Interim Report on Operations

at March 31, 2009

Mission

The Parmalat Group is an Italian food-industry group with a multinational strategy that seeks to increase the well-being of consumers throughout the world. The ultimate purpose of the Group is to create value for its shareholders while adhering to ethical principles of business conduct, to perform a useful social function by fostering the professional development of its employees and associates, and to serve the communities in which it operates by contributing to their economic and social progress.

We intend to establish Parmalat as one of the top players in the global market for functional foods with high value added, which deliver improved nutrition and wellness to consumers, and attain clear leadership in selected product categories and countries with high growth potential for the Group.

Milk and dairy products and fruit beverages, foods that play an essential role in everyone's daily diet, are key categories for the Group.

parmalat

Countries Where the Group Operates

Directly

Europe

Italy, Portugal, Romania and Russia

Rest of the World

Australia, Botswana, Canada,
Colombia, Cuba, Ecuador, Mozambique, Nicaragua, Paraguay,
South Africa, Swaziland, Venezuela, Zambia

Through Licensees

Brazil, Chile, China, Dominican Republic, Hungary,
Mexico, Spain, United States of America, Uruguay

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Board of Directors, Board of Statutory Auditors and Independent Auditors

Board of Directors

Chairman	Raffaele Picella
Chief Executive Officer	Enrico Bondi
Directors	Piergiorgio Alberti (i) Massimo Confortini (i) (3) Marco De Benedetti (i) (2) Andrea Guerra (i) (2) Vittorio Mincato (i) (3) Erder Mingoli (i) Marzio Saà (i) (1) Carlo Secchi (i) (1) (2) Ferdinando Superti Furga (i) (1) (3)

(i) Independent Director
(1) Member of the Internal Control and Corporate Governance Committee
(2) Member of the Nominating and Compensation Committee
(3) Member of the Litigation Committee

Board of Statutory Auditors

Chairman	Alessandro Dolcetti
Statutory Auditors	Enzio Bermani Mario Magenes

Financial Highlights

Income Statement Highlights

(in millions of euros)		
GROUP	**First quarter of 2009**	**First quarter of 2008**
- Net revenues	899.4	926.9
- EBITDA	72.4	63.9
- EBIT	192.4	106.8
- Net profit	177.3	90.8
- EBIT/Revenues (%)	21.3	11.5
- Net profit/Revenues (%)	19.6	9.7
- Interest expense coverage (%)	n.m.	n.m.
COMPANY		
- Net revenues	207.0	227.0
- EBITDA	18.3	7.8
- EBIT	153.8	69.5
- Net profit	177.8	106.4
- EBIT/Revenues (%)	72.4	29.9
- Net profit/Revenues (%)	83.7	45.8
- Interest expense coverage (%)	n.m.	n.m.

Balance Sheet Highlights

(in millions of euros)		
GROUP	**3/31/09**	**12/31/08**
- Net financial assets (Net borrowings)	1,244.2	1,108.8
- ROI (%)[1]	43.9	41.6
- ROE (%)[1]	24.2	24.5
- Equity/Assets	0.7	0.7
- Net financial position/Equity	(0.4)	(0.4)
COMPANY		
- Net financial assets (Net borrowings)	1,592.0	1,441.2
- ROI (%)[1]	97.0	86.8
- ROE (%)[1]	25.5	23.8
- Equity/Assets	0.8	0.8
- Net financial position/Equity	(0.6)	(0.5)

[1] These indices were computed based on annualized data for the income statement and average period data for the balance sheet. The ROI was computed taking into account the impact of nonrecurring events.

Operating Performance

Note: The data are stated in millions of euros. As a result, the figures could reflect apparent differences caused exclusively by the rounding of figures.

Group

(in millions of euros)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**899.4**	**926.9**	**(27.5)**	*-3.0%*
EBITDA	**72.4**	**63.9**	**8.5**	
EBITDA %	*8.1*	*6.9*	*1.2 ppt*	

Net revenues totaled 942.1 million euros, excluding the impact of the appreciation of the euro versus the currencies of the main countries outside the euro zone where the Group operates (42.7 million euros).

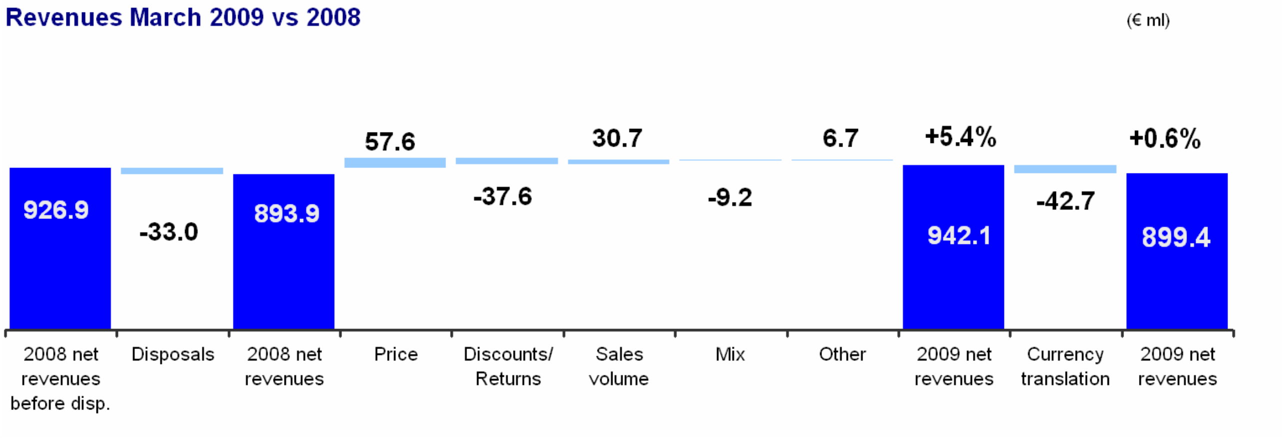
The net revenue for the first quarter of 2009 show an increase of 48.2 million euros (+5.4%) compared with the same period last year, when the net revenue amount was 893.9 million euros, restated without the 33.0 million euros generated by Newlat, which was sold in the first half of 2008. If the data are restated at comparable exchange rates, net revenues show an increase of 0.6%. This positive performance is due mainly to an increases in list prices, implemented to offset a rise in raw materials and other production costs, and a positive volume/mix effect.

