



PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE DRAFT ANNUAL REPORT AT DECEMBER 31, 2010, WITH A DIVIDEND DISTRIBUTION MOTION, AND CONVENES AN ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

- Net revenues increase (+8.5%)
- Positive performances in Australia, Canada and South Africa continue
- 2011 guidance: at constant exchange rates, call for net revenues of about 4,400 million euros and EBITDA of about 385.0 million euros.
- 2010 net profit from core industrial operations rises to 215 million euros, +68% compared with 2009 (128.1 million euros)
- Dividends total 62,5 million euros, equal to 0.036 euros per share

BONUS SHARES ISSUANCE

The Board of Directors submits a motion to the Shareholders Meeting for a bonus shares issuance, par value 1 (one) euros each, of 90,019,822 euros, on the basis of 1 new share for every 20 shares held, the total share capital amount of 1,930 million euros approved by the Extraordinary Shareholders' Meeting of March 1, 2005 not being affected.

Consolidated Financial Highlights of the Group and Parmalat SpA

	<i>Amounts in millions of euros</i>	12/31/10	12/31/09	% change
PARMALAT GROUP				
• NET REVENUES UP TO 4,301.0 MILLION EUROS (+8.5%)	Net revenues	4,301.0	3,964.8	+8.5%
STEADY PROGRESS IN INCREASING PROFITABILITY: IMPROVEMENT IN SOUTH AFRICA, AN OUTSTANDING PERFORMANCE IN AUSTRALIA AND POSITIVE RESULTS IN CANADA	EBITDA	377.3	367.8	+2.6%
GROUP INTEREST IN NET PROFIT TOTALS 282.0 MILLION EUROS	Group interest in net profit	282.0	519.0	n/s
- Profit of industrial operations	Profit of industrial operations	215.0	128.1	+68%
• NET FINANCIAL ASSETS INCREASE TO 1,435.2 MILLION EUROS	Net financial assets	1,435.2	1,384.6	
PARMALAT SPA				
• THE PARENT COMPANY'S NET PROFIT TOTALS 128.3 MILLION EUROS	Net profit	128.3	372.8	
	Dividend per share	0.036	0.104 ^(*)	

^(*) Includes the interim dividend

Parmalat S.p.A. announces that its Board of Directors, meeting today under the chairmanship of Raffaele Picella, approved the draft Annual Report at December 31, 2010 and convened an Ordinary and Extraordinary Shareholders' Meeting.



Parmalat Group

Net revenues increased to 4,301.0 million euros, for a gain of 336.2 million euros (+8.5%) compared with 3,964.8 million euros in 2009, thanks to strong performances by the Canadian and Australian subsidiaries, the consolidation of Parmalat Food Products, a company acquired in July 2009, and the effect of a decrease in the value of the euro versus the main currencies used by the Group. These positive developments more than offset the negative impact of a reduction in volumes, especially in Venezuela, the streamlining of the portfolio of low margin products in South Africa and lower unit sales in Italy, particularly in the fruit beverage segment due to adverse weather conditions.

EBITDA totaled 377.3 million euros, for a gain of 9.5 million euros (+2.6%) compared with the 367.8 million euros reported in 2009.

The table that follows provides a breakdown of revenues and EBITDA by geographic region:

<i>(in millions of euros)</i>						
	2010			2009		
Region	Revenues	EBITDA	EBITDA %	Revenues	EBITDA	EBITDA %
Italy	963.3	95.4	9.9	992.6	112.0	11.3
Other Europe	152.0	11.4	7.5	135.9	18.4	13.5
<i>Russia</i>	85.3	4.9	5.7	66.0	9.7	14.7
<i>Portugal</i>	57.6	5.6	9.7	60.4	7.8	13.0
<i>Romania</i>	9.0	0.9	10.4	9.5	0.9	9.2
Canada	1,609.3	159.3	9.9	1,382.8	131.8	9.5
Africa	415.9	40.9	9.8	357.7	24.8	6.9
<i>South Africa</i>	356.4	36.6	10.3	310.0	20.8	6.7
<i>Other Africa</i>	59.6	4.3	7.2	47.6	4.0	8.4
Australia ¹	742.1	68.9	9.3	508.6	47.2	9.3
Central and South America	419.3	19.9	4.8	588.3	57.3	9.7
<i>Venezuela</i>	271.1	10.4	3.8	449.4	49.7	11.1
<i>Colombia</i>	123.9	9.1	7.4	99.6	6.4	6.5
<i>Other Central and South America</i>	24.3	0.4	1.5	39.4	1.2	3.1
Other ²	(0.9)	(18.6)	<i>n.s.</i>	(1.0)	(23.8)	<i>n.s.</i>
Group	4,301.0	377.3	8.8	3,964.8	367.8	9.3

Regions represent the consolidated countries

1. 2010 data include net revenues of 193.1 (excluding intercompany) and EBITDA of 7.3 million euros relating to the acquisition of new operations occurred during the third quarter of 2009 (2009 net revenues of 69.2 and EBITDA of -2.8 million euros)

2. Include Group's parent Company's costs, other no core companies and eliminations between regions

A review of the results in the Group's main countries is provided below:

In **Italy**, net revenues amounted to 963.3 million euros (992.6 million euros in 2009), for a year-over-year decrease of about 3%. Faced with a scenario of weak economic recovery, consumer confidence and propensity to spend remained low. Consumption of food products decreased and prices fell across the board in many markets, due to an increased use of promotions and growth by private labels and the discount channel. In this environment, Parmalat succeeded in holding its leadership position substantially stable in the UHT milk segment, thanks mainly to promotional and



advertising programs carried out to support sales of Parmalat and Zymil high digestibility milk, co-marketing activities and important advertising programs for Blu Premium and select local brands.

