



PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE SEMIANNUAL REPORT AT JUNE 30, 2013

EXCELLENT PERFORMANCE OF ALL KEY ECONOMIC AND FINANCIAL INDICATORS IN A HIGHLY COMPETITIVE MARKET ENVIRONMENT

- Net Revenues growth (+14%);
- EBITDA increase (+18.9%);
- EBITDA margin improves: +0.3% compared with the previous year;
- Outstanding results of EBITDA in Australia (+43%), in Latin America, in particular in Venezuela, (+24%) and in the countries in Africa (+23,1%);
- Group interest in net profit and earnings per share rising by more than 27%;
- Cash flow from operating activities totals 64.5 million euros;
- 2013 guidance: growth estimates projected earlier for net revenues (about 3%) and EBITDA (about 5%) are confirmed.

Consolidated Financial Highlights of the Group			
<i>Amounts in millions of euros</i>	First half 2013	First half 2012	% change
Net revenues	2,594.8	2,276.9	+14.0
EBITDA	194.2	163.3	+18.9
Group interest in net profit	105.4	82.5	+27.8
<i>Amounts in millions of euros</i>	6/30/13	12/31/12	% change
Net financial assets	877.3	809.8	+ 8.3



Parmalat S.p.A. announces that its Board of Directors, meeting today under the chairmanship of Deputy Chairperson Gabriella Chersicla, reviewed and approved the Semiannual Financial Report at June 30, 2013.

Parmalat Group

In the first six months of 2013, the global economy continued to grow at a rate comparable with that of the second half of 2012, but the pace differed greatly in the various geographic regions, with Europe still slowing, the United States in recovery mode and the emerging countries continuing to grow.

In this environment, the Parmalat Group reported an excellent performance by all key economic and financial indicators thanks to the contribution of the newly acquired operations and despite an unfavorable currency translation effect.

More specifically, **net revenues** increased to 2,594.8 million euros, up 317.9 million euros (+14%) compared with 2,276.9 million euros in the first half of 2012, and **EBITDA** totaled 194.2 million euros, or 30.9 million euros more (+18.9%) than the 163.3 million euros reported in the first six months of 2012, thanks to the acquired activities and an improved performance in Australia, Venezuela and the countries of the Africa sales area. EBITDA margin improves by 0.3% compared to the same period of last year.

With data at a comparable scope of consolidation, i.e., excluding the operations acquired in the second half of 2012, and at constant exchange rates, net revenues and EBITDA show gains of 3.6% and 9.6%, respectively, compared with the first half of 2012.

In the first half of 2013, raw material prices increased, particularly in the case of raw milk; in this environment, the Group took action to protect its profit margins by scaling back promotional programs and implementing list-price adjustments. In addition, Parmalat showed that it was able to react to adverse economic conditions in some important geographic areas where it operates, reporting gains in profitability thanks to the success of plans to boost its industrial and commercial performance.

The Group's performance in the main geographic areas is reviewed below:

The **Europe sales area** includes Italy, which accounts for about 85% of net revenues and about 90% of EBITDA, and Russia, Portugal and Romania.

Net revenues for the area totaled 555.5 million euros, down slightly (-1.7%) compared with 565 million euros in the first half of 2012, at current exchange rates. More specifically, in **Italy**, net revenues were down 3.4%, due to a reduction in sales volumes in the Pasteurized milk and Fruit beverage categories that reflects a consumption decrease and a shift towards private labels. Despite challenging conditions in the markets where it operates and severe competitive pressure, the Italian subsidiary succeeded in maintaining its market positions and retaining the market leadership in the UHT milk, Pasteurized milk and UHT cream segments. As for the other subsidiaries in the sales area, revenues were up in Russia and Romania, but decreased in Portugal.

The area's EBITDA decreased by 9.2% compared with the previous year to a total of 47.7 million euros. This reduction reflects primarily the impact of a higher average purchase cost of raw milk in



Italy compared to the same period of 2012, which could not be fully reflected in the corresponding sales prices.

The **North America sales area** includes the subsidiaries in Canada and the United States, the latter starting from the second half of 2012. In the first six months of 2013, net revenues totaled 1,122.4 million euros and EBITDA amounted to 101.1 million euros. The area results, with data at constant exchange rates and comparable scope of consolidation, show revenues increasing by 0.2% and EBITDA growing by 1.1%.

