



THE BOARD OF DIRECTORS
APPROVES THE DRAFT OF STATUTORY AND CONSOLIDATED ANNUAL REPORT
AS OF DECEMBER 31, 2012

FULL YEAR 2012 CONSOLIDATED RESULTS (VS. FULL YEAR 2011):

- ◆ **NET REVENUES:** €466.3 MILLION
(COMPARED TO €507.1 MILLION AS OF DECEMBER 31, 2011)
- ◆ **GROSS OPERATING PROFIT (EBITDA) EXCLUDING COSTS GENERATED BY NON OPERATIONAL MILLS:** €32.9 MILLION
(COMPARED TO €34.1 MILLION AS OF DECEMBER 31, 2011)
- ◆ **GROSS OPERATING PROFIT (EBITDA):** €27.0 MILLION
(COMPARED TO €30.0 MILLION AS OF DECEMBER 31, 2011)
- ◆ **OPERATING PROFIT (EBIT):** LOSS OF €1.5 MILLION
(COMPARED TO A PROFIT OF €2.1 MILLION AS OF DECEMBER 31, 2011)
- ◆ **NET PROFIT FOR THE PERIOD:** LOSS OF €12.2 MILLION
(COMPARED TO A LOSS OF €2.2 MILLION AS OF DECEMBER 31, 2011)
- ◆ **NET FINANCIAL DEBT:** €86.3 MILLION
(€86.6 MILLION AS OF DECEMBER 31, 2011)

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FULL YEAR 2012 RESULTS OF PARENT COMPANY RENO DE MEDICI S.P.A. (VS. FULL YEAR 2011):

- ◆ **NET REVENUES:** €230.8 MILLION (COMPARED TO €284.1 MILLION AS OF 31 DECEMBER 2011)
- ◆ **GROSS OPERATING PROFIT (EBITDA):** €16.2 MILLION (COMPARED TO €20.4 MILLION AS OF 31 DECEMBER 2011)
- ◆ **NET OPERATING PROFIT (EBIT):** LOSS OF €0.4 MILLION (COMPARED TO A PROFIT OF €4.1 MILLION AS OF 31 DECEMBER 2011)
- ◆ **NET EARNINGS:** LOSS OF €9.9 MILLION (COMPARED TO A PROFIT OF €4.1 MILLION AS OF 31 DECEMBER 2011)
- ◆ **NET FINANCIAL INDEBTEDNESS:** €77.3 MILLION (€110.8 MILLION AS OF 31 DECEMBER 2011)

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**ORDINARY MEETING OF SHAREHOLDERS CALLED FOR 26 AND 29 APRIL 2013
(IN FIRST AND SECOND CALL, RESPECTIVELY)**

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PROPOSAL TO CARRYFORWARD THE AMOUNT OF THE NET LOSS OF RENO DE MEDICI S.P.A.

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**ANNUAL REPORT ON CORPORATE GOVERNANCE, OWNERSHIP STRUCTURE AND BOARD OF DIRECTORS
REPORT ON REMUNERATION APPROVED**

Milan, March 20, 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, after broad and comprehensive discussion and approval of the impairment tests, examined and approved the **Draft of Statutory and Consolidated Annual Report as of December 31, 2012 of the Reno De Medici Group** (“RDM Group” or the “Group”).

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Introduction

2012 was a difficult year, marked in Europe by a serious crisis that was institutional even before it was financial and whose negative effects are impacting on the European economy, causing lower demand and weakness in the manufacturing industry. Outside of Europe, growth in the US was just above 2%, and even China, with growth limited to 7.8%, had a difficult year.

In summary, the macroeconomic environment remains weak, and, in particular, demand for consumer and semi-durable goods continues to be weak, with a direct impact on the demand for packaging materials.

With regard to the white lined chipboard packaging produced from recycled fibers sector, in 2012 a fall in demand was recorded for Europe equal to 1.6% related in particular to the fall in demand in Italy (-6.4%) and in the United Kingdom (-8.4%), only partly offset by growth in Eastern Europe.

The changed prospective framework seems confirmed, in the white lined chipboard for packaging sector, in the fourth quarter of 2012 overall demand in Europe which was still weak, but was up slightly (+1.4%) over the fourth quarter of 2011. This increase was due to significant growth in France and Eastern Europe which was counterbalanced by a decline in Italy and the UK.