At 95.4 million euros, EBITDA were down 14.9% compared with the 112.0 million euros earned in 2009, due mainly to the following factors:

- higher raw material costs recovered only in part through list-price increases for UHT milk starting in October;
- use of promotional programs, mainly during the first half of the year, to increase competitiveness and respond to the aggressiveness of competitors, particularly in the pasteurized milk segment;
- production and commercial problems for the Latte Sole subsidiary;
- the effects of a fire at the plant of Centrale del Latte di Roma in August, which caused damages compensated virtually in full by an insurance settlement.

In **Europe, excluding Italy**, revenues increased to 152.0 million euros, up from 135.9 million euros the previous year, but EBITDA were lower, amounting to 11.4 million euros, compared with 18.4 million euros in 2009.

In *Russia*, shipments of UHT milk were up compared with 2009, due mainly to an upturn in consumer spending and a more incisive sales policy that enabled the SBU to make up for the ground it lost in 2009.

In 2010, the profitability of the SBU was penalized by a protracted drought during the summer months that had negative repercussions on the quantity of raw milk available on the domestic market, resulting in a significant price increase that could not be fully passed on to consumers.

In *Portugal*, the market was affected by the negative conditions of the local economy and by a challenging business scenario, due to the limited purchasing power of consumers. In this environment, in which private labels strengthen their position by pursuing a policy of lower prices, Parmalat continued to seek growth opportunities in market segments with a high value added, such as flavored milk, cream and béchamel.

In *Romania*, despite a contraction both in revenues and unit sales, the profitability of the Romanian SBU improved on a percentage basis compared with the previous year, due to lower costs of imported raw materials and the successful implementation of cost cutting programs.

In **Canada**, where the economic context is showing encouraging signs of a recovery, the food product market is extremely competitive, with large investments in advertising by all major competitors, while the propensity of consumers to seek out products offered with strong promotional incentives continues to increase steadily.

In this environment, with data stated in Canadian dollars, net revenues grew rising from 2,191.7 million in 2009 to 2,196.9 million in 2010. EBITDA, also in Canadian dollars, totaled 217.5 million, or 8.5 million more than the 209.0 million reported in 2009, owing to a carefully planned commercial strategy and a reduction in manufacturing overhead.

When the data are stated in euros, net revenues rise from 1,382.8 million to 1,609.3 million and EBITDA total 159.3 million, for a gain of 20.9% compared with 131.8 million in 2009.

The Canadian dollar increased in value by 13.9% compared with the exchange rate applied the previous year, with an impact on revenues and EBITDA of 223.2 million euros and 22.1 million euros, respectively.



The local SBU succeeded in maintaining sales volumes steady, despite a competitive and challenging environment, thanks to increased investments in advertising and promotions, focused primarily on the yogurt segment.

The cheese market is continuing to grow both in volume and value terms. The most dynamic segment is without doubt that of snack cheese and Parmalat maintained the leadership position in this segment, with a 38% share.

In addition, Parmalat's growth in the two most important segments of the cheese market (natural cheese and processed cheese) continued in 2010.

In the milk market, Parmalat held on to the third position on a nationwide basis, with a value market share of 20%, stable compared with 2009. Parmalat gained additional market share in the lactose-free segment, which, together with microfiltered milk, continues to offer some of the best growth opportunities among the premium segments.

In the yogurt market, which continues to enjoy sustained growth, Parmalat ranks second in English Canada and third nationally. Despite strong competition, it succeeded in maintaining its position in this category, thanks in part to its entry in the Québec market.

In **Australia**, the economic environment is benefitting from the positive effect of growth in China, which is a major importer of commodities that are abundant in Australia. However, there was a growing focus on prices in the retail sector, with consumers favoring low-priced products and private labels, particularly with regard to market staples.

In this environment, consolidated net revenues (Parmalat Australia and Parmalat Food Products) stated in Australian dollars grew to 1,070.4 million, up from 901.6 million in 2009 (+18.7%). EBITDA, also in local currency, improved from 83.7 million to 99.4 million.

Stated in euros, consolidated net revenues totaled 742.1 million, up from 508.6 million in 2009, and EBITDA rose to 68.9 million compared with 21.7 million the previous year.

The value of the Australian dollar increased by 18.6% compared with the exchange rate applied in 2009. At a constant scope of consolidation, the impact of this change on revenues and EBITDA was 106.2 million euros and 11.5 million euros, respectively.

The integration of Parmalat Food Products produced a significant sales increase, consolidating the local subsidiary's position as a national player. Investment efforts focused on brands and innovations enabled Parmalat to achieve strong growth in categories with the highest value added, such as yogurt and flavored milk.

Excluding the volumes sold by Parmalat Food Products, the local SBU reported higher unit sales compared with the previous year. More specifically, unit sales of pasteurized milk and yogurt volumes grew, owing in part to the launch of new products in the latter category.

EBITDA increased due mainly to the combined effect of a decrease in the cost of raw milk compared with 2009, the beneficial effect of an investment strategy focused on the SBU's brands, positive results for high margin products, such as flavored milk and yogurt, and the signing of contracts with private labels in the second half of the year.

