**PRESS RELEASE**

## THE BOARD OF DIRECTORS APPROVES THE PRELIMINARY DATA AS AT DECEMBER 31, 2008

**Parmalat reports EBITDA of 330.5 million euros before the impact of currency translations and 316.3 million euros net of currency differences, in line with the guidance provided on November 14, 2008. Group net financial assets totaled 1,110.1 million euros. Net financial assets of Parmalat SpA increased to 1,441.1 million euros. Parmalat SpA expects full-year net profit of between 610 and 615 million euros.**

**Consolidated Financial Highlights of the Group and Parmalat SpA**

| | *Amounts in millions of euros* | 12/31/08 | 12/31/07 | % change |
|---|---|---|---|---|
| **GROUP** | | | | |
| • NET REVENUES AT CONSTANT EXCHANGE RATES GREW TO 4,128.7 MILLION EUROS (+6.9%) | **Net revenues at constant exchange rates** | **4,128.7** | **3,863.7** | **6.9%** |
| • NET REVENUES ROSE TO 3,909.5 MILLION EUROS (+1.2%) | **Net revenues** | **3,909.5** | **3,863.7** | **1.2%** |
| • STEADY PROGRESS IN IMPROVING THE PROFITABILITY OF PARMALAT AUSTRALIA, POSITIVE ECONOMIC PERFORMANCE IN RUSSIA AND CANADA IN LOCAL CURRENCIES | **EBITDA at constant exchange rates** | **330.5** | **366.6** | **-9.8%** |
| | **EBITDA** | **316.3** | **366.6** | **-13.7%** |
| • FRUIT JUICES GAINED MARKET SHARE IN ITALY | | | | |
| • NET FINANCIAL ASSETS INCREASED TO 1,110.1 MILLION EUROS | **Net financial assets** | **1,110.1** | **855.8** | |
| **PARMALAT SPA** | | | | |
| • PARENT COMPANY'S NET PROFIT EXPECTED TO BE 610 TO 615 MILLION EUROS | **Net profit** | **610 – 615*** | **554.7** | |

* The result includes the net effect of the non recurrent items

Parmalat SpA announces that its Board of Directors, meeting today under the chairmanship of Raffaele Picella, approved the preliminary data as at December 31, 2008.

**The Group**

Restated to eliminate the impact of the appreciation of the euro versus the currencies of the main reference countries, net revenues totaled 4,128.7 million euros, 265.0 million euros more (+6.9%) than the 3,863.7 million euros reported the previous year. After currency translation differences, net revenues showed a gain of 1.2%. The higher list prices charged to offset a sharp rise in the cost of raw milk accounted for most of the increase in net revenues.
In mature markets, unit sales levels were adversely affected by the growth of private labels and heightened competitive pressure, while in the emerging markets the economic crisis constrained consumer demand.
An improvement in the product mix, due mainly to the healthy performance of easily digestible milk, flavored milk and fruit-based beverages, helped boost net revenues.
Lastly, the sale of Newlat had the effect of reducing by 72.6 million euros revenues.

EBITDA were adversely affected by developments that caused significant external turbulence. Restated to eliminate the impact of the appreciation of the euro versus the currencies of the main reference countries, EBITDA decreased to 330.5 million euros, or 36.1 million euros less (-9.8%) than the 366.6 million euros earned in 2007.

Net of currency translation differences, EBITDA amount to 316.3 million euros, a decrease of 50.3 million euros (-13.7%), compared with the 366.6 million euros reported the previous year.
The Group responded to the challenges it faced by using a successful pricing policy to offset the impact of higher raw material prices and a decrease in unit sales. The improvement in the mix contributed to the containment of the negative effect of the decrease in volumes.

In addition, in the second half of 2008, Group EBITDA benefited from a sharp turnaround in the EBITDA of the Australian operations (24 million euros), which were in line with the amount reported in the same period in 2007 and substantially higher than in the first six months of 2008 (3.6 million euros), as well as from a positive performance in Canada, where EBITDA were unchanged year-on-year when stated in Canadian dollars, but negatively impacted (by 8 million euros) by the euro's increase in value versus the local currency.