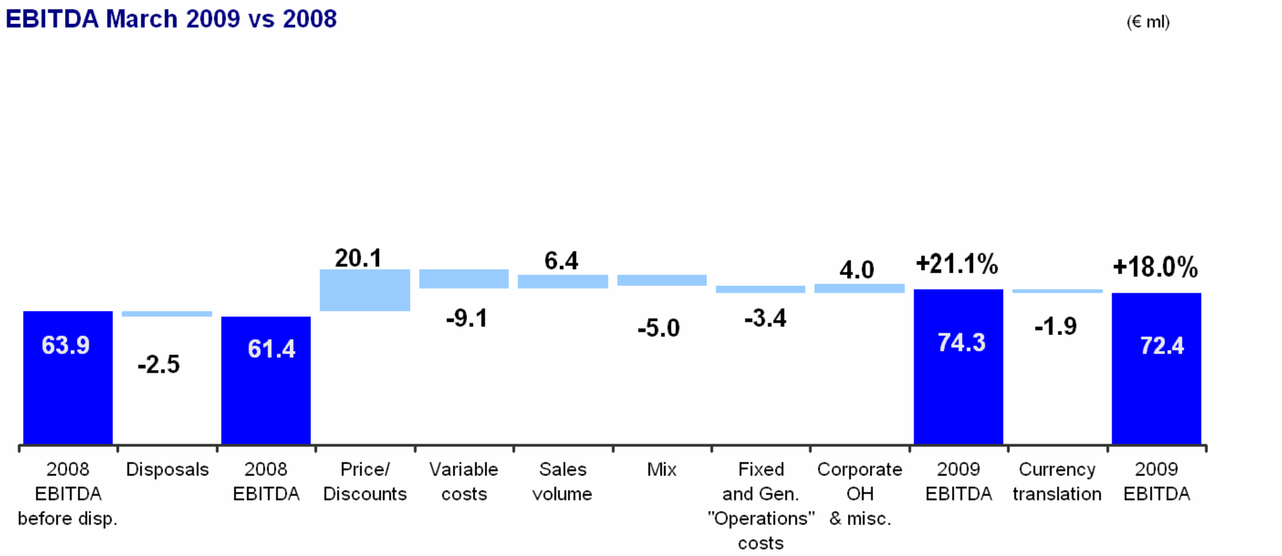
EBITDA amounted to 74.3 million euros, excluding the impact of the appreciation of the euro versus the currencies of the main countries outside the euro zone where the Group operates (1.9 million euros).

EBITDA for the first three months of 2009 show an increase of 12.9 million euros (+21.1%) compared with the same period last year, when the EBITDA amount was 61.4 million euros, restated without the 2.5 million euros contributed by Newlat, which was sold in the first half of 2008.
If the data are restated at comparable exchange rates, EBITDA show an increase of 18.0%.

In the different markets where the Group operates, raw material prices and other key production costs followed diverging trends during the first quarter of 2009, compared with the same period last year, with significant reductions in Italy and increases in Canada, Venezuela and South Africa. The Group successfully addressed the challenge of a market environment characterized by aggressive competition from private labels by using a successful pricing policy, while stepping up its promotional activities, which had a positive impact on basic products, responding effectively to the change that occurred in consumer buying habits. The gain in profitability was also achieved by carefully controlling overhead.

Like-for-like Net Revenues and EBITDA





% changes represent differences compared with the same period last year at constant scope of consolidation (after Newlat's divestment).

Data by Geographic Region

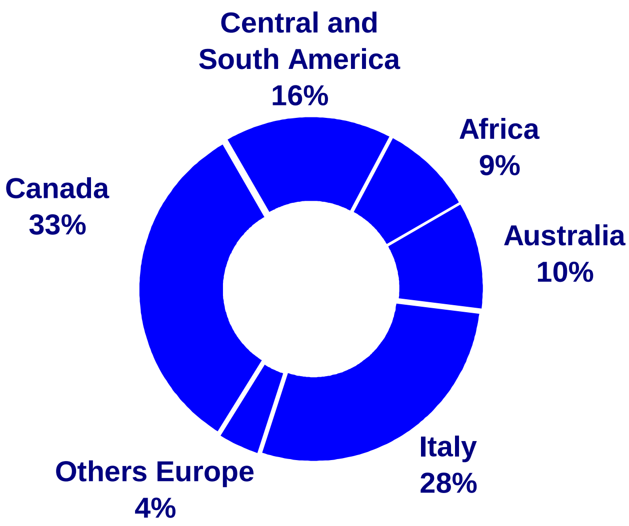
(in millions of euros)	I Quarter 2009			I Quarter 2008		
Region	**Revenues**	**EBITDA**	***EBITDA %***	**Revenues**	**EBITDA**	***EBITDA %***
Italy [1]	252.5	30.0	*11.9*	302.6	24.7	*8.2*
Others Europe	33.6	4.9	*14.6*	41.2	4.8	*11.5*
Canada	295.9	20.0	*6.8*	295.4	23.7	*8.0*
Africa	79.9	1.2	*1.6*	81.4	6.6	*8.1*
Australia	93.1	6.8	*7.3*	107.5	1.9	*1.8*
Central and South America	144.3	15.5	*10.8*	100.1	12.2	*12.2*
Others [2]	(0.0)	(6.1)	*n.s.*	(1.2)	(10.0)	*n.s.*
Group	**899.4**	**72.4**	***8.1***	**926.9**	**63.9**	***6.9***

Regions represent the consolidated countries

1. 2008 data include net revenues for 33.0 million euros and EBITDA for 2.5 million euros relating to Newlat, sold in the first half of 2008

2. Includes holding, other no core companies, eliminations between areas

Net Revenues by Geographic Region

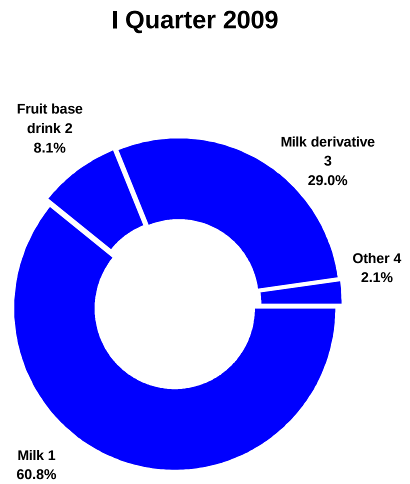


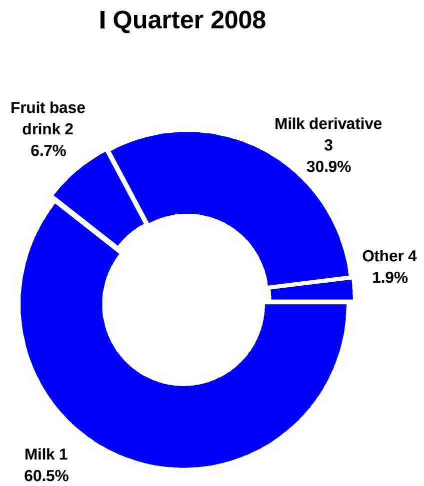
Data by Product Division

(in millions of euros)	I Quarter 2009			I Quarter 2008		
Division	**Revenues**	**EBITDA**	***EBITDA %***	**Revenues**	**EBITDA**	***EBITDA %***
Milk [1]	546.6	42.1	*7.7*	561.2	35.7	*6.4*
Fruit base drink [2]	73.2	16.8	*22.9*	61.7	11.6	*18.8*
Milk derivative [3]	260.7	21.5	*8.2*	286.6	25.3	*8.8*
Other [4]	19.0	(8.0)	*(42.0)*	17.5	(8.7)	*(49.8)*
Group	**899.4**	**72.4**	***8.1***	**926.9**	**63.9**	***6.9***

1 Includes milk, cream and bechamel
2 Includes fruit base drink and tea
3 Includes yogurt, dessert, cheese
4 Includes other products and holding

Net Revenues by Product Division





1 Includes milk, cream and bechamel
2 Includes fruit base drink and tea
3 Includes yogurt, dessert, cheese
4 Includes other products and holding

Capital Expenditures

In the first three months of 2009, capital expenditures totaled 15.9 million euros. The main projects were designed to increase manufacturing capacity and efficiency, revamp assets and address Quality, Environmental and Safety issues.
The largest amounts were invested in Italy (4.9 million euros), Central and South America (3.6 million euros) and Canada (3.3 million euros).

