



Press Release

The Board of Directors approves the 2017 Consolidated Financial Statements and Draft Financial Statements of the Parent Company

- **DOUBLE DIGIT GROWTH OF ALL ECONOMIC INDICATORS, REFLECTING BOTH GOOD MARKET DEMAND AND THE NEW RDM GROUP'S STRATEGY AND STRUCTURE. OVER A MILLION TONS SOLD**
- **CONSOLIDATED NET REVENUES OF €569.1 MILLION, +19.1% COMPARED TO €477.8 MILLION AS OF DECEMBER 31, 2016**
- **CONSOLIDATED GROSS OPERATING PROFIT (EBITDA) OF €45.8 MILLION COMPARED TO €30.4 MILLION AS OF DECEMBER 31, 2016 (+50.5%)**
- **CONSOLIDATED OPERATING PROFIT (EBIT) OF €23.5 MILLION, + €14.7 MILLION COMPARED TO THE €8.8 MILLION AS OF DECEMBER 31, 2016 (+168.2%)**
- **CONSOLIDATED NET PROFIT FOR THE PERIOD OF €14.6 MILLION, OVER FOUR TIMES ON THE NET PROFIT OF €3.2 MILLION AS OF DECEMBER 31, 2016**
- **CONSOLIDATED NET FINANCIAL INDEBTEDNESS OF €44.1 MILLION (€44.4 MILLION AS OF DECEMBER 31, 2016) AFTER THE PAYMENT OF PAC SERVICE ACQUISITION PRICE (€10 MILLION)**
- **PARENT COMPANY, RENO DE MEDICI S.P.A., NET RESULT OF €10.4 MILLION (+52.6% COMPARED TO DECEMBER 31, 2016). PROPOSED A DIVIDED OF € 0.0031 PER ORDINARY SHARE AND OF €0.0245 FOR SAVINGS SHARE**

Milan, March 16, 2018 – The Board of Directors of Reno De Medici S.p.A., meeting today under the chairmanship of Michele Bianchi, reviewed and approved the Consolidated and Draft Financial Statements of the Parent Company for the year ending as of December 31, 2017, to be submitted to the Ordinary Shareholders' Meeting on April 30, 2018.

The Group's performances in Fiscal Year 2017

The comparison with the 2016 financial year should take into account the impact on the consolidation of operations of June 30, 2016, the acquisition of R.D.M. La Rochette S.A.S. and the integration of the R.D.M. Marketing, whose financial figures as of December 31, 2016 had been consolidated only for the second half of 2016.

In a favourable market environment, the RDM Group has implemented with a renewed dynamism, an integrated business model based on a wider range of products and a unique and more innovative managerial, production and commercial organization. The combination of favourable market dynamics and the new RDM Group's strategy focused on quality, efficiency and satisfactory response to customer needs,

has allowed to consolidate market positioning and increase sales, translating into greater benefits in 2017 in terms of operating margins.

In particular, the fourth quarter of 2017 confirms the good performance already recorded in the first nine months, driven by the growth of the economies in Italy and in Europe, also confirmed by the positive flow of orders recorded by both divisions where the RDM Group operates: the traditional WLC - White Lined Chipboard (coated board made of recycled fibers) and the FBB - Folding Box Board Segment (cartonboard for folding boxes made of virgin fibers).

Below is an indication of the main Full Year 2017 consolidated financial and economic highlights.

Consolidated Net Revenues amounted to €569.1 Million compared to €477.8 Million in 2016 (+ 19.1%) thanks to both the mix of higher units sold by both divisions and the introduction of an increase in sales price lists announced in February 2017 and applied starting from the end of the first quarter for WLC recycled fiber grades. The increase, equal to €91.3 Million, is attributable for €58.9 Million to the different consolidation period of R.D.M. La Rochette S.A.S. and for €32.4 Million to the higher revenues in the traditional WLC segment.

As far as volumes, over the course of 2017, tons sold exceeded one million units (1,012 thousands) compared to 890 thousands in 2016, driven by the growth recorded in the traditional WLC segment and also to the twelve-month consolidation of units sold by R.D.M. La Rochette S.A.S..