In **Africa**, with data stated in euros, net revenues totaled 415.9 million, up from 357.7 million in 2009, and EBITDA grew to 40.9 million, compared with 24.8 million the previous year.

In **South Africa**, the region's most important country, the economic recovery proved to be weaker than in other emerging countries. In addition, a persistently high unemployment rate continues to depress consumption. In this environment, revenues declined to 3,456.1 million rand, down from



3,619.2 million rand in 2009, but EBITDA improved to 355.1 million rand, or 112.4 million rand more than in the previous year.

The local currency (South African rand) increased in value by 16.9% compared with the exchange rate applied in 2009. The impact of this change on revenues and EBITDA was 60.3 million euros and 6.2 million euros, respectively.

Overall, sales volumes decreased compared with the previous year, due in part to the SBU's decision to end production of some items for private labels and exit some unprofitable product categories, such as fresh fruit juices and pasteurized milk.

Nevertheless, the local SBU achieved major improvements in profitability, thanks to a strategy that involved rationalizing production for private labels and focusing on the more profitable brands, to which it applied a more remunerative pricing policy.

In the region's other countries (Zambia, Mozambique, Botswana and Swaziland), revenues totaled 73.6 million euros, up 14.6 million euros compared with the previous year. EBITDA amounted to 4.3 million euros, or 0.3 million euros more than in 2009.

The overall performance of the Group's operations in Central and South America was severely affected by the devaluation of the Venezuelan subsidiary's reporting currency on January 8, 2010. Net revenues fell from 588.3 million euros in 2009 (363.4 million euros factoring in the devaluation of the Venezuelan currency) to 419.3 million euros in 2010. EBITDA decreased to 19.9 million euros, compared with 57.3 million euros the previous year (32.5 million euros with the devaluation of the Venezuelan currency).

The data of the Venezuelan subsidiary should be viewed against the backdrop of a national economy heavily affected both by the price of oil and a difficult political situation. These challenges were exacerbated by a scarce propensity of businesses to invest and households to spend.

In addition, the data of the Venezuelan SBU are affected by the country's high inflation rate, which, over the past three years, exceeded cumulatively the 100% threshold, requiring, as of December 2009, the adoption of the adjustments provided by IAS 29 for hyperinflationary economies.

The combined effect of lower sales volumes and higher costs of production components caused the Venezuelan subsidiary to report lower EBITDA than in 2009.

In 2010, the *Colombian* subsidiary focused its efforts on supporting sales of high-value added milk (Zymil lactose-free milk) and fine tuning the expansion of its distribution system in the Traditional Channel, with the result of improving its market share in the lactose-free milk and yogurt segments.

EBIT amounted to 334.2 million euros, down 332.6 million euros compared with 666.8 million euros in 2009. Lower proceeds from litigation settlements (104.7 million euros, compared with 441.8 million euros in 2009) account for the decrease in EBIT.

Depreciation, amortization and writedowns of non-current assets totaled 148.4 million euros (117.3 million euros in 2009), including an impairment-test related charge of 24.5 million euros.

Group interest in net profit decreased to 282.0 million euros, or 237.0 million euros less than the 519.0 million euros earned in 2009. A reduction in the contribution provided to the bottom line by litigation settlements, which generated total after-tax proceeds of 79.2 million euros in 2010 (384.8 million euros in 2009), accounts for this decrease.

Net financial assets totaled 1,435.2 million euros, up from 1,384.6 million euros reported at December 31, 2009. This increase reflects primarily the combined impact of the following factors: cash flow from operating activities of 155.6 million euros, cash flow from litigation settlements of about 35 million euros, net of legal costs, and dividend payments of 113 million euros.



PARMALAT S.p.A.

Net revenues totaled 820.5 million euros, in line with the 820.0 million euros reported at December 31, 2009. The production activity carried out in the second half of the year in support of the Centrale del Latte di Roma subsidiary contributed to the Company's ability to hold revenues steady, as it offset the impact of a policy of discounts, promotions and price reductions adopted to increase competitiveness and respond to aggressive competitors, especially in the conventional pasteurized milk segment. It is also worth mentioning that, in 2010, fruit beverage sales were affected by aggressive competition and by adverse seasonal weather factors.

EBITDA amounted to 69.7 million euros, for a decrease of 3.6 million euros (-4.9%) compared with the 73.3 million euros earned in 2009. This negative change reflects primarily a net reduction of 2.9 million euros in the margin before writedowns. Programs implemented to support sales volumes included increased investments in advertising and a more aggressive use of product promotions. In addition, writedowns of receivables increased by 0.7 million euros in 2010.

EBIT totaled 98.0 million euros, for a decrease of 288.7 million euros compared with the amount reported at December 31, 2009 (386.7 million euros). EBIT include proceeds from litigation settlements and damage compensation payments amounting to 46.1 million euros, or 257.8 million euros less than the 303.9 million euros collected in 2009, and a reduction of 54.9 million euros in the amount of provisions reversed into earnings upon settlements. On the other hand, net recoveries on equity investments (+18.8 million euros), a decrease in litigation related legal expenses (5.5 million euros) and lower depreciation and amortization expense (4.1 million euros) had a positive effect on EBIT.

The net profit for the year amounted to 128.3 million euros (372.8 million euros in 2009). The factors described above, combined with a reduction in net financial income (-12.6 million euros), offset in part by an increase in dividends from investee companies (42.4 million euros, up from 37.2 million euros in 2009) are the main reasons for the year-over-year decrease of 244.5 million euros.