Business Units

Italy

(in millions of euros)	I Qtr 2009	I Qtr 2008	Variance	Varian.%
Revenues	**252.5**	**302.6**	**(50.1)**	*-16.5%*
EBITDA	**30.0**	**24.7**	**5.3**	
EBITDA %	*11.9*	*8.2*	*3.7 ppt*	

Because Newlat was sold in May 2008, in order to provide a more meaningful year-over-year comparison, the table below shows the data of the Italian SBU restated without Newlat's contribution in 2008.

Italy excluding Newlat

(in millions of euros)	I Qtr 2009	I Qtr 2008	Variance	Varian.%
Revenues	**252.5**	**277.1**	**(24.6)**	*-8.9%*
EBITDA	**30.0**	**22.2**	**7.8**	
EBITDA %	*11.9*	*8.0*	*3.9 ppt*	

The markets in which Parmalat operates held steady or contracted slightly in the first quarter of 2009. Specifically, demand was relatively flat for UHT milk, increased slightly for pasteurized milk (but only in the Modern channel, with a volume gain of 1.9% compared with the same period last year) and was down for yogurt and fruit juices, with year-over-year decreases of 2.2% and 3.3%, respectively.

Parmalat strengthened its leadership position in the market for UHT milk, significantly increasing its market share thanks to a carefully planned promotional policy and a strong performance by Zymil. Unit sales were up 2.4% compared with the first three months of 2008.

In the market for pasteurized milk, Parmalat lost some market share due to competition from private labels, but its loss was smaller than that of its main competitor thanks to the success of its Blu Premium microfiltered milk. Parmalat's total unit sales were down compared with the first quarter of 2008, as an increase in shipments of microfiltered milk was not sufficient to offset a substantial shortfall in sales of conventional fresh milk caused by the rapid growth of private labels.

Parmalat's position was relatively stable in the yogurt segment and in the market for fruit beverages, where Santàl retained its position as the leading brand. Sales of yogurt and fruit beverages were 5.8% less than in the first quarter of 2008, owing in part to a decrease in market demand.

The negative impact of lower volumes and an increase in promotional expense, which, while in line with more recent trends, were higher than in the first quarter of 2008, was more than offset by the continuing positive effect of the 2008 price increases, a significant reduction in the cost of raw milk and programs implemented to reduce overhead. The combined result of these developments was a gain of about 7.8 million euros in the EBITDA reported at March 31, 2009.

Other Countries in Europe

(in millions of euros)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**33.6**	**41.2**	**(7.6)**	*-18.5%*
EBITDA	**4.9**	**4.8**	**0.1**	
EBITDA %	*14.6*	*11.5*	*3.1 ppt*	

Portugal

At 14.7 million euros, net revenues were lower by 11.9% compared with the first three months of 2008. Deteriorating conditions in the local economy caused price reductions in all of the markets for basic products and a change in consumer attitude that penalized disproportionately impulse products that are consumed away from the home, such as flavored milk and fruit beverages, which accounted for over 50% of the revenues generated by the local subsidiary.

The combined impact of a shift in the sales mix toward products with less value added and a realignment of prices to market levels was offset by substantial reductions in the cost of raw materials, enabling the SBU to report EBITDA that were in line with those earned in the first quarter of 2008.

Russia

The local currency (ruble) lost 22.3% of its value compared with the exchange rate applied in the first quarter of 2008. The negative impact of this change on revenues and EBITDA was 3.7 million euros and 0.6 million euros, respectively.

(in local currency ml)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**734.7**	**783.6**	**(48.9)**	*-6.2%*
EBITDA	**127.1**	**89.5**	**37.6**	
EBITDA %	*17.3*	*11.4*	*5.9 ppt*	

In a market environment where consumer demand was down across the board, with an even more pronounced decline in the fruit beverage segment, the local subsidiary continued to pursue a premium positioning policy. As a result, first quarter EBITDA show a year-over-year improvement of more than 40%, when stated in local currency, owing in part to a decrease in the cost of raw milk, even though unit sales were down for the main product categories.

Romania

The local currency (new leu) lost 15.7% of its value compared with the exchange rate applied in the first quarter of 2008. This change had a negative impact of 0.4 million euros on revenues, but its effect on EBITDA was not significant.

(in local currency ml)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**10.1**	**11.0**	**(0.9)**	*-8.0%*
EBITDA	**1.0**	**1.9**	**(0.9)**	
EBITDA %	*9.8*	*17.2*	*-7.4 ppt*	

Unit sales of fruit beverages, which accounted for virtually all of the SBU’s turnover, were down 9.7% compared with the first three months of 2008. However, the profitability of the Romanian SBU decreased compared with the previous year, due mainly to the increase in the costs of raw materials, most of which are imported, caused by the devaluation of the local currency.

Canada

(in millions of euros)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**295.9**	**295.4**	**0.6**	*+0.2%*
EBITDA	**20.0**	**23.7**	**(3.7)**	
EBITDA %	*6.8*	*8.0*	*-1.3 ppt*	

Data in local currency

(in local currency ml)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**479.9**	**444.2**	**35.6**	*+8.0%*
EBITDA	**32.5**	**35.7**	**(3.1)**	
EBITDA %	*6.8*	*8.0*	*-1.3 ppt*	

The Canadian dollar decreased in value by 7.8% compared with the exchange rate applied in the same period last year, with a negative impact on revenues and EBITDA of 23.1 million euros and 1.6 million euros, respectively.

While all segments of the Canadian dairy market are still showing attractive growth rates, consumers are continuing to shift their preferences toward lower priced products.

In the milk market, the local subsidiary improved its market position, increasing its share of the "premium milk" segment from 32.7% to 35.7% with its microfiltered and highly digestible products.

The local SBU also increased its share of the yogurt market, thanks to the launch of drinkable yogurts and the expansion of its distribution organization to the French speaking area of Canada at the beginning of 2008. In the English speaking section of the country, growing competitive pressure required an increased use of promotional programs to support sales of conventional products.

In the cheese market, the local subsidiary's position was adversely affected by strong promotional pressure from competitors. Parmalat held on to its position as the market leader in the "Snack" segment, thanks to the launch of a new product targeted for children, and to second place in the "Natural" segment, albeit with a slight loss in market share due to the aggressive pricing policies of its competitors.