With regard to the trend of key factors of production in 2012, prices for recycled fibers showed a slight tendency from August to fall, especially due to a slowdown in purchases from China caused by the slowdown in the economy and seasonal factors. Based on a year-on-year comparison, 2012 saw a sharp decrease in average recycled-paper prices from 2011, but average prices were still high compared to previous years.



With regard to the cost of energy factors, and specifically natural gas which represents the main source of energy for the Group, in the first part of the year market prices remained stable, then showing diversified trends, with an increase in France specifically and a fall in other countries. In Italy prices remained at levels considerably higher than the EU average, with consequent unsustainable negative impact on domestic production: in 2012 the average price of the group rose by 26% in Italy during the year, compared with 7.5% in France.

The high cost of natural gas is the cost component with the greatest negative impact on the operating performance of the Reno De Medici Group in the year, and especially of the Italian mills, that availed themselves of the same energy supplier of the French mill of Blendecques, but in markets the “rules” of which were very different, so that prices applied in Italy were 20% higher compared to the prices applied in France.

The situation should substantially improve in 2013: the measures taken by the Italian Government to foster the market competitiveness (among which, the unused import capacity was made available and the “gas exchange” was created), the spin-off of SNAM, the company that manages the infrastructure of the storage and distribution of gas in Italy, from ENI the incumbent operator, should allow the operators to work in a more “liquid” market, and to thus adopt supply solutions that are more convenient from the economical and financial point of view, as regards both long-term contracts, as well as ‘spot’ purchases.

To summarize, although operating in a highly uncertain environment, in 2012 the Reno De Medici Group still managed to improve the spread (the difference between unit sales prices and unit costs of recycled fibers), but the benefit from this improvement was largely eliminated by the increase in the cost of natural gas, which rose in Italy by about €8 million over 2011 solely due to the price effect.

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Key Indicators of RDM Group as of 31 December 2012

As of December 31, 2012, **Net Revenues** of the Reno De Medici Group totaled **€466.3 million**, compared to the €507.1 million generated in 2011, due largely to lower sales volume: 834,000 tons were sold in 2012, compared to the 878,000 tons sold in the previous year. However, this decrease was due entirely to the interruption of paper-making activities at the Magenta plant, which resulted in a reduction in sales of 77,000 tons. Indeed, a comparison of the fourth quarter of 2012 with the same quarter of the previous year, which already reflected this interruption, shows that revenues were up from €112 to €118 million, and tons sold also rose from 193,000 to 214,000 confirming the upward trend.

In 2012 **labor costs** remained substantially unchanged from the previous year, dropping from **€72.7 million** as of December 31, 2011 to €72.4 million as of December 31, 2012.

As of December 31, 2012, **Gross Operating Profit (EBITDA)**, without considering **costs generated by non operational mills**, totaled **€32.9 million**, compared to €34.1 million reported in 2011.

Operating performance continued to be affected by the continuing costs generated by the Marzabotto and Magenta plants, whose paper-making operations were, respectively, shut down and suspended. In 2012 these costs were €5.9 million.



Accordingly, as of December 31, 2012 total EBITDA stands at €27.0 million, compared to €30.0 million in the previous year. This change is essentially attributable to the lower sales volumes and the high cost of natural gas which is the cost component which has penalised the economic performance of the Reno De Medici Group the most during 2012.

It is necessary to underline that without the increase in the price of gas, which took place in 2012 in Italy, EBITDA would have been higher than that recorded in 2011, standing at approximately €35 million. Thus, it seems obvious that if gas prices in Italy were in line with those in the Group's other European plants, a level of profitability that is more in line with the company's operating activities would be restored.

As of December 31, 2012, the **Consolidated Operating Loss (EBIT)** of the RDM Group was negative by **€1.5 million** compared to a profit of €2.1 million reported in 2011.

In 2012 the RDM Group made **investments** totaling **€17.1 million** (€22.9 million as of December 31, 2011).

As of December 31, 2012 **Consolidated Net Result** is negative for **€12.2 million**, compared to a loss of €2.2 million of December 31, 2011.

Consolidated net financial debt of RDM Group as of December 31, 2012 was **€86.3 million** which was in line with the €86.6 million figure as of December 31, 2011.

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As at **31 December 2012**, the parent Company Reno De Medici S.p.A. achieved **Net Revenues** of **€230.8 million** compared to the €284.2 million as at 31 December 2011.

Gross Operating Profit (EBITDA) as at December 31, 2012 of parent Company Reno De Medici S.p.A. amounted to €16.2 million, compared to the €20.4 million recorded in 2011.

