PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE SEMIANNUAL REPORT AT JUNE 30, 2016

- **NET REVENUE INCREASES** AT CONSTANT EXCHANGE RATES AND SCOPE OF CONSOLIDATION AND EXCLUDING VENEZUELA (+2.3%): GROWTH IN THE LATIN AMERICA, AFRICA AND NORTH AMERICA SALES REGIONS

- **EBITDA UP** AT CONSTANT EXCHANGE RATES AND SCOPE OF CONSOLIDATION AND EXCLUDING VENEZUELA (+12%) THANKS TO IMPROVED RESULTS IN THE UNITED STATES OF AMERICA AND EUROPE

- THE **PROFIT FOR THE PERIOD GROWS** AT CONSTANT EXCHANGE RATES AND SCOPE OF CONSOLIDATION AND EXCLUDING VENEZUELA (+59.3%) DUE TO IMPROVED RESULTS AT THE OPERATING LEVEL

- IN **LATIN AMERICA,** THE PROCESS OF NORMALIZING THE ACQUIRED ASSETS IS CONTINUING; HIGH LEVEL OF INFLATION AND MASSIVE DEVALUATION OF THE LOCAL CURRENCY IN VENEZUELA

- IN **AUSTRALIA,** A REORGANIZATION OF THE INDUSTRIAL ACTIVITIES IS UNDER WAY SUBSEQUENT TO THE RECENT ACQUISITIONS

- THE **2016 GUIDANCE** IS CONFIRMED

- **LAG ACQUISITION:** NO BASIS FOR ACTIVATING THE CONTRACTUAL GUARANTEES FOR PROSPECTIVE DATA

Milan, July 29, 2016 – The Board of Directors of Parmalat S.p.A., meeting today under the chairmanship of Gabriella Chersicla, reviewed and approved the Semiannual Financial Report at June 30, 2016, the highlights of which are reviewed below.

Parmalat Group

In the first half of 2016, the global economy was characterized by moderate growth and an uneven trend.
Another significant development in this period was the global surplus in the supply of raw milk, attributable in part to the elimination of milk quotas in the European Union, which resulted in relatively low purchase prices, albeit with significant regional differences.

More in detail, **net revenue** increased to 2,991.1 million euros, up 28.6 million euros (+1%) compared with 2,962.6 million euros in the first half of 2015. With data at constant exchange rates and scope of consolidation - obtained by excluding the results of the activities acquired in Brazil (*Elebat*), Mexico (*Esmeralda Group*) and Australia (*Longwarry* and the yogurt and dairy dessert operations) - and excluding the results of the Venezuelan subsidiary, the increase in net revenue is 59.4 million euros (+2.3%), with a positive contribution by the Latin America, Africa and North America sales regions.

EBITDA totaled 171.6 million euros, or 2.2 million euros more (+1.3%) than the 169.4 million euros earned in the first six months of 2015, despite the negative impact of the devaluation of the Venezuelan currency versus the euro. With data at constant exchange rates and scope of consolidation and excluding Venezuela, the EBITDA increase is 19.5 million euros (+12%), thanks mainly to improved results in the United States of America and Europe. This gain was made possible by a steady improvement in operating efficiency and the optimization of promotional programs.

An overview of the Group's performance in its main sales regions is provided below.

Europe

The Europe sales region includes the subsidiaries that operate in Italy, Russia, Portugal and Romania. The region's net revenue totaled 532.1 million euros and EBITDA amounted to 54.8 million euros in the first half of 2016.
The significant devaluation of the ruble versus the euro had a negative impact on the sales region's net revenue and EBITDA amounting to about 8.3 million euros and 0.5 million euros, respectively.
With data at constant exchange rates, the region shows slightly lower net revenue and a 3.8% EBITDA increase compared the previous year.
In **Italy** - which accounts for about 90% both of the net revenue and EBITDA of the Europe sales region - consumption was down in the markets in which Parmalat operates. Despite this challenging environment, the local subsidiary retained the leadership of the milk sector, increasing its market share, thanks primarily to the performance of its *Zymil* brand. In the UHT cream category, Parmalat strengthened its first-place competitive position, thanks to an outstanding performance by its *Chef* brand.