In the butter segment, Parmalat is the national leader with a growth rate that vastly outpaces the market rate.

Unit sales were up 11.5% overall compared with the previous year, with gains of 14% and 8.0% for pasteurized milk and yogurt, respectively. Shipments of cheese and butter held relatively steady.

While the local SBU enjoyed higher sales volumes and sales prices than in the first three months of 2008, it was also faced with an increase in promotional pressure and higher variable and fixed industrial costs.

Africa

(in millions of euros) [1]	I Qtr 2009	I Qtr 2008	Variance	Varian.%
Revenues	**79.9**	**81.4**	**(1.4)**	*-1.8%*
EBITDA	**1.2**	**6.6**	**(5.3)**	
EBITDA %	*1.6*	*8.1*	*-6.5 ppt*	

[1] The data are in euros because they consolidate amounts in the currencies of the following countries: South Africa, Zambia, Mozambique, Botswana and Swaziland

The reporting currency of the main African Business Unit (South African rand) decreased in value by 14.5% compared with the exchange rate applied in the same period last year. This change had a negative impact of 10.2 million euros on revenues, but its effect on EBITDA was not significant.

The African SBU reported a 15.1% increase in unit sales. Shipments of UHT milk, which accounted for 49% of total volumes, grew by 13.6 compared with the first quarter of 2008.
Volumes were up 22.1% for fruit beverages (14% of total sales) and 8.3% for cheese (9% of total sales) compared with the first three months of 2008. The comparison with the data for the first quarter of 2008 also shows that unit sales decreased by 4.3% for yogurt (9% of total sales), but improved by 65.3% for pasteurized milk (6% of total sales).

South Africa

(in millions of euros)	I Qtr 2009	I Qtr 2008	Variance	Varian.%
Revenues	**70.0**	**72.5**	**(2.5)**	*-3.4%*
EBITDA	**0.1**	**5.3**	**(5.1)**	
EBITDA %	*0.2*	*7.3*	*-7.1 ppt*	

Data in local currency

(in local currency ml)	I Qtr 2009	I Qtr 2008	Variance	Varian.%
Revenues	**907.4**	**820.4**	**87.0**	*+10.6%*
EBITDA	**1.9**	**60.0**	**(58.1)**	
EBITDA %	*0.2*	*7.3*	*-7.1 ppt*	

In South Africa, deteriorating economic conditions failed to significantly reduce demand in the markets in which the local subsidiary operates. However, they produced strong price pressure, as consumers increasingly focused on lower priced products and brands.

The milk market expanded at a 12.5% rate on a volume basis, but value growth was only 2.6%, reflecting a sizable reduction in the average price.

The cheese market showed moderate growth, with consumer preferences shifting toward lower priced products.

The yogurt market also expanded on a volume basis, despite considerable price increases, but the market for fruit beverages contracted, especially in the long shelf life segment.

The local subsidiary increased its share of the milk market from 9% in the first quarter of 2008 to 13% in the same period this year, thanks to the successful relaunching of its pasteurized milk and a market share gain in the long shelf life segment.

During the first quarter of 2009, the local subsidiary increased its share of the cheese market from 37.5% to 39%, but its penetration of the yogurt market decreased from 22% to 19%.

Against this background, the South African subsidiary reported an overall increase of 13.9% in unit sales compared with the first three months of 2008. Specifically, unit sales of UHT milk, which accounted for 50% of the total sales volume, were up 7.3%, with shipments of pasteurized milk also showing strong growth and cheese sales volumes increasing by 7.8%. On the other hand, unit sales of yogurt were 6.4% lower than in the first quarter of 2008.

The condition of the local economy and the strong competitive pressure on sales prices that resulted from the need to support consumption and reduce inventories substantially curtail the SBU's ability to reflect in its sales prices the increases in variable cost that it began to experience in 2008. Despite the restructuring and streamlining programs implemented to reduce fixed costs, profit margins were significantly lower than in the same period last year.

The local subsidiary's financial position continued to improve, following the support provided by the Group's Parent Company in the fourth quarter of 2008 (a capital increase of 11 million euros and 10 million euros in short-term financing).

Other Countries in Africa

The other African countries in which the Group operates (Swaziland, Mozambique, Botswana and Zambia) reported higher revenues and unit sales than in the first three months of 2008.

The **Zambian** operations reported positive results in the first quarter of 2009, with unit sales and revenues increasing by 10% and 24%, respectively, compared with the same period last year. However, the return on sales decreased. Because the local economy is highly dependent on copper exports, a reduction both in copper prices and global demand, coupled with the effect of a devaluation of the local currency vis-à-vis the U.S. dollar, caused demand to weaken throughout the country.

The Group's operations in **Mozambique** generated excellent results in terms both of sales volumes and profits, compared with the first three months of 2008.

In **Botswana,** unit sales and revenues were up 9% and 20%, respectively, but profitability was penalized by the conditions of the local economy, which is heavily dependent on diamond exports. In 2009, the local subsidiary began to manufacture products that it used to import and distribute in the past (UHT milk primarily).

The results achieved in **Swaziland** were extremely positive, with gains of 16% e in unit sales and 33% in revenues. An increased penetration of the local market and difficulties experienced by local competitors are the main reason for this excellent performance.

Australia

(in millions of euros)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**93.1**	**107.5**	**(14.4)**	*-13.4%*
EBITDA	**6.8**	**1.9**	**4.8**	
EBITDA %	*7.3*	*1.8*	*5.5 ppt*	

Data in local currency

(in local currency ml)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**183.0**	**177.7**	**5.2**	*+2.9%*
EBITDA	**13.3**	**3.2**	**10.1**	
EBITDA %	*7.3*	*1.8*	*5.5 ppt*	

The local currency (Australian dollar) decreased in value by 18.8% compared with the exchange rate applied in the same period last year, with a negative impact on revenues and EBITDA of 17.5 million euros and 1.3 million euros, respectively.

In the first quarter of 2009, the Australian dairy market enjoyed attractive growth rates, particularly in the yogurt segment (5.8% volume gain compared with the same period last year) and the flavored milk segment (+7.1%). In the milk segment, the growth was 3.5% due to the negative performance of products with higher retail prices (functional milk -7.7%).

In the pasteurized milk segment, the local subsidiary continued to lose market share to the private labels, as did its main competitors.

On the other hand, it further strengthened its competitive position in the flavored milk segments, which is highly significant strategically for the Group's Australian operations.

The SBU's share of the yogurt market was down slightly due to a product mix with a greater preponderance of higher priced products than the market average.

Against this backdrop, the SBU reported as 3.4% decline in unit sales compared with the first quarter of 2008, with shipments of pasteurized milk, which accounted for 74% of its total sales volume, down 6.4% in the first three months of 2009. The trend discussed above of consumers choosing private labels instead of national brands is the main reason for this decrease.

The sharp gain in EBITDA is the combined result of the carry over effect on prices, a decrease in raw milk costs than in the first quarter of 2008 (characterized by strong pressure on the price of milk derivatives in the international market, with an impact estimated at about 7 million Australian dollars) and the effect of manufacturing rationalization programs.