In terms of geographical markets, international consolidation and the double-digit development in the main reference markets are confirmed, also thanks to the contribution of the integration of R.D.M. La Rochette S.A.S.. European sales (excluding Italy), amounting to €312.4 Million, grew by 25.6% and now represent 54.9% of the Group's total, while Italy - which represents 32.7% of total sales - recorded an increase of €23.9 Million (+ 14.8%). Sales outside the European Union, equal to €70.5 Million, increased by 5.7%.

Regarding the **main factors of production**, in 2017 the average price of raw materials was significantly higher than the previous year. In particular, until August prices of paper for recycling have been constantly evolving upwards, also thanks to an acceleration in exports to the Far East and mainly to China, along with the effect of an increase in demand resulting from higher production capacity in some contiguous business sectors (mainly containerboard). Since September 2017, following the announcement by the Chinese Government of restrictions on the import of unselected waste paper, whose import prohibition was announced to start from 2018, prices have decreased. In general, in the fourth quarter the price of paper for recycling remained stable and in line with those of September, lower than the average for the first nine months of the year, while for virgin fibers, the price constantly evolved at rise throughout the year, driven by a very strong demand, unbalanced by the capacity offered.

The average **cost of energy** is slightly lower than in 2016, thanks mainly to lower consumption following the investment and efficiency improvement plan adopted at Group-level over the last few years. In fact, the improvement in the macro-economic environment and the associated higher energy demand have led to an increasingly growing trend in prices, driven by oil.

Personnel costs for the period amounted to €87.3 Million, an increase of €11.2 Million compared to 2016 following the different consolidation period of R.D.M. La Rochette S.A.S for €9.2 Million and R.D.M. Marketing for €2 Million, including the costs of the reorganization plan of the commercial area carried out at the beginning of 2017, partially offset by the benefits deriving from the new managerial structure.

In 2017, the **Gross Operating Profit (EBITDA)** amounted to €45.8 Million, up by 50.5% compared to €30.4 Million in 2016 (+ €15.4 Million).

Following the increase in sales volumes for both business segments, the increase in sales prices and the optimization of the management and production structure, which more than offset the impact of the increase in raw material costs, in 2017 the operating margin reached 8.1% compared to 6.4% in 2016. It should be noted that the consolidated EBITDA benefits for €1.1 Million of the reversal of the provision for the energy renewable surcharge already recorded in the first half.

The Operating Profit (EBIT) amounted to €23.5 Million compared to €8.8 Million recorded for 2016, with a 168.2% increase.

The **Consolidated Net Profit** for the period has more than quadrupled compared to 2016, amounting to €14.6 Million compared to €3.2 Million in the previous year (+ 356.4%). The increase of €11.4 Million is attributable for €3.2 Million to the net income of R.D.M. La Rochette S.A.S., compared to €2.6 Million for 2016 due to the different consolidation period.

During the period the Group made **technical investments** of €20.7 Million, up compared to €18.3 Million in 2016, considering the investments made at the R.D.M. La Rochette paper mill.

Consolidated Net Financial Indebtedness as of December 31, 2017 amounted to €44.1 Million, substantially in line with the €44.4 Million as of December 31, 2016. The operational net cash-flow generated in the year was positive by €17.3 Million. The cash generated was absorbed by a number of specific outflows, for a total amount of €17 Million: €10.4 Million for the purchase of the 66.67% stake in PAC Service SpA (a company of which Reno De Medici already held a stake of 33.33% stake and will be fully consolidated starting from the financial year 2018); €1.3 Million for dividends-paid and shares 'buyback'; €1.7 Million for the investment in the Paper Interconnector Scrl; €1 Million for the restructuring costs of the organization and €2.6 Million for the deposit made by R.D.M. Arnsberg GmbH on the 'Logo Fee' tax case.

Statutory Report of the Parent Company, Reno De Medici S.p.A., as of December 31, 2017

In 2017, the Parent Company Reno De Medici S.p.A. achieved **Net Revenues** of €236.2 million, up by 10.5% on the €213.7 million of the previous year, driven by higher sales volumes and improved sales and geographical mix.