North America

The North America sales region includes the subsidiaries that operate in the United States and Canada. In the first six months of 2016, net revenue totaled 1,144.3 million euros and EBITDA amounted to 111.8 million euros.
The devaluation of the Canadian dollar versus the euro had a negative impact on the region's net revenue and EBITDA amounting to about 55 million euros and 4.5 million euros, respectively; on average, the U.S. dollar followed a steady trend during the two periods under comparison.
With data at constant exchange rates, net revenue and EBITDA show gains of 2.2% and 21.2%, respectively, compared with the previous year, thanks mainly to a positive performance by the U.S. subsidiary.
In the **United States of America**, the cheese market, considering the categories in which the local subsidiary operates, continued to show an attractive growth trend. In this context, Parmalat strengthened its market leader position in the chunk mozzarella, soft ripened cheese and ricotta segments and confirmed its competitive positions in the other categories in which it operates (fresh mozzarella, snack cheese, feta, gourmet cheddar cheese and gourmet spreadable cheese).
The profitability of the U.S. subsidiary improved sharply compared with 2015, thanks to the favorable terms for the procurement of raw milk and higher sales volumes. The EBITDA generated by *LAG* was the highest in percentage of the Parmalat Group. These positive results were also achieved thanks to the marketing strategy pursued in recent years and to further progress in the implementation of efficiency boosting programs in regard to operating costs and purchasing.
In **Canada**, Parmalat confirmed its second-place competitive position in the cheese segment, the category with the highest value added, reporting higher sales volumes than the previous year and held unchanged its market positions in the milk and yogurt categories.

Latin America

The Latin America sales region includes the subsidiaries that operate in Brazil, Mexico, Venezuela, Colombia, Ecuador and Paraguay and smaller operations in other countries. The Group strengthened its presence in Brazil, with the acquisitions of *LBR* (January 2015) and *Elebat* (July 2015), as well as in Mexico, Uruguay and Argentina, with the acquisition of the *Esmeralda Group* in the second quarter of 2015.

In the first half of 2016, excluding effect of hyperinflation in Venezuela, the region's net revenue totaled 628.9 million euros and EBITDA amounted to 10.1 million euros.
With data at constant exchange rates and comparable scope of consolidation (excluding *Elebat*, *Esmeralda* and the contribution of the Venezuelan operations), net revenue and EBITDA show increases of 13.5% and 26.6%, respectively, compared with the first half of 2015.
In **Brazil**, the economic results for the first half of 2016 were positive overall, with expectations of a further improvement in the second half of the year, in a context characterized by an ongoing reorganization process aimed at normalizing all of the acquired activities and generate synergies and optimizations in production processes and the target markets.
In this context, Parmalat held unchanged its competitive position in the cheese and UHT milk categories, which represent the region's most important dairy markets.
In **Mexico**, where a rationalization of production facilities and the sales organization is being implemented, the results achieved in the first half of the year were positive, owing in part to favorable consumption trends in the cheese market, the primary market for the local subsidiary.
In **Venezuela**, in a context that is extremely critical both economically and politically, the local subsidiary reported sharply lower sales volumes compared with the previous year.

Africa

In the Africa sales region - which includes the subsidiaries that operate in South Africa, Zambia, Botswana, Swaziland and Mozambique - net revenue totaled 173.6 million euros and EBITDA amounted to 10.7 million euros in the first six months of 2016.
The devaluation versus the euros of all of the local currencies, the South African rand in particular, had a negative translation effect, reducing net revenue and EBITDA by about 54 million euros and 3.1 million euros, respectively.
With data at constant exchange rates, the region's results show an increase of 4.7% for net revenue and a decrease of 17.1% for EBITDA compared with the previous year.
In **South Africa**, the local subsidiary confirmed its position as the market leader in the flavored milk category, with its *Steri Stumpie* brand, and in the cheese segment, thanks to a positive performance by the *Parmalat* brand. As for UHT milk and yogurt, it confirmed its second-place competitive position in both segments.

Oceania

In the Oceania region, net revenue amounted to 496.1 million euros and EBITDA totaled 10.9 million euros in the first half of 2016.
The devaluation of the Australian dollar versus the euro had a negative translation effect of about 31 million euros on net revenue and 0.8 million euros on EBITDA.
With data at constant exchange rates and scope of consolidation - excluding *Longwarry*, acquired in the first quarter of 2015, and the yogurt and dairy dessert operations, acquired through the *Parmalat Australia YD* subsidiary in the first quarter of 2016 - the increase in net revenue is 1.1% but EBITDA shows a reduction of 15.8% compared with the previous year.
It is also worth mentioning that in **Australia** a reorganization of the activities is under way; more specifically, the Group carried out a program of acquisitions with the aim of expanding its presence in its target markets, improving the procurement of production components and achieving greater efficiency and the rationalization of production facilities.
Parmalat is the leader in the pasteurized milk category and retained the second-place position in the flavored milk and UHT milk market, while strengthening its second-place competitive position in the yogurt market and consolidating its leadership position in the dessert market, thanks to the newly acquired activities.

