

Collecchio, 12 May 2006



I Quarter 2006

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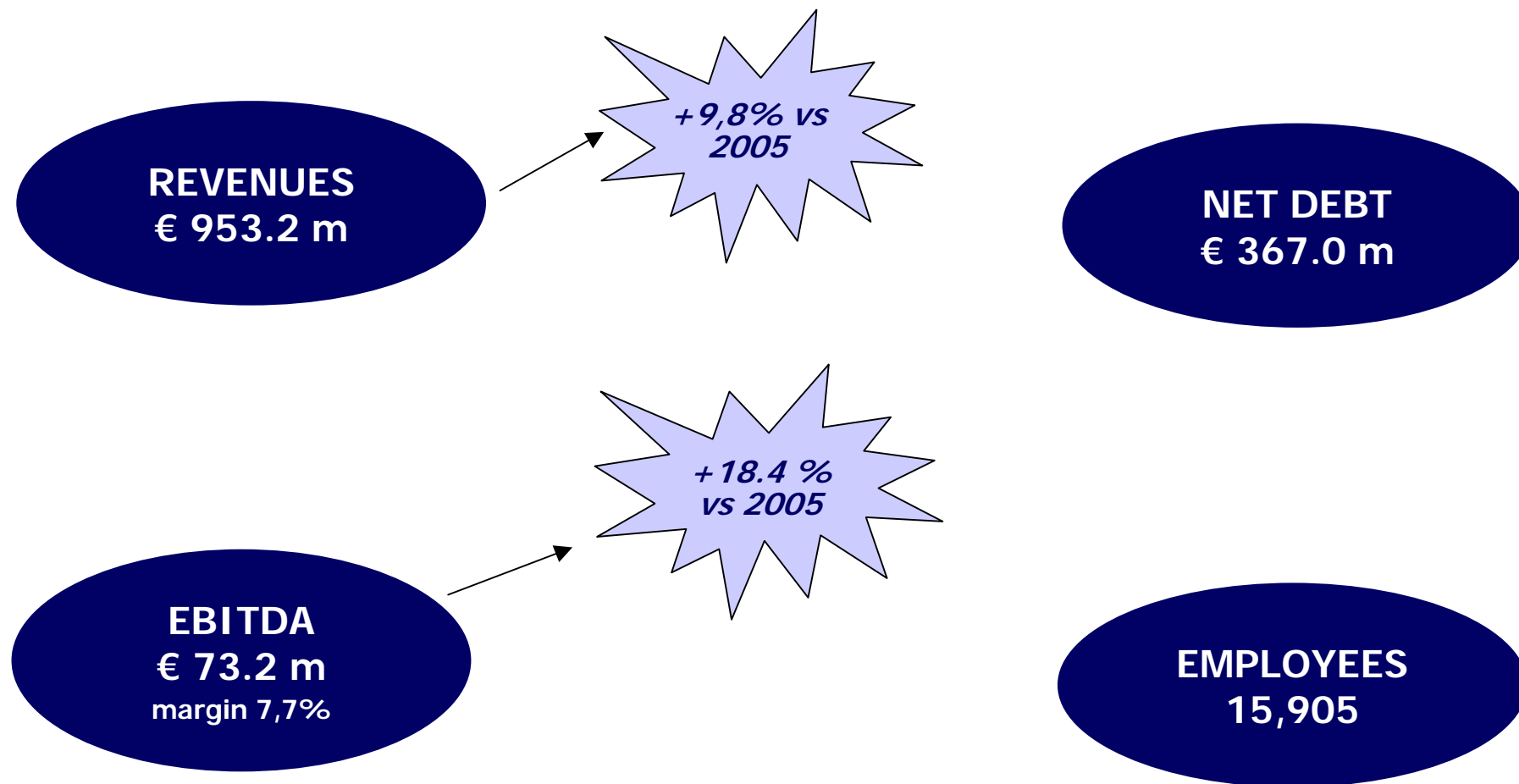


