PRESS RELEASE

The Board of Directors reviews the preliminary data at December 31, 2016

Milan, January 25, 2017 – The Board of Directors of Parmalat S.p.A., meeting today under the chairmanship of Gabriella Chersicla, reviewed the preliminary data at December 31, 2016.

Most of the year was characterized by an excess supply of raw milk at global level, attributable primarily to the elimination of the milk quota system in the European Union, which held milk prices at a relatively low level, albeit with significant regional differences and indications of a trend reversal in some areas, Europe in particular, starting at the end of the third quarter of the year.

Among the countries where the Group operates, the situation in Venezuela remains highly critical, given the economic and political uncertainty and high consumer price inflation.

The table below summarizes the Group's preliminary data for 2016, compared with the previous year, at current exchange rates and scope of consolidation, and broken down by geographic region:

(amounts in millions of euros)	**Year 2016 - preliminary data**			**Year 2015**			***Delta %***	
Region	**Net Revenue**	**EBITDA**	***EBITDA %***	**Net Revenue**	**EBITDA**	***EBITDA %***	**Net Revenue**	**EBITDA**
Europe	1,073.4	108.7	*10.1*	1,093.5	111.2	*10.2*	-1.8%	-2.3%
North America	2,489.6	249.4	*10.0*	2,448.5	217.8	*8.9*	1.7%	14.5%
Latin America	1,388.1	52.2	*3.8*	1,338.4	85.5	*6.4*	3.7%	-39.0%
Africa	397.2	33.0	*8.3*	418.2	35.4	*8.5*	-5.0%	-6.9%
Oceania	1,058.4	61.9	*5.8*	1,000.0	64.7	*6.5*	5.8%	-4.4%
Other [1]	(17.9)	(15.0)	*n.s.*	(17.8)	(16.7)	*n.s.*	*n.s.*	*n.s.*
Group excl. hyperinflation	**6,388.8**	**490.1**	***7.7***	**6,280.8**	**498.0**	***7.9***	**1.7%**	**-1.6%**
Hyperinflation in Venezuela	103.7	(30.9)	*n.s.*	135.3	(53.5)	*n.s.*	*n.s.*	*n.s.*
Group	**6,492.5**	**459.2**	***7.1***	**6,416.1**	**444.5**	***6.9***	**1.2%**	**3.3%**

Region represent the consolidated countries
1. Includes other non-core companies, eliminations between regions and Group's Parent Company costs

Net revenue totaled **6,492.5 million euros**, up 1.2% compared with 6,416.1 million euros reported in 2015, while **EBITDA** grew to **459.2 million euros**, for an increase of 3.3% compared with 444.5 million euros in the previous year, despite the negative effect caused by the massive devaluation of the Venezuelan currency versus the euro.
The contribution provided by the Venezuelan subsidiary to net revenue and EBITDA were down by about 490 million euros and about 44 million euros, respectively, compared with the previous year.

At constant exchange rates and excluding the results both of the newly acquired activities in Brazil, Mexico and Australia **and the Venezuelan subsidiary**, the change in net revenue showed an increase of 2.5%, with a positive contribution by all areas where the Group operates except for Europe, while EBITDA grew by 7.1%, thanks mainly to gains reported in North America and Africa.

Full year 2016 preliminary results - computed at constant exchange rates, considering for the new and important acquisitions pro forma 2015 comparative data and excluding the Venezuelan subsidiary - confirm the expectations of the **guidance**, showing increases of about 5% for net revenue and more than 17% for EBITDA, compared with the previous year.

The **net financial position** amounted to 334.4 million euros, up 23.6 million compared with 310.8 million euros at December 31, 2015. The main reasons for this increase include: the cash generated by operating activities; the cash absorbed by extraordinary activities, mainly in connection with the acquisition of the yogurt and dairy dessert activities in Australia and the payment to *BRF S.A.* of the price adjustment on the net financial position and working capital of *Elebat Alimentos S.A.*; the cash absorbed by financing activities, mainly related to the investment of a portion of the Parent Company's liquid assets with a timeframe of more than 12 months; the payment of dividends and a positive currency translation effect.

The complete and final consolidated results and the draft financial statements at December 31, 2016 will be submitted to the Board of Directors for approval at a meeting scheduled for March 3, 2017, as shown in the corporate calendar.

There continue to be uncertainties in Latin America, particularly with regard to Brazil, due to a challenging macroeconomic context that could have an impact both on the growth estimates for that area in the coming years, with an attendant revision of the existing projections made for the development of the industrial plan, and on the valuation of the Company's assets.

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As required by Article 154 bis, Section 2, of the Uniform Financial Code (Legislative Decree No. 58/1998), Pierluigi Bonavita, in his capacity as Corporate Accounting Documents Officer, 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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