



THE BOARD OF DIRECTORS
APPROVES THE INTERIM REPORT
FOR THE PERIOD ENDED MARCH 31, 2013

MAIN CONSOLIDATED FINANCIAL RESULTS OF THE FIRST QUARTER 2013 (VS. FIRST QUARTER 2012):

- ◆ **NET REVENUES:** €122.7 MILLION
(COMPARED TO €116.6 MILLION AS OF MARCH 31, 2012)
- ◆ **GROSS OPERATING PROFIT (EBITDA):** €8.0 MILLION
(COMPARED TO €7.2 MILLION AS OF MARCH 31, 2012)
- ◆ **OPERATING PROFIT (EBIT):** €1.8 MILLION
(COMPARED TO €0.7 MILLION AS OF MARCH 31, 2012)
- ◆ **NET PROFIT FOR THE PERIOD:** LOSS OF €0.2 MILLION
(COMPARED TO A LOSS OF €2.1 MILLION AS OF MARCH 31, 2012)
- ◆ **NET FINANCIAL DEBT:** €87.0 MILLION
(COMPARED TO €86.3 MILLION AS OF DECEMBER 31, 2012)

Milan, May 2nd, 2013

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 cardboard, met today under the chairmanship of Mr. Robert Hall, examined and approved the **Interim Report for the period ended March 31, 2013 of the Reno De Medici Group** (“RDM Group” or the “Group”).

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Introduction

The general macroeconomic context of the first quarter of 2013 does not display any substantial changes compared with the last quarter of 2012, but the most recent economic forecasts predict a slight worsening of the outlook for the rest of the year compared with initial expectations. In this context, European demand for white lined chipboard for packaging produced from recycled fibers still remains very weak for the quarter, at around the same levels as the first quarter of the previous year, but with significant growth of 6.6% compared with the previous quarter. The specific outlook for the sector is better than the general macroeconomic picture: production is at full capacity and the backlog of orders is satisfactory, with a consequent benefit of production efficiency, thanks to the reduction in global production capacity and the end of the destocking stage which featured throughout 2012; it should also be underlined that this performance is closely linked to the growth of the German and North European markets.



As far as the performance of the main factors of production is concerned, the anticipated increase in the price of fibers from recycling has not emerged for the time being, due to the stability of demand and exports to China. With regard to the cost of energy components, the market price of natural gas showed a tendency to increase in the first quarter, especially in March. As far as Reno De Medici is concerned, and the Italian mills specifically, new contracts entered into made it possible to achieve a reduction in gas unit cost compared to last year, and the quarter saw the first benefits from the agreements.

The following table summarizes key income statement indicators as of March 31, 2013 and 2012.

| (thousands of Euros) | 03.31.2013 | 03.31.2012 |
|------------------------------|------------|------------|
| Revenues from sales | 122,676 | 116,637 |
| OPERATING PROFIT (EBITDA) | 8,010 | 7,180 |
| EBIT (1) | 1,827 | 657 |
| Pre-tax income (2) | 270 | (1,777) |
| Current and deferred taxes | (496) | (342) |
| Profit (loss) for the period | (226) | (2,119) |

1) See "Operating profit" in the Consolidated Financial Statements for the RDM Group.

2) See Consolidated Financial Statements for the RDM Group, "Profit (loss) for the period" – "Taxes"

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Main consolidated results as at 31 March 2013

As of March 31, 2013, **Net Revenues** of the Reno De Medici Group totalled **€122.7 million**, compared to the €116.6 million generated in the first quarter of 2012, largely due to **higher sales volume: 227 thousand tons sold in first quarter 2013**, compared to the 208 thousand tons sold in the same period of previous year. Moreover, the quarter saw an improvement in the geographic mix, with the fall in tons sold in overseas markets, and the increase in sales in markets with greater margins.

As of March 31, 2013 **total EBITDA** stands at **€8.0 million**, compared to €7.2 million in the same period of previous year.

Accordingly, as of March 31, 2013, the **Consolidated Operating Profit (EBIT)** of the RDM Group was positive by **€1.8 million**, compared to a profit of €0.7 million reported in the first quarter of 2012.