In **Canada**, despite a highly competitive environment, the company maintained its positions in the segments in which it operates: Yogurt, Milk and Cheese. In the cheese market, it confirmed its standing as the leaders in the "Snack" category. Net revenues, in the local currency, were up slightly compared with the precious year. EBITDA also improved compared with the first six months of 2012, thanks to healthy sales of more profitable products, such as Cheese.

In the **United States of America**, the cheese market held relatively steady but declined in the segments in which Parmalat operates; in this environment, LAG held its market shares virtually unchanged, strengthening its leadership position in the Ricotta and Gourmet spreadable cheese segments. The local subsidiary is also the leader in the Soft ripened cheese and Chunk mozzarella segments and confirmed its competitive position in the Fresh mozzarella segment. When the results for the first half of 2013 are compared with pro forma data for the first six months of 2012, in the local currency, the company shows gains both in revenues and EBITDA, despite an increase in the average purchase cost of raw milk.

In the **Latin America sales area**, which includes Venezuela, Colombia, Ecuador, Paraguay and Cuba and, starting from the second half of 2012, the activities in Mexico and Brazil, net revenues totaled 271.8 million euros and EBITDA amounted to 10.9 million euros in the first six months of 2013. These amounts reflect the impact of a negative currency translation effect of about 69.4 million euros on revenues and 2.7 million euros on EBITDA, caused primarily by the devaluation of the Venezuela bolivar versus the euro.

When the results for the area are computed at constant exchange rates and comparable scope of consolidation, revenues and EBITDA show increases of 34.6% and 24.4%, respectively, compared with the first half of 2012.

More in detail, the company that operates in **Venezuela** maintained positions in the Fruit beverage, Powdered milk and Yogurt markets, reporting gains both in net revenues and EBITDA.

In the **Africa sales region**, which includes South Africa, Zambia, Botswana, Swaziland and Mozambique, in the first six months of 2013 net revenues, stated in euros, totaled 199.4 million and EBITDA amounted to 13.6 million. The reported data reflect a negative currency translation effect that reduced revenues by about 31.2 million euros and EBITDA by 2.0 million euros, attributable mainly to the loss of value of the South African rand versus the euro.

When the results for the sales area are stated at constant exchange rates, revenues show a gain of 10.6% and EBITDA an increase of 23.1%.

More specifically, the subsidiary in **South Africa** retained the leadership position in the Cheese market and significantly expanded its share of the Flavored milk market, further consolidating its leadership position. Net revenues increased and EBITDA for the period grew, despite the impact of a higher average cost of raw milk compared with the first half of 2012.

In **Australia**, net revenues totaled 447.1 million euros and EBITDA for the period amounted to 30.9 million euros in the first six months of 2013. During the period, the local currency lost 3.2% of its



value compared with the exchange rate applied in the same period last year; the currency translation impact was negative by 14.4 million euros on revenues and by 1.0 million euros on EBITDA.

With data stated in the local currency, net revenues are in line with the previous year (+0.3%) while EBITDA for the period show a gain of 43%, thanks mainly to lower purchasing costs for raw milk, a carefully implemented sales policy and programs aimed at reducing the overhead.

Parmalat retained the leadership position in the Pasteurized milk market, confirmed its position in the Flavored milk segment and strengthened its market share in the Yogurt and Dessert categories.

EBIT amounted to 128.0 million euros, for an increase of 31.8 million euros compared with 96.2 million euros in the first half of 2012. With data at constant exchange rates and scope of consolidation, the increase amounts to 25.8 million euros.

This gain reflects an improved performance by the industrial operations, amounting to 16 million euros at constant exchange rates and scope of consolidation, and a larger contribution by nonrecurring transactions totaling 9.7 million euros.

Depreciation and amortization expense and writedowns of non-current assets amounted to 67.5 million euros (56.6 million euros in the first half of 2012).

Group interest in net profit totaled 105.4 million euros, 22.9 million euros more than the 82.5 million euros earned in the first six months of 2012. With data on a constant scope of consolidation basis, the increase amounts to 11.4 million euros. Improved results from the industrial operations and a higher contribution from nonrecurring transactions account for most of this decrease.

