



**PRESS RELEASE**

**THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED AND DRAFT ANNUAL FINANCIAL STATEMENT AT 31 DECEMBER 2009**

**2009 CONSOLIDATED RESULTS (COMPARED TO 2008)**

- ◆ **Net Revenues:** Euro 428.1 million (Euro 451.1 million at 31 December 2008)
- ◆ **EBITDA<sup>1</sup>:** Euro 31.0 million (Euro 18.8 million at 31 December 2008<sup>2</sup>)
- ◆ **EBIT:** Euro 3.8 million (negative for Euro 6.8 million at 31 December 2008<sup>3</sup>)
- ◆ **Net Result for the period:** negative for Euro 6.6 million (negative for Euro 6.2 million at 31 December 2008<sup>4</sup>)
- ◆ **Net Financial Borrowing:** Euro 130.8 million (compared to Euro 128.5 million at 31 December 2008)

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**ORDINARY MEETING OF SHAREHOLDERS CALLED FOR 26 AND 27 APRIL 2010  
(IN FIRST AND SECOND CALL, RESPECTIVELY)**

**ANNUAL REPORT ON CORPORATE GOVERNANCE  
AND OWNERSHIP STRUCTURE APPROVED**

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*Milan, 26 March 2010*

The Board of Directors of Reno De Medici S.p.A. (“**RDM**” or the “**Company**”), parent of one of the world’s largest recycled cardboard companies, meeting today under the chairmanship of Giuseppe Garofano, after broad and comprehensive discussion and approval of the impairment test procedure, approved the Draft Annual Budget of RDM and the Draft Consolidated Financial Statement of the Reno De Medici Group (“**RDM Group**” or the “**Group**”) at 31 December 2009, which closes with a negative Net Profit of Euro 6.6 million.

**CONSOLIDATED FINANCIAL STATEMENT OF RDM GROUP**

At 31 December 2009, the RDM Group had **Net Revenues** of Euro 428.1 million, compared to Euro 451,1 million in 2008. On a market affected by a general macroeconomic crisis, this drop in income is attributable mainly to reduced volumes , to pressure on prices, and to halts

<sup>1</sup> Before negative goodwill.

<sup>2</sup> Before negative goodwill for Euro 21.2 million.

<sup>3</sup> Before negative goodwill for Euro 21.2 million.

<sup>4</sup> Including negative goodwill for Euro 21.2 million.



(both permanent and temporary) of some production lines in order to concentrate production in the most efficient factories. This impact was more than made up for at the income level thanks to greater operating efficiency and to lower prices in raw materials for pulp and for energy.

At 31 December 2009, consolidated **EBITDA** for ordinary operations is approximately Euro 31.0 million, significantly improved compared to Euro 18.8 million in 2008<sup>5</sup>.

At 31 December 2009, **EBIT** for RDM Group is Euro 3,8 million, compared to a negative Euro 6.8 million in 2008<sup>6</sup>.

The decrease in net financial expense (Euro 9.0 million in 2009 compared to Euro 9.9 million at 31 December 2008) is due mainly to positive rate dynamics.

Current taxes calculated in 2009 amount to Euro 4 million, compared to Euro 2.3 million in 2008. Deferred taxes are positive for Euro 2.7 million, compared to a positive Euro 0.2 million in the previous year.

At 31 December 2009, consolidated **Net Result for the period** is negative for Euro 6.6 million, compared to a negative net profit of Euro 6.2 million at 31 December 2008<sup>7</sup>. The Group's profit is negative for Euro 6.9 million, compared to negative profit of Euro 6.4 million at 31 December 2008. These profits are actually greatly improved compared to 2008, whose profit benefited from a large non-recurring positive component amounting to Euro 21.2 million.

Consolidated **Net Financial Borrowing** at 31 December 2009 is Euro 130.8 million, only slightly higher than the Euro 128.5 million at 31 December 2008 and, after having absorbed the financial impact of acquisition of the interest in Manucor, equals Euro 4.6 million.