EBITDA were also affected by the following factors:

- Negative results in South Africa caused by strong inflationary pressure on production costs that could not be fully transferred to sales prices. The effect of inflation was also reflected in increases in overhead costs, especially in South Africa and Central and South America.
- Additions to the allowance for doubtful accounts and other provisions (for about 10.7 million euros), showed a decrease of 2.1 million euros in respect to the amount of 12.8 million euros of last year.

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

| Regions | | | | | | |
|---|---|---|---|---|---|---|
| 2007 | | | | 2008 | | |
| Net revenues | EBITDA | *EBITDA %* | (in millions of euros) | Net revenues | EBITDA | *EBITDA %* |
| 1,146.7 | 117.2 | *10.2* | **Italy** | 1,129.6 | 111.7 | *9.9* |
| 152.2 | 20.0 | *13.1* | **Other Europe** | 164.9 | 24.4 | *14.8* |
| 1,400.6 | 137.0 | *9.8* | **Canada** | 1,382.4 | 127.8 | *9.2* |
| 354.1 | 40.4 | *11.4* | **Africa** | 337.1 | 10.4 | *3.1* |
| 446.7 | 37.7 | *8.4* | **Australia** | 445.5 | 27.6 | *6.2* |
| 446.7 | 37.7 | *8.4* | **Central & South America** | 452.1 | 42.6 | *9.4* |
| (2.8) | (19.8) | *n.m.* | **Other*** | (2.1) | (28.2) | *n.m.* |
| **3,863.7** | **366.6** | ***9.5*** | **Group** | **3,909.5** | **316.3** | ***8.1*** |

*Geographic regions represent the consolidated data for the corresponding countries.*
*(*) The negative change of 8.4 million euros in EBITDA reflects a rise in Holding Company expenses that is the result of higher labor costs, lower royalty income and an increase in consulting expenses.*

A review of the Group's performance in the main countries in which it operates is provided below:

In **Italy,** net revenues restated without Newlat, which was sold in the first half of 2008, amounted to 1,086 million euros, 3% more than the 1,054.2 million euros reported the previous year. When Newlat is included, net revenues totaled 1,129.6 million euros, but showed a decrease of 1.5% compared with the figure for 2007 (1,146.7 million euros). EBITDA decreased to 111.7 million euros, 5.5 million euros less than the previous year. A significant difference between 2008 and 2007 was a year-on-year increase of about 7% in the price of raw milk, with most of this occurring in the first half of the year.
In 2008, the fresh milk market was characterized by strong pressure from private labels, offered mostly by supermarket chains, which used price as a key factor to influence consumers' buying decisions. In this environment, Parmalat was able to contain the reduction in unit sales that affected all premium brand products thanks to the success of its Blu Premium milk (+40% in unit sales).
The Group retained its leading position in the market for UHT milk, with a market share by value of about 34%. Easily digestible milk performed particularly well, increasing unit sales by about 10%.
Sales of yogurt products showed a positive trend (+6% in unit sales), owing in part to the launch of functional products that helped boost the Company's market share by value to about 7%.
In the market for fruit-based beverages, consumer demand was down due to unfavorable seasonal factors. However, Santàl retained its leadership position and increased its market share.

In **Canada,** when the data are stated in the local currency, net revenues showed an increase of 4.9%, rising from 2,055.9 million Canadian dollars in 2007 to 2,155.7 million Canadian dollars in 2008, and 2008 EBITDA was 199.4 million Canadian dollars, about the same as the previous year (201.1 million Canadian dollars).
Stated in euros, revenues decreased from 1,400.6 million to 1,382.4 million (-1.3%) and EBITDA was 127.8 million euros, or 9.2 million less than the previous year.
The return on sales was 9.2%, down slightly from 9.8% in 2007.

Despite an environment in which consumers appear to be less inclined to purchase premium price products, choosing instead less expensive items, the Canadian SBU reported results substantially in line with the previous year.
In the milk market, the Group improved its position in the premium segment, particularly with microfiltered and easily digestible milks (+7% in unit sales compared with 2007).
The launch in Québec of yogurt products with high value added enabled the SBU to achieve market shares of about 3% for spoonable yogurt and about 6% for drinkable yogurt.
In the cheese market, unit sales by the Canadian subsidiary were adversely affected by strong competitive pressure.