Net financial assets fell from 1,486.8 million euros at December 31, 2009 to 1,345.0 million euros at December 31, 2010. Dividend distributions of about 111.8 million euros and income tax payments account for most of this change.

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Business Outlook

In 2011, the Group's operating performance will continue to be affected not only by changing conditions in the global economy, but also by uncertainty in the Mediterranean Basin and the consequences of the natural disasters that occurred in Asia/Pacific.

Both in the mature and the emerging markets, consumers are expected to continue focusing on the price/quality ratio when making purchasing decisions. In this scenario, the Group is looking forward to seizing all available growth opportunities through a well balanced mix of advertising projects, promotional programs and discounts, and innovation. All of these development should viewed in the context of an upturn in raw material costs, provided that the exogenous factors mentioned above do not become the cause of volatility and instability in commodity prices, including milk.



In any case, market testing projects are already scheduled to launch in 2011 to assess the growth potential that could be realized through the geographic expansion of the Group's leading products. The costs of these initiatives are already reflected in the guidance provided below.

Guidance

Projections for 2011, at constant exchange rates, call for net revenues of about 4,400 million euros and EBITDA of about 385 million euros.

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Disclaimer

This Report contains forward looking statements, particularly in the section entitled "Business Outlook." Projections for 2011 are based on the Group's performance in the fourth quarter of 2010 and take into account market trends at the beginning of this year. The group's activities are affected by changing conditions in the global economy, uncertainty in the Mediterranean Basin and the consequences of the natural disasters in the Asia/Pacific region. Consequently, the impact of any of these factors is difficult to quantify.

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Dividends

The draft Annual Report that the Board of Directors reviewed at a meeting today before submitting it to the Shareholders' Meeting for approval, contains a motion for a dividend on each of the 1,735,386,326 common shares outstanding at February 18, 2011.

The total dividend for 2010 amounts to 62,473,908 euros, equal to 0.036 euros per share.

If the Shareholders' Meeting approves the abovementioned motion for a dividend, the dividend will be payable on April 21, 2011, with April 18, 2011 as the record date.

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Bonus Shares Issuance

The timing of this transaction comes after the settlement of numerous disputes with the parties who contributed to the financial collapse of the "old" Parmalat. Consistent with its business strategies, the Group can now look forward to a new phase of business growth, both organically and through acquisitions. With this in mind, the Board is recommending a distribution of bonus shares to the shareholders, which, without weakening the Company's balance sheet or its financial position.

Therefore, the Board of Directors submits to the Shareholders' Meeting a motion to carry out a bonus shares issuance, of up to 90,019,822 euros for the benefit of the current holders of Parmalat shares and warrants on the basis of a 1-to-20 ratio, the total share capital amount of 1,930 million euros approved by the Shareholders' Meeting of March 1, 2005 not being affected.

Moreover, the Board of Directors recommends that the Shareholders' Meeting reduce the reserve for creditor challenges and claims of late-filing creditors, which has proven to be excessive, lowering its amount from 153,745,814 euros to 63,725,992 euros, and make the resulting amount of 90,019,822 euros available for a bonus shares issuance carried out for the benefit of the current



holders of Parmalat Spa shares and warrants, amending accordingly the resolution approved by the Extraordinary Shareholders' Meeting of March 1, 2005.

The proposed bonus shares issuance will be allocated as follows: 86.8 million euros to the shareholders and the balance of 3.2 million euro reserved for the exercise of the warrants, with the Board of Directors being empowered to implement the bonus shares issuance upon the conversion of the warrants.

The newly issued shares will be allocated to eligible parties through intermediaries who are members of the central clearing system operated by Monte Titoli S.p.A. on May 16, 2011, with ex-dividend date for coupon No. 7 on April 18, 2011, and will be distributed on the basis of 1 (one) new share for every 20 (twenty) shares held by each shareholder on that date.

Lastly, the Board of Directors recommends that the Shareholders' Meeting amend Article 5, Paragraph 4, of the Bylaws to reflect the effects of the resolutions adopted by the Shareholders' Meeting with regard to the motion.

Additional information about this transaction is provided in the Report of the Board of Directors that will be published on the Company website, in compliance with relevant Regulations: www.parmalat.com → Corporate Governance page.

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Review of Independence Requirements

During today's meeting, which was also attended by the entire Board of Statutory Auditors, the Board of Directors performed a review of the independence of its members in accordance with the guidelines provided in Section 3.C.1 of the Corporate Governance Code, pursuant to which substance should take precedence over form when assessing the independence of non-executive Directors, taking also into account the other criteria set forth in Section 3.C.1 of the abovementioned Code and Article 12 of the Bylaws.

Based on the abovementioned review, the following Directors qualify as independent Directors:

1. Piergiorgio Alberti
2. Massimo Confortini
3. Marco De Benedetti
4. Andrea Guerra
5. Vittorio Mincato
6. Erder Mingoli
7. Marzio Saà
8. Carlo Secchi
9. Ferdinando Superti Furga

The Board of Directors currently in office includes nine independent Directors, which is more than the number of independent Directors required by Article 11 of the Bylaws (at least six).