Gross financial borrowing at 31 December 2009, calculated with the amortised cost criterion, is Euro 131.0 million (compared to Euro 133.6 million at 31 December 2008) and includes non-current portions of medium-long term loans for Euro 62.7 million, current portions of medium-long term loans for Euro 7.1 million, and uses of commercial lines of credit for Euro 61.2 million, composed mainly of lines of unblocked credit from customers.

In October 2009, renegotiation of the financings originally stipulated in 2006 was formally concluded with the Financing Banks with the signing of the Modification Agreement. The Modification Agreement confirms the terms of the Term Sheet signed on 3 August 2009. This Agreement allows the Group to remodel its debt in order to manage financial commitments for its investment plan to further improve production capacity.

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<sup>5</sup> EBITDA in 2008 amounted to Euro 40.0 million and included a non-operating component for approximately Euro 21.2 million.

<sup>6</sup> Before non-recurring income for Euro 21.2 million.

<sup>7</sup> Including non-operating components for Euro 21.2 million.



In November, the Group acquired a minority interest in the capital of Manucor S.p.A., a manufacturer of flexible plastic packaging, specifically of bioriented polypropylene. The transaction allows the Group to complete its range of final products by expanding it from rigid to flexible packaging.

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### **STATUTORY FINANCIAL STATEMENTS OF PARENT COMPANY RENO DE MEDICI S.P.A.**

At 31 December 2009, parent company Reno De Medici S.p.A. recorded **Net Revenues** of approximately Euro 240.5 million, compared to Euro 282.0 million in 2008, a decrease of 14.7%, attributable mainly to reduced volumes and to pressure on selling prices, in line with a European macroeconomic scenario that was marked by falling demand in 2009.

Compared to 2008, there was a 7.5% reduction in terms of tonnes sold: specifically, volumes shipped in 2009 amounted to approximately 527 thousand tonnes, compared to 570 thousand tonnes in 2008. Tonnes produced dropped by 3.5% compared to 2008.

At 31 December 2009, parent company RDM recorded **EBITDA** of Euro 20.0 million, compared to Euro 6.5 million in 2008.

At 31 December 2009, **EBIT** was Euro 3.3 million, compared to a negative Euro 11.7 million in 2008.

In 2009, financial expense dropped by 9.51% due to favourable interest rate trends.

Income from investments include dividends resolved and distributed by subsidiaries and affiliates for Euro 6.9 million, the effect of which was in part compensated by devaluation of the investment in French company Blendecques for approximately Euro 6 million.

At 31 December 2009, **Net Result for the period** of Reno De Medici S.p.A. was a negative Euro 4.7 million, after depreciation and write-downs for Euro 16.7 million, financial expense for Euro 8.8 million, income from investments for Euro 0.5 million, and taxes for Euro 327 thousand. At 31 December 2008, the Net Profit of Reno De Medici S.p.A. was a negative Euro 19.7 million.

At 31 December 2009, Net Invested Capital was financed by interest-paying indebtedness for approximately 51.7% and by shareholders' equity for approximately 48.3% (48.5% and 51.5%, respectively, at the close of 2008).

At 31 December 2009, **Net Financial Borrowing** of the Parent Company was Euro 155.3 million, compared to Euro 140.4 million at 31 December 2008.



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#### **OTHER RESOLUTIONS**

The Board of Directors has called the Ordinary Meeting of Shareholders of Reno De Medici S.p.A. for 11:30 AM on 26 April 2010 at its registered office at Via Durini n. 16/18, Milan, Italy in first call and, if necessary, for 11:30 AM on 27 April 2010 at Borsa Italiana, Piazza degli Affari 6, Milan, Italy in second call.

Shareholders will be requested to vote on approval of the annual financial statement at 31 December 2009 and on appointment of a member of the Board of Directors.

The Company's Board of Directors also approved today the Report on corporate governance and ownership structure written for purposes of Art. 123-bis of the Consolidated Law on Financial Intermediation (TUF).

The draft financial statement at 31 December 2009, with Annual Report, Directors' Reports for business on the agenda for the Shareholders' Meeting, the Board of Auditor's Report, and the Accounting Firm's Report, as well as the Report on corporate governance and ownership structure, will be made available to the public at the Company's headquarters at Via Durini n. 16/18, Milan, Italy and at Borsa Italiana by the deadlines and with the methods required by law, with the right to obtain a copy thereof. Such documents will also be consultable on the website: [www.Renodemedici.it](http://www.Renodemedici.it).