In **Australia,** when the data are stated in Australian dollars, 2008 net revenues totaled 775.9 million, 6.2% more than the 730.3 million booked the previous year; EBITDA decreased from 61.6 million in 2007 to 48.1 million in 2008.
Stated in euros, revenues were 445.5 million, about the same as in 2007, and EBITDA was 27.6 million, 10.1 million less than in the previous year.
The performance of the Australian SBU was heavily impacted by the cost of raw milk caused by mandatory purchase price adjustments in the Australian market, especially in the first half of the year, and by strong competition from private labels.
In the milk market, the subsidiary reported an 8.5% decrease in unit sales compared with 2007, when the data included volumes produced for trade labels.
The Australian SBU responded to these negative market conditions by developing flavored and easily digestible milks and launching a series of initiatives to improve overhead efficiency. These projects produced a significant turnaround in the second half of 2008, boosting EBITDA to 24 million euros, roughly in line with the same period last year and substantially higher than the 3.6 million euros earned in the first six months of 2008.

In **Africa,** when the data are stated in rand (the reporting currency of the region's main country), net revenues showed an increase of 18.9%, improving from 3,420.4 million in 2007 to 4,065.4 million in 2008, but EBITDA decreased from 390.2 million to 125.7 million.
Stated in euros, net revenues were 337.1 million, 4.8% less than the 354.1 million reported at the end of 2007, and EBITDA was 10.4 million, down from 40.4 million the previous year.
The severe crisis in the local economy that began early in 2008 forced consumers to drastically cut spending, while a surge in inflationary pressure resulted in increases in production costs that could not be fully offset by rising sales prices.
In the SBU's target markets, these developments produced a shift in the buying patterns of consumers, who tended to favor lower priced products, with a resulting increase in competitive pressure.
The impact of these negative conditions was especially pronounced on the results of the main African subsidiary (Parmalat South Africa), which reported lower unit sales, while revenues, when stated in rand, showed an increase due mainly to the effect of significant inflation.
The local subsidiary implemented initiatives to reverse the trend of declining unit sales, launching targeted promotional programs in the second half of the year that enabled it to improve its position in the UHT milk market to a 27.3% market share by value. These programs and additional projects currently underway should produce a substantially improved performance in 2009.
The other countries in this region, Zambia and Mozambique in particular, reported higher unit sales and revenues.

In the rest of **Europe, excluding Italy,** revenues grew to 164.9 million euros, an increase of 8.3% compared with the 152.2 million euros reported in 2007. EBITDA totaled 24.4 million euros, 4.4 million euros more than at December 31, 2007.

An analysis of the Group's performance in the individual countries shows a positive trend in Russia, with higher unit sales of UHT milk and fruit juices. The Portuguese SBU increased sales of products with a high value added, such as flavored milk, béchamel and cream. In Romania, unit sales of fruit juices are steady.

In **Central and South America,** revenues improved to 452.1 million euros, up 23.5% compared with the 366.1 million euros booked the previous year. EBITDA totaled 42.6 million euros, 8.5 million euros more than the previous year.
Even though it operates in a challenging environment, the Venezuelan subsidiary continued to pursue growth through the development of new products. EBITDA improved significantly, despite sharply higher raw material costs and an increase in overhead costs caused mainly by inflation. In the market for fruit-based beverages, which has been enjoying attractive growth rates and profit margins, the local SBU strengthened its leadership position with a market share of about 23%.
In Colombia, notwithstanding a decrease in volumes, net revenues are in line with the previous year, due to adjustments made to sales prices. The SBU's profitability, while lower than the previous year due to the higher costs incurred to purchase raw materials, was still satisfactory.

The Group's **net financial assets** increased by 254.3 million euros, rising from 855.8 million euros at the end of 2007 to 1,110.1 million euros at December 31, 2008.
The main reasons for this positive change are: the cash flow from operations, net of changes in operating working capital, capital expenditures and taxes administration; cash flows from litigation; payments for the 2007 dividend and the 2008 interim dividend; and, lastly, the translation effect of the net indebtedness of Group companies that operate in countries outside the euro zone.

**PARMALAT S.p.A.**

**Net revenues** totaled 896.3 million euros, a gain of 26.9 million euros (+3.1%) compared with the 869.4 million euros reported at the end of 2007.

**EBITDA** was 59.7 million euros, 18.7 million euros less than the 78.4 million euros earned the previous year. This negative performance is mainly the result of the higher prices paid for raw milk (which could be transferred only in part to list prices), higher selling expenses and an increase in labor costs.