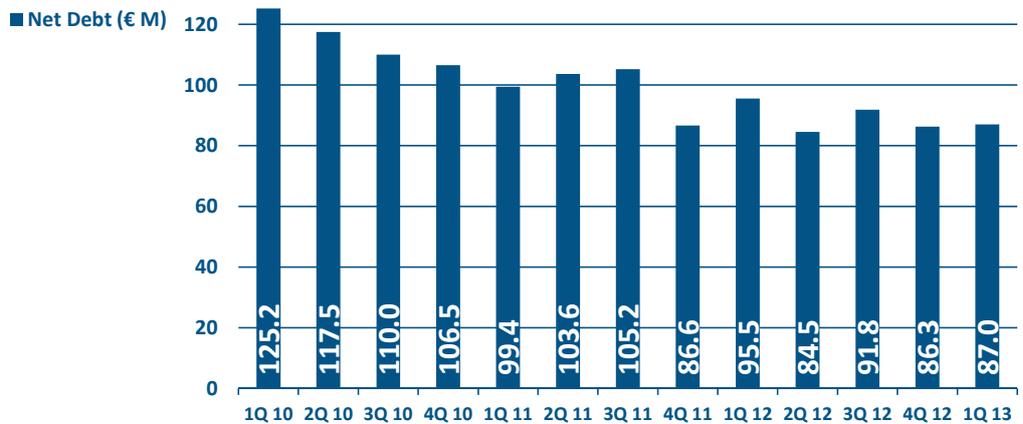
In the first quarter of 2013 the RDM Group made **capital expenditures** totaled **€2.2 million** (€3.3 million as of March 31, 2012).

As of March 31, 2013 **Consolidated Net Result** was negative for **€0.2 million**, compared to a loss of €2.1 million as of March 31, 2012.



Investments recorded a profit of 177 thousands of €, mainly attributable for 273 thousands of € to the adjustment of the investment, equal to 33.33%, in Pac Service S.p.A., specialized in paperboards for packaging, publishing, graphics and cosmetics.

Consolidated net financial debt of RDM Group as of March 31, 2013 was €87 million, in line compared to €86.3 million figure as of December 31, 2012.



Outlook

Performance at the start of 2013 is essentially in line with the final months of 2012, against a background of recession and permanent uncertainty, both at a macroeconomic and sector level.

The flow of orders, however, is satisfactory.

Regarding the development of the costs of the main factors of production, the forecasted short-term rise in the cost of recycled fibers, reinforced by lower production and by the increase in demand for recycled fibers from Far Eastern producers following the launch of the new production capacity is confirmed. In order to balance this increase in cost and restore adequate margins, in April 2013 the Group announced an increase in its list prices.



Other Resolutions

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The Board of Directors also resolved to submit to a forthcoming Extraordinary General Shareholders' Meeting some amendments to the ByLaws pursuant to the new regulatory provisions of Articles 147 and 148 ter of Legislative Decree 58/98 and with the aim of making the Bylaws compliant to the corporate practice of Reno De Medici. The Extraordinary General Shareholders' Meeting will be called in the second half of 2013.

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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.

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

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The Consolidated Financial Results for the period ended 31 March 2013 will be available to the public at the Company's registered office at Via Durini n. 16/18, Milan, Italy and at Borsa Italiana, from May 2nd, 2013. Copies can be obtained. Such documents are also consultable on the website: www.Renodemedici.it.

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For further
information

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THE TABLES RELATIVE TO FINANCIAL STATEMENTS OF RDM GROUP AS OF MARCH 31, 2013 ARE ATTACHED BELOW¹

¹ These tables have not been audited by the Independent Auditors.