As at December 31, 2012, **Net Operating Profit (EBIT)** is negative by €0.4 million, compared to a profit of €4.1 million as at 31 December 2011.

Net Result as at 31 December 2012 of Reno de Medici S.p.A. is negative by **€9.9 million**, after depreciation, amortization and write-downs of approximately €16.7 million, net financial expenses of €6.0 million, investment expenses of €2.6 million and taxes of €1.0 million. As at 31 December 2011 Reno de Medici S.p.A. Net Result was positive by €4.1 million.

The Net Financial Indebtedness of Reno De Medici S.p.A. as at December 31, 2012 amounted to €77.3 million, an improvement compared to €110.8 million at December 31, 2011.

The Board of Directors will propose to the General Shareholders' Meeting to carryforward the entire amount of the net loss of Reno De Medici S.p.A..

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**Key Indicators
of Parent Company
Reno De Medici S.p.A.
as of
31 December 2012**



Outlook

The trend recorded at the beginning of 2013 is substantially in line with the final months of 2012, in an uncertain scenario, especially with regard to the first half of the year. Outside of Europe, there are encouraging signs, such as the recovery in activities in China and Russia, and in the US; in Europe, these signs are, for the moment, limited to Germany only, which is increasing its gap over the other countries.

Although the order flow is satisfactory, risks remain because customers have limited visibility on the future outlook, as complained particularly by the customers.

With regard to the trends in the costs of major factors of production, an increase in the cost of recycled fibers is expected, based on the expectation that the Chinese production will increase as a result of a higher domestic demand, thus triggering an increase in the import of recycled fibers. However, for the time being this increase has not materialized yet.

The evolution of energy costs is also uncertain. Despite the high supply of natural gas, speculative tensions could result in an upward spike in prices. In any event, RDM Group believes that the new agreements it has just entered into will make it possible to achieve a reduction in unit cost compared to last year. Prices of other energy factors (electricity and coal) show a downward trend due to the continuing recession.

In the second half of 2013, a slight recovery is expected, in a still volatile global scenario.

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Other Resolutions

Today's Board of Directors of Reno De Medici S.p.A. also resolved to call the Ordinary Shareholders' Meeting on April 26, 2013 at 11.00 a.m. at its registered office, Via Durini n. 16/18, Milan, Italy, at first call and, if necessary, on April 29, 2013 at 12.00 p.m. at Borsa Italiana, Piazza degli Affari 6, Milan, Italy, at second call. The notice of call and the documentation relative to items on the agenda will be published within the terms of law.

The Board of Directors of Reno De Medici S.p.A. also approved the Report on Corporate Governance and Ownership Structure and regularly checked the independence requirements of the BoD's members Peretti, Nicastro and Garibba, considering that no specific changes occurred in the situation already communicated to the market.

The Board of Directors of Reno De Medici S.p.A. also approved the remuneration policy for directors and key management personnel and the annual Remuneration Report to be presented to shareholders.

The Draft financial statement as of 31 December 2012, together with the Directors' Report, the Report on Corporate Governance and Ownership Structure, Report of the Statutory Auditors and Independent Auditors, as well as the Report on Remuneration, together with the other items in the Shareholders' Agenda, will be subjected to approval of shareholders at the Ordinary Meeting called by announcement, published next 21 March on the newspaper MF/Milano Finanza.

All documents will be made available on the company website, in the Shareholders' meeting section, as required by law.



During today's session the Social and Environment Report for year 2012 of RDM Group was also presented.

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Subsequent Events

On February 18, 2013, banks Intesa Sanpaolo S.p.A. and UniCredit S.p.A. approved the cancellation of the special lien on the assets involved in the sale of the Ovaro mill by RDM S.p.A. to RDM Ovaro S.p.A.

On March 6, 2013, Reno De Medici, the Italian Ministry of Employment and Labor Policies and the labor union associations signed an agreement pursuant to which the Company will be able to resort to the wage guarantee fund (CIGS) for some employees, particularly at the Magenta mill, which is the subject of a study for reconversion following the cessation of paper-making activities.

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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 Annual Financial Report, including the draft Financial Statements, the Consolidated Financial Statements, the Management Report, the Report pursuant to Article 123-bis of the CFA, the Declaration of the Financial Reporting Executive and the Delegated Body, the Report of the Board of Statutory Auditors and the Independent Auditors, as well as the Remuneration Report pursuant to Article 123-ter of the CFA, will be made available to the public within the legal timescales at the Company's registered office at Via Durini 16/18, Milan, and at Borsa Italiana S.p.A.; shareholders have the right to obtain copies of the same.

