PRESS RELEASE

The Board of Directors Reviews the Preliminary Data at December 31, 2018

Milan, January 31, 2019 – The Board of Directors of Parmalat S.p.A., meeting today under the chairmanship of Gabriella Chersicla, reviewed the preliminary data at December 31, 2018.

The year 2018 was characterized by some external challenging situations deriving from high price volatility in the raw milk market, difficulties in managing listed sales prices and an unfavorable trend in the market for powdered products.
In addition, some of the countries where the Group operates were adversely affected by logistic cost dynamics and challenges in the industrial area.

Against this backdrop, the Group is implementing organizational changes and defining action plans for the procurement of raw milk and regarding the industrial, commercial and logistic areas, aimed at overcoming those challenges.

The table below provides an overview of the Group's preliminary results for 2018, compared with the previous year, at current exchange rates and scope of consolidation, broken down by geographic region:

DATA BY GEOGRAPHIC REGION								
amounts in millions of euros (except for percentages)	2018 preliminary data			2017			*Delta %*	
Geographic regions	Net revenue	EBITDA	*EBITDA %*	Net revenue	EBITDA	*EBITDA %*	*Net revenue*	*EBITDA*
Europe	1,154.5	113.2	*9.8*	1,145.3	105.7	*9.2*	*+0.8%*	*+7.2%*
North America	2,436.8	216.9	*8.9*	2,594.7	227.4	*8.8*	*-6.1%*	*-4.6%*
Africa	426.9	29.7	*6.9*	438.5	33.9	*7.7*	*-2.7%*	*-12.6%*
Oceania	1,031.3	37.4	*3.6*	1,096.0	62.0	*5.7*	*-5.9%*	*-39.8%*
Latin America	1,136.7	27.8	*2.4*	1,346.5	42.5	*3.2*	*-15.6%*	*-34.6%*
Corporate activities and other items [1]	(19.3)	(8.9)	*n.m.*	(17.3)	(4.4)	*n.m.*	*-11.5%*	*-103.3%*
Group exclud. hyperinflation	**6,166.8**	**416.0**	***6.7***	**6,603.7**	**467.1**	***7.1***	***-6.6%***	***-10.9%***
Hyperinflation in Venezuela	62.8	(12.5)	*n.m.*	91.9	(13.5)	*n.m.*	*-31.7%*	*+7.4%*
Hyperinflation in Argentina	2.9	(2.2)	*n.m.*				*n.m.*	*n.m.*
Parmalat Group	**6,232.5**	**401.3**	***6.4***	**6,695.5**	**453.6**	***6.8***	***-6.9%***	***-11.5%***

The geographic regions represent the consolidated data for the corresponding countries.

1. Includes smaller companies, inter-region eliminations and Parent Company costs.

Net revenue totaled **6,232.5 million euros,** or 6.9% less than the 6,695.5 million euros reported in 2017, while **EBITDA** amounted to **401.3 million euros,** down 11.5% compared with 453.6 million euros the previous year.

When stated with data at constant exchange rates and scope of consolidation and excluding Venezuela, net revenue is in line with the previous year (-0.1%) with a positive contribution by all regions, except for North America, but EBITDA show a reduction of 3.1% due to a negative performance in the Oceania, Africa and North America regions (Canada in particular), confirming the significant challenges that the Group is facing in some of the main markets in which it operates.

Preliminary data for 2018, computed at constant exchange rates and scope of consolidation and excluding Venezuela, confirm the guidance.

Net financial assets grew to 468.9 million euros, for an increase of 213.6 million euros compared with 255.3 million euros at December 31, 2017. This improvement reflects the cash flow generated by operating activities, offset in part by dividend distributions and a negative foreign exchange effect.

The actual and final consolidated results and the draft financial statements at December 31, 2018 will be submitted to the Board of Directors for approval at a meeting scheduled for March 7, 2019, as announced in the calendar of corporate events.

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As required by Article 154 bis, Section 2, of the TUF, 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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