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#### **MANAGEMENT FORECAST AND SIGNIFICANT EVENTS AFTER THE END OF THE YEAR**

Considering its historical correlation with the growth of GDP, demand for plasticised coated board made from recycled fibre is expected to grow moderately.

Nevertheless, margins may be temporarily reduced if price increases in fibrous raw materials recorded early in the year persist over time. In addition, selling prices are currently being adjusted. On the other hand, this dynamic could also set the stage for additional consolidation transactions in the industry, with the closing of less efficient production facilities, thereby accelerating the process to reduce overcapacity that was begun a few years ago.

The forecast for 2010 is marked by prudence in a market context that presents both risks and opportunities, including possibilities of synergistic cross-selling with Manucor.



It is more difficult to assess the short-term impact of some already-noted trends, such as, for example, the replacement of recycled fibre board with virgin fibre board in some food packaging sectors and the growth in demand for packaging with recycled fibre board by producers of expensive goods, traditional users of virgin fibre packaging.

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*Stefano Moccagatta, the officer in charge of drafting the Company's accounting documents, declares for purposes of Art. 154-bis, sub-section 2, of Italian Decree Law 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) to provide better assessment of the economic-financial performance trend. These indicators are calculated according to normal market practices.*

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**Reno De Medici S.p.A.**

Reno De Medici Group has been listed in the Star Segment of Borsa Italiana since 1996.

The Group is Italy's largest and Europe's second-largest producer of board made from recycled material. It has annual production capacity of over one million tonnes, divided among 5 production sites in Italy and 3 in Spain, France, and Germany. The Group has approximately 1,700 employees.

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## CONSOLIDATED INCOME STATEMENT <sup>8</sup>

|  | 31.12.2009     | 31.12.2008     |
|--|----------------|----------------|
| <b>(thousands of Euros)</b>  |                |                |
| Revenues from sales  | 428,120        | 451,096        |
| - of which related parties   | 6,968          | 6,309          |
| Other revenues   | 19,324         | 10,821         |
| - of which non recurring   | -              | 304            |
| - of which related parties   | 1,712          | 1,475          |
| Changes in stocks of finished goods                                      | (5,202)        | (12,607)       |
| Cost of raw materials and services                                       | (328,428)      | (357,216)      |
| - of which related parties   | (17,061)       | (10,419)       |
| Staff costs  | (76,940)       | (67,862)       |
| Other operating costs  | (5,841)        | (5,383)        |
| Badwill  | -              | 21,178         |
| <b>Gross Operating Profit</b>  | <b>31,033</b>  | <b>40,027</b>  |
| Depreciation and amortisation  | (26,655)       | (23,919)       |
| Recovery of value and write-downs of assets                              | (598)          | (1,732)        |
| <b>Operating Profit</b>  | <b>3,780</b>   | <b>14,376</b>  |
| Financial expense  | (9,721)        | (10,417)       |
| Exchange differences   | 432            | 13             |
| Financial income   | 219            | 449            |
| Financial income (expense), net  | (9,070)        | (9,955)        |
| Income from investments  | (4)            | (1,736)        |
| - of which non recurring   | 148            | (994)          |
| Taxation   | (1,297)        | (2,094)        |
| <b>Profit (loss) for the year before discontinued operations</b>         | <b>(6,591)</b> | <b>591</b>     |
| Discontinued operations  | -              | (6,777)        |
| <b>Profit (loss) for the year</b>  | <b>(6,591)</b> | <b>(6,186)</b> |
| Attributable to:   |                |                |
| Profit (loss) for the year pertaining to the Group                       | (6,945)        | (6,449)        |
| Profit (loss) for the year pertaining to minority interests              | 354            | 263            |
| Earnings (loss) per share (Euros)  | (0.020)        | (0.018)        |
| Earnings (loss) per ordinary share diluted (Euros)                       | (0.019)        | (0.018)        |
| Earnings (loss) per share before discontinued operations (Euros)         | -              | 0.001          |
| Earnings (loss) per share before discontinued operations diluted (Euros) | -              | 0.001          |

<sup>8</sup> Data for which accounting audit review is being completed.



