PRESS RELEASE

The Board of Directors Approves the Quarterly Report at 31 March 2006

- **Consolidated revenues increase to 953.2 million euros (+9.8%)**
- **Consolidated EBITDA up (18.4%)**
- **Consolidated net financial position in line with expectations**

Parmalat S.p.A. announces that its Board of Directors met today under the chairmanship of Raffaele Picella and approved the Quarterly Report at 31 March 2006, which shows an improvement in the Group's operating performance.

Group

Consolidated net revenues increased to 953.2 million euros in the first quarter of 2006, or 9.8% more than the 868 million euros booked in the same period last year (restated pro forma data).

EBITDA grew by 18.4% to 73.2 million euros, compared with 61.8 million euros in the first three months of 2005 (restated pro forma data). The ratio of EBITDA to net revenues also improved, rising from 7.1% in first quarter 2005 to 7.7% in 2006.

This positive performance reflects the Group's overall success in achieving the Plan's objectives — shifting the product mix towards greater value added items, cutting costs and increasing manufacturing and distribution efficiency — despite the particularly complex and competitive environment that prevailed in some markets and the weakening in consumer demand that occurred in others.

The table below shows a breakdown of the data by country:

(in millions of euros)	First quarter of 2005 Net revenues	EBITDA	as a % of net revenues	First quarter of 2006 Net revenues	EBITDA	as a % of net revenues
Italy	276.6	25.7	*9.3*	286.7	25.2	*8.8*
Canada	282.7	17.7	*6.3*	301.6	19.7	*6.5*
Australia	88.0	5.9	*6.7*	111.1	8.2	*7.4*
Africa (consolidated)	71.7	6.9	*9.6*	91.6	9.9	*10.8*
Spain	49.5	3.1	*6.2*	45.8	0.5	*1.0*
Portugal	19.4	1.3	*6.8*	16.6	1.3	*8.0*
Russia	9.1	0.9	*9.4*	12.8	1.6	*12.9*
Romania	2.1	0.4	*17.0*	2.5	0.8	*31.1*
Nicaragua	5.9	0.6	*9.3*	6.5	0.7	*10.0*
Cuba	0.1	0.0	*35.4*	2.2	0.9	*38.8*
Venezuela	35.5	3.3	*9.3*	43.5	6.9	*15.9*
Ecuador	0.0	(0.2)	*n.s.*	0.2	(0.1)	*n.s.*
Colombia	21.7	2.4	*10.9*	29.5	3.0	*10.3*
Others *	5.8	(6.1)	*n.s.*	2.7	(5.5)	*n.s.*
Group	**868.0**	**61.8**	***7.1***	**953.2**	**73.2**	***7.7***

In Italy, first quarter revenues were 3.7% higher than in the first three months of 2005. However, at 25.2 million euros, EBITDA was slightly lower than in the same period last year (25.7 million euros). The ratio of EBITDA to net revenues was 8.8% (0.5 percentage points less than a year earlier).

In an environment characterized by flat consumer demand, Parmalat's Italian operations saw solid growth in the area of health and wellness products, tougher conditions in the yogurt segment and costs of distribution that were not streamlined yet as the restructuring is currently under way.

In Canada, revenues totalled 301.6 million euros in the first quarter of 2006, with a gain of 6.7% over the same period a year earlier (282.7 million euros). EBITDA increased by 2.1 million euros, rising from 17.7 million euros in the first quarter of 2005 to 19.7 million euros for the three months to the end of March 2006. The ratio of EBITDA to net revenues was 6.5% (6.3% in the first quarter 2005).

These results were achieved even though there were fewer business days available for deliveries and billing this year (one week less) than in the first quarter of last year. This was more than offset by a favorable shift in pricing and product mix, a strong performance in the fermented products segment and the appreciation of the Canadian dollar versus the euro.

In Australia, revenues increased to 111.1 million euros in the first quarter of 2006, a gain of 26.3% compared with the same period last year (88.0 million euros). EBITDA, which was up by 2.3 million euros (from 5.9 million euros to 8.2 million euros), was equal to 7.4% of net revenues.

A sharp rise in unit sales is the main reason for these improved results.