Key Events 1Q 2006

- ✓ 1Q 2006 results show significant improvement versus 1Q 2005 and are in line with 2006 Group targets
- ✓ After the cash payment to all privileged creditors and creditors in preduction, Net Financial Position at the end of 1Q 2006 is in line with end of 2005
- ✓ Launch/relaunch of new products (Fibresse, Vaalia...)
- ✓ Restructuring plan for Spain launched
- ✓ Start of implementation of action plan to optimise Group structure
- ✓ Constitutional Court declared the questions of constitutional legitimacy relating to the claw-back actions to be unfunded (5 April 2006)
- ✓ Extension to 2 June 2006 of bankruptcy protection under Section 304
- ✓ Appointment of new Group CFO Mr. Pier Luigi De Angelis



Key preliminary I quarter 2006 consolidated results



Parmalat Group: I quarter 2005/2006 results

OPERATIONS BREAKDOWN (does not include Holding Cost that are equal to € 5,0 mil)

Four Countries
Revenues 83% of the
Group
EBITDA 86% of the
Group

ITALY OPERATIONS (***)		
	€	%
Revenues IQ 2005	€ 276.6 m	100
Revenues IQ 2006	€ 286.7 m	100
EBITDA IQ 2005	€ 25.7 m	9.3
EBITDA IQ 2006	€ 25.2 m	8.8

CANADA		
	€	%
Revenues IQ 2005	€ 282.7 m	100
Revenues IQ 2006	€ 301.6 m	100
EBITDA IQ 2005	€ 17.7 m	6.3
EBITDA IQ 2006	€ 19.7 m	6.5

AUSTRALIA		
	€	%
Revenues IQ 2005	€ 88.0 m	100
Revenues IQ 2006	€ 111.1 m	100
EBITDA IQ 2005	€ 5.9 m	6.7
EBITDA IQ 2006	€ 8.2 m	7.4

AFRICA		
	€	%
Revenues IQ 2005	€ 71.7 m	100
Revenues IQ 2006	€ 91.6 m	100
EBITDA IQ 2005	€ 6.9 m	9.6
EBITDA IQ 2006	€ 9.9 m	10.8

(***) The data referring to Italian SBU which include:

*Parmalat SpA, Centrale Latte di Roma, Latte Sole, PaDiAl
which is a Parmalat company dedicated to distribution network*



Parmalat Group – I quarter 2005/2006 results

OPERATIONS BREAKDOWN (does not include Holding Cost that are equal to € 5,0 mil)



PORTUGAL		
		%
Revenues IQ 2005	€ 19.4 m	100
Revenues IQ 2006	€ 16.6 m	100
EBITDA IQ 2005	€ 1.3 m	6.8
EBITDA IQ 2006	€ 1.3 m	8.0

SPAIN		
		%
Revenues IQ 2005	€ 49.5 m	100
Revenues IQ 2006	€ 45.8 m	100
EBITDA IQ 2005	€ 3.1 m	6.2
EBITDA IQ 2006	€ 0.5 m	1.0

VENEZUELA		
		%
Revenues IQ 2005	€ 35.5 m	100
Revenues IQ 2006	€ 43.5 m	100
EBITDA IQ 2005	€ 3.3 m	9.3
EBITDA IQ 2006	€ 6.9 m	15.9

COLOMBIA		
		%
Revenues IQ 2005	€ 21.7 m	100
Revenues IQ 2006	€ 29.5 m	100
EBITDA IQ 2005	€ 2.4 m	10.9
EBITDA IQ 2006	€ 3.0 m	10.3

