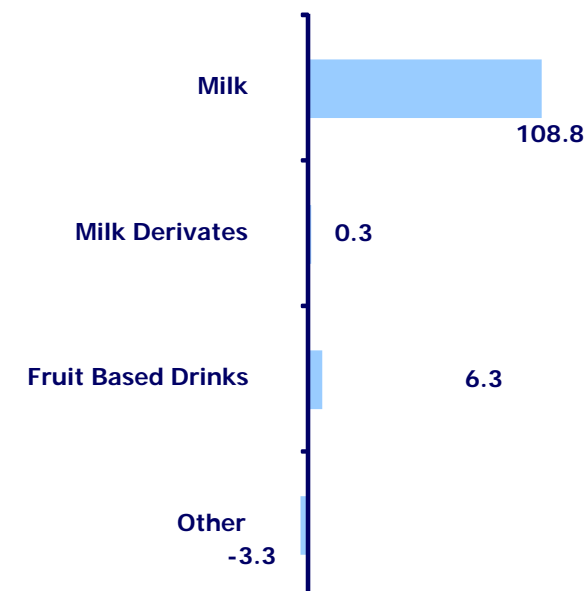
Country analysis – Parmalat Italy

FY 2009 Revenue



FY 2009 EBITDA

€ m

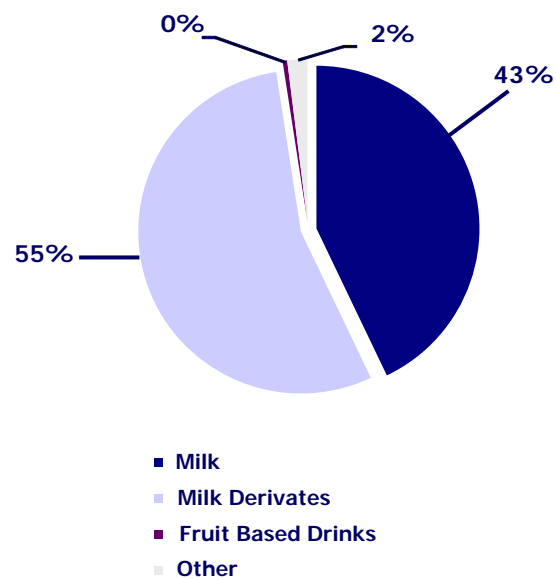


Italia	FY 2008			FY 2009		
	Revenue	EBITDA	EBITDA %	Revenue	EBITDA	EBITDA %
€ m						
Milk	859.7	97.8	11.4%	765.4	108.8	14.2%
Milk Derivates	144.3	1.1	0.8%	102.3	0.3	0.2%
Fruit Based Drinks	99.5	13.0	13.1%	96.5	6.3	6.5%
Other	27.6	-0.5	-2.0%	28.3	-3.3	-11.8%
Total	1,131.1	111.4	9.8%	992.6	112.0	11.3%