The **profit for the period** amounted to 45.4 million euros, or 6.9 million euros more than the 38.5 million euros reported in the first half of 2015 (+17.9%).
This increase is mainly attributable to an improvement in operating results, a decrease in financial expense and a lower income tax expense.
With data at constant scope of consolidation and exchange rates and excluding Venezuelan subsidiaries, the increase in profit is 59.3% compared with the first half of 2015.

The **net financial position** amounted to 183.2 million euros, down 127.6 million euros compared with 310.8 million euros at December 31, 2015. The main reasons for this decrease include: the cash absorbed by operating activities for 52.1 million euros, mainly attributable to seasonal factors; the cash absorbed by non-recurring transactions for 40.6 million euros, mainly in connection with the acquisition of yogurt and dairy dessert activities in Australia and the payment to *BRF S.A.* of the price adjustment on the net financial position and working capital of *Elebat Alimentos S.A.;* the payment of dividends for 33 million euros, and a negative translation effect of 7.1 million euros. This decrease was offset in part by the cash generated by financing activities for 5.4 million euros.

PARMALAT S.p.A.

The **profit for the period** decreased to 22 million euros, or 5.5 million euros less than the 27.5 million euros earned in the first half of 2015. This reduction was mainly determined by a decrease in net financial income (1 million euros less than in the same period last year) and lower dividends and income from investee companies (5.7 million euros, compared with 11.3 million euros in the first half of 2015), offset in part by an improvement at the EBIT level.

The **net financial position** went from 136.8 million euros at December 31, 2015 to 102.4 million euros at June 30, 2016, for a reduction of 34.4 million euros, due mainly to the payment of the 2015 dividend.
Cash and cash equivalents and other financial assets are invested in sight deposits and short-term instruments with counterparties belonging to top banking groups.

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Business Outlook

During the first six months of 2016, the dairy market was characterized by a low cost for raw milk, due mainly to a supply and demand imbalance. Indications of a trend reversal, with raw milk prices starting to rise, began to appear in June in some areas.

In this context, the Group continues to focus on a carefully targeted pricing policy in order to respond to this change in scenario.

For the recently acquired businesses in Latin America and Australia, which are faced with specific challenges in the markets in which they operate, their priority will be on implementing reorganization processes aimed at achieving their full integration, aligning their quality standards with those of the Group and attaining the desired results.

2016 Guidance

For 2016, at constant exchange rates, considering pro forma 2015 comparative data for the new acquisitions and excluding the Venezuelan subsidiary, given the situation of uncertainty, the high level of inflation and the massive devaluation of the local currency, Parmalat confirms expectation of growth of about 5% for net revenue and about 10% for EBITDA.

Growth is projected for the second half of the year, when the effects of the reorganization processes for the new acquisitions and the results of the efficiency boosting program under way will be realized.

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Disclaimer

This document contains forward looking statements, particularly in the section entitled "Business Outlook". Projections for the second half of 2016 are based, inter alia, on the Group's performance in the second quarter of 2016 and take into account trends in the month 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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LAG acquisition: no basis for activating the contractual guarantees for prospective data

The Board of Directors reviewed the opinion provided by the Committee for Related Party Transactions (the "Committee") on July 19, 2016 (the "Opinion") on whether (or not) the rights provided under the clause stipulated in Article 5.24.3 of the contract to buy LAG (the "Contract") should be exercised.

The Committee, finding that it concurred with the conclusions reached in their opinions Professors Giorgio De Nova, Paolo Montalenti and Mario Massari (see in this regard the press release of April 14, 2016), rendered unanimously the opinion that there was no basis for exercising the rights provided under the clause set forth in Article 5.24.3 of the Contract, since the analyses performed showed that the prospective information supplied by the seller B.S.A. S.A., which, through Sofil S.A., holds an 87.63% interest in Parmalat S.p.A., were not unreasonable.

The Committee specified that the "negative" assessment contained in the Opinion derived from the belief that there was no basis, from a technical legal standpoint, for activating the contractual guarantee clause.

Consequently, the Board of Directors, based on the Committee's Opinion, resolved by a majority vote, with Director Umberto Mosetti dissenting, not to put forth any compensation or indemnification claim for damages caused by prospective information that was unreasonable pursuant to and for the purposes of Article 5.24.3 of the Contract, there being no basis for exercising the rights provided under the abovementioned clause and the resulting activation of the corresponding contractual guarantee clause.