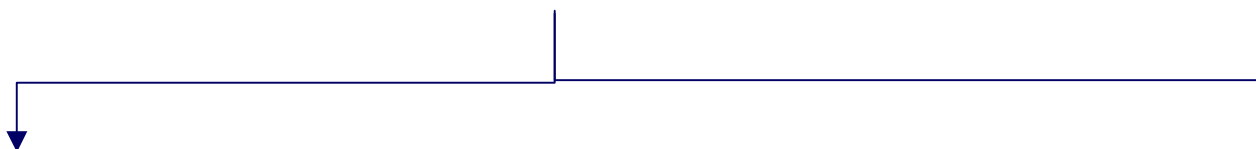
RUSSIA-NICARAGUA-ROMANIA-CUBA(*)		
		%
Revenues IQ 2005	€ 23.1 m	100
Revenues IQ 2006	€ 29.9 m	100
EBITDA IQ 2005	€ 1.7 m	7.3
EBITDA IQ 2006	€ 3.4 m	11.3

(*) Including other non-core companies



Parmalat SpA– I quarter 2005/2006 results

PARMALAT SPA			%
REVENUES	IQ 2005	€ 240.5 m	100
REVENUES	IQ 2006	€ 249.0 m	100
EBITDA	IQ 2005	€ 14.0 m	5.8
EBITDA	IQ 2006	€ 17.4 m	7.0



OPERATIONS			%
Revenues	IQ 2005	€ 240.5 m	100
Revenues	IQ 2006	€ 249.0 m	100
EBITDA	IQ 2005	€ 19.9 m	8.3
EBITDA	IQ 2006	€ 22.4 m	9.0

CORPORATE			%
Revenues	IQ 2005	€ 0.0 m	
Revenues	IQ 2006	€ 0.0 m	
EBITDA	IQ 2005	€ (5.9) m	
EBITDA	IQ 2006	€ (5.0) m	



Launch/Relaunch of New Products

Italy: Omega 3 milk, Zymil milk, Fibresse milk, Physical milk, Jeunesse cross-category

Canada: Omega 3 cross-category range extension completed

Australia: Smarter white milk, Vaalia range extension

South Africa: Zymil milk, First and Second Growth milk, Omega 3 milk, Rooibos tea

Colombia: Vaalia gut health yogurt

Romania: Santal kids

Portugal: Santal benefit oriented

Spain: Clesa Symbiotic yoghurt

Venezuela: Santal Energy



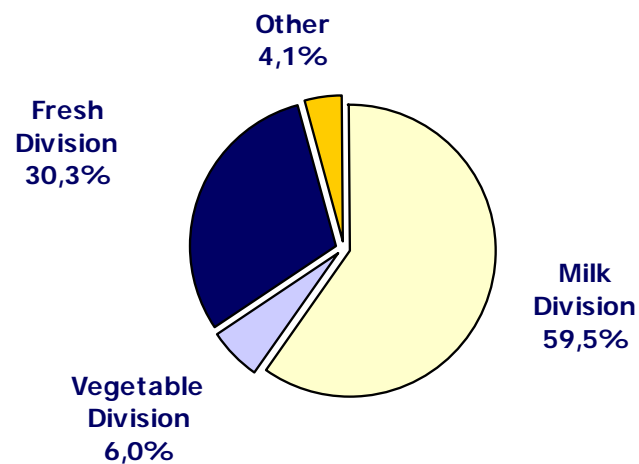
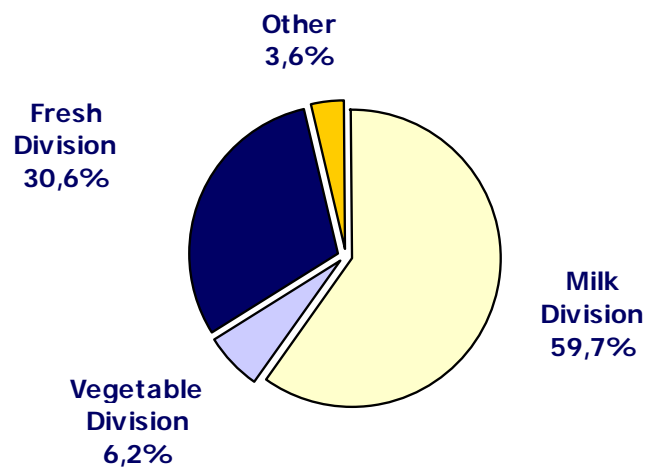
Margin improvement across product mix

