



THE BOARD OF DIRECTORS
APPROVES THE INTERIM REPORT AS OF DECEMBER 31, 2014

KEY PRELIMINARY FULL YEAR CONSOLIDATED RESULTS (VS. FULL YEAR 2013)*:

- ◆ **NET REVENUES:** €426.1 MILLION
(COMPARED TO €428.4 MILLION AS OF DECEMBER 31, 2013)
- ◆ **GROSS OPERATING PROFIT (EBITDA):** €41.6 MILLION
(COMPARED TO €38.9 MILLION AS OF DECEMBER 31, 2013)
- ◆ **OPERATING PROFIT (EBIT):** €18.8 MILLION
(COMPARED TO €11.5 MILLION AS OF DECEMBER 31, 2013)
- ◆ **NET PROFIT FOR THE PERIOD BEFORE DISCONTINUED OPERATIONS:** €10.6 MILLION
(COMPARED TO €5.2 MILLION AS OF DECEMBER 31, 2013)
- ◆ **NET PROFIT FOR THE PERIOD:** €5.8 MILLION
(COMPARED TO €2 MILLION AS OF DECEMBER 31, 2013)
- ◆ **NET FINANCIAL DEBT:** €65.9 MILLION
(€73.5 MILLION AS OF DECEMBER 31, 2013)

*The representation of the 2014 and 2013 economic results of the Reno De Medici Group reflects the reclassification among the **Discontinued Operations** of the Reno De Medici Ibérica S.l.u., which in Q4 has been made available for sale, as it has been considered no longer a strategic asset for the Group.

Milan, February 12, 2015

The Board of Directors of **Reno De Medici S.p.A.** (“**RDM**” or the “**Company**”), parent company of one of the world’s largest producers of recycled cartonboard, met today under the chairmanship of Mr. Robert Hall, examined and approved the **Consolidated Interim Report as of December 31, 2014** of the Reno De Medici Group (“**RDM Group**” or the “**Group**”), which closes recording an **EBITDA** of 41.6 million euro, with a relevant growth compared the 38.9 million euro of the previous fiscal year. **Net Profit before Discontinued Operations** rises to 10.6 million euro, presenting a substantial improvement vs. 5.2 million euro as of December 31, 2013, while **Net Profit for the Period** amounts to 5.8 million euro, compared to 2 million euro recorded in the previous year.

* * *



Introduction

In terms of macroeconomic scenario, Q4 2014 has confirmed the trend shown in the previous quarter: European recovery continued, presenting different growth rates across countries, moving at a slower pace than envisaged at the beginning of the year. In 2014 the Euro Area GDP turned positive, achieving a +0.8% increase, compared to a -0.5% decline in 2013. Among largest European economies, Italy is the only country that presents a negative growth rate, of -0.4%, however showing a substantial improvement compared to the FY 2013, when it decreased by -1.9%.

In the “White Lined Chipboard” sector, in which the Reno De Medici Group operates, the European demand resulted to be substantially aligned to the 2013 levels. Anyway, in Q4 such demand showed a +2.9% growth compared to the same period of previous year, especially driven by the positive dynamics in Spain, United Kingdom and East Europe, whilst in Germany and France demand declined. Concerning the Italian market, in 2014 the yearly demand slightly decreased (-1.8%), even though it presented a +2.1% increase in Q4 compared to the same period of 2013.

The representation of the 2014 economic results of the Reno De Medici Group reflects the reclassification, among the **Discontinued Operations**, of the **Reno De Medici Ibérica S.l.u.**, which in Q4 has been made available for sale. In the context of the reassessment of the Group’s asset portfolio, which has evidenced the need to focus both efforts and resources on the facilities that are more efficient and present higher growth potential, the Board of Directors of Reno De Medici matured the decision that Reno De Medici Ibérica S.l.u. is no longer a strategic asset for the Group. Negotiations with perspective buyers are in progress and the sale of the asset should be completed in the course of the fiscal year 2015.