The exercise (or not) of the rights arising from the relevant clause of Article 5.24.3 of the Contract was qualified as a highly material related-party transaction and, consequently, was the subject of a resolution that the Board of Directors adopted after receiving the Opinion unanimously approved by the Committee.

The Information Memorandum and the Committee's Opinion (with annexed the opinions rendered by Professors De Nova, Montalenti and Massari) are available at the Company's registered office, through the authorized storage mechanism 1Info (www.1Info.it) and on the Company website at the address: www.parmalat.com/en/investor_relations/acquisitions_list/LAG_acquisition/.

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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, 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, 2016, 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. The abovementioned reports 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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Company contacts

Press Office
external.communication@parmalat.net

Investor Relations
l.bertolo@parmalat.net

www.parmalat.com

Data by Geographic Region

(amounts in millions of euros)	First Half 2016			First Half 2015			Delta %	
Region	Net Revenue	EBITDA	EBITDA %	Net Revenue	EBITDA	EBITDA %	Net Revenue	EBITDA
Europe	532.1	54.8	10.3	543.2	53.2	9.8	-2.0%	+2.9%
North America	1,144.3	111.8	9.8	1,172.6	96.0	8.2	-2.4%	+16.5%
Latin America	628.9	10.1	1.6	468.6	29.7	6.3	+34.2%	-66.1%
Africa	173.6	10.7	6.2	217.0	16.6	7.7	-20.0%	-35.6%
Oceania	496.1	10.9	2.2	504.5	11.4	2.3	-1.7%	-4.3%
Other [1]	(7.9)	(8.8)	n.s.	(8.1)	(8.5)	n.s.	n.s.	-3.7%
Group excl. hyperinflation	**2,967.0**	**189.4**	**6.4**	**2,897.8**	**198.4**	**6.8**	**+2.4%**	**-4.5%**
Hyperinflation in Venezuela	24.1	(17.8)	n.s.	64.8	(29.0)	n.s.	n.s.	n.s.
Group	**2,991.1**	**171.6**	**5.7**	**2,962.6**	**169.4**	**5.7**	**+1.0%**	**+1.3%**

Regions represent the consolidated countries.
1. Includes other non-core companies, eliminations between regions and Group's Parent Company costs.

In order to improve comparability with the 2015 data, the table below presents the Group's results at constant exchange rates and comparable scope of consolidation and excluding Venezuela:

(amounts in millions of euros)	First Half 2016			First Half 2015			Delta %	
Region	Net Revenue	EBITDA	EBITDA %	Net Revenue	EBITDA	EBITDA %	Net Revenue	EBITDA
Europe	540.4	55.2	10.2	543.2	53.2	9.8	-0.5%	+3.8%
North America	1,198.8	116.3	9.7	1,172.6	96.0	8.2	+2.2%	+21.2%
Latin America	172.2	(7.0)	(4.0)	151.7	(9.5)	(6.3)	+13.5%	+26.6%
Africa	227.2	13.8	6.1	217.0	16.6	7.7	+4.7%	-17.1%
Oceania	493.3	12.5	2.5	488.1	14.8	3.0	+1.1%	-15.8%
Other [1]	(7.9)	(8.7)	n.s.	(8.1)	(8.5)	n.s.	n.s.	-2.5%
Group (constant exch. rates/ scope of consolidation) [2]	**2,623.9**	**182.1**	**6.9**	**2,564.5**	**162.6**	**6.3**	**+2.3%**	**+12.0%**