Basic earnings per share improved to 0.0598 euros, up to 27% compared with 0.0470 euros per share in the first half of 2012.

Net financial assets totaled 877.3 million euros, for an increase of 67.5 million euros compared with 809.8 million euros at December 31, 2012. The main reasons for this increase include the cash generated by nonrecurring activities (101.6 million euros), consisting mainly of the price adjustment received for the LAG acquisition; and the cash flow from operating activities (64.5 million euros), offset in part by payment of the second and last installment owed to the Ontario Teachers Pension Plan Board ("OTPPB") pursuant to the Liquidity Payment Agreement (about 55 million euros), a negative translation effect (25.2 million euros) and dividend distributions (23.8 million euros).

PARMALAT S.p.A.

The net profit for the period amounted to 53.3 million euros, down from 59.7 million euros in the first half of 2012. The decrease of 6.4 million euros was mainly caused by reductions in dividends received from investee companies (43.1 million euros compared with 47.9 million euros in the first six months of 2012) and in net financial income (-5.7 million euros), caused by a decrease in financial assets, offset only in part by the gain in EBIT and a reduction in the tax burden.

Net financial assets decreased from 704.7 million euros at December 31, 2012 to 571.6 million euros at June 30, 2013, for a reduction of 133.1 million euros. The main items that contributed to this decrease include: a capital increase contribution provided to the Parmalat Canada Inc. subsidiary (67.2 million euros), disbursements of medium-term loans to the Australian subsidiaries (95.0 million euros) and dividend payments to shareholders (22.9 million euros), offset by the collection of dividends from investee companies (34 million euros), proceeds from the exercise of warrants (1.8 million euros) and the cash flow from operating activities.



Liquid assets and other financial assets are invested in short-term instruments with Italian credit institutions.

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BUSINESS OUTLOOK

Guidance for 2013

For 2013, at constant exchange rates and scope of consolidation (i.e., considering pro forma 12-month data for LAG in 2012), net revenues and EBITDA are expected to grow by about 3% and about 5% respectively compared to 2012.

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Planned Merger by Absorption of Carnini S.p.A., Latte Sole S.p.A. and Parmalat Distribuzione Alimenti S.r.l. into Parmalat S.p.A.

Meeting today, the Board of Directors of Parmalat S.p.A. approved a plan for the merger by absorption of Carnini S.p.A., Latte Sole S.p.A. and Parmalat Distribuzione Alimenti S.r.l. into Parmalat S.p.A.

The reason for this transaction comes from the need to implement a simplification of the ownership chain of the Parmalat Group in Italy in order to achieve a greater operating efficiency, so as to coordinate more effectively the operating activity of the Italy Business Unit.

The merger is expected to go into effect at 11:59 PM on December 31, 2013 and that the transactions of the companies that are being absorbed will be reflected, also for tax purposes, in the financial statements of Parmalat S.p.A. in the same period in which that merger will be implemented.

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Disclaimer

This document contains forward looking statements, particularly in the section entitled "Business Outlook." Projections for the second half of 2013 are based, inter alia, on the Group's performance in the second quarter of 2013 and take into account trends in the months of July. The Group's performance is affected by exogenous variables that could have unforeseen consequences in terms of its results: these variables, which reflect the peculiarities of the different countries where the Group operates, are related to weather conditions and to economic, socio-political and regulatory factors.

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Conference Call with the Financial Community

The data of the Semiannual Financial Report will be presented today to the financial community, at 3:30 PM (CET) – 2:30 PM (GMT), in a conference call. The presentation will be followed by a Q&A session.

The conference call may be accessed through the following telephone numbers:

- 800 40 80 88 ; +39 06 33 48 68 68 ; +39 06 33 48 50 42
Access code: * 0

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As required by Article 154 bis, Section 2, of the Uniform Financial Code (Legislative Decree No. 58/1998), Pierluigi Bonavita, in his capacity as Corporate Accounting Documents Officer of



Parmalat S.p.A., 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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The Semiannual Financial Report at June 30, 2013, together with the Report of the Independent Auditors, will be made available to the public within the deadline and in the manner required by current laws. These documents will also be available on the Company website: www.parmalat.com → Investor Relations → Financial Reports.