The **Gross Operating Margin (EBITDA)** grew by 73.8%, from €15.7 million in 2016 to €27.3 million in 2017. The improvement of €11.6 million is attributable to higher sales revenues and the optimization of operating performance of the plants, in terms of higher energy efficiency, increased daily output and lower waste

disposal costs.

The **Operating Result (EBIT)** was a positive €15.8 million, compared to €4.3 million recorded in 2016 (+ 267.1%).

Profit for the year was a positive €10.4 million, up from €6.8 million of the previous year (+ 52.6%), after net financial charges of €1.6 million and income from investments of €0.4 million. Tax expense increased from €1.1 million to €4.3 million due to the increase in taxable amount resulting from higher profitability and the release of deferred tax assets following the use of previous tax losses.

Net financial debt as of December 31, 2017 stood at €34.7 million, essentially in line with €32.9 million as of December 31, 2016.

Allocation of profit for FY 2017

The Board of Directors will propose to the Ordinary Shareholders' Meeting, scheduled on first call for next April 30th (May 2, 2018 on second call, if applicable), that the net profit reported in the Financial Statements for the year ended December 31, 2017, amounting to €10,362,253.37 be allocated as follows:

- €518,112.67 to be booked to the legal reserve pursuant to art. 2430 of the Italian Civil Code;
- €0.0245 as preferred dividend in favour of each of the savings shares outstanding at the dividend "record date";
- €0.0031 as dividend for each of the ordinary shares outstanding at the dividend "record date";
- the remaining profits to the "Available Reserve".

The dividend will be paid starting from May 16, 2018, after detachment of the dividend coupon no. 11 on May 14, 2018 and "record date" on May 15, 2018.

Outlook

The outlook for 2018 envisages a further improvement of global economic activity, with an upward revision of IMF's growth forecasts to +3.9% for both 2018 and 2019.

The 2018 forecast for the Euro Area a growth of +2.2%, with a +0.3% upward adjustment compared to last October forecast, despite a slight slowdown compared to +2.4% estimated for 2017 as positive effects of some factors that have been supporting the recovery will gradually fade away.

In both sectors in which the RDM Group operates, **White Lined Chipboard (WLC)** and **Folding Box Board (FBB)** the current outlook remains positive and in line with the general trend of economy, supported by strong demand and backlog.

Considering the favourable outlook of the macroeconomic scenario and of the sectors in which it operates, the RDM Group is ready to seize any further market opportunity, thanks to the new organization implemented

with the “One Company” vision, to an improved business model based on a diversified product portfolio, a more efficient organizational structure from productive and supply chain standpoints and to a unique and integrated commercial strategy at European level.

As for **raw materials**, in the first months of 2018 the evolution of prices for **paper for recycling** envisages a downward adjustment because of the reduction of exports to China. Looking further ahead, the evolution is marked by uncertainty still connected to exports to China and, in particular, to the actual implementation of the new rules decided by the Chinese Government: on the one hand, several batches of import licenses have recently been granted; on the other hand, China’s stricter import rules for waste and scrap seem to be an enduring change, with a substantial reduction in the imports of recycled paper compared to the 2017 levels and consequent positive effects on prices. As to **pulp**, the unbalance between supply and demand, and the consequent upward pressure on prices should be confirmed for most of 2018. To offset this effect, at the end of 2017 RDM Group announced a price increase for the FBB grades, whose benefits will be recorded in Q1 2018.

The expected evolution of the prices of energy for 2018 envisages in the short-term some further price increases compared to the current levels. The strategy of the RDM Group to face the expected upward trend, and possible price volatility, is based on the continuous effort to improve the energy efficiency of the mills and on a timely implemented hedging policy, in particular as regards the cost of natural gas.

The 2018 results will include the line by line consolidation of PAC Service S.p.A. and the expected integration synergies.