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Notice of Shareholders' Meeting

The Board of Directors approved a resolution inviting the shareholders to attend an Ordinary and Extraordinary Shareholders' Meeting that will be held at 3:00 PM on April 12, 2011, on the first



calling both for the ordinary and extraordinary session, and, if necessary, at 3:00 PM on April 13, 2011, on the second calling only for the extraordinary session, and at 3:00 PM on April 14, 2011, on the second calling for the ordinary session and on the third calling for the extraordinary session, to discuss and vote on the following Agenda:

- Ordinary Session: (1) Approval of the statement of financial position, income statement and accompanying notes at December 31, 2010, together with the Report on Operations for the same year. Motion for the appropriation of the year's net profit. Review of the Report of the Board of Statutory Auditors; (2) Election of the Board of Directors and determination of compensation; (3) Election of the Board of Statutory Auditors and determination of compensation.
- Extraordinary Session: (1) Motion for a bonus shares issuance up to 90,019,822 euros, requiring the prior partial amendment of the resolution to increase the share capital approved by the Extraordinary Shareholders' Meeting of March 1, 2005, carried out by using the reserve "on account to implement the bonus shares issuance" which was established as a result of the partial amendment of the resolution to increase the share capital approved on March 1, 2005; consequent amendment of Article 5 of the Bylaws, the total par value amount of the share capital approved by the abovementioned Shareholders' Meeting of March 1, 2005 not being affected; (2) Motion to amend Articles 8, 9 and 23 of the Bylaws and change the title of the section of the Bylaws concerning audits of the accounting records.

The proposed amendment of the Bylaws are related to the optional amendments contained in the Legislative Decree 27/2010 (a single calling for the Shareholders' Meeting; and designation of a company representative) as well as the Bylaws adjustment to the Legislative Decree No. 39/2010 related to the accounting records.

This Notice of Shareholders' Meeting is being published pursuant to Article 125-bis of the Uniform Financial Code (Legislative Decree No. 58/1998) on the Company website (www.parmalat.com → Corporate Governance page) and, as required by the Consob, in the following newspapers: *Corriere della Sera*, *La Repubblica*, *Il Sole 24 Ore* and *Financial Times*.

Supporting documents concerning the items on the Agenda of the Shareholders' Meeting will be available at the Company's registered office (4 Via delle Nazioni Unite, Collecchio, Parma), on its website at www.parmalat.com → Corporate Governance page, and at the offices of Borsa Italiana S.p.A. Shareholders may view these documents and request copies of them.

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Corporate Governance

Lastly, the Board of Directors approved the 2010 Report on Corporate Governance. This Report, which reviews developments concerning corporate governance that occurred in 2010, was prepared in accordance with the guidelines of the Corporate Governance Code published by Borsa Italiana S.p.A. and is consistent with best international practices. The Report is available on the Company website: www.parmalat.com → Corporate Governance page.

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Presentation to Investors

The data for the year ended December 31, 2010 will be presented to the financial community at 3:00 PM (CET) – 2:00 PM (GMT) on Thursday, March 3, 2011 at the Hotel Four Seasons, 8 Via Gesù, in Milan.

The live presentation may be followed in one of the following modes:



- webcasting: [http:// parmalat.ksoft.tv/investor.html](http://parmalat.ksoft.tv/investor.html)
- and
- audioconferencing by calling the following telephone numbers:
 - 800 40 80 88
 - +39 06 33 48 68 68
 - +39 06 33 48 50 42

Access code: * 0

A recording of the same presentation will be available from 8:00 PM (CET) on March 3, 2011 until March 9, 2011 at the following telephone number: + 39 06 33 48 43. Access codes:

- 329953# (Italian);
- 218842# (English),

or using the abovementioned link: <http:// parmalat.ksoft.tv/investor.html>

Additional information about the abovementioned presentation is available on the Parmalat website: www.parmalat.com → Investor Relations page.

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Financial statement schedules are annexed to this press release.

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As required by Article 154 bis, Section 2, of the Uniform Financial Code (Legislative Decree No. 58/1998), Pier Luigi De Angelis, in his capacity as Corporate Accounting Documents Officer of Parmalat S.p.A., declares that the accounting information provided in this press release is consistent with the information in the supporting documents and in the Company's books of accounts and other accounting records.

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The draft Annual Report, the Reports of the Board of Directors on the items on the Agenda of the Shareholders' Meeting, the Report of the Statutory Auditors and the Report of the Independent Auditors are available to the public at the Company's registered office and through the NIS system of Borsa Italiana. These documents will also be available on the Company website: www.parmalat.com.

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Parmalat S.p.A.

Milan, March 2, 2011

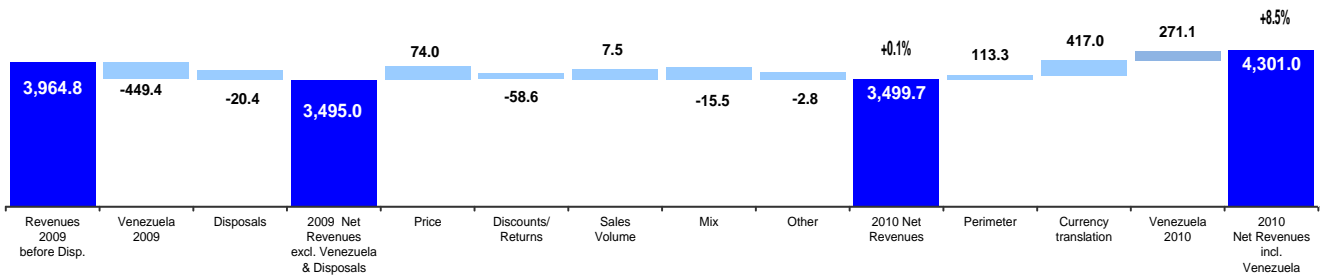
Company contact by e-mail to: affari.societari@parmalat.net