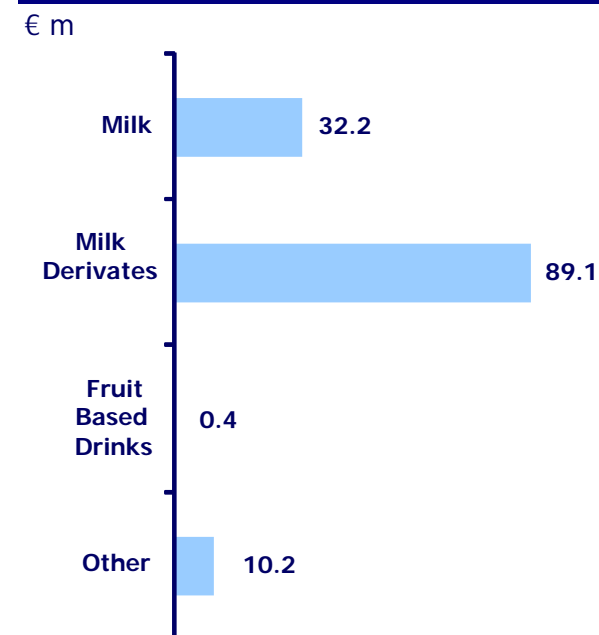


Country analysis – Parmalat Canada

FY 2009 Revenue



FY 2009 EBITDA

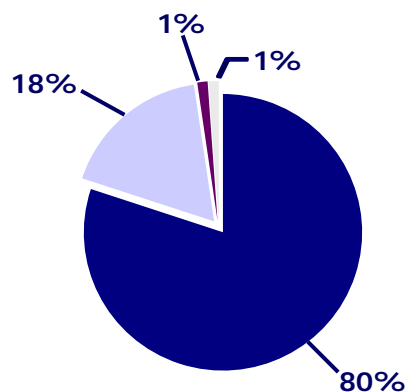


Canada	FY 2008			FY 2009		
	Revenue	EBITDA	EBITDA %	Revenue	EBITDA	EBITDA %
€ m						
Milk	576.7	34.8	6.0%	593.2	32.2	5.4%
Milk Derivates	770.7	86.7	11.3%	755.5	89.1	11.8%
Fruit Based Drinks	6.6	0.5	7.6%	6.3	0.4	5.8%
Other	28.3	5.7	20.1%	27.8	10.2	36.5%
Total	1,382.4	127.8	9.2%	1,382.8	131.8	9.5%



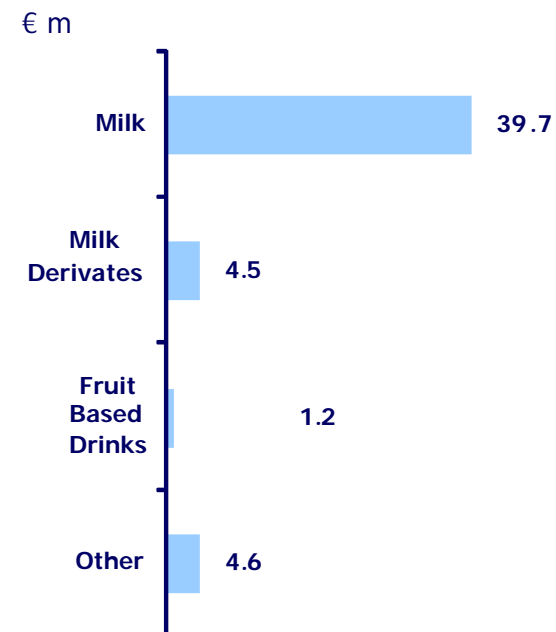
Country analysis – Parmalat Australia

FY 2009 Revenue



- Milk
- Milk Derivates
- Fruit Based Drinks
- Other

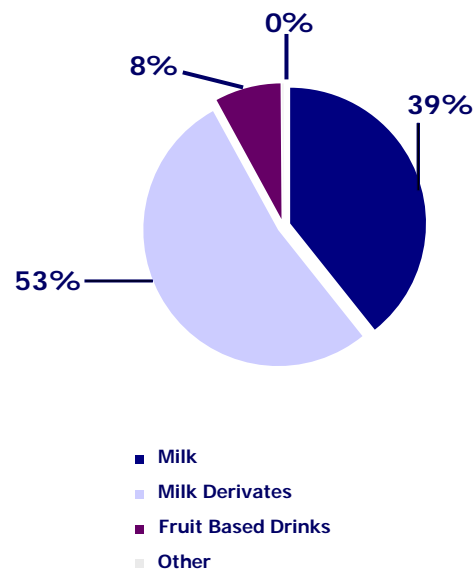
FY 2009 EBITDA



Australia	FY 2008			FY 2009		
	Revenue	EBITDA	EBITDA %	Revenue	EBITDA	EBITDA %
€ m						
Milk	356.8	23.7	6.7%	352.7	39.7	11.3%
Milk Derivates	76.2	3.1	4.1%	77.6	4.5	5.9%
Fruit Based Drinks	5.4	0.9	17.2%	5.3	1.2	23.1%
Other	7.0	-0.1	-1.8%	5.1	4.6	n.s.
Total	445.5	27.6	6.2%	440.7	50.1	11.4%