In Africa, first quarter revenues were significantly ahead of last year, rising to 91.6 million euros, 27.8% up on the 71.7 million euros booked in the first three months of 2005. As a result, EBITDA improved to 9.9 million euros, equal to 10.8% of net revenues (+1.2 percentage points compared to the previous year).

An increase in unit sales, driven by the rapidly expanding South African economy, is the principal driver of these improved results.

The Group's operations in the other countries performed well compared with the previous year, particularly in South America (Colombia and Venezuela). The exception was in Spain where unresolved difficulties impacted the performance.

At 31 March 2006, the Group's net **financial position** showed indebtedness of 367.4 million euros, virtually unchanged from the end of 2005, when its indebtedness totaled 369.3 million euros. The Group's operations generated cash flow of 35.3 million euros in the first quarter of 2006, which was used in part to fund the increase in working capital requirements that resulted from the rise in business volumes. Extraordinary items included the payment of 62.4 million euros in preferential and prededuction claims and the collection of the first installment (45 million euros) of the purchase price of a building sold by Clesa S.A. in Madrid.

Parmalat S.p.A.

Net revenues totalled 249 million euros in the first quarter of 2006, for a gain of 3.5% over the 240.5 million euros reported in the same period last year (restated pro forma data).

EBITDA grew to 17.4 million euros, or 3.4 million euros more than the 14 million euros earned in the first three months of 2005 (restated pro forma data). The ratio of EBITDA to net revenues increased by 1.2 percentage points, rising from 5.8% in the first quarter of 2005 to 7.0% this year.

These improved results were made possible by a reduction in distribution costs, a higher preponderance of items with a high value added in the sales mix and a decrease in holding company costs.

At 31 March 2006, the Company's **financial position** shows net financial assets of 277 million euros, down from 324.5 million euros at 31 December 2005. The main reason for this decrease is the payment of 62.4 million euros in preferential and prededuction claims that were due on 31 March 2006.

Outlook for the Group's Operations

For the year as a whole, given the results achieved in the first quarter, the Company expects to report higher EBITDA and net profit than in 2005, while maintaining its net financial position at its current level.

The quarterly data will be filed today, after 4:00 PM, at the Company's registered office, located at 26 Via Oreste Grassi, in Collecchio (PR), and at the office of Borsa Italiana S.p.A., where they will be available upon request. They may also be consulted at the Company website: www.parmalat.com

This Quarterly Report is unaudited.

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Share Capital and Bylaws

The Board of Directors, not having achieved the quorum required to hold the Extraordinary Shareholders' Meeting that had been convened on 29 April 2006 on the third call to (i) amend the Bylaws to comply with the provisions of Law No. 262/05 on the matter of the Officer responsible for preparing accounting documents and (ii) approve a share capital increase of 15,000,000 euros reserved for the conversion of warrants, adopted the following resolutions:

- By virtue of the authority it holds pursuant to Article 17 of the Bylaws, it amended the Bylaws by adding Article 20 *bis* "Officer Responsible for Preparing Corporate Accounting Documents," which reads as follows: "The Board of Directors, which must request the prior opinion of the Board of Statutory Auditors, shall be responsible for appointing an executive with responsibility for preparing corporate accounting documents, as required by Article 154 *bis* of the Uniform Financial Code (Legislative Decree No. 58/98).
- The motion to increase the Company's share capital submitted to the abovementioned Shareholders' Meeting will be submitted to a future Shareholders' Meeting. Meanwhile, any obligation to issue shares further to requests to convert warrants will be met by drawing from surplus reserves currently available from other "permeable" capital-increase tranches approved in the past, which total amount is 2,010,087,908 euros in comparison to a subscribed and paid up capital of € 1.631,999,081.

Calendar of Board Meetings in 2006

The Board of Directors agreed to amend the calendar of Board meetings scheduled for 2006 in order to approve the First Half Year Report at an earlier date. The meeting in question will now be held on 13 September 2006, instead of 29 September 2006, as previously announced.

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On May 15, 2006 a conference call will be held, all details are available on Parmalat web site www.parmalat.com under the heading "parmalat presentation"

Parmalat S.p.A.

Collecchio, 12 May 2006

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