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Schedules providing a condensed presentation of the income statement, statement of financial position and cash flow are annexed to this press release.

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Parmalat S.p.A.

Milan, July 31, 2013



Data by Geographic Region

<i>(amounts in millions of euros)</i>									
Region	First Half 2013			First Half 2012			Delta %		
	Revenues	EBITDA	EBITDA %	Revenues	EBITDA	EBITDA %	Revenues	EBITDA	
Europe	555.5	47.7	8.6	565.0	52.5	9.3	-1.7%	-9.2%	
North America	1,122.4	101.1	9.0	790.5	73.2	9.3	+42.0%	+38.0%	
Latin America	271.8	10.9	4.0	253.5	11.0	4.3	+7.2%	-0.8%	
Africa	199.4	13.6	6.8	208.6	12.6	6.1	-4.4%	+7.5%	
Australia	447.1	30.9	6.9	460.1	22.3	4.9	-2.8%	+38.5%	
Other ¹	(1.4)	(10.0)	n.s.	(0.8)	(8.3)	n.s.	n.s.	n.s.	
Group	2,594.8	194.2	7.5	2,276.9	163.3	7.2	+14.0%	+18.9%	
Group <i>(at constant scope of consolidation and exchange rates)²</i>	2,353.2	182.6	7.8	2,272.2	166.6	7.3	+3.6%	+9.6%	

Regions represent the consolidated countries

1. Includes other no core companies, eliminations between regions and Group's Parent Company costs

2. Excluding new activities acquired during the third quarter 2012 and hyperinflation

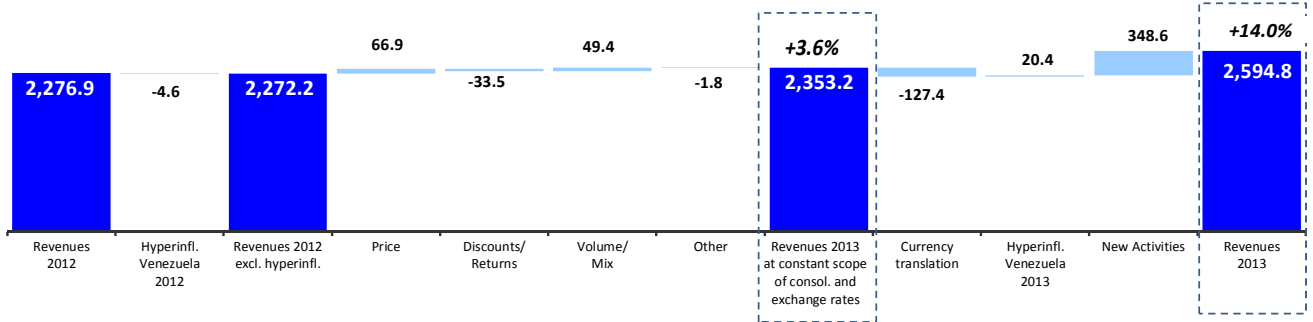


Like for Like Net Revenues and EBITDA

The diagram below presents the main variables that determined the evolution of net revenues and EBITDA in the first half of 2013, compared with the same period in 2012.

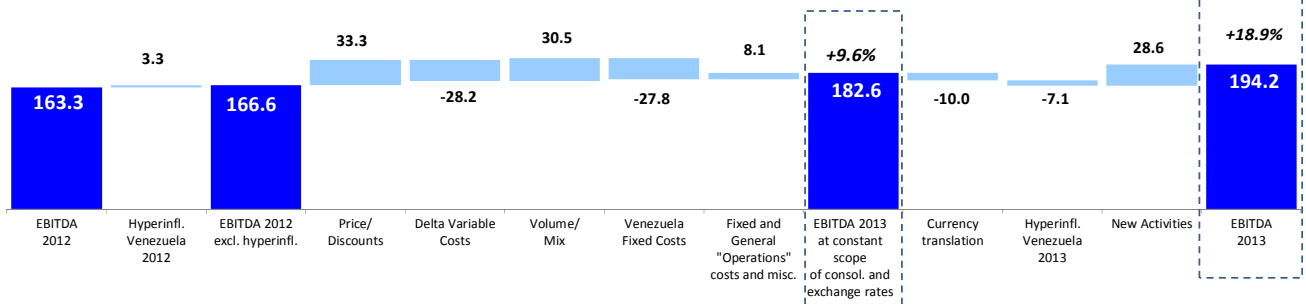
Revenues June 2013 vs 2012

(€ m)