**Net result** includes the net effect of non recurrent items for 510 million euros (settlements less legal fees and impairment).

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**Conference Call with Investors**

The preliminary data at December 31, 2008 will be presented to the financial community in a conference call that will be held today at 4:00 PM (Central European Time) – 3:00 PM (UK time). The presentation may be followed live in audioconferencing mode by calling the following telephone numbers:

- 8009 865 67 (Italy – Free Call)
- 0800 694 1562 (UK – Free Call)
- 1866 245 0744 (USA – Free Call)
- +44 (0) 1452 583 043 (International)

Event password:
For English: 82585734
For Italian: 82254785

Additional information about the abovementioned presentation is available on the Parmalat website: "www.parmalat.com - *Investor Relations*".

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*As required by Article 154* bis*, Section 2, of the Uniform Financial Code (Legislative Decree No. 58/1998), Luigi De Angelis, 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 other documents and accounting records.*

Parmalat S.p.A.

Collecchio, January 30, 2009

Corporate contact: e-mail:affari.societari@parmalat.net

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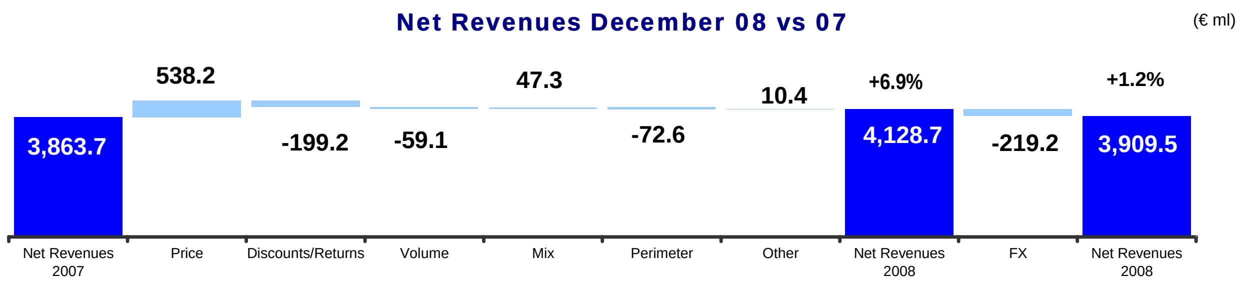


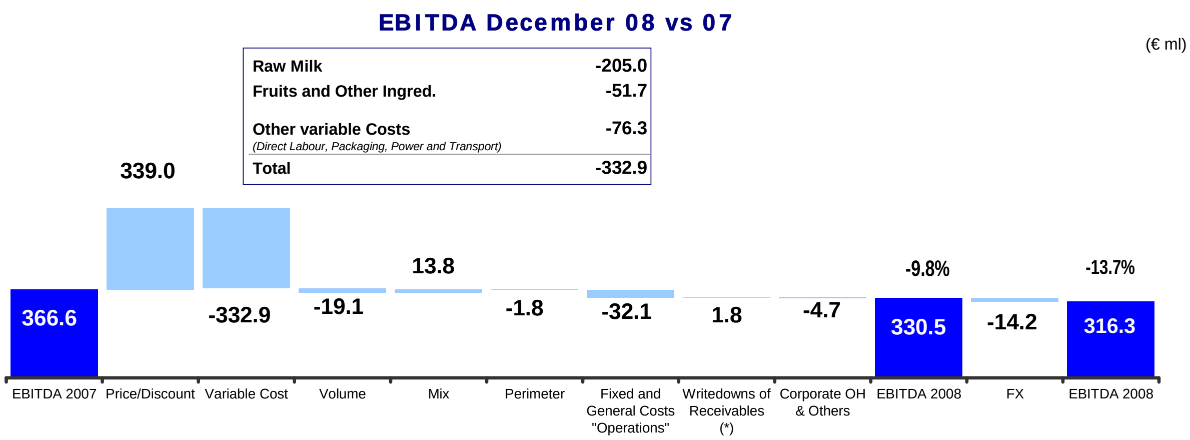


*(*) The amount includes writedowns of receivables decreasing from 12,8 € ml to 10,7 € ml (11,0 € ml excluding the exchange rate impact). The 2007 amount included writedowns of some previous losses for about 2,3 € ml*