Like for Like Net Revenues and EBITDA

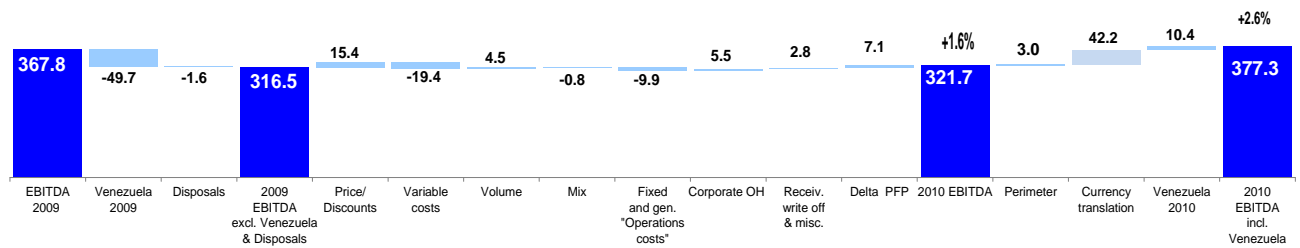
Net Revenues 2010 vs 2009

(€m)



EBITDA 2010 vs 2009

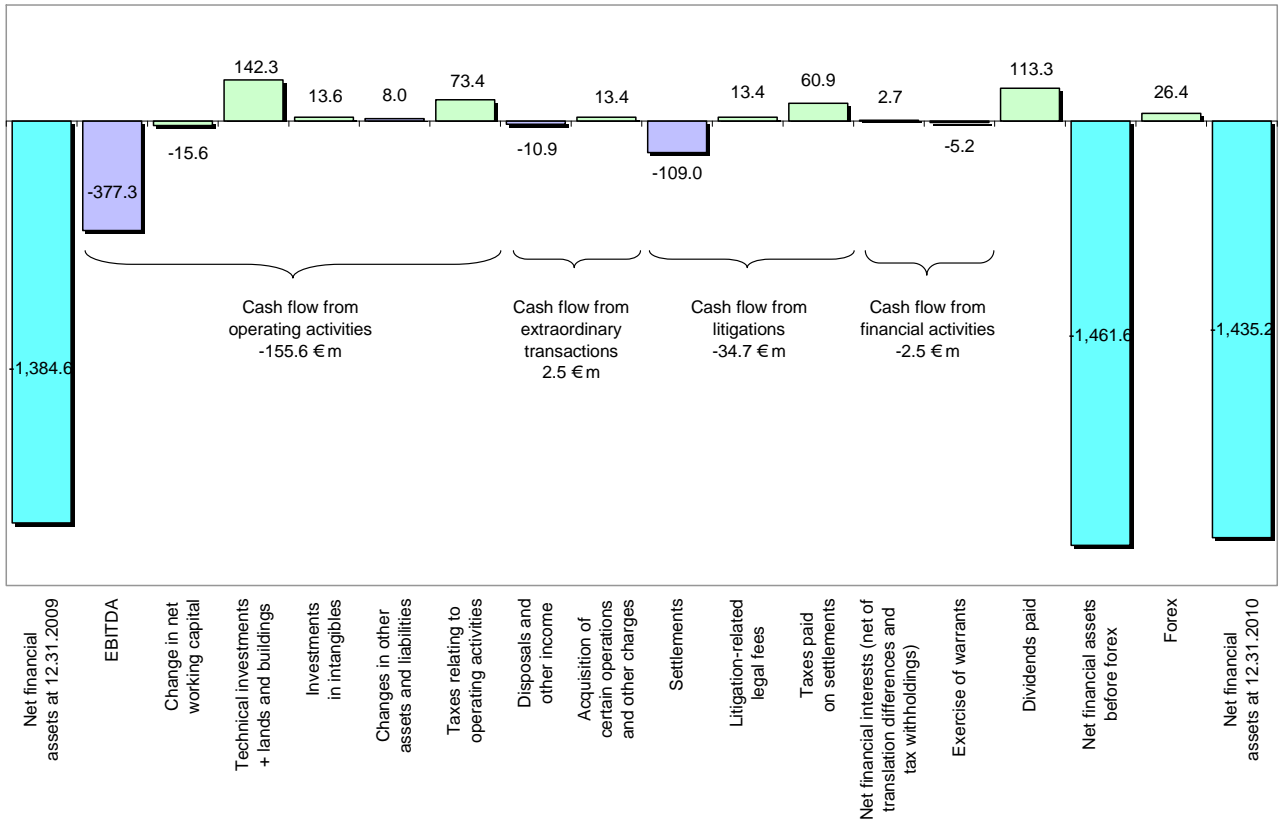
(€m)





Consolidated Cash Flow

Consolidated Cash Flow January 1 - December 31, 2010





Parmalat Group

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(in millions of euros)