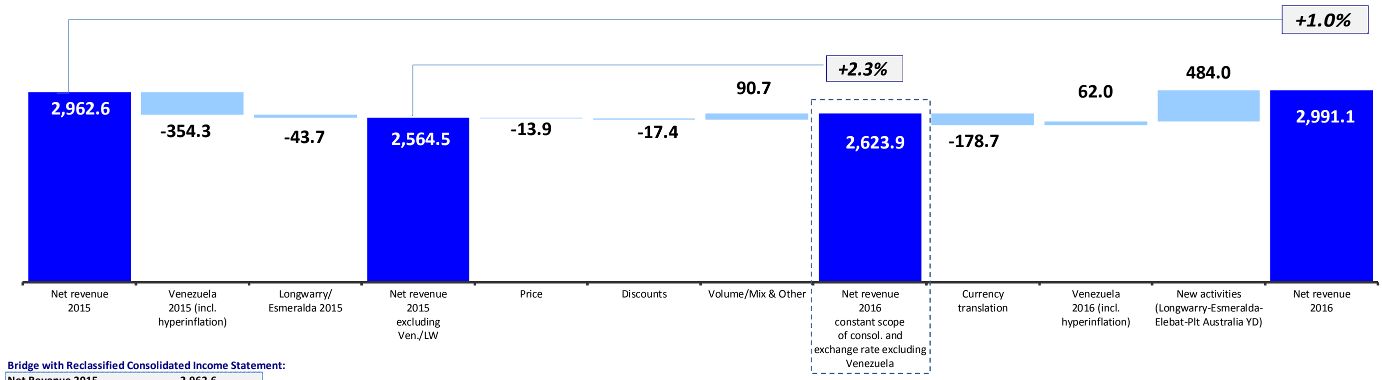
Regions represent the consolidated countries.
1. Includes other non-core companies, eliminations between regions and Group's Parent Company costs.
2. Excluding Venezuela and new activities consolidated in 2015 (Longwarry and Esmeralda) and in 2016 (Elebat, Longwarry, Esmeralda and Parmalat Australia YD)

Like for Like Net Revenue and EBITDA

The diagram below presents the main variables that determined the evolution of net revenue and EBITDA in the first half of 2016, compared with the previous year.

Net Revenue First Half 2016 vs 2015

(€ m)



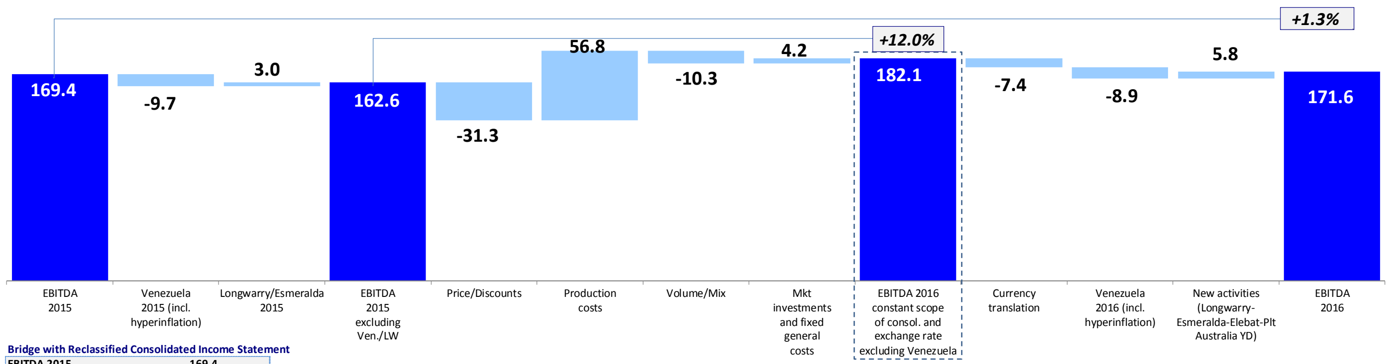
Bridge with Reclassified Consolidated Income Statement:

Net Revenue 2015	**2,962.6**
Δ Perimeter	440.2
Δ Venezuela	(292.3)
Δ Business	59.4
Curr. translation 16	(178.7)
Net Revenue 2016	**2,991.1**

Difference between result of new activities 2016 (484 mln euros) and Longwarry/Esmeralda 2015 (43.7 mln euros)
Difference between result of Venezuela 2016 incl. hyperinflatin (62 mln euros) and result 2015 (354.3 mln euros)

EBITDA First Half 2016 vs 2015

(€ m)