2005

2006

(€ m)	Revenues	EBITDA	EBITDA %
Milk Division	517,9	39,4	7,6
Vegetable Division	53,5	5,7	10,7
Fresh Division	265,7	16,3	6,1
Other	30,9	0,3	0,9
Total	868,0	61,8	7,1

Revenues	EBITDA	EBITDA %
567,5	43,9	7,7
57,3	5,9	10,3
289,2	23,8	8,2
39,2	(0,5)	(1,2)
953,2	73,2	7,7



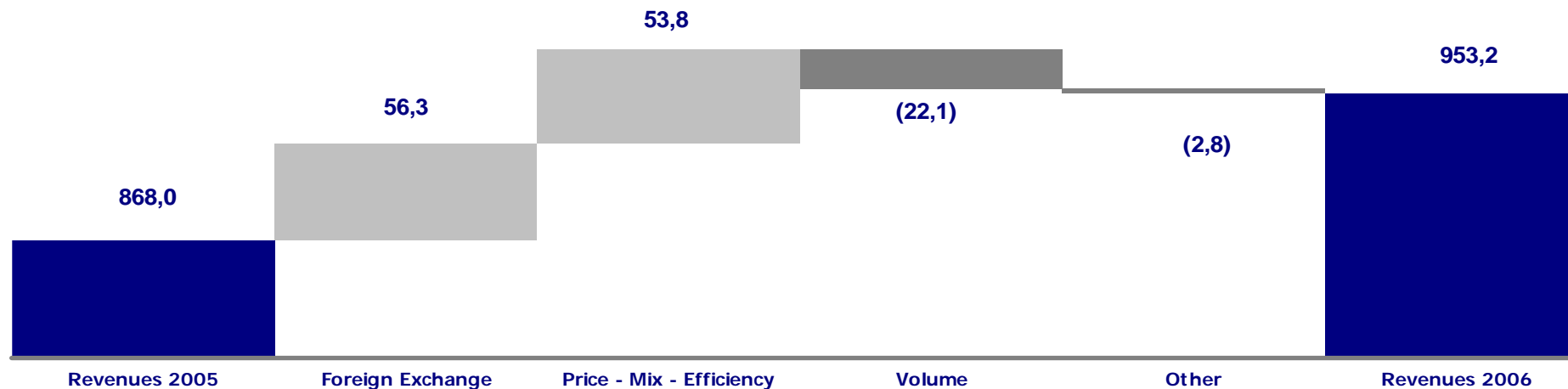
Note:

- Milk Division includes milk, cream and white sauces
- Vegetable Division includes mainly juices
- Fresh Division includes yoghurt, dessert and cheeses
- Other includes bakery, ice cream and other minor categories



1Q 2006 – 1Q 2005 like-for-like results

(€m)



(€ m)	Foreign Exchange ¹		Price-mix-efficiency		Volume		TOTAL	
	Revenues	EBITDA	Revenues	EBITDA	Revenues	EBITDA	Revenues	EBITDA
Europe incl. Italy	1,0	0,1	21,4	(0,8)	(14,6)	(1,2)	7,8	(1,9)
North America	41,0	2,7	6,9	1,2	(29,0)	(1,8)	18,9	2,1
Central and South America	4,3	0,6	5,5	3,1	8,5	1,4	18,3	5,1
Australia and Africa	10,0	0,7	20,0	3,6	13,0	1,1	43,0	5,4
SubTotal (continuing core)	56,3	4,1	53,8	7,1	(22,1)	(0,5)	88,0	10,7
Other 2							(2,8)	0,7
Total							85,2	11,4