	2010	2009
REVENUES	4,360.6	3,992.1
Net revenues	4,301.0	3,964.8
Other revenues	59.6	27.3
OPERATING EXPENSES	(3,967.2)	(3,609.4)
Purchases, services and miscellaneous costs	(3,430.8)	(3,135.0)
Labor costs	(536.4)	(474.4)
Subtotal	393.4	382.7
Writedowns of receivables and other provisions	(16.1)	(14.9)
EBITDA	377.3	367.8
Depreciation, amortization and writedowns of non-current assets	(148.4)	(117.3)
Other income and expenses:		
- Litigation-related legal expenses	(9.2)	(14.7)
- Miscellaneous income and expenses	114.5	431.0
EBIT	334.2	666.8
Net financial income (expense)	7.2	(6.0)
Interest in the results of companies valued by the equity method	(0.8)	0.0
Other income from (charges for) equity investments	0.6	5.6
PROFIT BEFORE TAXES	341.2	666.4
Income taxes	(56.1)	(144.9)
NET PROFIT FROM CONTINUING OPERATIONS	285.1	521.5
NET PROFIT FOR THE YEAR	285.1	521.5
Minority interest in net (profit)	(3.1)	(2.5)
Group interest in net profit	282.0	519.0
Continuing operations:		
Basic earnings per share	0.1632	0.3055
Diluted earnings per share	0.1599	0.3005



Parmalat Group

RECLASSIFIED CONSOLIDATED BALANCE SHEET

<i>(in millions of euros)</i>	12/31/10	12/31/09
NON-CURRENT ASSETS	2,073.6	1,900.1
Intangibles	1,116.4	1,063.5
Property, plant and equipment	864.3	774.0
Non-current financial assets	10.9	11.4
Deferred-tax assets	82.0	51.2
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	0.5	1.0
NET WORKING CAPITAL	393.2	352.9
Inventories	390.5	376.1
Trade receivables	484.0	459.9
Trade payables (-)	(545.9)	(492.9)
Operating working capital	328.6	343.1
Other current assets	222.3	211.8
Other current liabilities (-)	(157.7)	(202.0)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	2,467.3	2,254.0
PROVISIONS FOR EMPLOYEE BENEFITS (-)	(97.2)	(92.6)
PROVISIONS FOR RISKS AND CHARGES (-)	(268.7)	(282.6)
PROVISION FOR LIABILITIES ON CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	(4.8)	(6.6)
NET INVESTED CAPITAL	2,096.6	1,872.2
<i>Covered by:</i>		
SHAREHOLDERS' EQUITY¹	3,531.8	3,256.8
Share capital	1,732.9	1,712.6
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	153.7	168.8
Other reserves and retained earnings	1,336.7	901.7
Interim dividend	0.0	(69.8)
Profit for the year	282.0	519.0
Minority interest in shareholders' equity	26.5	24.5
NET FINANCIAL ASSETS	(1,435.2)	(1,384.6)
Loans payable to banks and other lenders	33.6	254.4
Loans payable to investee companies	4.5	6.0
Other financial assets (-)	(1,155.3)	(1,216.8)
Cash and cash equivalents (-)	(318.0)	(428.2)
TOTAL COVERAGE SOURCES	2,096.6	1,872.2

¹ A schedule reconciling the result and shareholders' equity at December 31, 2010 of Parmalat S.p.A. to the consolidated result and shareholders' equity is provided in the Notes to the Consolidated Financial Statements.



Parmalat Group

STATEMENT OF CHANGES IN NET FINANCIAL POSITION IN 2010

<i>(in millions of euros)</i>	2010	2009
Net financial assets at beginning of the year	(1,384.6)	(1,108.8)
Changes during the year:		
- Cash flow from operating activities	(324.4)	(316.0)
- Cash flow from investing activities	150.1	132.3
- Accrued interest	30.3	48.6
- Cash flow from settlements	(34.7)	(379.8)
- Dividend payments	113.3	234.7
- Exercise of warrants	(5.2)	(0.8)
- Miscellaneous items	(6.4)	(8.7)
- Impact of changes in the scope of consolidation	-	(2.9)
- Translation effect	26.4	16.8
Total changes during the period	(50.6)	(275.8)
Net financial assets at end of the year	(1,435.2)	(1,384.6)

BREAKDOWN OF NET FINANCIAL POSITION

<i>(in millions of euros)</i>	12/31/10	12/31/09
Loans payable to banks and other lenders	33.6	254.4
Loans payable to investee companies ¹	4.5	6.0
Other financial assets (-)	(1,155.3)	(1,216.8)
Cash and cash equivalents (-)	(318.0)	(428.2)
Net financial assets	(1,435.2)	(1,384.6)

¹ Including 2.2 million euros owed to PPL Participações Ltda and 2.3 million euros owed to Wishaw Trading sa.

RECONCILIATION OF CHANGE IN NET FINANCIAL ASSETS TO STATEMENT OF CASH FLOWS (Cash and Cash Equivalents)

<i>(in millions of euros)</i>	Cash and cash equivalents	Other financial assets	Gross indebtedness	Net (financial assets) borrowings
Beginning balance	(428.2)	(1,216.8)	260.4	(1,384.6)
Cash flow from operating activities	(324.4)	-	-	(324.4)
Cash flow from investing activities	150.1	-	-	150.1
New borrowings	(9.9)	-	9.9	-
Loan repayments	225.4	-	(225.4)	-
Accrued interest	-	-	30.3	30.3
Investments in current financial assets and sundry assets	(54.6)	54.6	-	-
Cash flow from settlements	19.7	-	(54.4)	(34.7)
Dividend payments	113.3	-	-	113.3
Exercise of warrants	(5.2)	-	-	(5.2)
Miscellaneous items	-	0.8	(7.2)	(6.4)
Translation effect	(4.2)	6.1	24.5	26.4
Ending balance	(318.0)	(1,155.3)	38.1	(1,435.2)



Parmalat S.p.A.