Central and South America

(in millions of euros)	**I Qtr 2009**	**I Qtr 2008**	**Variance**	**Varian.%**
Revenues	**144.3**	**100.1**	**44.2**	*+44.1%*
EBITDA	**15.5**	**12.2**	**3.3**	
EBITDA %	*10.8*	*12.2*	*-1.5 ppt*	

Venezuela

The local currency (bolivar) increased in value by 13.2% compared with the exchange rate applied in the same period last year, with a positive impact on revenues and EBITDA of 14.6 million euros and 1.8 million euros, respectively.

In a highly dynamic market environment, total unit sales were up, rising by 25.1% compared with the first quarter of 2008. Specifically, shipments were up by about 24% for fruit beverages, which accounted for 49% of the SBU's total sales volume and are its growth engine, and a strong 24.2% for pasteurized and powdered milk, reflecting an increase in domestic demand.

The gain in EBITDA, which rose by more than 44% in local currency compared with the first three months of 2008, reflects mainly the positive performance of the fruit beverage division, even though the price controls imposed on some items penalized the product mix and, consequently, the SBU's return on sales.

Colombia

The local currency (peso) decreased in value by 9.9% compared with the exchange rate applied in the same period last year, with a negative impact on revenues and EBITDA of 2.2 million euros and 0.1 million euros, respectively.
Overall, unit sales decreased by 17.2% compared with the previous year, with shipments of pasteurized milk, which accounted for 77% of the total sales volume, down 16.6%

Because entry barriers are relatively low in the pasteurized milk business, several new competitors entered the market causing the pressure on sales prices to rise considerably.
Heightened competitive pressure in the yogurt market, due in part to the entry of a strong international competitor, translated into lower unit sales and margins for the Colombian subsidiary.

The reduction in sales volumes that occurred in its main product categories, coupled with production problems early in the year, caused the SBU to report lower operating results than in the first quarter of 2008.

Nicaragua

The local currency (cordoba) increased in value by 18.8% compared with the exchange rate applied in the same period last year, with a positive impact on revenues and EBITDA of 0.6 million euros and 0.1 million euros, respectively.

Nicaragua is the largest country in Central America but has the smallest population and a very high poverty rate. In this challenging market environment, Parmalat Nicaragua has a leadership position in the main dairy markets and in the fruit beverage segment.

Even though its unit sales were down by 19.0% compared with the first three months of 2008, the local SBU succeeded in improving its profitability thanks mainly to the implementation of a pricing policy carefully planned to offset increases in the cost of raw materials and other production components.

Financial Performance

Performance of the Group

In the first quarter of 2009, the Group's net financial position improved by a further 135.4 million euros, with net financial assets rising from 1,108.8 million euros at December 31, 2008 to 1,244.2 million euros at March 31, 2009, after a negative foreign exchange effect of 12.5 million euros. The net financial position includes the net indebtedness owed by the Venezuelan subsidiaries, which totaled 149.8 million euros at December 31, 2008 and 152.2 million euros at March 31, 2009.

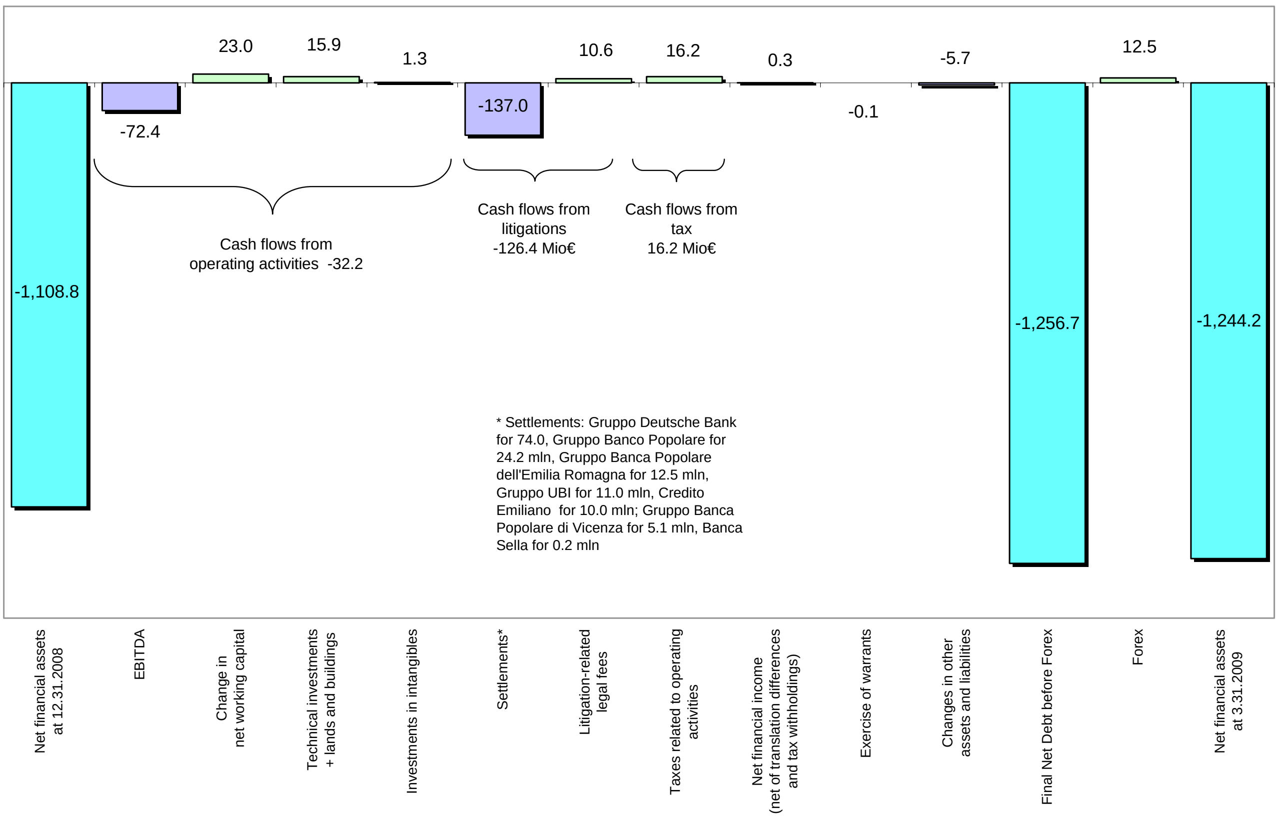
The cash flow from operations amounted to 32.2 million euros.

Cash flows from litigation settlements totaled 126.4 million euros, which is the net result of legal costs amounting to 10.6 million euros and proceeds of 137.0 million euros generated by settlements reached during the first three months of 2009 with the Deutsche Bank Group (74.0 million euros), the UBI Group (11.0 million euros), the Banca Popolare dell'Emilia Romagna Group (12.5 million euros), the Banca Popolare di Vicenza Group (5.1 million euros), Banca Sella (0.2 million euros), Credito Emiliano Spa (10.0 million euros) and the Banco Popolare Group (24.2 million euros).