The following table summarizes the key income statement indicators as of December 31, 2014 and 2013:

	12.31.2014	12.31.2013 (*)
(thousands of Euros)		
Revenues from sales	426,134	428,419
GROSS OPERATING PROFIT (EBITDA) (1)	41,592	38,879
EBIT (2)	18,828	11,489
Pre-tax income	14,460	4,043
<i>Current and deferred taxes</i>	<i>(3,887)</i>	<i>1,117</i>
Profit (Loss) for the period before discontinued operation	10,573	5,160
Discontinued operation	(4,755)	(3,130)
Profit (Loss) for the period	5,818	2,030

(*) Following the shutdown of operations of Reno De Medici UK and the classification of Reno De Medici Ibérica as held for sale, their profits were reclassified for the period under discontinued operations, as required by IFRS 5. The figures as of December 31, 2013 were also reclassified to make them comparable to those as of December 31, 2014.

* * *

Main consolidated results as of December 30th, 2014

As of December 31, 2014 the RDM Group **Net Revenues** amounted to **426.1 million euro**, a level **substantially in line with 428.4 million euro** in 2013.

Volumes sold, excluding Reno De Medici Ibérica S.l.u. given the aforementioned reasons, amounted to **805 thousand tons**, basically in line with **807 thousand tons** totaled in 2013, notwithstanding the temporary slowdown in production at the Santa Giustina mill, due to the phase of start-up required by the new equipment installed at the end of the 2014 Summer.

In 2014 **Gross Operating Profit (EBITDA)** of the RDM Group reached **41.6 million euro**, with a **substantial improvement compared to 38.9 million euro** recorded in the previous fiscal year. Such improvement results from savings achieved by the RDM Group thanks to lower costs of energy, higher mills' operating efficiency and the award of EEC – Energy Efficiency Certificates (relevant to the projects implemented at Italian mills and aimed at improving the energy efficiency of the production facilities).

In 2014 **Operating Profit (EBIT)** amounted to **18.8 million euro**, with a **substantial improvement**



compared to the 11.5 million euro recorded in FY 2013.

Consolidated Result before Discontinued Operations stands at **10.6 million euro**, vs. **5.2 million euro** of the previous year. Losses from **Discontinued Operations**, which amount to 4.8 million euro, are mainly associated to Reno De Medici Ibérica S.l.u. and include both the negative result of the year of the Company and the write-down of the operation, which has been made available for sale, in order to adjust its carrying value to the estimated selling price. In 2014 **Net Profit** therefore amounted to **5.8 million euro**, with a sizeable improvement compared to the **Net Profit of 2 million euro** achieved in the previous fiscal year.

The **Capital Expenditures** made in the period by the Reno De Medici Group amounted to 19.7 million euro, in comparison with 15.2 million in 2013.

Net Financial Expenses were **4.6 million euro**, presenting a decrease compared to **6.3 million euro in 2013**, mainly due to lower **Net Financial Indebtedness (65.9 million euro at December 31, 2014 vs. 73.5 million euro at December 31, 2013)** and higher income from exchange differences, generated by the revaluation of the US dollar.

* * *

Outlook

After the closing of the fiscal year 2014, the order flow has continued to be satisfactory. Expected 2015 growth in the Euro Area continues to be moderate. On one hand, the ECB's expansive monetary policy, in conjunction with lower energy price and more favorable exchange rates, should accelerate the pace of economic recovery, increase the purchasing power of households and internal demand. On the other hand, a solid growth cannot rely solely on external factors and monetary policies; in the meantime, the investment activity remains subdued, unemployment in some countries is still high, with no perspective of rapid improvement, while the confidence of manufacturers continues to be very prudent.

In this scenario, as regards the sector in which Reno De Medici operates, the first months of 2015 do not envisage major changes in sale prices, cost of raw materials and energy costs: they should remain substantially stable, although with a slightly downward trend.

* * *

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 Law on Financial Intermediation") that the information contained in this press release corresponds to documentary results and to accounting books and records.



In addition to the financial indicators conventionally required by IFRS, this press release also presents a few alternate performance indicators (for example, EBITDA) in order to provide a better assessment of the trend of economic and financial performance. These indicators are calculated according to normal market practices.

* * *

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

The Consolidated Financial Results for the period ended December 31, 2014 will be available to the public at the Company's registered office and at Borsa Italiana S.p.A. Such documents are also consultable in the Investor Relation section of the corporate website, www.renodemedici.it, from February 12, 2015.