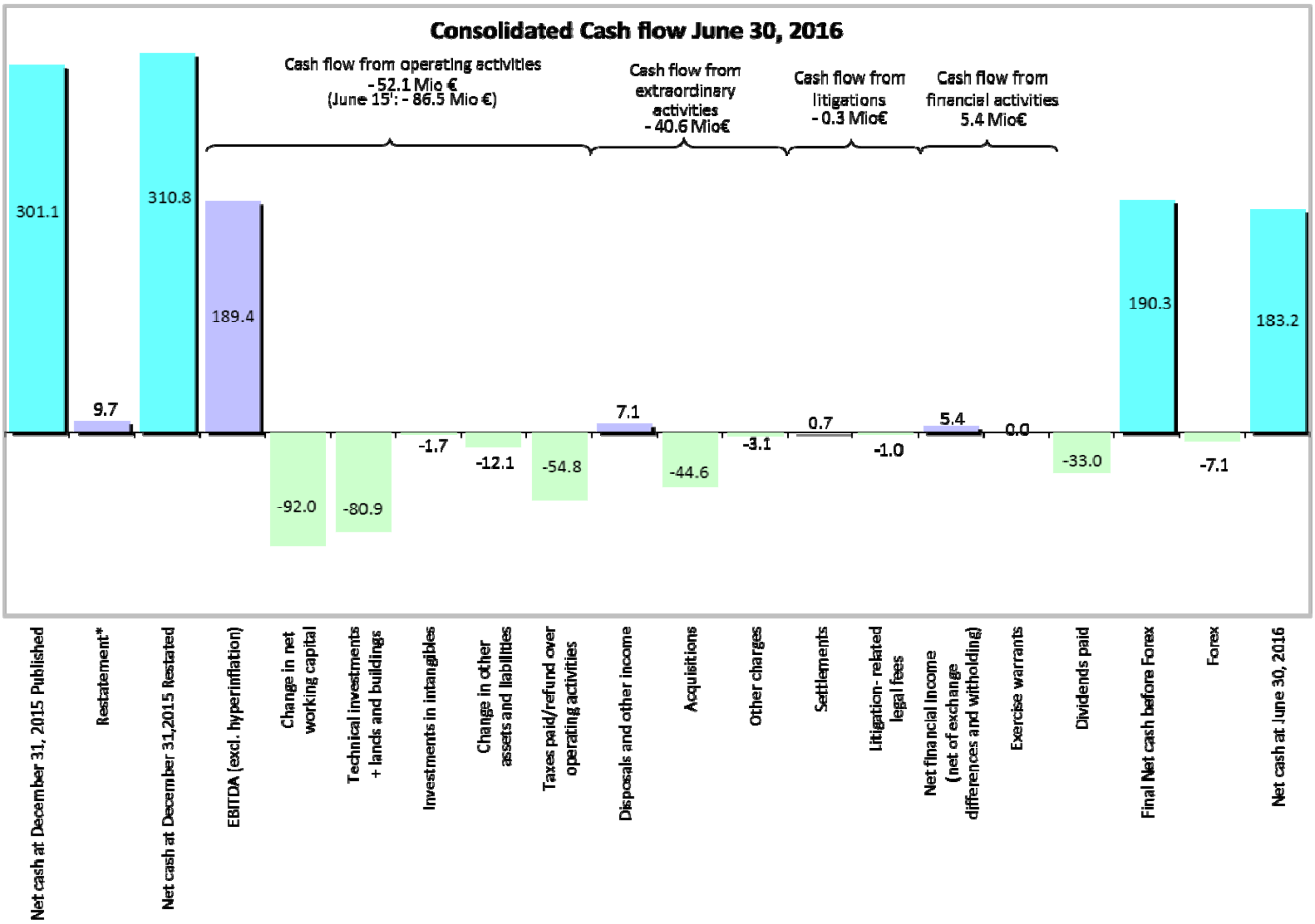


Bridge with Reclassified Consolidated Income Statement

EBITDA 2015	**169.4**
Δ Perimeter	8.7
Δ Venezuela	(18.7)
Δ Business	19.5
Curr. translation 16	(7.4)
EBITDA 2016	**171.6**

Difference between result of new activities 2016 (5.8 mln euros) and Longwarry/Esmeralda 2015 (-3.0 mln euros)
Difference between result of Venezuela 2016 incl. hyperinflatin (-8.9 mln euros) and result 2015 (9.7 mln euros)

Consolidated Statement of Cash Flows



* This amount was restated further to the settlement, in 2016, of the price adjustment for the acquisition of *Esmeralda* (Mexico).