The cash flow required for income tax payments totaled 16.2 million euros.

In addition to the negative foreign exchange effect of 12.5 million euros mentioned above, other items affecting the net financial position included financial expense of 0.3 million euros (net of foreign exchange differences and withholdings), proceeds of 0.1 million euros from the exercise of warrants and a net negative change of 5.7 million euros in other assets and liabilities.

Consolidated Cash Flow Jan 1- Mar 31, 2009



Human Resources

Group Employees

The table below provides a breakdown by geographic region of the employees on the Group's payroll at March 31, 2009 and a comparison with the data at December 31, 2008.

Total number of employees by geographic region*		
Geographic region	**March 31, 2009**	**December 31, 2008**
Italy	2,216	2,343
Europe excluding Italy	1,420	1,404
Canada	2,956	2,971
Africa	2,295	2,238
Australia	1,483	1,462
Central and South America	3,737	3,750
Total	**14,107**	**14,168**

* Employees of companies consolidated line by line.

During the first quarter of 2009, the Group's payroll did not change significantly, except for the Italian SBU, where the divestment of the Lodi business operations translated into a staff reduction of 93 employees. An additional 34 employees were let go when their temporary employment contracts expired and were not renewed.

Management and Development of Human Resources

During the first three months of 2009, the activities of the Group's Human Resource Committee continued to focus on improving human resource management and development processes and defining shared policies and guidelines. The Committee also launched two new projects involving the definition of a Performance Management Program and an Induction Program, both with homogeneous structures and content, local statutory requirements not withstanding.

Employee training programs continued to be provided consistent with the different needs that exist in each country.

Review of Operating and Financial Results

Parmalat Group

Net revenues totaled 942.1 million euros, excluding the impact of the appreciation of the euro versus the currencies of the main countries outside the euro zone where the Group operates (42.7 million euros).

The net revenue for the first quarter of 2009 show an increase of 48.2 million euros (+5.4%) compared with the same period last year, when the net revenue amount was 893.9 million euros, restated without the 33.0 million euros generated by Newlat, which was sold in the first half of 2008. If the data are restated at comparable exchange rates, net revenues show an increase of 0.6%. This positive performance is due mainly to an increases in list prices, implemented to offset a rise in raw materials and other production costs, and a positive volume/mix effect.

EBITDA amounted to 74.3 million euros, excluding the impact of the appreciation of the euro versus the currencies of the main countries outside the euro zone where the Group operates (1.9 million euros).

EBITDA for the first three months of 2009 show an increase of 12.9 million euros (+21.1%) compared with the same period last year, when the EBITDA amount was 61.4 million euros, restated without the 2.5 million euros contributed by Newlat, which was sold in the first half of 2008.
If the data are restated at comparable exchange rates, EBITDA show an increase of 18.0%.

In the different markets where the Group operates, raw material prices and other key production costs followed diverging trends during the first quarter of 2009, compared with the same period last year, with significant reductions in Italy and increases in Canada, Venezuela and South Africa. The Group successfully addressed the challenge of a market environment characterized by aggressive competition from private labels by using a successful pricing policy, while stepping up its promotional activities, which had a positive impact on basic products, responding effectively to the change that occurred in consumer buying habits. The gain in profitability was also achieved by carefully controlling overhead.

EBIT grew to 192.4 million euros, up from 106.8 million euros in the first three months of 2008. In addition to the contribution provided by EBITDA (72.4 million euros), reported EBIT reflects primarily proceeds from settlements of actions to void in bankruptcy and actions for damages totaling 156 million euros (82.3 million euros in the first three months of 2008), offset in part by litigation related legal costs amounting to 3.9 million euros (12 million euros in the first three months of 2008). Depreciation, amortization and writedowns of non-current assets amounted to 22.6 million euros (23.1 million euros in the first three months of 2008).

Group interest in net profit grew to 176.3 million euros, or 86.1 million euros more than the 90.2 million euros earned in the first quarter of 2008. This increase reflects virtually the same factors as those mentioned above when commenting the gain in EBIT.

Operating working capital amounted to 362.7 million euros, up from 329.2 million euros at December 31, 2008. The increase of 33.5 million euros is chiefly the result of the higher inventories held by the Canadian subsidiary due to seasonal factors that characterize its business, involving an increase in milk production earlier in the year, followed by an increase in sales in the later months.

Net invested capital grew by 44.0 million euros to 1,777.3 million euros (1,733.3 million euros at December 31, 2008). The change in operating working capital and the translation of the financial statement of companies that operate outside the euro zone are the main reasons for this increase.

Net financial assets amounted to 1,244.2 million euros. The increase of 135.4 million euros, compared with net financial assets of 1,108.8 million euros at the end of 2008, reflects primarily: the cash flow from operating activities (32.2 million euros) and litigation settlements (126.4 million euros, as the net result of 137.0 million euros in proceeds from settlements reached during the period and 10.6 million euros in costs incurred to pursue the corresponding legal actions); tax payments of 16.2 million euros; and the impact translation into euros the net borrowings of companies outside the euro zone (12.5 million euros).

Group interest in shareholders' equity totaled 2,995.7 million euros, up from 2,817.2 million euros at the end of 2008. The gains of 178.5 million euros reflects primarily the Group’s interest in net profit for the period (176.3 million euros).

Parmalat Group

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(in millions of euros)	**First quarter of 2009**	**First quarter of 2008**
REVENUES	**904.6**	**932.2**
Net sales revenues	899.4	926.9
Other revenues	5.2	5.3
OPERATING EXPENSES	**(829.8)**	**(865.5)**
Purchases, services and miscellaneous costs	(721.0)	(751.0)
Labor costs	(108.8)	(114.5)
Subtotal	**74.8**	**66.7**
Writedowns of receivables and other provisions	(2.4)	(2.8)
EBITDA	**72.4**	**63.9**
Depreciation, amortization and writedowns of non-current assets	(22.6)	(23.1)
Other revenues and expenses:		
- Litigation-related legal expenses	(3.9)	(12.0)
- Miscellaneous revenues and expenses	146.5	78.0
EBIT	**192.4**	**106.8**
Financial income	12.6	17.2
Financial expense	(9.4)	(9.6)
Net foreign currency translation gain (loss)	(1.8)	(5.0)
Other income from (charges for) equity investments	0.1	-
PROFIT BEFORE TAXES	**193.9**	**109.4**
Income taxes	(16.6)	(18.6)
NET PROFIT FROM CONTINUING OPERATIONS	**177.3**	**90.8**
Net profit (loss) from discontinuing operations	-	-
NET PROFIT FOR THE PERIOD	**177.3**	**90.8**
Minority interest in net (profit) loss	(1.0)	(0.6)
Group interest in net profit (loss)	176.3	90.2

Continuing operations:

Basic earnings per share	**0.1043**	**0.0545**
Diluted earnings per share	**0.1030**	**0.0529**