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For further
information

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THE TABLES RELATIVE TO FINANCIAL STATEMENTS OF RDM GROUP AND OF THE PARENT COMPANY RENO DE MEDICI S.P.A. AS OF DECEMBER 31, 2012 ARE ATTACHED BELOW¹

¹ Data for which accounting audit review is being completed.


**Consolidated
Statement of
Income**

(thousands of Euros)	12.31.2012	12.31.2011 (*)
Revenues from sales	466,319	507,051
- of which related parties	8,399	9,047
Other revenues and income	12,052	14,235
- of which related parties	1,718	1,654
Change in inventories of finished goods	4,260	(4,675)
Cost of raw materials and services	(378,312)	(409,442)
- of which related parties	(19,474)	(17,916)
Personnel costs	(72,437)	(72,660)
Other operating costs	(4,867)	(4,499)
Gross operating profit	27,015	30,010
Depreciation and amortization	(26,279)	(27,496)
Write-downs	(2,219)	(383)
Operating profit	(1,483)	2,131
<i>Financial expense</i>	(7,286)	(7,466)
<i>Gains (losses) on foreign exchange</i>	98	452
<i>Financial income</i>	153	73
Net financial income (expense)	(7,035)	(6,941)
Gains (losses) from investments	(2,946)	(670)
Taxes	(723)	3,793
Profit (loss) for the year before discontinued operations	(12,187)	(1,687)
Discontinued operations		(536)
Profit (loss) for the year	(12,187)	(2,223)
Total profit (loss) for the year attributable to:		
- The Group	(12,334)	(2,512)
- Minority interests	147	289
Basic profit (loss) per ordinary share (euros)	(0.033)	(0.008)
Diluted profit (loss) per ordinary share (euros)	(0.033)	(0.008)
Basic profit (loss) per ordinary share before discontinued operations (euros)	(0.033)	(0.007)
Diluted profit (loss) per ordinary share before discontinued operations (euros)	(0.033)	(0.007)

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.



Consolidated
Statement of
Comprehensive
Income

(thousands of Euros)	12.31.2012	12.31.2011 (*)
Profit (loss) for the year	(12,187)	(2,223)
Other components of comprehensive profit (loss)		
<i>Actuarial gain (loss)</i>	<i>(4,281)</i>	<i>(616)</i>
<i>Change in fair value of cash flow hedges</i>	<i>141</i>	<i>100</i>
<i>Profit (loss) on translation of financial statements of foreign investee companies</i>	<i>54</i>	<i>35</i>
Total other components of comprehensive profit (loss)	(4,086)	(481)
Total comprehensive profit (loss)	(16,273)	(2,701)
Total comprehensive profit (loss) attributable to:		
- The Group	(16,402)	(2,990)
- Minority interests	129	286

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.



Consolidated
Statement of
Financial Position

(thousands of Euros)	12.31.2012	12.31.2011
ASSETS		
Non-current assets		
Tangible fixed assets	228,929	239,831
Goodwill	63	63
Intangible Assets	2,970	2,476
Intangible assets with an indefinite useful life	3,293	3,590
Equity investments	2,788	5,810
Deferred tax assets	1,312	399
Available-for-sale financial assets	191	195
Trade receivables	41	82
Other receivables	693	328
Total non-current assets	240,280	252,774
Current assets		
Inventories	78,929	77,982
Trade receivables	85,377	92,289
- of which related parties	621	886
Receivables from associates and joint ventures	966	1,547
Other receivables	6,390	5,392
Other receivables from associates and joint ventures	90	1,192
Cash and cash equivalents	3,137	2,564
Total current assets	174,889	180,966
Non-current assets held for sale		1,290
TOTAL ASSETS	415,169	435,030



(thousands of Euros)	12.31.2012	12.31.2011 (*)
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	185,122	185,122
Other reserves	(3,977)	(109)
Retained earnings (losses)	(32,649)	(29,926)
Profit (loss) for the year	(12,334)	(2,512)
Shareholders' equity attributable to the Group	136,162	152,575
Minority interests	560	713
Total shareholders' equity	136,722	153,288
Non-current liabilities		
Payables to banks and other lenders	37,042	45,934
Derivative instruments	765	1,022
Other payables	1,490	1,543
- of which related parties	1,204	1,204
Deferred taxes	15,487	18,399
Employee benefits	29,181	24,363
Non-current provisions for risks and charges	5,800	6,716
Total non-current liabilities	89,765	97,977
Current liabilities		
Payables to banks and other lenders	49,275	42,764
Derivative instruments	637	601
Trade payables	116,368	116,813
- of which related parties	1,936	1,416
Payables to associates and joint ventures	7,030	7,066
Other payables	13,103	15,899
Other payables to associates and joint ventures	2,120	
Current taxes	124	358
Employee benefits	25	264
Total current liabilities	188,682	183,765
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	415,169	435,030

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.


