



THE BOARD OF DIRECTORS
APPROVES THE INTERIM REPORT AS OF SEPTEMBER 30, 2014

MAIN CONSOLIDATED FINANCIAL RESULTS OF THE FIRST NINE MONTHS OF 2014 (VS. FIRST NINE MONTHS OF 2013)

- ◆ **NET REVENUES:** €346.6 MILLION
(COMPARED TO €348.8 MILLION AS AT SEPTEMBER 30, 2013)
- ◆ **GROSS OPERATING PROFIT (EBITDA):** €33.9 MILLION
(COMPARED TO €25.1 MILLION AS AT SEPTEMBER 30, 2013)
- ◆ **OPERATING PROFIT (EBIT):** €16.0 MILLION
(COMPARED TO €6.7 MILLION AS AT SEPTEMBER 30, 2013)
- ◆ **NET PROFIT FOR THE PERIOD:** €10.6 MILLION
(COMPARED TO €0.4 MILLION AS AT SEPTEMBER 30, 2013)
- ◆ **NET FINANCIAL INDEBTEDNESS:** €68.8 MILLION
(COMPARED TO €73.5 MILLION AS AT DECEMBER 31, 2013)

Milan, November 4th, 2014

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. Ignazio Capuano, examined and approved the **Consolidated Interim Report as of September 30th, 2014** of the Reno De Medici Group (“RDM Group” or the “Group”), which closes recording an **EBITDA** of 33.9 million euro, with a relevant growth compared the 25.1 million euro of the same period of previous fiscal year, and a **Net Profit** of 10.6 million euro, strongly increasing vs. +425 thousand euro recorded as of September 30th, 2013.

Even when focusing just on the third quarter of 2014, results proved to be positive, both in terms of EBITDA and Net Profit, notwithstanding seasonality factors – in August mills stand still for maintenance – and the costs related to the start-up of the new equipment installed last August at the Santa Giustina mill.

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Introduction

The global macro-economic scenario in the first nine months of 2014 confirmed that the recovery process continues, but at a pace slower than previously expected and with sensible differences



among countries. In the Euro Area, GDP was flat even in the third quarter of 2014; forecasted growth for the full year 2014 hence amounts to 0.8%, while expectations for a moderate recovery in 2015 (+1.3%) remain unchanged.

Concerning the performance of the sector in which Reno De Medici operates, European demand for packaging white-lined chipboard decreased by 1.6% compared to the same period of 2013, while the comparison of the third quarter of 2014 with the third quarter of 2013 presents a stronger negative deviation of 2.8%. Among major countries, only Spain and UK show positive variations, in line with the overall growth of their respective GDPs.

During the first nine months of 2014 the Reno De Medici Group benefited from a substantial stability in prices of recycled fibers, while energy prices resumed their downward trend, after the peaks recorded at the end of the summer, due to the political tensions in Ukraine and Middle East.

The following table summarizes key income statement indicators as at September 30th, 2014 and 2013.

	09.30.2014	09.30.2013 (*)
<i>(thousands of euros)</i>		
Revenues from sales	346,648	348,774
OPERATING PROFIT (EBITDA) (1)	33,888	25,067
EBIT (2)	15,999	6,705
Pre-tax income (3)	12,866	1,696
<i>Current and deferred taxes</i>	<i>(2,535)</i>	<i>(987)</i>
Profit (Loss) for the period before discontinued operations	10,331	709
Discontinued operations	221	(284)
Profit (Loss) for the period	10,552	425

(*) Following the shutdown of operations of RDM UK and the resulting reclassification of its profit for the period under discontinued operations, as required by IFRS 5, the figures as of September 30, 2013 were reclassified to make them comparable to those as of September 30, 2014.

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

2) See 'Operating profit' in the Consolidated Financial Statements of the RDM Group

3) See 'Profit (loss) for the period' - 'Taxes' in the Consolidated Financial Statements of the RDM Group

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Main consolidated results as of September 30th, 2014

press release

As of September 30th, 2014, the RDM Group **Net Revenues** amounted to 346.6 million euro, basically in line with 348.8 million euro totaled in the first nine months of 2013, reflecting a slight decrease in volumes and a different geographic and product mix. **Volumes sold** amounted to **650 thousand tons**, slightly below the **653 thousand tons** sold in the first nine months of 2013.

The order flow remained at satisfactory levels.

In the first nine months of 2014 **Gross Operating Profit (EBITDA)** reached **33.9 million euro**, a **remarkable growth vs. 25.1 million euro** of the same period of previous year. The improvement results from the savings achieved by the Group thanks to higher mill production efficiency, to lower energy cost and to the award of EEC – Energy Efficiency Certificates (relating to the projects implemented at Italian mills and aimed at improving the energy efficiency of the production facilities).

As of September 30th, 2014 **Consolidated Operating Profit (EBIT)** amounted to **16.0 million euro**, with a **sizable improvement compared to 6.7 million euro recorded** in the first nine months of 2013.

