



**THE BOARD OF DIRECTORS  
APPROVES THE INTERIM MANAGEMENT REPORT AS AT SEPTEMBER 30, 2013**

**MAIN CONSOLIDATED RESULTS OF THE FIRST NINE MONTHS OF 2013 (Vs. FIRST NINE MONTHS OF 2012):**

- ◆ **NET REVENUES:** €353.9 MILLION  
(COMPARED TO €348.8 MILLION AS AT SEPTEMBER 30, 2012)
- ◆ **GROSS OPERATING PROFIT (EBITDA):** €24.8 MILLION  
(COMPARED TO €19.5 MILLION AS AT SEPTEMBER 30, 2012)
- ◆ **OPERATING PROFIT (EBIT):** PROFIT OF €6.4 MILLION  
(COMPARED TO A LOSS OF €0.3 MILLION AS AT SEPTEMBER 30, 2012)
- ◆ **NET PROFIT FOR THE PERIOD:** PROFIT OF €0.4 MILLION  
(COMPARED TO A LOSS OF €7.0 MILLION AS AT SEPTEMBER 30, 2012)
- ◆ **NET FINANCIAL DEBT:** €85.1 MILLION  
(COMPARED TO €86.3 MILLION AS AT DECEMBER 31, 2012)

*Milan, October 31<sup>st</sup>, 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 cartonboard, met today under the chairmanship of Mr. Robert Hall, examined and approved the **Interim Management Report as at September 30, 2013 of the Reno De Medici Group** (“RDM Group” or the “Group”).

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## Introduction

The general economic scenario as at September 30, 2013, according to the forecasts of the main economic research centers, saw the consolidation of signs of recovery, which remains slow, however, and different in the various macro areas throughout the world, and in Europe it is different in individual countries. As far as Italy is concerned, the recovery is currently especially visible in terms of the best expectations, although some signs can already be seen in the recovery for orders, particularly foreign orders.

The general outlook is positive, like that of the sector, appears to be improving slowly.

Overall performance is also demonstrated in the development of European demand for white lined chipboard packaging produced from recycled fibers, which in the first nine months of 2013 returned to the levels of 2011, with an increase of 2.65% compared with the same period in 2012; growth in the third quarter was up by more than 4% over the same period of the previous year.



As far as RDM Group is concerned, the third quarter has benefited fully from the increase in sales prices implemented by the Company at the end of the previous quarter, restoring margins which had gradually been eroded since the second half of 2012 as a result of the gradual fall in actual prices.

Prices of raw materials remained essentially stable at the levels seen in June, even in relation to the slow-down in exports of fibrous products to China.

As far as the development of energy costs is concerned, after the peak recorded in the first quarter, the price of natural gas remained essentially stable, although still somewhat high. The development of the price of natural gas in 2013 was positive, including in Italy, although the gap between prices applied in Italy and the European average remained high. However, as far as Reno De Medici is concerned, the new natural gas supply agreements signed for 2013 allow for significant savings over the previous year.

The following table summarizes key income statement indicators as of September 30, 2013 compared to September 30, 2012.

(thousands of Euros)	09.30.2013	09.30.2012
Revenues from sales	353,896	348,785
OPERATING PROFIT (EBITDA)	24,840	19,451
EBIT (1)	6,441	(272)
Pre-tax income (2)	1,412	(7,003)
Current and deferred taxes	(987)	40
Profit (loss) for the period	425	(6,963)

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

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

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## Main consolidated results as at September 30, 2013

As of September 30, 2013, **Net Revenues** of the RDM Group totalled **€354 million**, up from €349 million generated as at September 30, 2012, due largely to higher sale volumes, with 653,000 tons sold, compared to 620,000 tons in the first nine months of 2012. In detail, the quarter saw an improvement in the geographic mix, with an increase in the tons sold in European markets and a fall in sales in overseas markets, with greater margins.

Labor costs as at September 30, 2013 remain essentially in line with the first nine months of 2012, moving from €53.9 million as at September 30, 2012 to €53.4 million for the first nine months of 2013.