Parmalat Group

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(in millions of euros)	**3/31/09**	**12/31/08**
NON-CURRENT ASSETS	**1,713.0**	**1,698.7**
Intangibles	1,005.9	999.2
Property, plant and equipment	650.0	646.3
Non-current financial assets	8.6	8.4
Deferred-tax assets	48.5	44.8
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	**4.2**	**8.1**
NET WORKING CAPITAL	**422.0**	**379.7**
Inventories	356.8	333.6
Trade receivables	466.0	465.5
Trade payables (-)	(460.1)	(469.9)
Operating working capital	**362.7**	**329.2**
Other current assets	262.6	246.2
Other current liabilities (-)	(203.3)	(195.7)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	**2,139.2**	**2,086.5**
PROVISIONS FOR EMPLOYEE BENEFITS (-)	**(89.5)**	**(87.1)**
PROVISIONS FOR RISKS AND CHARGES (-)	**(262.7)**	**(256.4)**
PROVISION FOR LIABILITIES ON CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS (-)	**(9.7)**	**(9.7)**
NET INVESTED CAPITAL	**1,777.3**	**1,733.3**
Covered by:		
SHAREHOLDERS' EQUITY	**3,021.5**	**2,842.1**
Share capital	1,692.3	1,687.4
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	188.5	193.2
Other reserves and retained earnings	1,068.9	393.5
Interim dividend	(130.3)	(130.0)
Profit for the period	176.3	673.1
Minority interest in shareholders' equity	25.8	24.9
(NET FINANCIAL ASSETS)/NET BORROWINGS	**(1,244.2)**	**(1,108.8)**
Loans payable to banks and other lenders	501.5	492.6
Loans payable to investee companies	6.3	6.2
Other financial assets (-)	(1,105.7)	(706.4)
Cash and cash equivalents (-)	(646.3)	(901.2)
TOTAL COVERAGE SOURCES	**1,777.3**	**1,733.3**

Parmalat S.p.A.

Net revenues totaled 207.0 million euros, or 20.0 million euros less (-8.8%) than the 227.0 million euros reported at March 31, 2008.

EBITDA amounted to 18.3 million euros, for an increase of 10.5 million euros compared with the 7.8 million euros earned in the first three months of 2008. The return on sales was 8.8%, up from 3.4% in the first quarter of 2008.

EBIT grew by 84.3 million euros, rising from 69.5 million euros in the first three months of 2008 to 153.8 million euros in the same period this year. This improvement is the net result of higher proceeds from litigation settlements (156.0 million euros in the first quarter of 2009 versus 82.3 million euros in the same period last year), a reduction in legal costs for actions to void and actions for damages (3.9 million euros versus 12.0 million euros in the first three months of 2008) and an increase of 1.0 million euros in depreciation and amortization.

The **net profit for the period,** which amounted to 177.8 million euros, or 71.4 million euros more than the 106.4 million euros earned in the first quarter of 2008, includes net financial income of 9.7 million euros (15.1 million euros in the first quarter of 2008) and income from subsidiaries of 21.6 million euros (28.2 million euros in the first three months of 20078), which consisted of dividends declared by Group companies.

Net invested capital increased to 1,280.1 million euros, or 26.2 million euros more than at December 31, 2008, when it totaled 1,253.9 million euros.

Net financial assets improved significantly during the first three months of 2009, rising from 1,441.2 million euros to 1,592.0 million euros (+150.8 million euros), due mainly to the collection of proceeds from settlements with several credit institutions (137.0 million euros).

The Company's **shareholders' equity** totaled 2,872.1 million euros, up from 2,695.1 million euros at December 31, 2008. The increase of 177.0 million euros is the net result of the profit for the period of 177.8 million euros and the payments of dividends to creditors with conditional claims (0.9 million euros).

Parmalat S.p.A.

RECLASSIFIED INCOME STATEMENT

(in millions of euros)	**First quarter of 2009**	**First quarter of 2008**
REVENUES	**212.4**	**232.3**
Net sales revenues	207.0	227.0
Other revenues	5.4	5.3
OPERATING EXPENSES	**(191.9)**	**(223.3)**
Purchases, services and miscellaneous costs	(166.2)	(193.7)
Labor costs	(25.7)	(29.6)
Subtotal	**20.5**	**9.0**
Writedowns of receivables and other provisions	(2.2)	(1.2)
EBITDA	**18.3**	**7.8**
Depreciation, amortization and writedowns of non-current assets	(9.4)	(8.4)
Other revenues and expenses:		
- Litigation-related legal expenses	(3.9)	(12.0)
- Additions to provision for losses of investee companies		(0.3)
- Miscellaneous revenues and expenses	148.8	82.4
EBIT	**153.8**	**69.5**
Financial income	11.2	15.1
Financial expense	(0.7)	(0.3)
Net foreign currency translation gain (loss)	(0.8)	0.3
Other income from (charges for) equity investments	21.6	28.2
PROFIT BEFORE TAXES	**185.1**	**112.8**
Income taxes	(7.3)	(6.4)
NET PROFIT FROM CONTINUING OPERATIONS	**177.8**	**106.4**
Net profit (loss) from discontinuing operations	-	-
NET PROFIT FOR THE PERIOD	**177.8**	**106.4**

Parmalat S.p.A.

RECLASSIFIED BALANCE SHEET

(in millions of euros)	**3/31/09**	**3/31/08**
NON-CURRENT ASSETS	**1,351.9**	**1,353.7**
Intangibles	397.9	401.5
Property, plant and equipment	152.7	153.8
Non-current financial assets	773.3	773.2
Deferred-tax assets	28.0	25.2
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	**0.0**	**4.1**
NET WORKING CAPITAL	**162.9**	**127.6**
Inventories	40.7	39.7
Trade receivables	207.6	224.0
Trade payables (-)	(193.5)	(205.2)
Operating working capital	**54.8**	**58.5**
Other current assets	214.0	169.3
Other current liabilities (-)	(105.9)	(100.2)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	**1,514.8**	**1,485.4**
PROVISIONS FOR EMPLOYEE BENEFITS (-)	**(27.5)**	**(27.7)**
PROVISIONS FOR RISKS AND CHARGES (-)	**(199.5)**	**(196.1)**
PROVISION FOR LIABILITIES ON CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS (-)	**(7.7)**	**(7.7)**
NET INVESTED CAPITAL	**1,280.1**	**1,253.9**
Covered by:		
SHAREHOLDERS' EQUITY	**2,872.1**	**2,695.1**
Share capital	1,692.3	1,687.4
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	188.5	193.3
Other reserves and retained earnings	943.8	329.0
Interim dividend	(130.3)	(130.0)
Profit for the period	177.8	615.4
(NET FINANCIAL ASSETS)/NET BORROWINGS	**(1,592.0)**	**(1,441.2)**
Loans payable to banks and other lenders	5.8	5.9
Loans payable to investee companies	(18.3)	(17.3)
Other financial assets (-)	(1,077.1)	(679.2)
Cash and cash equivalents (-)	(502.4)	(750.6)
TOTAL COVERAGE SOURCES	**1,280.1**	**1,253,9**

Principles for the Preparation of the Interim Report on Operations at March 31, 2009

The Interim Report on Operations at March 31, 2009 was prepared in accordance with the provisions of Article 154-*ter “Financial Reporting”* of the Uniform Financial Code introduced with Legislative Decree No. 195 of November 6, 2007, by which the Italian Legislature implemented Directive 2004/109/CE (so-called Transparency Directive) on regular financial reporting.