Proposal to authorize the purchase and disposal of treasury shares

The Board of Directors also approved a proposal to be submitted to the Ordinary Shareholders' Meeting to authorize the purchase and disposal of treasury shares, for the following purposes: (i) to settle the Stock Grant Plan reserved for the Company's Chief Executive Officer, as well as any additional share-based compensation plans reserved for directors and/or employees of Reno De Medici, and any plans for the free allocation of shares to Shareholders; (ii) to establish a treasury shares portfolio ("Securities in inventory"), to be used for extraordinary transactions; (iii) for investment or disinvestment opportunities, where deemed strategic by the Board of Directors, also in relation to available liquidity; (iv) to meet any obligations under the financial instruments issued by the Company, the subsidiaries or third parties; (v) support market liquidity where necessary.

The purchase authorization is requested for the period up to the Meeting called to approve the 2018 Financial Statements and in any case not exceeding 18 months from the authorization resolution, for a maximum number of ordinary shares that - taking into account the treasury shares already held by the Company and any shares that may be acquired by the subsidiaries - is not overall greater than one fifth of the share capital.

Authorization for the disposal of treasury shares is requested without time limits.

The Company currently holds 1,434,519 ordinary treasury shares, corresponding to 0.379% of the share capital. The subsidiaries do not hold any shares of the Company.

The purchases will be made on regulated markets pursuant to art. 132 of Italian legislative decree no. 58 of February 24, 1998 and art. 144 bis, paragraph 1, B of Consob Regulation 11971/99 according to the operating procedures established by the market organization and management rules, which bar the direct matching between bids and specific offers.

The minimum and maximum purchase price will be determined in a unit price that is not more than 10% higher or lower than the price recorded on the Italian MTA (Mercato Telematico Azionario) organized and managed by Borsa Italiana SpA in the stock exchange session prior to each purchase transaction.

In terms of prices and daily volumes, purchase transactions will in any case be executed in compliance with the trading conditions set forth in Delegated Regulation (EU) no. 1052 of March 8, 2016 and specifically:

- Shares cannot be purchased at a price higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out; and
- in terms of volumes, the volume of daily purchases will not exceed 25% of the average daily volume of Reno De Medici shares traded in the 20 trading days preceding the date of purchase.

Any purchases made to support market liquidity and to set up an "inventory" of securities, will also be executed in compliance with the conditions established by market practices as referred to in the combined provisions of art. 180, paragraph 1, C) of the TUF and art. 13 of Regulation (EU) 596/2014.

Stock Grant Plan for the three-year period 2017-2019 reserved for the CEO.

Assessment of the achievement of performance targets for FY 2017

The Board of Directors, with the support of the Remuneration Committee, ascertained the achievement of the performance targets set for FY 2017 with regard to the 2017-2019 Stock Grant Plan reserved for the Chief Executive Officer.

Accordingly, the rights assigned to the beneficiary - for Fiscal Year 2017 - for the free allocation of a total of 935,872.40 Reno De Medici ordinary shares will be fully exercisable at the end of the three-year period of the Plan, subject to continuing to hold the position of Chief Executive Officer on the same date.

For more information on the contents of the Plan, see the Information Document submitted and approved by the Ordinary Shareholders' Meeting on April 28, 2017.

Other resolutions

The Board of Directors approved the Report on Corporate Governance and Ownership Structure for Fiscal Year 2017, as well as the Remuneration Report pursuant to art. 123-ter of Italian Legislative Decree 58/98.

The first section of the Remuneration Report will be submitted to a non-binding resolution of the Shareholders' Meeting in accordance with the aforementioned art. 123-Ter of Italian Legislative Decree 58/98.

The Shareholders' Meeting will also be called to resolve on the appointment of the Board of Statutory Auditors for the three-year period 2018-2020, as the term of office of the current Board is expiring.

The Board of Directors also approved the Group's Sustainable Value Report (consolidated non-financial

Statement of Reno De Medici S.p.A.), which was audited for the first time by an external auditing company, Deloitte, to verify compliance with the international sustainability reporting standard - GRI Standards - and with Italian Legislative Decree 254/2016.

The documentation relating to the Annual Financial Report for FY2017 and the Shareholders' Meeting will be made available within the legal time limits at the registered office of the Company, on the website www.rdmgroup.com and through the authorized storage mechanism emarketstorage (www.emarketstorage.com). Notice of publication of the documents will be disclosed to the public in compliance with current legislation.