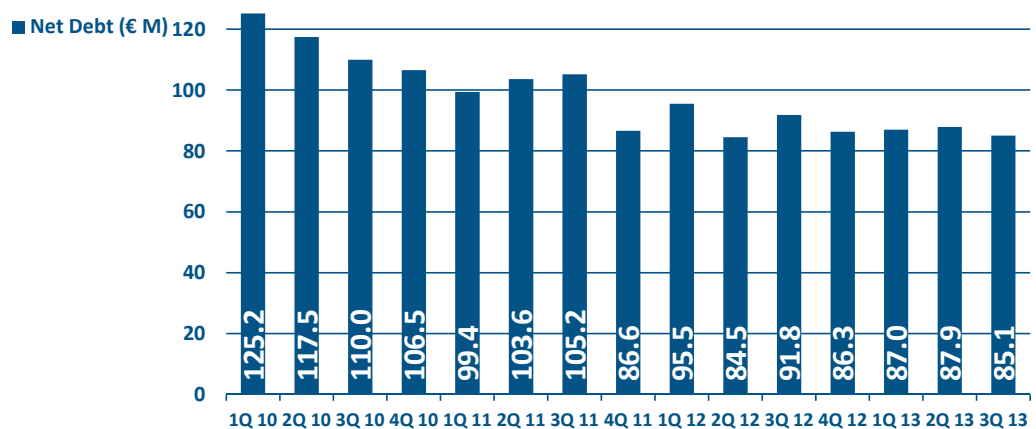
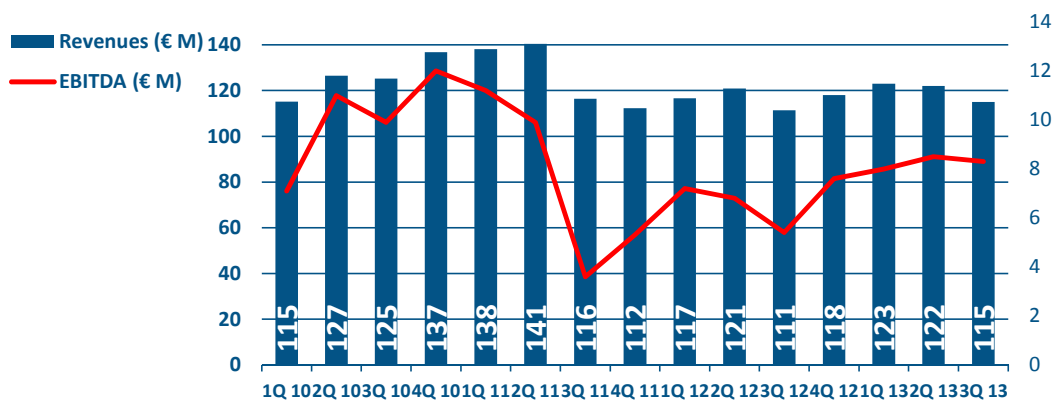
As at September 30, 2013 **total actual EBITDA** was **€24.8 million**, an appreciable improvement over the €19.5 million for the same period in the previous year. EBITDA is still impacted by €0.9 million in costs generated by establishments whose paper production activities have ceased.

As of September 30, 2013, the **Consolidated Operating Profit (EBIT)** of the RDM Group was positive at **€6.4 million**, which is also an improvement compared to the loss of €0.3 million reported as at September 30, 2012.

At September 30, 2013 the RDM Group's capital expenditure totaled €10.9 million (€13.7 million as at 30 September 2012).

Confirming the positive trend of the previous quarters, Reno De Medici Group closed the first nine months of 2013 with a **Net Profit for the period** of **€425,000** compared to a reported loss of €6,963,000 in the same period of the previous year. The net result for the quarter was also positive, with a profit of €181,000, in spite of suffering from the usual slow down of activities in Italy, which are a feature of the month of August.

**Consolidated net financial debt** at September 30, 2013 amounted to **€85.1 million** after capital expenditure, a slight improvement compared to the €86.3 million at December 31, 2012.



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**Outlook**

Given the satisfactory level of orders and the consequent appreciable backlog, added to which is the stability of prices of raw materials and energy components, the outlook for the fourth quarter of 2013 is expected to be in line with the figures recorded in the previous quarters.