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RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(in millions of euros)	**First half 2016 (A)**	*Δ scope of consolidation (June 2016 vs June 2015) (B)*	*Δ Venezuela (June 2016 vs June 2015) (C)*	***First half 2016 pro forma at current exchange rates (D=A-B-C)***	**First half 2015**
REVENUE	**3,008.5**	***483.6***	***(294.7)***	***2,819.6***	**2,980.3**
Net revenue	2,991.1	*483.3*	*(292.3)*	*2,800.1*	2,962.6
Other revenue	17.4	*0.3*	*(2.4)*	*19.5*	17.7
OPERATING EXPENSES	**(2,833.2)**	***(476.5)***	***275.3***	***(2,632.0)***	**(2,806.7)**
Purchases, services and miscellaneous costs	(2,432.2)	*(420.8)*	*217.4*	*(2,228.8)*	(2,393.4)
Personnel expense	(401.0)	*(55.7)*	*57.9*	*(403.2)*	(413.3)
Subtotal	**175.3**	***7.1***	***(19.4)***	***187.6***	**173.6**
Impairment losses on receivables and other provisions	(3.7)	*(0.6)*	*0.8*	*(3.9)*	(4.2)
EBITDA	**171.6**	***6.5***	***(18.6)***	***183.7***	**169.4**
Depreciation, amortization and impairment losses on non-current assets	(80.2)	*(13.3)*	*5.2*	*(72.1)*	(75.5)
Other income and expense:					
- Litigation-related legal expenses	(1.2)	*0.0*	*0.0*	*(1.2)*	(1.7)
- Miscellaneous income and expenses	(6.4)	*0.0*	*0.3*	*(6.7)*	(4.8)
EBIT	**83.8**	***(6.8)***	***(13.1)***	***103.7***	**87.4**
Net financial income/(expense)	(1.0)	*(4.4)*	*11.5*	*(8.1)*	(10.0)
Other income from (Charges for) equity invest.	0.1	*0.0*	*0.0*	*0.1*	(0.4)
PROFIT BEFORE TAXES	**82.9**	***(11.2)***	***(1.6)***	***95.7***	**77.0**
Income taxes	(37.5)	*(1.3)*	*0.4*	*(36.6)*	(38.5)
PROFIT FOR THE PERIOD	**45.4**	***(12.5)***	***(1.2)***	***59.1***	**38.5**
Attributable to:					
Non-controlling interests	(0.5)	0.0	0.0	(0.5)	(0.9)
Owners of the parent	44.9	(12.5)	(1.2)	58.6	37.6

Continuing operations:

Basic earnings per share (in euros)	**0.0242**	**0.0205**
Diluted earnings per share (in euros)	**0.0242**	**0.0203**

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RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions of euros)	**6/30/16**	**12/31/15 *restated* [1]**
NON-CURRENT ASSETS	**2,950.6**	**2,797.3**
Intangible assets	1,388.8	1,333.9
Property, plant and equipment	1,393.7	1,303.8
Non-current financial assets	93.0	86.1
Deferred tax assets	75.1	73.5
NON-CURRENT ASSETS HELD FOR SALE, NET OF CORRESPONDING LIABILITIES	**9.2**	**9.2**
NET WORKING CAPITAL	**522.6**	**368.0**
Inventories	646.8	587.7
Trade receivables	597.4	539.9
Trade payables (-)	(754.6)	(756.5)
Operating working capital	**489.6**	**371.1**
Other assets	214.6	175.7
Other liabilities (-)	(181.6)	(178.8)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	**3,482.4**	**3,174.5**
EMPLOYEE BENEFITS (-)	**(116.4)**	**(93.1)**
PROVISIONS FOR RISKS AND CHARGES (-)	**(358.0)**	**(352.8)**
PROVISION FOR LIABILITIES FOR CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	**(10.2)**	**(10.3)**
NET INVESTED CAPITAL	**2,997.8**	**2,718.3**
Covered by:		
EQUITY	**3,181.0**	**3,029.1**
Share capital	1,855.1	1,855.1
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	52.9	52.9
Other reserves and retained earnings	1,209.3	957.3
Profit for the period	44.9	144.3
Non-controlling interests	18.8	19.5
NET FINANCIAL POSITION	**(183.2)**	**(310.8)**
Loans payable to banks and other lenders	404.7	398.3
Other financial assets (-)	(187.3)	(175.6)
Cash and cash equivalents(-)	(400.6)	(533.5)
TOTAL COVERAGE SOURCES	**2,997.8**	**2,718.3**

[1] As required by IFRS 3, following the completion in 2016 of the Purchase Price Allocation process, the statement of financial position balances at December 31, 2015 were restated to reflect, at the date of acquisition, the final fair value of the acquired assets and liabilities.

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STATEMENT OF CHANGES IN NET FINANCIAL POSITION IN THE FIRST HALF OF 2016

(in millions of euros)	**First half 2016**	**First half 2015**
Net financial position at beginning of period	**(310.8)**	**(1,119.1)**
Changes during the period:		
- Cash flow from operating activities for the period	(31.7)	28.9
- Cash flow from other investing activities	112.5	257.6
- Accrued interest expense	8.1	59.1
- financial liability for acquisitions	-	5.7
- Cash flow from settlements	0.3	(5.1)
- Dividend payments	33.0	30.2
- Exercise of warrants	-	(3.5)
- Miscellaneous items	(1.7)	25.3
- Translation effect	7.1	(10.0)
Total changes during the period	127.6	388.2
Net financial position at end of period	**(183.2)**	**(730.9)**