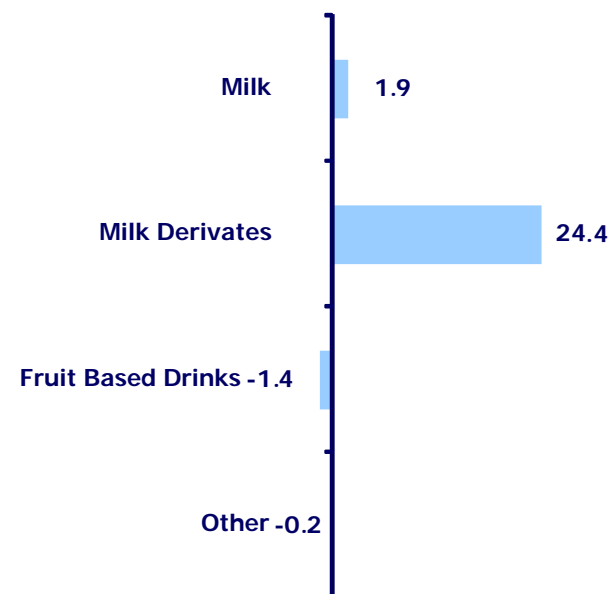
Country analysis – Parmalat Africa

FY 2009 Revenue



FY 2009 EBITDA

€ m

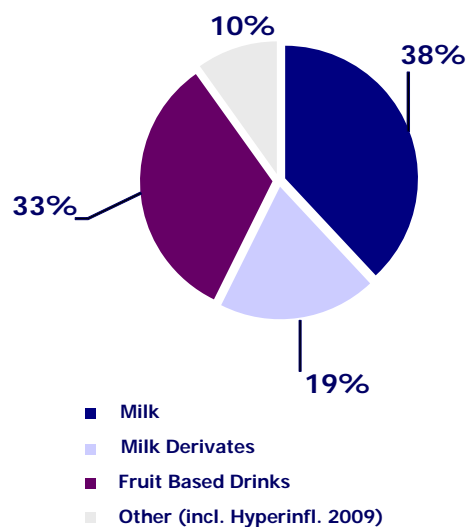


Africa	FY 2008			FY 2009		
	Revenue	EBITDA	EBITDA %	Revenue	EBITDA	EBITDA %
€ m						
Milk	135.2	-3.1	-2.3%	140.6	1.9	1.4%
Milk Derivates	175.1	14.1	8.0%	188.6	24.4	13.0%
Fruit Based Drinks	26.5	-0.6	-2.3%	28.1	-1.4	-5.0%
Other	0.4	-0.5	n.m.	0.4	-0.2	n.m.
Total	337.3	10.0	3.0%	357.7	24.8	6.9%



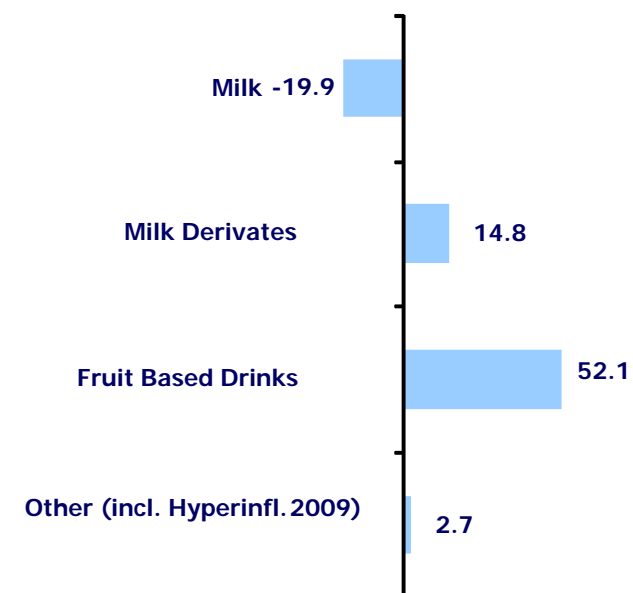
Country analysis – Parmalat Venezuela

FY 2009 Revenue



FY 2009 EBITDA

€ m



Venezuela	FY 2008			FY 2009		
	Revenue	EBITDA	EBITDA %	Revenue	EBITDA	EBITDA %
€ m						
Milk	125.7	-10.7	-8.5%	171.0	-19.9	-11.7%
Milk Derivates	64.9	8.3	12.8%	86.7	14.8	17.1%
Fruit Based Drinks	99.6	34.0	34.1%	147.3	52.1	35.4%
Other (incl. hyperinfl. 2009)	0.1	-1.2	n.s.	44.4	2.7	6.0%
Total	290.4	30.3	10.4%	449.4	49.7	11.1%