1. Exchange rate applied 1 Q 2005

2. Ebitda includes corporate overheads costs equal to € 5.0 m



Parmalat Group and Parmalat SpA: Net financial position 31/12/2005- I Q 2006

PARMALAT GROUP NET FINANCIAL POSITION

	2005	I Q 2006
Total current financial assets	(505.2)	(426.2)
Loans payable to banks and other lenders	871.0	789.9
Loan payable to Group company	<u>3.5</u>	<u>3.3</u>
Net financial position	369.3	367.0

PARMALAT SPA NET FINANCIAL POSITION

	2005	I Q 2006
Cash and cash equivalents	(339.0)	(294.9)
Loans payable to banks and other lenders	17.7	17.2
Loans (receivable from)/payable to subsidiaries	<u>(3.2)</u>	<u>0.7</u>
Net financial position	(324.5)	(277.0)

All the privileged and pre-deduction creditors have been paid



Parmalat Group: Privileged Creditors Update

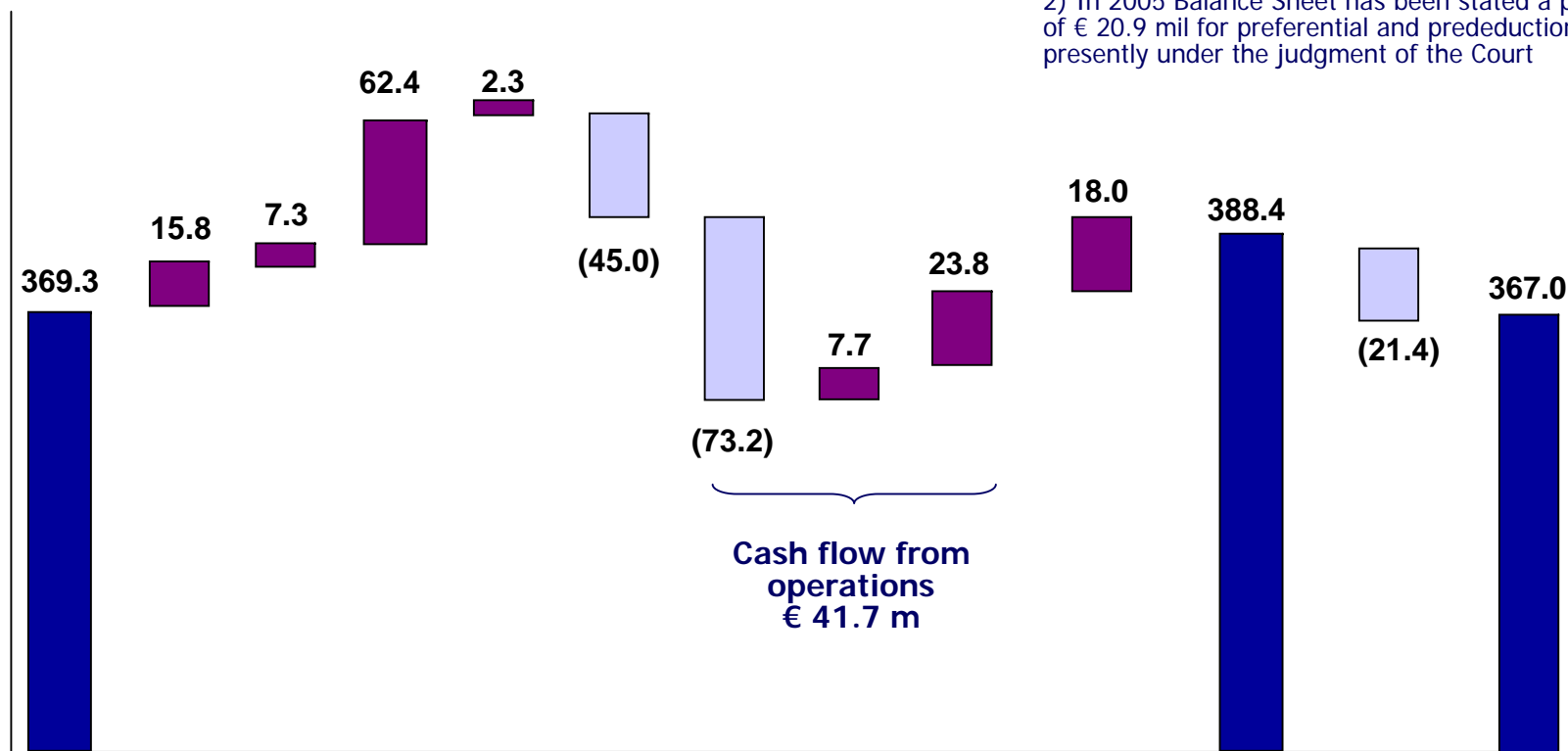
Total payables with preferential or prededuction status according to composition with creditors (october 1st, 2005)	205
Payments (october 1st, 2005 - march 31st, 2006)	-118,6
Switch to unsecured status	-67,1
Refinanced loans	-11,1
Other (offsetting, contingent assets)	-8,2