Mr. Stefano Moccagatta, the officer in charge of drafting the Company's accounting documents, declares pursuant to Art. 154-bis, sub-section 2, of Italian Legislative Decree 58/1998 ("Consolidated Financial Law") that the accounting information contained in this press release corresponds to documentary results and to accounting books and records.

This document is an English translation from Italian. The Italian original shall prevail in case of difference in interpretation and/or factual errors.

Attached:

- RDM Group's Financial Statements as of December 31, 2017
- Statutory Report of Reno De Medici S.p.A as of December 31, 2017

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CONSOLIDATED STATEMENT OF INCOME

	12.31.2017	12.31.2016
(thousands of Euros)		
Revenues from sales	569,089	477,764
- of which related parties	21,305	17,596
Other revenues and income	8,870	6,932
- of which related parties	515	359
Change in inventories of finished goods	(3,489)	468
Cost of raw materials and services	(438,096)	(373,659)
- of which related parties	(4,502)	(7,418)
Personnel costs	(87,282)	(76,067)
Other operating costs	(3,279)	(5,004)
Gross operating profit	45,813	30,434
Depreciation and amortization	(22,332)	(21,680)
Operating profit	23,481	8,754
Financial expense	(2,610)	(3,248)
Gains (losses) on foreign exchange	(602)	168
Financial income	81	29
Net financial income (expense)	(3,131)	(3,051)
Gains (losses) from investments	446	705
Taxes	(6,228)	(3,030)
Profit (loss) for the year before discontinued operations	14,568	3,378
Discontinued operations		(188)
Profit (loss) for the year	14,568	3,190
Total profit (loss) for the year attributable to:		
- Group	14,568	3,132
- Minority interests		58
Average number of shares		
Basic	377,534,217	377,522,561
Diluted	377,534,217	377,522,561
Basic earnings (loss) per ordinary share (Euros)	0,04	0
Diluted earnings (loss) per ordinary share (Euros)	0,04	0

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	12.31.2017	12.31.2016
(thousands of Euros)		
Profit (loss) for the year	14,568	3,190
Other components of comprehensive profit (loss)		
Other components that may be transferred to the income statement in subsequent financial periods:	146	(158)
<i>Change in fair value of cash flow hedges</i>	112	(178)
<i>Profit (loss) on translation of financial statements of foreign investee companies</i>	34	20
Other components that will not be transferred to the income statement in subsequent financial periods:	(562)	(571)
Actuarial gain (loss) on employee benefits	(562)	(571)
Total other components of comprehensive profit (loss)	(416)	(729)
Total comprehensive profit (loss)	14,152	2,461
Total comprehensive profit (loss) attributable to:		
- Group	14,152	2,403
- Minority interests		58

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	12.31.2017	12.31.2016
(thousands of Euros)		
ASSETS		
Non-current assets		
Tangible assets	192,570	196,633
Intangible assets	4,613	2,493
Intangible assets with an indefinite useful life	3,948	3,948
Equity investments	4,577	2,509
Deferred tax assets	1,256	1,535
Other receivables	17,764	3,680
Total non-current assets	224,728	210,798
Current assets		
Inventories	83,659	82,450
Trade receivables	63,736	60,786
- of which related parties	350	414
Receivables from associates and joint ventures	7,126	6,619
Other receivables	11,204	12,862
Other receivables from associates and joint ventures		4
Cash and cash equivalents	19,128	29,331
Total current assets	184,853	192,052
TOTAL ASSETS	409,581	402,850