EBITDA June 2013 vs 2012

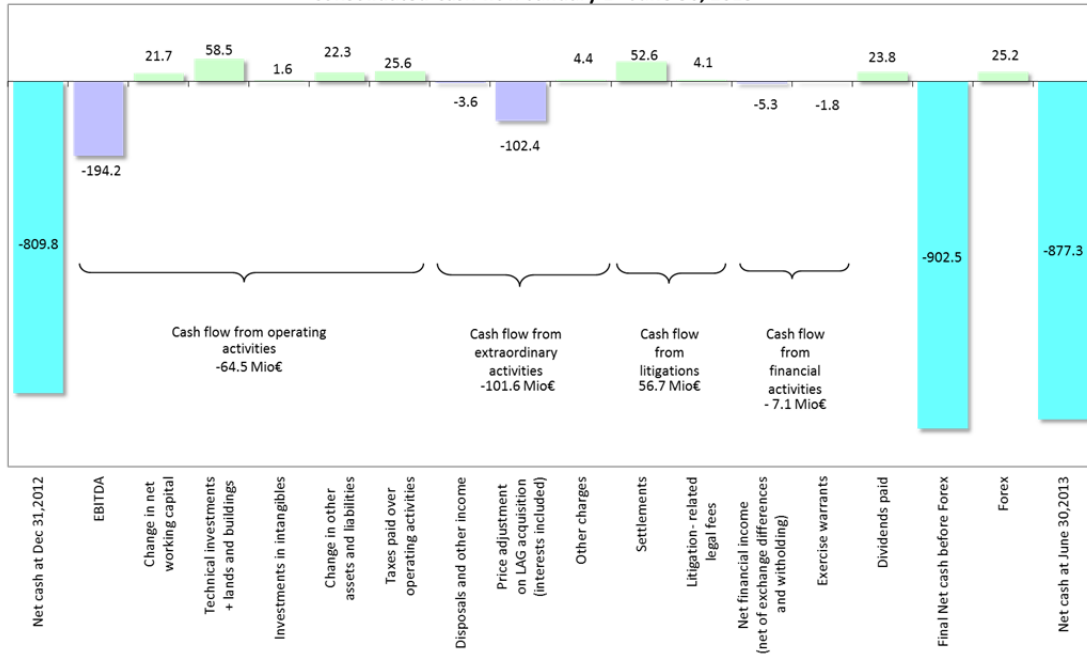
(€ m)



New Activities includes the data of the activities acquired in the third quarter of 2012.



Consolidated Cash flow January 1 - June 30, 2013





Parmalat Group

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(in millions of euros)

	First half 2013	First half 2012
REVENUES	2,619.2	2,292.0
Net revenues	2,594.8	2,276.9
Other revenues	24.4	15.1
OPERATING EXPENSES	(2,423.1)	(2,126.3)
Purchases, services and miscellaneous costs	(2,060.3)	(1,809.1)
Labor costs	(362.8)	(317.2)
Subtotal	196.1	165.7
Writedowns of receivables and other provisions	(1.9)	(2.4)
EBITDA	194.2	163.3
Depreciation, amortization and writedowns of non-current assets	(67.5)	(56.5)
Other income and expenses:		
- Litigation-related legal expenses	(2.0)	(4.4)
- Miscellaneous income and expenses	3.3	(6.2)
EBIT	128.0	96.2
Net financial income/(expense)	17.1	22.4
Interest in the results of companies valued by the equity method	0.0	0.0
Other income from (charges for) equity investments	0.0	3.0
PROFIT BEFORE TAXES	145.1	121.6
Income taxes	(38.2)	(38.0)
NET PROFIT FROM CONTINUING OPERATIONS	106.9	83.6
NET PROFIT FOR THE PERIOD	106.9	83.6
Non-controlling interest	(1.5)	(1.1)
Owners of the parent	105.4	82.5
Continuing operations:		
Basic earnings per share	0.0598	0.0470
Diluted earnings per share	0.0591	0.0465