Parmalat Group: Net Debt Evolution

Amounts in € million

1) Excluding the payment of 2005 taxes
 2) In 2005 Balance Sheet has been stated a provision of € 20.9 mil for preferential and pre-deduction claims presently under the judgment of the Court



Cash flow from operations
 € 41.7 m



Net Debt 31/12/05

Cash out for E.A. expenses already set up as accruals in 2005 B.S.

Legal fees (not related to the extraordinary administration)

Privileged and pre-deduction creditors

Restructuring costs - Spain

Disposal of Spain (excluding deferred cash in 2006/2009)

EBITDA

Capex

Change in Operating NWC and other assets

Net Financial Expenses

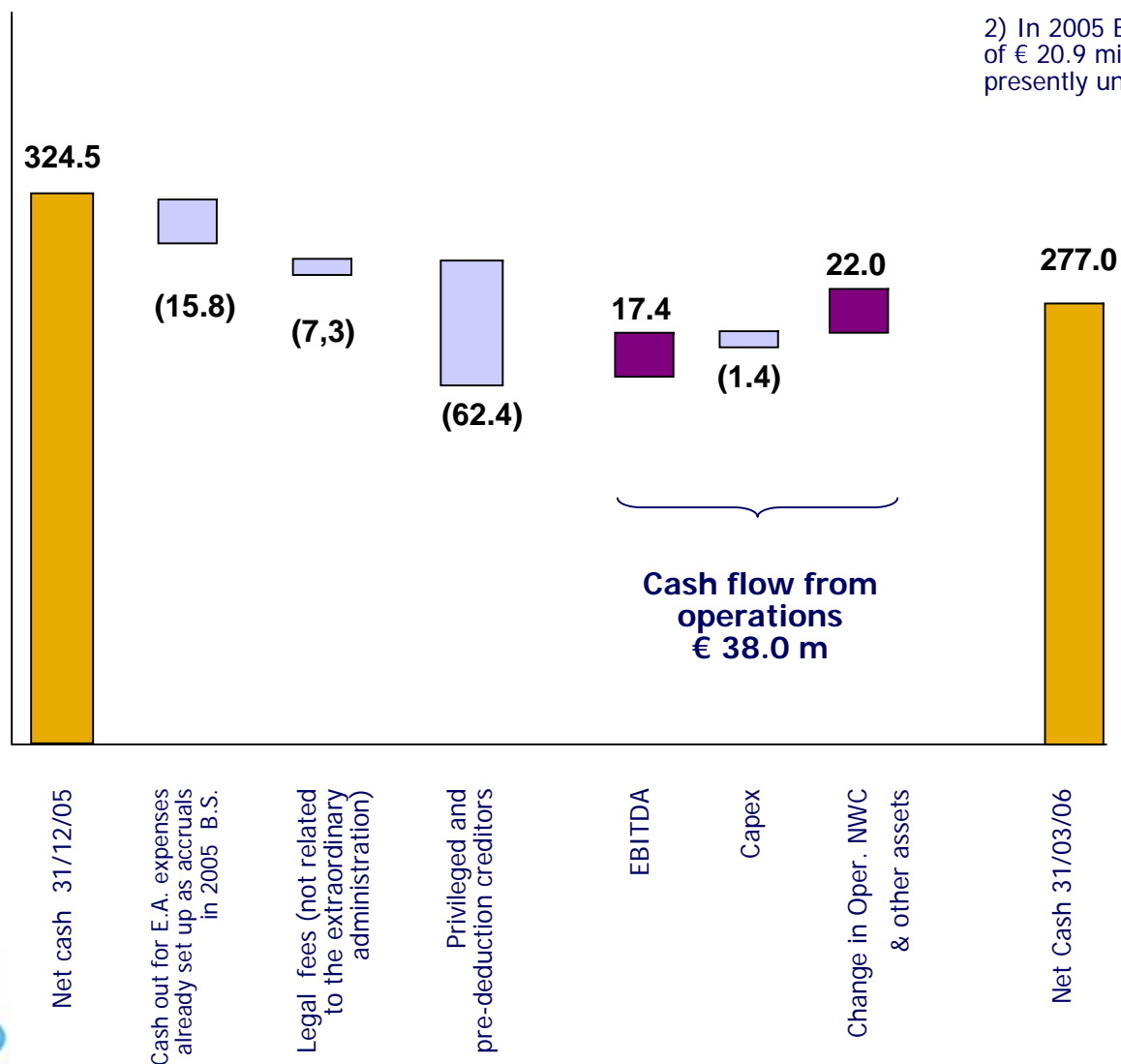
Net Debt 31/03/06 before Forex impact

Forex impact

Net Debt 31/03/06

Parmalat SpA: Net Cash Evolution

Amounts in € million



1) "Other assets" also includes: bearing interests, exercise of warrants, Netherland tax ruling

2) In 2005 Balance Sheet has been stated a provision of € 20.9 mil for preferential and pre-deduction claims presently under the judgment of the Court



Legal actions

- ⚡ **Clawback actions**: on April 5, 2006 the Italian Constitutional court has decided that article 6 of the Marzano law (which grants the Extraordinary Commissioner the power to promote revocatory claims) did not violate articles 3 and 41 of the Constitution. The cases pending in Parma will accordingly proceed with discovery and depositions in Parma court