RECLASSIFIED INCOME STATEMENT		
<i>(in millions of euros)</i>	2010	2009
REVENUES	859.3	844.8
Net revenues	820.5	820.0
Other revenues	38.8	24.8
OPERATING EXPENSES	(780.9)	(763.5)
Purchases, services and miscellaneous costs	(673.5)	(658.7)
Labor costs	(107.4)	(104.8)
Subtotal	78.4	81.3
Writedowns of receivables and other provisions	(8.7)	(8.0)
EBITDA	69.7	73.3
Depreciation, amortization and writedowns of non-current assets	(44.0)	(48.1)
Other income and expenses:		
- Litigation-related legal expenses	(9.2)	(14.7)
- (Additions to)/Reversals of provision for losses of investee companies	1.3	(17.5)
- Miscellaneous income and expenses	80.2	393.7
EBIT	98.0	386.7
Net financial income (expense)	13.3	25.9
Other income from (charges for) equity investments	42.4	37.2
PROFIT BEFORE TAXES	153.7	449.8
Income taxes	(25.4)	(77.0)
NET PROFIT FROM CONTINUING OPERATIONS	128.3	372.8
NET PROFIT FOR THE YEAR	128.3	372.8



Parmalat S.p.A.

RECLASSIFIED BALANCE SHEET

<i>(in millions of euros)</i>	12/31/10	12/31/09
NON-CURRENT ASSETS	1,466.7	1,396.6
Intangibles	378.5	388.9
Property, plant and equipment	155.9	151.7
Non-current financial assets	892.8	823.9
Deferred-tax assets	39.5	32.1
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	0.0	0.0
NET WORKING CAPITAL	144.5	91.1
Inventories	42.6	37.1
Trade receivables	188.9	180.0
Trade payables (-)	(184.5)	(179.1)
Operating working capital	47.0	38.0
Other current assets	143.2	140.2
Other current liabilities (-)	(45.7)	(87.1)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	1,611.2	1,487.7
PROVISIONS FOR EMPLOYEE BENEFITS (-)	(25.3)	(26.8)
PROVISIONS FOR RISKS AND CHARGES (-)	(66.5)	(107.1)
PROVISION FOR LIABILITIES ON CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	(4.4)	(5.1)
NET INVESTED CAPITAL	1,515.0	1,348.7
<i>Covered by:</i>		
SHAREHOLDERS' EQUITY	2,860.0	2,835.5
Share capital	1,732.9	1,712.6
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	153.7	168.9
Other reserves and retained earnings	845.1	651.0
Interim dividend	0.0	(69.8)
Profit for the year	128.3	372.8
NET FINANCIAL ASSETS	(1,345.0)	(1,486.8)
Loans payable to banks and other lenders	4.4	9.2
Loans payable to (receivable from) investee companies	(80.5)	(25.5)
Other financial assets (-)	(1,134.4)	(1,188.1)
Cash and cash equivalents (-)	(134.5)	(282.4)
TOTAL COVERAGE SOURCES	1,515.0	1,348.7



Parmalat S.p.A.

STATEMENT OF CHANGES IN NET FINANCIAL POSITION IN 2010

<i>(in millions of euros)</i>	2010	2009
Net financial assets at beginning of the year	(1,486.8)	(1,441.2)
Changes during the year:		
- Cash flow from operating activities	(60.8)	(113.3)
- Cash flow from investing activities	108.5	104.0
- Loan repayments and interest expense	6.7	6.4
- Cash flow from settlements, net of lawsuit costs	25.6	(228.3)
- Cash flow from divestments and sundry items	(0.9)	(9.8)
- Dividend payments	111.8	231.9
- Dividend income	(39.0)	(34.7)
- Exercise of warrants	(5.2)	(0.8)
- Miscellaneous items	(4.9)	(1.0)
Total changes during the period	141.8	(45.6)
Net financial assets at end of the year	(1,345.0)	(1,486.8)

¹ This amount is net of legal costs and taxes directly attributable to collections of settlement proceeds

BREAKDOWN OF NET FINANCIAL POSITION

<i>(in millions of euros)</i>	12/31/10	12/31/09
(Net financial assets)		
Loans payable to banks and other lenders	4.4	9.2
Loans payable to (receivable from) investee companies, net	(80.5)	(25.5)
Other financial assets (-)	(1,134.4)	(1,188.1)
Cash and cash equivalents (-)	(134.5)	(282.4)
Total	(1,345.0)	(1,486.8)

RECONCILIATION OF CHANGE IN NET FINANCIAL ASSETS TO THE STATEMENT OF CASH FLOWS (Cash and Cash Equivalents)

<i>(in millions of euros)</i>	Cash and cash equivalents	Other financial assets	Borrowings owed to banks and other lenders	(Net financial assets)
Beginning balance	(282.4)	(1,213.6)	9.2	(1,486.8)
Cash flow from operating activities	(60.8)			(60.8)
Cash flow from investing activities	108.5			108.5
Loan repayments and interest expense	6.7		(4.8)	1.9
Investments in current financial assets and sundry assets	1.5	(1.5)		0.0
Cash flow from settlements	25.6			25.6
Cash flow from divestments and sundry items	(0.9)			(0.9)
Dividend payments	111.8			111.8
Dividend income	(39.0)			(39.0)
Exercise of warrants	(5.2)			(5.2)
Miscellaneous items	(0.3)	0.2		(0.1)
Ending balance	(134.5)	(1,214.9)	4.4	(1,345.0)