**Consolidated
Cash Flow
Statement**

(thousands of Euros)	12.31.2012	12.31.2011 (*)
Profit (loss) for the year before discontinued operations and taxes	(11,464)	(5,480)
Depreciation and amortization	26,279	27,496
Write-downs	2,743	383
Losses (gains) from investments	2,946	670
Financial (income) expense	7,134	7,393
Capital losses (gains) on sale of fixed assets	(264)	
Net change in provisions for employee benefits and in other provisions, including the provision for bad and doubtful receivables	(3,204)	(3,867)
Change in inventories	(2,184)	3,943
Change in receivables	6,147	25,916
- of which related parties	846	(12)
Change in payables	(2,375)	(3,716)
- of which related parties	483	1,052
Change in total working capital	1,589	26,143
Gross cash flows	25.758	52,738
Interest paid in the year	(5,360)	(5,260)
- of which related parties	61	(27)
Interest received in the year	108	49
- of which related parties	108	49
Taxes paid in the year	(4.087)	(2,847)
Cash flows from (used by) operating activities	16.419	44,680
Sale (purchase) of available-for-sale financial assets	4	(4)
Net investment in non-current assets	(17.754)	(23,552)
Disinvestment of Non-current asset held for sale and spare parts	2.365	
Investment in joint ventures	(30)	(30)
Dividends received	170	290
Cash flows from (used by) investing activities	(15,245)	(23,296)
Dividends paid	(282)	(583)
Change in other financial assets and liabilities and short-term payables to banks	8,508	(10,500)
- of which related parties	3,222	(2,108)
Change in medium- and long-term loans	(8,881)	(9,982)
Cash flows from (used by) financing activities	(655)	(21,065)
Translation differences	54	35
Change in unrestricted cash and cash equivalents	573	354
Unrestricted cash and cash equivalents at the beginning of the year	2,564	2,210
Unrestricted cash and cash equivalents at the end of the year	3,137	2,564

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.



Statement of
Income of the
Parent Company
Reno De Medici
S.p.A.

press release

	12.31.2012	12.31.2011 (*)
Revenues from sales	230,773,867	284,150,055
- of which related parties	45,780,434	52,098,302
Other revenues and income	14,244,908	14,715,201
- of which related parties	6,477,620	6,140,978
Change in inventories of finished goods	4,153,122	(1,859,832)
Cost of raw materials and services	(196,534,967)	(236,777,576)
- of which related parties	(9,255,758)	(7,752,193)
Personnel costs	(33,705,306)	(37,585,383)
Other operating costs	(2,706,401)	(2,198,803)
Gross operating profit	16,225,223	20,443,662
Depreciation and amortization	(14,745,986)	(16,322,394)
Write-downs	(1,914,242)	
Operating profit	(435,005)	4,121,268
Financial expense	(6,297,443)	(7,144,471)
Gains (losses) on foreign exchange	(3,963)	131,632
Financial income	346,753	424,702
Net financial income (expense)	(5,954,653)	(6,588,137)
Gains (losses) from investments	(2,568,818)	1,639,092
Taxes	(973,243)	4,953,942
Profit (loss) for the year	(9,931,719)	4,126,165

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.



Statement of
Comprehensive
Income of the
Parent Company
Reno De Medici
S.p.A.

	12.31.2012	12.31.2011 (*)
Profit (loss) for the year	(9,931,719)	4,126,165
Other components of comprehensive profit (loss)		
<i>Actuarial gain (loss)</i>	<i>(1,507,670)</i>	<i>(122,274)</i>
<i>Change in fair value of cash flow hedges</i>	<i>140,686</i>	<i>99,987</i>
Total other components of comprehensive profit (loss)	(1,366,984)	(22,287)
Total comprehensive profit (loss)	(11,298,703)	4,103,878

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.



Statement of
Financial Position
of the Parent
Company Reno
De Medici S.p.A.