The accounting principles applied in the Interim Report on Operations at March 31, 2009 are the same as those used to prepare the Annual Report at December 31, 2008. Consequently, the former should be read together with the latter.

The adoption by the European Union of the recently published accounting principles and interpretations listed below, which became effective on January 1, 2009:

- *IFRS 8 – Operating Segments*
- *Amendments to IAS 1 – Presentation of Financial Statements*
- *Amendments to IAS 23 – Borrowing costs*
- *IFRIC 13 – Customer Loyalty Programs*
- *Amendments to IFRS 2 – Share-based Payment*
- *Improvements to the IFRSs*

had no material impact on the Interim Report on Operations at March 31, 2009. Moreover, none of the principles approved by the European Union that will go into effect after March 31, 2009 have been adopted in advance.

The presentation formats used for the income statement and balance sheet are the same as those used in the Report on Operations section of the Annual Report.

As part of the process of preparing the Interim Report on Operations, Directors are required to use accounting principles and methods that, in some instances, require the use of difficult and subjective valuations and estimates based on historical data and assumptions that, in each case, are deemed to be reasonable and realistic under the circumstances existing at that time. The use of these estimates and assumptions has an impact on the amounts reported on the financial statements, which include the balance sheet and the income statement, and affects the disclosures provided therein. The final amounts shown for the financial statement items for which the abovementioned estimates and assumptions were used may differ from the amounts shown on the financial statements due to the uncertainty that is inherent in all assumptions and the conditions upon which the estimates were based. Estimates and assumptions are reviewed periodically and any resulting change is recognized in the accounting records for the period in which the estimate was revised, if the change affects only the current period, or also for subsequent periods, if the change affects the current period and future periods. The financial statement items that require more than others a subjective input by the Directors in the development of estimates and with regard to which a change in the conditions underlying the assumptions could have a material impact on the Interim Report on Operations are: goodwill, writedowns of non-current assets, depreciation and amortization, deferred taxes, the allowance for doubtful accounts, the provisions for risks, pension plans and other post-employment benefit plans, and the reserves for creditor challenges and claims of late-filing creditors.

A complete determination as to whether the value of non-current assets has been impaired is carried out only in connection with the preparation of the annual financial statements, when all necessary information is available, except in cases when impairment indicators that require an immediate assessment of any impairment losses are detected.

The income tax liability is recognized based on the best estimate of the average tax rate for the entire year.

Sales of some Group products are more seasonal than those of the rest of the product line, due to different buying habits and consumption patterns. However, the geographic diversification of the Company’s sales significantly reduces this seasonal impact.

The Interim Report on Operations at March 31, 2009 was not audited.

The Board of Directors authorized the publication of this Interim Report on Operations on May 14, 2009.

Scope of Consolidation

During the first quarter of 2009, the Group's scope of consolidation did not change compared with December 31, 2008.

Key Events of the First Quarter of 2009

Litigation settlements

During the first quarter of 2009, Parmalat reached the following out-of-court settlements with credit institutions:

- On February 6, 2009, settlement with the Deutsche Bank Group amounting to 74 million euros plus the provision by Deutsche Bank of investment banking services valued at 2.5 million euros;
- On February 6, 2009, settlement with the UBI Group (Banca Popolare di Bergamo S.p.A., C.B.I. Factor S.p.A. and Banco di Brescia S.p.A.) for a total amount of 11 million euros;
- On February 6, 2009, settlement with the Banca Popolare di Vicenza Group (Banca Popolare di Vicenza Soc. Coop. a r. l. and Cassa di Risparmio di Prato S.p.A.) for a total amount of 5.1 million euros;
- On February 6, 2009, settlement with a group of banks and companies controlled by Banca Popolare dell'Emilia Romagna (BPER Group) for a total amount of 12.5 million euros;
- On February 11, 2009, settlement with Credito Emiliano S.p.A. for a total amount of 10 million euros.
- On February 18, 2009, settlement with the Banco Popolare Group for a total amount of 24.2 million euros;
- On March 30, 2008, settlement with MPS S.p.A., in its capacity as the company that absorbed of Banca Antonveneta S.p.A., for a total amount of 19 million euros.

Approval of the Settlement of the Class Action Lawsuit

On March 2, 2009, the New York Federal Court approved a settlement reached by Parmalat and the plaintiffs in the class action lawsuits, certifying the Class as inclusive of any members worldwide with any type of claim against Parmalat S.p.A. (and Parmalat S.p.A. Under Extraordinary Administration). Parmalat agreed to distribute 10.5 million of its shares in full satisfaction of any and all claims asserted against it in the class action. The shares were to be transferred within 30 days from the date of the judge's final order.

Events Occurring After March 31, 2009

Settlement between Parmalat and the Banca Carige Group

On April 17, 2009, Parmalat S.p.A. and the Banca Carige Group (Banca Carige S.p.A. and Cassa di Risparmio di Savona S.p.A.) reached agreements settling all pending disputes related to the period prior to the date when the Parmalat Group was declared insolvent (December 2003). Pursuant to this agreement, the Banca Carige Group will pay to Parmalat S.p.A. the sum of 5,400,000 euros in exchange for Parmalat S.p.A. abandoning all actions to void and actions for damages that it has filed or could possibly file in the future against the Banca Carige Group.

The Banca Carige Group waived the right to demand the inclusion among the liabilities of the companies under extraordinary administration included in the Composition with Creditors Proposal of the claim arising from the payment made pursuant to the settlement agreements and of any other claim that may arise from past transactions. The Banca Carige Group also waived the right to file any action or claim against Parmalat S.p.A., the Assumptor of the Composition with Creditors.

Business Outlook for the Balance of 2009

There are no reasons to change the guidance that, assuming constant exchange rates, calls for revenue growth of 2% to 4% and an EBITDA ranging from 310 to 320 million euros, considering its results and the macroeconomic and competitive context.

Certification Pursuant to Article 154 *bis,* Section 2, of Legislative Decree No. 58/98, as Amended

As required by Article 154 *bis*, Section 2, of the Uniform Financial Code (Legislative Decree No. 58/1998), the Executive Officer Responsible for Financial Reports, Luigi De Angelis, hereby declares and attests that the accounting disclosures provided in this Report correspond to the document results, books and accounting records.

Signed: Luigi De Angelis
Executive Officer Responsible for Financial Reports

Parmalat S.p.A.

Via delle Nazioni Unite 4
43044 Collecchio (Parma) - Italy
Tel. +39,0521,808,1
www.parmalat.com
Share capital: 1,692,267,004 euros fully paid-in
Parma R.E.A. No. 228069
Parma Company Register No. 04030970968
Tax I.D. and VAT No. 04030970968

parmalat