For further information

Reno De Medici

Investor Relator

Reno De Medici

Stefano Moccagatta

Tel: +39 02 89966111

E-mail: investor.relations@rdmgroup.com

IR Advisor

Blue Arrow

Maria Grazia Mantini

Tel: +39 3404980880

E-mail: mariagrazia.mantini@bluearrow.it

Media Relations

Image Building

Simona Raffaelli, Alfredo Mele, Valentina Bergamelli

Tel: +39 02 89011300

E-mail: RenoDeMedici@imagebuilding.it

THE TABLES RELATIVE TO FINANCIAL STATEMENTS OF RDM GROUP AS OF DECEMBER 31, 2014 ARE ATTACHED BELOW

CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2014

	12.31.2014	12.31.2013 (*)
	(thousands of Euros)	
Revenues from sales	426,134	428,419
Other revenues and income	14,152	15,727
Change in inventories of finished goods	(3,294)	2,393
Cost of raw materials and services	(324,968)	(335,855)
Personnel costs	(65,674)	(67,475)
Other operating costs	(4,758)	(4,330)
Gross operating profit	41,592	38,879
Depreciation and amortization	(22,557)	(23,759)
Write-downs	(207)	(3,631)
Operating profit	18,828	11,489
	<i>Financial expense</i>	(6,308)
	<i>Gains (losses) on foreign exchange</i>	(171)
	<i>Financial income</i>	153
Net financial income/(expense)	(4,648)	(6,326)
Gains (losses) from investments	280	(1,120)
Taxes	(3,887)	1,117
Profit (Loss) for the period before discontinued operation	10,573	5,160
Net result from discontinued operation	(4,755)	(3,130)
Profit (loss) for the period	5,818	2,030
attributable to:		
Group's share of profit (loss) for the period	5,878	1,775
Minority interest in profit (loss) for the period	(60)	255

(*) Following the shutdown of operations of Reno De Medici UK and the classification of Reno De Medici Iberica as held for sale, their profits were reclassified for the period under discontinued operations, as required by IFRS 5. The figures as of December 31, 2013 were also reclassified to make them comparable to those as of December 31, 2014.



Statement of Financial Position - ASSETS	12.31.2014	12.31.2013
(thousands of Euros)		
Non-current assets		
Tangible fixed assets	203,423	211,204
Goodwill		63
Other intangible assets	5,204	5,670
Equity investments	1,707	1,826
Deferred tax assets	3,036	4,665
Available-for-sale financial assets		
Trade receivables		41
Other receivables	989	958
Total non-current assets	214,359	224,427
Current assets		
Inventories	70,595	77,944
Trade receivables	60,011	67,603
Other receivables	8,520	14,585
Cash and cash equivalents	2,376	2,716
Total current assets	141,502	162,848
Non current assets held for sales	10,570	
TOTAL ASSETS	366,431	387,275



Statement of Financial Position - LIABILITIES	12.31.2014	12.31.2013
(thousands of Euros)		
Shareholders' equity		
Shareholders' equity attributable to the Group	141,598	139,276
Minority interests	362	668
Total shareholders' equity	141,960	139,944
Non-current liabilities		
Payables to banks and other lenders	26,725	32,322
Derivative instruments	18	297
Other payables	182	235
Deferred taxes	10,380	14,178
Employee benefits	30,674	27,557
Non-current provisions for risks and charges	4,780	6,906
Total non-current liabilities	72,759	81,495
Current liabilities		
Payables to banks and other lenders	36,196	42,728
Derivative instruments	286	430
Trade payables	87,814	105,894
Other payables	15,364	14,551
Current taxes	2,396	1,288
Employee benefits	924	945
Total current liabilities	142,980	165,836
Non current liabilities held for sales	8,732	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	366,431	387,275



Net financial position	12.31.2014 Continuing	12.31.2014 Discontinued	12.31.2014 Total	12.31.2013	Change
(thousands of Euros)					
Cash, cash equivalents and short-term financial receivables	2,996	702	3,698	2,922	776
Short-term financial debt	(38,641)	(3,066)	(41,707)	(43,343)	1,636
Valuation of current portion of derivatives	(286)		(286)	(430)	144
Short-term net financial position	(35,931)	(2,364)	(38,295)	(40,851)	2,556
Medium-term financial debt	(26,725)	(856)	(27,581)	(32,322)	4,741
Valuation of non-current portion of derivatives	(18)		(18)	(297)	279
Net financial position	(62,674)	(3,220)	(65,894)	(73,470)	7,576