	12.31.2017	12.31.2016
(thousands of Euros)		
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	140,000	140,000
Other reserves	19,363	13,893
Retained earnings (losses)	(5,466)	(1,809)
Profit (loss) for the year	14,568	3,132
Shareholders' equity attributable to the Group	168,465	155,216
Minority interests		
Total shareholders' equity	168,465	155,216
Non-current liabilities		
Payables to banks and other lenders	44,277	57,627
Derivative instruments	138	268
Other payables	26	78
Deferred tax liabilities	8,924	7,493
Employee benefits	33,950	33,878
Non-current provisions for risks and charges	4,701	6,224
Total non-current liabilities	92,016	105,568
Current liabilities		
Payables to banks and other lenders	19,512	16,174
Derivative instruments	133	154
Trade payables	105,027	103,075
- of which related parties	28	9
Payables to associates and joint ventures	952	610
Other payables	20,777	20,543
Current taxes	1,501	658
Employee benefits	141	12
Current provisions for risks and charges	1,057	840
Total current liabilities	149,100	142,066
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	409,581	402,850

CONSOLIDATED STATEMENT OF CASH FLOWS

	12.31.2017	12.31.2016
(thousands of Euros)		
Profit (loss) for the year	14,568	3,190
Taxes	6,228	3,030
Depreciation and amortization	22,332	21,680
Losses (gains) from investments	(446)	(705)
Financial (income) expense	2,530	3,219
Capital losses (gains) on sale of fixed assets	179	(88)
Change in provisions for employee benefits and in other provisions, including the provision for bad and doubtful receivables	(1,586)	(110)
Change in inventories	(592)	(366)
Change in receivables	(5,604)	1,758
- of which related parties	(442)	(6,690)
Change in payables	2,380	2,146
- of which related parties	360	(2,771)
Change in total working capital	(3,816)	3,538
Gross cash flow	39,989	33,754
Interest paid in the year	(1,696)	(2,285)
Taxes paid in the year	(4,115)	(3,130)
Cash flows from operating activities	34,178	28,339
Other equity investments	(1,742)	(255)
Investment net of disinvestment in tangible and intangible assets	(20,573)	(18,051)
Other investments	(10,050)	
Change in scope of consolidation		(7,304)
Dividends received	120	270
Cash flows from investing activities	(32,245)	(25,340)
Dividends paid	(1,003)	(1,983)
Treasury shares	(301)	(182)
Change in other financial assets and liabilities and short-term payables to banks	2,591	1,281
- of which related parties	4	(986)
Change in medium- and long-term loans	(13,457)	3,829
Cash flows from financing activities	(12,170)	2,945
Translation differences	34	241
Change in unrestricted cash and cash equivalents	(10,203)	6,185
Unrestricted cash and cash equivalents at the beginning of the period	29,331	23,146
Unrestricted cash and cash equivalents at the end of the period	19,128	29,331

STATEMENT OF INCOME

	12.31.2017	12.31.2016
Revenues from sales	236,195,898	213,669,172
- of which related parties	19,873,340	19,111,231
Other revenues and income	10,237,310	8,106,602
- of which related parties	5,351,306	4,382,707
Change in inventories of finished goods	(3,340,516)	(1,494,607)
Cost of raw materials and services	(190,807,748)	(175,613,352)
- of which related parties	(13,741,497)	(7,282,737)
Personnel costs	(23,928,086)	(26,147,619)
Other operating costs	(1,081,866)	(2,827,430)
Gross operating profit	27,274,992	15,692,766
Depreciation and amortization	(11,478,462)	(11,390,155)
Operating profit	15,796,530	4,302,611
Financial expense	(1,606,832)	(2,336,109)
Gains (losses) on foreign exchange	(334,822)	106,853
Financial income	353,760	361,098
Net financial income (expense)	(1,587,894)	(1,868,158)
Gains (losses) from investments	408,596	5,431,236
Taxes	(4,254,979)	(1,076,977)
Profit (loss) for the year	10,362,253	6,788,712

STATEMENT OF COMPREHENSIVE INCOME

	12.31.2017	12.31.2016
Profit (loss) for the year	10,362,253	6,788,712
Other components of comprehensive profit (loss)		
Other components that may be transferred to the income statement in subsequent financial periods:		
	109,971	(111,018)
<i>Change in fair value of cash flow hedges</i>	<i>109,971</i>	<i>(111,018)</i>
Other components that will not be transferred to the income statement in subsequent financial periods:		
	23,522	(161,708)
<i>Actuarial gain (loss) on employee benefits</i>	<i>23,552</i>	<i>(161,708)</i>
Total other components of comprehensive profit (loss)	133,493	(272,726)
Total comprehensive profit (loss)	10,495,746	6,515,986