	12.31.2012	12.31.2011
ASSETS		
Non-current assets		
Tangible fixed assets	140,260,156	156,726,818
Other intangible assets	1,248,891	1,461,308
Investments in Subsidiaries	79,771,411	101,365,675
Investments in Associates and Joint Ventures	1,888,238	5,605,041
Available-for-sale financial assets	191,216	194,683
Other receivables	295,660	138,031
Total non-current assets	223,655,572	265,491,556
Current assets		
Inventories	38,761,897	44,981,863
Trade receivables	30,472,688	45,420,428
Receivables from Group Companies	23,454,009	18,807,880
Other receivables	1,657,679	2,527,124
Other Receivables from Group Companies	4,269,601	10,013,147
Cash and cash equivalents	2,629,088	2,198,772
Total current assets	101,244,962	123,949,214
Non-current assets held for sale		1,289,556
TOTAL ASSETS	324,900,534	390,730,326



LIABILITIES AND SHAREHOLDERS' EQUITY	12.31.2012	12.31.2011 (*)
Shareholders' equity		
Share capital	185,122,487	185,122,487
Other reserves	2,470,987	532,776
Retained earnings (losses)	(32,690,518)	(36,616,489)
Profit (loss) for the year	(9,931,719)	4,126,165
Total shareholders' equity	144,971,237	153,164,939
Non-current liabilities		
Payables to banks and other lenders	30,894,681	42,776,371
Other Payables to Group Companies	1,428,571	6,370,292
Derivative instruments	703,424	1,021,753
Other payables	1,490,600	1,542,703
- of which related parties	1,204,033	1,204,033
Deferred taxes	572,723	569,576
Employee benefits	9,766,921	11,195,327
Non-current provisions for risks and charges	3,685,470	7,566,670
Total non-current liabilities	48,542,390	71,042,692
Current liabilities		
Payables to banks and other lenders	37,948,458	39,906,783
Derivative instruments	579,911	463,932
Trade payables	70,804,953	79,405,243
Payables to Group Companies	3,651,466	6,470,935
Other payables	5,322,736	7,357,619
Other Payables to Group Companies	13,042,818	32,428,206
Current taxes	11,728	225,481
Employee benefits	24,837	264,496
Total current liabilities	131,386,907	166,522,695
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	324,900,534	390,730,326

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.



Statement of
Cash Flow of the
Parent Company
Reno De Medici
S.p.A.

press release

	12.31.2012	12.31.2011 (*)
(thousands of Euros)		
Profit (loss) for the year before tax	(8,958)	(828)
Depreciation and amortization	14,746	16,322
Write-downs	1,914	
Losses (gains) from investments	2,569	(1,639)
Financial (income) expense	5,951	6,719
Capital losses (gains) on sale of fixed assets	(264)	(24)
Change in provisions for employee benefits and in other provisions, including the provision for bad and doubtful receivables	(1,511)	(4,323)
Change in inventories	(1,849)	2,263
Change in trade receivables	1,443	24,761
- of which related parties	(5,981)	8,114
Change in trade payables	(8,683)	(271)
- of which related parties	(2,976)	3,196
Change in total working capital	(9,089)	26,753
Gross cash flows	5,358	42,980
Interest paid in the year	(5,422)	(5,220)
- of which related parties	(596)	(884)
Interest received in the year	321	408
- of which related parties	321	408
Taxes paid in the year	(1,664)	(1,256)
Cash flows from (used by) operating activities	(1,407)	36,912
Sale (purchase) of available-for-sale financial assets	3	(4)
Net investment in non-current assets	(11,211)	(14,270)
Disinvestment in non current assets held for sale and spare parts	2,365	
Capital transactions	28,414	(3,618)
Equity investments in subsidiaries	(10,000)	(5)
Investment in joint ventures	(30)	(30)
Sale of business unit	10,000	
Dividends received	3,598	7,307
Cash flows from (used by) investing activities	23,139	(10,620)
Change in other financial assets and liabilities and short-term payables to banks	(4,184)	(14,913)
- of which related parties	(15,137)	(6,531)
Change in medium- and long-term loans	(17,118)	(10,996)
- of which related parties	(4,941)	(714)
Cash flows from (used by) financing activities	(21,302)	(25,909)
Change in unrestricted cash and cash equivalents	430	383
Unrestricted cash and cash equivalents at the beginning of the year	2,199	1,816
Unrestricted cash and cash equivalents at the end of the year	2,629	2,199

(*) Figures as of December 31, 2011 were reclassified in order to make them comparable to those for the reporting period following the Company's early adoption of IAS 19.