BREAKDOWN OF NET FINANCIAL POSITION

(in millions of euros)	**6/30/16**	**12/31/15 *restated***
Loans payable to banks and other lenders	404.7	398.3
Other financial assets (-)	(187.3)	(175.6)
Cash and cash equivalents (-)	(400.6)	(533.5)
Net financial position	**(183.2)**	**(310.8)**

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

(in millions of euros)	**Cash and cash equivalents**	**Other financial assets**	**Gross indebtedness**	**Net financial assets**
Opening balance	**(533.5)**	**(175.6)**	**398.3**	**(310.8)**
Cash flow from operating activities for the period	(31.7)	-	-	(31.7)
Cash flow from other investing activities	132.3	(19.8)	-	112.5
New borrowings	(32.0)	-	32.0	-
Loan repayments	31.8	-	(31.8)	-
Accrued interest expense	-	-	8.1	8.1
Cash flow from settlements	0.3	-	-	0.3
Dividend payments	33.0	-	-	33.0
Miscellaneous items	-	5.7	(7.4)	(1.7)
Translation effect	(0.8)	2.4	5.5	7.1
Closing balance	**(400.6)**	**(187.3)**	**404.7**	**(183.2)**

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RECLASSIFIED INCOME STATEMENT

(in millions of euros)	**First half 2016**	**First half 2015**
REVENUE	**441.2**	**443.2**
Net revenue	424.6	427.0
Other revenue	16.6	16.2
OPERATING EXPENSES	**(403.7)**	**(408.7)**
Purchases, services and miscellaneous costs	(341.7)	(346.2)
Personnel expense	(62.0)	(62.5)
Subtotal	**37.5**	**34.5**
Impairment losses on receivables and other provisions	(1.6)	(1.9)
EBITDA	**35.9**	**32.6**
Depreciation, amortization and impairment losses on non-current assets	(12.6)	(14.1)
Other income and expense:		
- Litigation-related legal expenses	(1.2)	(1.7)
- Miscellaneous income and expense	(2.9)	2.1
EBIT	**19.2**	**18.9**
Net financial income/(expense)	5.4	6.4
Other income from (Charges for) equity investments	5.7	11.3
PROFIT BEFORE TAXES	**30.3**	**36.6**
Income taxes	(8.3)	(9.1)
PROFIT FOR THE PERIOD	**22.0**	**27.5**

Parmalat S.p.A.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

(in millions of euros)	**6/30/16**	**12/31/15**
NON-CURRENT ASSETS	**3,187.3**	**3,177.0**
Intangible assets	354.0	354.8
Property, plant and equipment	157.9	160.6
Non-current financial assets	2,649.3	2,635.0
Deferred tax assets	26.1	26.6
ASSETS HELD FOR SALE, NET OF CORRESPONDING LIABILITIES	**0.0**	**0.0**
NET WORKING CAPITAL	**(17.2)**	**(40.9)**
Inventories	48.3	44.0
Trade receivables	110.9	127.4
Trade payables (-)	(191.0)	(194.3)
Operating working capital	**(31.8)**	**(22.9)**
Other assets	55.9	39.8
Other liabilities (-)	(41.3)	(57.8)
INVESTED CAPITAL NET OF OPERATING LIABILITIES	**3,170.1**	**3,136.1**
EMPLOYEE BENEFITS (-)	**(27.5)**	**(26.6)**
PROVISIONS FOR RISKS AND CHARGES (-)	**(181.3)**	**(176.3)**
PROVISION FOR LIABILITIES FOR CONTESTED PREFERENTIAL AND PREDEDUCTION CLAIMS	**(9.8)**	**(9.9)**
NET INVESTED CAPITAL	**2,951.5**	**2,923.3**
Covered by:		
SHAREHOLDERS' EQUITY	**3,053.9**	**3,060.1**
Share capital	1,855.1	1,855.1
Reserve for creditor challenges and claims of late-filing creditors convertible into share capital	52.9	52.9
Other reserves and retained earnings	1,123.9	1,086.8
Profit for the period	22.0	65.3
NET FINANCIAL POSITION	**(102.4)**	**(136.8)**
Loans payable to banks and other lenders	178.5	178.7
Loans payable to/(receivable) from investee companies	(8.3)	(15.9)
Other financial assets (-)	(172.4)	(159.4)
Cash and cash equivalents(-)	(100.2)	(140.2)
TOTAL COVERAGE SOURCES	**2,951.5**	**2,923.3**