**Consolidated
income
statement**

| (thousands of Euros) | 03.31.2013 | 03.31.2012 |
|---|----------------|----------------|
| Revenues from sales | 122,676 | 116,637 |
| Other revenues and income | 3,066 | 5,213 |
| Change in inventories of finished goods | (2,611) | (470) |
| Cost of raw materials and services | (95,687) | (94,688) |
| Personnel costs | (18,211) | (18,095) |
| Other operating costs | (1,223) | (1,417) |
| Gross operating profit | 8,010 | 7,180 |
| Depreciation and amortization | (6,183) | (6,523) |
| Write-downs | | |
| Operating profit | 1,827 | 657 |
| <i>Financial expense</i> | <i>(1,832)</i> | <i>(1,688)</i> |
| <i>Gains (losses) on foreign exchange</i> | <i>82</i> | <i>(95)</i> |
| <i>Financial income</i> | <i>16</i> | <i>28</i> |
| Net financial income/(expense) | (1,734) | (1,755) |
| Gains (losses) from investments | 177 | (679) |
| Taxes | (496) | (342) |
| Profit (loss) for the period | (226) | (2,119) |
| attributable to: | | |
| Group's share of profit (loss) for the period | (323) | (2,200) |
| Minority interest in profit (loss) for the period | 97 | 81 |



Consolidated
Statement of
financial position

| (thousands of Euros) | 03.31.2013 (*) | 12.31.2012 (*) |
|---------------------------------|----------------|----------------|
| ASSETS | | |
| <i>Non-current assets</i> | | |
| Tangible fixed assets | 225,018 | 228,929 |
| Goodwill | 63 | 63 |
| Other intangible assets | 6,238 | 6,263 |
| Equity investments | 3,099 | 2,979 |
| Deferred tax assets | 1,253 | 1,312 |
| Trade receivables | 41 | 41 |
| Other receivables | 1,055 | 693 |
| Total non-current assets | 236,767 | 240,280 |
| <i>Current assets</i> | | |
| Inventories | 76,292 | 78,929 |
| Trade receivables | 85,173 | 86,343 |
| Other receivables | 12,872 | 6,480 |
| Cash and cash equivalents | 2,682 | 3,137 |
| Total current assets | 177,019 | 174,889 |
| TOTAL ASSETS | 413,786 | 415,169 |

(*) For a better understanding of the financial statements the item "Financial assets available for sale" has been reclassified under "Investments". For the purpose of comparing the data for the two financial years, the same reclassification has taken place for the previous year.



| (thousands of Euros) | 03.31.2013 | 12.31.2012 |
|---|----------------|----------------|
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Shareholders' equity | | |
| Shareholders' equity attributable to the Group | 135,942 | 136,162 |
| Minority interests | 657 | 560 |
| Total shareholders' equity | 136,599 | 136,722 |
| Non-current liabilities | | |
| Payables to banks and other lenders | 43,634 | 37,042 |
| Derivative instruments | 620 | 765 |
| Other payables | 1,478 | 1,490 |
| Deferred taxes | 15,110 | 15,487 |
| Employee benefits | 29,215 | 29,181 |
| Non-current provisions for risks and charges | 5,658 | 5,800 |
| Total non-current liabilities | 95,715 | 89,765 |
| Current liabilities | | |
| Payables to banks and other lenders | 50,109 | 49,275 |
| Derivative instruments | 688 | 637 |
| Trade payables | 114,665 | 123,398 |
| Other payables | 15,420 | 15,223 |
| Current taxes | 590 | 124 |
| Employee benefits | | 25 |
| Total current liabilities | 181,472 | 188,682 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 413,786 | 415,169 |


**Net financial
position**

| (thousands of Euros) | 03.31.2013 | 12.31.2012 | Change |
|---|-----------------|-----------------|--------------|
| Cash, cash equivalents and short-term financial receivables | 8,080 | 3,582 | 4,498 |
| Short-term financial debt | (50,109) | (51,395) | 1,286 |
| Valuation of current portion of derivatives | (688) | (637) | (51) |
| Short-term net financial position | (42,717) | (48,450) | 5,733 |
| Medium-term financial debt | (43,634) | (37,042) | (6,592) |
| Valuation of non-current portion of derivatives | (620) | (765) | 145 |
| Net Financial Position | (86,971) | (86,257) | (714) |