STATEMENT OF FINANCIAL POSITION

	12.31.2017	12.31.2016
ASSETS		
Non-current assets		
Tangible assets	109,527,291	114,531,623
Other intangible assets	3,956,483	1,728,643
Investments in Subsidiaries	84,925,234	81,089,094
Investments in Associates, Joint Ventures and Other Companies	2,344,078	707,417
Other receivables	11,024,521	1,011,834
Total non-current assets	211,777,607	199,068,611
Current assets		
Inventories	31,155,111	32,723,750
Trade receivables	32,857,383	30,277,653
Receivables from Group companies	9,062,719	9,018,891
Other receivables	3,288,670	2,913,987
Other receivables from Group companies	6,417,532	255,670
Cash and cash equivalents	17,550,312	28,101,370
Total current assets	100,331,727	103,291,321
TOTAL ASSETS	312,109,334	302,359,932

	12.31.2017	12.31.2016
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	140,000,000	140,000,000
Other reserves	25,438,661	19,419,809
Profit (loss) for the year	10,362,253	6,788,712
Total shareholders' equity	175,800,914	166,208,521
Non-current liabilities		
Payables to banks and other lenders	21,164,406	31,178,190
Derivative instruments	60,273	187,421
Other payables	26,051	78,154
Deferred tax liabilities	3,447,349	193,725
Employee benefits	5,486,018	5,881,376
Non-current provisions for risks and charges	2,218,944	3,428,068
Total non-current liabilities	32,403,041	40,946,934
Current liabilities		
Payables to banks and other lenders	14,006,480	12,147,218
Derivative instruments	108,326	129,447
Trade payables	55,159,799	54,713,900
Payables to Group companies	3,796,480	4,028,635
Other payables	5,020,842	5,472,090
Other payables to Group companies	24,081,598	18,268,860
Current taxes	954,429	3,404
Employee benefits	7,121	
Current provisions for risks and charges	770,304	440,923
Total current liabilities	103,905,379	95,204,477
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	312,109,334	302,359,932

STATEMENT OF CASH FLOWS

	12.31.2017	12.31.2016
(thousands of Euros)		
Profit (loss) for the year before tax	14,617	7,866
Depreciation and amortization	11,478	11,390
Losses (gains) from investments	(409)	(5,431)
Financial (income) expense	1,253	1,975
Capital losses (gains) on sale of fixed assets	(37)	(59)
Change in provisions for employee benefits and in other provisions, including the provision for bad and doubtful receivables	(533)	317
Change in inventories	1,421	2,181
Change in trade receivables	(4,130)	846
- of which related parties	(231)	(1,797)
Change in trade payables	180	4,219
- of which related parties	(365)	1,073
Change in total working capital	(2,529)	7,246
Gross cash flow	23,840	23,304
Interest paid in the year	(1,030)	(1,900)
- of which related parties	(112)	(320)
Interest received in the year	120	361
- of which related parties	94	126
Taxes paid in the year	(696)	(1,332)
Cash flows from operating activities	22,234	20,433
Investment in other Companies	(1,758)	(34)
Investment net of disinvestment in tangible and intangible assets	(8,663)	(6,264)
Investment net of disinvestment in subsidiaries, joint venture and related parties	(627)	(3,935)
Other investments	(10,050)	
Disinvestments in assets held for sale		800
Dividends received	120	4,985
Cash flows from investing activities	(20,978)	(4,448)
Change in other financial assets and liabilities and short-term payables to banks	(230)	5,997
- of which related parties	(1,926)	6,575
Change in medium- and long-term loans	(10,273)	(14,517)
Dividends paid	(1,003)	(1,983)
Treasury shares	(301)	(182)
Cash flows from financing activities	(11,807)	(10,685)
Change in unrestricted cash and cash equivalents	(10,551)	5,300
Unrestricted cash and cash equivalents at the beginning of the period	28,101	22,801
Unrestricted cash and cash equivalents at the end of the period	17,550	28,101