- ⚡ **Section 304 protection in USA**: the preliminary injunction granted under section 304 of the U.S. Bankruptcy Code by a New York district court to protect Parmalat from creditors is still in force, until June 2, 2006, at which date further extension will be sought in view of obtaining a permanent injunction
- ⚡ **Eurofood**: a jurisdictional conflict between Italian and Irish bankruptcy courts was reviewed by the European Court of Justice (ECJ) which has ruled to refer the case back to the Irish Supreme Court. In light of the ECJ ruling, Parmalat can seek a declaration in the Parma court to the effect that it need not recognize the appointment of the Irish liquidator as (i) it is contrary to Italian public policy, and (ii) the Irish provisional liquidation only constituted territorial proceedings and the Italian courts were entitled to commence main proceedings (on February 20, 2004).



Share Capital

- ⚡ The motion to increase the Company's share capital submitted to the above mentioned 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 € 1,631,999,018 .



Calendar of Next Corporate Events

Board of Directors

Date	Item
12 May 2006	Approval of the First Quarter Report for 2006
28 July 2006	Presentation of preliminary figures 2006 First Half Report
13 September 2006	Approval of the 2006 First Half Report
10 November 2006	Approval of the Third Quarter Report for 2006

The Company intends to avail itself of the exemption from the obligation to publish the Second Quarter Report for 2006 since the Approval of the 2006 First Half Report is expected to occur within 75 days from the end of June.

Investor Relation contact:
Cristina Girelli
Tel +39 0521 80 85 50