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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 Interim Management Report for the period ended September 30, 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 November 1<sup>st</sup>, 2013. Copies can be obtained. Such documents are also consultable on the website: [www.Renodemedici.it](http://www.Renodemedici.it).*

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For further  
information

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**THE TABLES RELATIVE TO THE INTERIM MANAGEMENT REPORT OF RDM GROUP AS AT SEPTEMBER 30, 2013 ARE ATTACHED BELOW**


**Consolidated  
income  
statement**

(thousands of Euros)	09.30.2013	09.30.2012
Revenues from sales	353,896	348,785
Other revenues and income	8,967	9,508
Change in inventories of finished goods	(1,218)	2,930
Cost of raw materials and services	(279,669)	(284,347)
Personnel costs	(53,377)	(53,856)
Other operating costs	(3,759)	(3,569)
<b>Gross operating profit</b>	<b>24,840</b>	<b>19,451</b>
Depreciation and amortization	(18,399)	(19,723)
<b>Operating profit</b>	<b>6,441</b>	<b>(272)</b>
<i>Financial expense</i>	<i>(4,947)</i>	<i>(5,384)</i>
<i>Gains (losses) on foreign exchange</i>	<i>(113)</i>	<i>282</i>
<i>Financial income</i>	<i>127</i>	<i>93</i>
Net financial income/(expense)	(4,933)	(5,009)
Gains (losses) from investments	(96)	(1,722)
Taxes	(987)	40
<b>Profit (loss) for the period</b>	<b>425</b>	<b>(6,963)</b>
attributable to:		
Group's share of profit (loss) for the period	184	(7,147)
Minority interest in profit (loss) for the period	241	184



Consolidated  
Statement of  
Financial Position

(thousands of Euros)	09.30.2013 (*)	12.31.2012 (*)
<b>ASSETS</b>		
<i>Non-current assets</i>		
Tangible fixed assets	217,531	228,929
Goodwill	63	63
Other intangible assets	5,760	6,263
Equity investments	3,030	2,979
Deferred tax assets	1,217	1,312
Trade receivables	41	41
Other receivables	1,280	693
<b>Total non-current assets</b>	<b>228,922</b>	<b>240,280</b>
<i>Current assets</i>		
Inventories	74,775	78,929
Trade receivables	71,158	86,343
Other receivables	11,693	6,480
Cash and cash equivalents	3,687	3,137
<b>Total current assets</b>	<b>161,313</b>	<b>174,889</b>
<b>TOTAL ASSETS</b>	<b>390,235</b>	<b>415,169</b>

(\*) 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)	09.30.2013	12.31.2012
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Shareholders' equity</b>		
Shareholders' equity attributable to the Group	136,590	136,162
Minority interests	655	560
<b>Total shareholders' equity</b>	<b>137,245</b>	<b>136,722</b>
<b>Non-current liabilities</b>		
Payables to banks and other lenders	39,410	37,042
Derivative instruments	489	765
Other payables	247	1,490
Deferred taxes	14,250	15,487
Employee benefits	29,071	29,181
Non-current provisions for risks and charges	5,581	5,800
<b>Total non-current liabilities</b>	<b>89,048</b>	<b>89,765</b>
<b>Current liabilities</b>		
Payables to banks and other lenders	49,842	49,275
Derivative instruments	550	637
Trade payables	96,720	123,398
Other payables	15,921	15,223
Current taxes	803	124
Employee benefits	106	25
<b>Total current liabilities</b>	<b>163,942</b>	<b>188,682</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>390,235</b>	<b>415,169</b>




**Consolidated Net  
Financial Position**

(thousands of Euros)	09.30.2013	12.31.2012	Change
Cash, cash equivalents and short-term financial receivables	5,173	3,582	195
Short-term financial debt	(49,842)	(51,395)	1,553
Valuation of current portion of derivatives	(550)	(637)	140
<b>Short-term net financial position</b>	<b>(45,219)</b>	<b>(48,450)</b>	<b>1,888</b>
Medium-term financial debt	(39,410)	(37,042)	(2,368)
Valuation of non-current portion of derivatives	(489)	(765)	223
<b>Net financial position</b>	<b>(85,118)</b>	<b>(86,257)</b>	<b>(257)</b>