Parmalat Group

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

<i>(in millions of euros)</i>	6/30/13	12/31/12¹
NON-CURRENT ASSETS	2,172.4	2,274.8
Intangibles	1,073.9	1,123.4
Property, plant and equipment	946.7	999.3
Non-current financial assets	77.9	76.5
Deferred-tax assets	73.9	75.6
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	2.7	3.0
NET WORKING CAPITAL	524.9	443.4
Inventories	531.2	508.5
Trade receivables	489.4	557.4
Trade payables (-)	(611.5)	(641.8)
Operating working capital	409.1	424.1
Other current assets	247.3	222.1
Other current liabilities (-)	(131.5)	(202.8)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	2,700.0	2,721.2
PROVISIONS FOR EMPLOYEE BENEFITS (-)	(150.1)	(164.7)
PROVISIONS FOR RISKS AND CHARGES (-)	(350.8)	(341.6)
PROVISION FOR LIABILITIES FOR CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	(6.5)	(6.6)
NET INVESTED CAPITAL	2,192.6	2,208.3
Covered by:		
SHAREHOLDERS' EQUITY²	3,069.9	3,018.1
Share capital	1,763.1	1,761.2
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	68.3	68.4
Other reserves and retained earnings	1,106.7	1,082.3
Profit for the period	105.4	81.3
Non-controlling interest	26.4	24.9
NET FINANCIAL ASSETS	(877.3)	(809.8)
Loans payable to banks and other lenders	25.9	32.5
Loans payable to investee companies	3.3	3.3
Other financial assets (-)	(100.0)	(107.2)
Cash and cash equivalents (-)	(806.5)	(738.4)
TOTAL COVERAGE SOURCES	2,192.6	2,208.3

¹ Further to the adoption as of January 1, 2013 (retrospectively) of the amendments to IAS 19, the comparative data at December 31, 2012 were restated as required by IAS 1. Additional information is provided in the section of this Report entitled "Principles for the Preparation of the Condensed Consolidated Semiannual Financial Statements."

² The schedule that reconciles the result and shareholders' equity at June 30, 2013 of Parmalat S.p.A. to the consolidated result and shareholders' equity is provided in the Notes to the Condensed Consolidated Semiannual Financial Statements.



Parmalat Group

STATEMENT OF CHANGES IN NET FINANCIAL POSITION IN THE FIRST HALF OF 2013

<i>(in millions of euros)</i>	First half 2013	First half 2012
Net financial assets at beginning of period	(809.8)	(1,518.4)
Changes during the period:		
- Cash flow from operating activities for the period	(131.5)	(134.4)
- Cash flow from investing activities	(41.9) ¹	37.2
- Accrued interest payable	4.3	3.2
- Cash flow from settlements	56.7	1.7
- Dividend payments	23.8	33.6
- Exercise of warrants	(1.8)	(1.9)
- Miscellaneous items	(2.3)	5.5
- Translation effect	25.2	(4.5)
Total changes during the period	(67.5)	(59.6)
Net financial assets at end of period	(877.3)	(1,578.0)

¹ Includes the proceeds (principal and interest) collected as a price adjustment on the LAG acquisition price in the amount of 102.4 million euros.

BREAKDOWN OF NET FINANCIAL POSITION

<i>(in millions of euros)</i>	6/30/13	12/31/12
Loans payable to banks and other lenders	25.9	32.5
Loans payable to investee companies ¹	3.3	3.3
Other financial assets (-)	(100.0)	(107.2)
Cash and cash equivalents (-)	(806.5)	(738.4)
Net (financial assets) borrowings	(877.3)	(809.8)

¹ Including 1.1 million euros owed to PPL Participações Ltda in bankruptcy and 2.2 million euros owed to Wishaw Trading sa.