In the first nine months of 2014 RDM Group's **Net Profit** reached **10.6 million euro**, presenting a substantial increase over the Net Profit of **0.4 million euro** achieved in the same period of 2013.

As of September 30th, 2014 **Net Financial Indebtedness** was **68.8 million euro**, showing a decrease both compared to 85.1 million euro as of September 30th, 2013 and to **73.5 million euro as of December 31st, 2013**.

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Outlook

After the closing of the first nine months of 2014, the order flow has continued to be satisfactory and the cost of the main production factors has not shown appreciable changes.

Main short-term risks are associated to geopolitical tensions, which, nonetheless, have not substantially affected energy cost so far. In any case, the supply contracts in place protect Reno De Medici from significant price increases that might occur in the forthcoming months.

Perspective evolution beyond year-end mostly depends on the pace of the 2015 recovery, with expectations that remain moderate, only slightly above the 2014 growth rate.

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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 September 30th, 2014 will be available to the public at the Company’s registered office and at Borsa Italiana S.p.A., from November 5th, 2014. Copies can be obtained. Such documents are also consultable in the Investor Relation section of the corporate website, www.renodemedici.it, from November 5th, 2014.

For further information

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THE TABLES RELATIVE TO FINANCIAL STATEMENTS OF RDM GROUP AS OF SEPTEMBER 30, 2014 ARE ATTACHED BELOW

CONSOLIDATED FINANCIAL STATEMENTS AS AT September 30, 2014

Consolidated Income Statement	09.30.2014	09.30.2013 (*)
(thousands of Euros)		
Revenues from sales	346,648	348,774
Other revenues and income	11,134	8,327
Change in inventories of finished goods	(6,791)	(842)
Cost of raw materials and services	(261,548)	(274,640)
Personnel costs	(52,221)	(52,836)
Other operating costs	(3,334)	(3,716)
Gross operating profit	33,888	25,067
Depreciation and amortization	(17,442)	(18,632)
Write-downs	(446)	
Operating profit	15,999	6,705
<i>Financial expense</i>	(4,224)	(4,927)
<i>Gains (losses) on foreign exchange</i>	607	(113)
<i>Financial income</i>	52	127
Net financial income/(expense)	(3,566)	(4,913)
Gains (losses) from investments	432	(96)
Taxes	(2,535)	(987)
Profit (loss) for the period before net result Before discontinued operations	10,331	709
Net result from discontinued operations	221	(284)
Profit (loss) for the period	10,552	425
attributable to:		
Group's share of profit (loss) for the period	10,437	184
Minority interest in profit (loss) for the period	115	241

(*) Following the shutdown of operations of RDM UK and the resulting reclassification of its profit for the period under discontinued operations, as required by IFRS 5, the figures as of September 30, 2013 were reclassified to make them comparable to those as of September 30, 2014.



Statement of Financial Position - ASSETS	09.30.2014	12.31.2013
(thousands of Euros)		
<i>Non-current assets</i>		
Tangible fixed assets	210,697	211,204
Goodwill	63	63
Other intangible assets	5,308	5,670
Equity investments	1,894	1,826
Deferred tax assets	3,858	3,837
Financial assets held for sale		
Trade receivables	21	41
Other receivables	787	958
Total non-current assets	222,629	223,599
<i>Current assets</i>		
Inventories	72,008	77,944
Trade receivables	73,740	67,603
Other receivables	9,207	14,585
Cash and cash equivalents	3,077	2,716
Total current assets	158,032	162,848
TOTAL ASSETS	380,661	386,447



Statement of Financial Position - LIABILITIES AND SHAREHOLDERS' EQUITY	09.30.2014	12.31.2013
(thousands of Euros)		
Shareholders' equity		
Shareholders' equity attributable to the Group	149,881	139,276
Minority interests	541	668
Total shareholders' equity	150,422	139,944
Non-current liabilities		
Payables to banks and other lenders	35,789	32,322
Derivative instruments	166	297
Other payables	195	234
Deferred taxes	11,710	13,351
Employee benefits	26,709	27,557
Non-current provisions for risks and charges	4,252	6,906
Total non-current liabilities	78,821	80,667
Current liabilities		
Payables to banks and other lenders	33,702	42,728
Derivative instruments	347	430
Trade payables	96,332	105,894
Other payables	17,513	14,551
Current taxes	3,339	1,288
Employee benefits	185	945
Total current liabilities	151,418	165,836
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	380,661	386,447



Net Financial Position	09.30.2014	12.31.2013	Change
(thousands of Euros)			
Cash, cash equivalents and short-term financial receivables	3,648	2,922	726
Short-term financial debt	(36,126)	(43,343)	7,217
Valuation of current portion of derivatives	(347)	(430)	83
Short-term net financial position	(32,825)	(40,851)	8,026
Medium-term financial debt	(35,789)	(32,322)	(3,467)
Valuation of non-current portion of derivatives	(166)	(297)	131
Net Financial Position	(68,780)	(73,470)	4,690