RECONCILIATION OF CHANGE IN NET FINANCIAL ASSETS TO THE STATEMENT OF CASH FLOWS (Cash and Cash Equivalents)

<i>(in millions of euros)</i>	Cash and cash equivalents	Other financial assets	Gross indebtedness	Net financial assets
Beginning balance	(738.4)	(107.2)	35.8	(809.8)
Cash flow from operating activities for the period	(131.5)	-	-	(131.5)
Cash flow from investing activities	(40.7)	(1.2)	-	(41.9)
New borrowings	(12.5)	-	12.5	-
Loan repayments	17.1	-	(17.1)	-
Accrued interest payable	-	-	4.3	4.3
Cash flow from settlements	56.7	-	-	56.7
Dividend payments	23.8	-	-	23.8
Exercise of warrants	(1.8)	-	-	(1.8)
Miscellaneous items	-	-	(2.3)	(2.3)
Translation effect	20.8	8.4	(4.0)	25.2
Ending balance	(806.5)	(100.0)	29.2	(877.3)



Parmalat S.p.A.

RECLASSIFIED INCOME STATEMENT

<i>(in millions of euros)</i>	First half 2013	First half 2012
REVENUES	407.0	412.4
Net revenues	386.2	396.2
Other revenues	20.8	16.2
OPERATING EXPENSES	(379.9)	(380.7)
Purchases, services and miscellaneous costs	(328.8)	(327.9)
Labor costs	(51.1)	(52.8)
Subtotal	27.1	31.7
Writedowns of receivables and other provisions	(1.5)	(1.7)
EBITDA	25.6	30.0
Depreciation, amortization and writedowns of non-current assets	(14.4)	(15.1)
Other income and expenses:		
- Litigation-related legal expenses	(2.0)	(4.3)
- Miscellaneous income and expenses	(2.9)	(5.4)
EBIT	6.3	5.2
Net financial income (expense)	11.3	17.0
Other income from (charges for) equity investments	43.1	47.9
PROFIT BEFORE TAXES	60.7	70.1
Income taxes	(7.4)	(10.4)
NET PROFIT FROM CONTINUING OPERATIONS	53.3	59.7
Net profit (loss) from discontinued operations	0.0	0.0
NET PROFIT FOR THE PERIOD	53.3	59.7



Parmalat S.p.A.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

<i>(in millions of euros)</i>	6/30/13	12/31/12¹
NON-CURRENT ASSETS	2,469.2	2,303.9
Intangibles	361.4	363.2
Property, plant and equipment	145.3	143.9
Non-current financial assets	1,924.9	1,760.1
Deferred-tax assets	37.6	36.7
AVAILABLE-FOR-SALE ASSETS, NET OF CORRESPONDING LIABILITIES	0.0	0.0
NET WORKING CAPITAL	96.4	90.7
Inventories	48.3	46.1
Trade receivables	137.9	144.4
Trade payables (-)	(198.8)	(193.0)
Operating working capital	(12.6)	(2.5)
Other current assets	152.1	138.0
Other current liabilities (-)	(43.1)	(44.8)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	2,565.6	2,394.6
PROVISIONS FOR EMPLOYEE BENEFITS (-)	(24.5)	(24.2)
PROVISIONS FOR RISKS AND CHARGES (-)	(183.4)	(177.2)
PROVISION FOR LIABILITIES ON CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	(6.1)	(6.2)
NET INVESTED CAPITAL	2,351.6	2,187.0
Covered by:		
SHAREHOLDERS' EQUITY	2,923.2	2,891.7
Share capital	1,763.0	1,761.2
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	68.3	68.4
Other reserves and retained earnings	1,038.6	1,014.0
Profit for the period	53.3	48.1
NET FINANCIAL ASSETS	(571.6)	(704.7)
Loans payable to banks and other lenders	0.3	0.6
Loans receivable from investee companies	(53.7)	(217.7)
Other financial assets (-)	(71.1)	(83.9)
Cash and cash equivalents (-)	(447.1)	(403.7)
TOTAL COVERAGE SOURCES	2,351.6	2,187.0

¹ Further to the adoption as of January 1, 2013 (retrospectively) of the amendments to IAS 19, the comparative data at December 31, 2012 were restated as required by IAS 1. Additional information is provided in the section of this Report entitled "Principles for the Preparation of the Condensed Consolidated Semiannual Financial Statements."