## STATEMENT OF CONSOLIDATED FINANCIAL POSITION

|   | 31.12.2009     | 31.12.2008     |
|---|----------------|----------------|
| <b>(thousands of Euros)</b>                           |                |                |
| <b>ASSETS</b>   |                |                |
| <b>Non-current assets</b>                             |                |                |
| Tangible fixed assets                                 | 256,231        | 264,400        |
| Goodwill  | 63             | 63             |
| Other intangible assets                               | 6,243          | 5,629          |
| Investments   | 6,690          | 1,628          |
| Deferred tax assets                                   | 1,473          | 1,488          |
| Derivative financial instruments                      | -              | 11             |
| Financial assets held for sale                        | 193            | 309            |
| Trade receivables                                     | 81             | 234            |
| Other receivables                                     | 364            | 899            |
| <b>Total non-current assets</b>                       | <b>271,338</b> | <b>274,661</b> |
| <b>Current assets</b>                                 |                |                |
| Stocks  | 74,313         | 82,073         |
| Trade receivables                                     | 106,835        | 113,212        |
| - of which related parties                            | 1,384          | 405            |
| Group trade receivables                               | 3,582          | 1,264          |
| Other receivables                                     | 4,454          | 6,121          |
| Other Group receivable                                | 346            | 1,855          |
| Financial assets held for sale                        | 188            | -              |
| Liquid funds  | 1,707          | 4,314          |
| <b>Total current assets</b>                           | <b>191,425</b> | <b>208,839</b> |
| <b>TOTAL ASSETS</b>                                   | <b>462,763</b> | <b>483,500</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>           |                |                |
| <b>Shareholders' equity</b>                           |                |                |
| Share capital   | 185,122        | 185,122        |
| Share premium   | -              | -              |
| Other reserves  | 112            | (311)          |
| Retained earnings (losses) brought forwards           | (24,145)       | (17,696)       |
| Profit (loss) for the year                            | (6,945)        | (6,449)        |
| <b>Shareholders' equity attributable to the Group</b> | <b>154,144</b> | <b>160,666</b> |
| Minority interests                                    | 677            | 566            |
| <b>Total shareholders' equity</b>                     | <b>154,821</b> | <b>161,232</b> |
| <b>Non-current liabilities</b>                        |                |                |
| Bank loans and other financial liabilities            | 62,672         | 19,935         |
| Derivative financial instruments                      | 846            | 916            |
| Other payables  | 1,872          | 3,445          |
| - of which related parties                            | 1,204          | 1,153          |
| Deferred tax liabilities                              | 27,407         | 29,921         |
| Employees' leaving entitlement                        | 24,632         | 23,455         |
| Non-current provisions for contingencies and charges  | 3,562          | 4,678          |
| <b>Total non-current liabilities</b>                  | <b>120,991</b> | <b>82,350</b>  |
| <b>Current liabilities</b>                            |                |                |
| Bank loans and other financial liabilities            | 64,901         | 113,658        |
| Derivative financial instruments                      | 1,069          | 68             |
| Trade payables  | 100,739        | 106,132        |
| - of which related parties                            | 2,397          | 2,967          |
| Group trade payables                                  | 1,944          | 2,695          |
| Other payables  | 12,713         | 13,186         |
| Other Group payables                                  | 3,406          | 129            |
| Current taxation                                      | 1,340          | -              |
| Current provisions for contingencies and charges      | 839            | 4,050          |
| <b>Total current liabilities</b>                      | <b>186,951</b> | <b>239,918</b> |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>     | <b>462,763</b> | <b>483,500</b> |



## CONSOLIDATED CASH FLOW STATEMENT

|   | 31.12.2009      | 31.12.2008      |
|---|-----------------|-----------------|
| <b>(thousands of Euros)</b>   |                 |                 |
| Profit (loss) for the year before taxation  | (5,294)         | 2,685           |
| Badwill   | -               | (21,178)        |
| Depreciation and amortisation   | 27,253          | 25,651          |
| Gains (losses) from investments   | 4               | 1,736           |
| Financial (income) expense  | 9,070           | 9,955           |
| Change in the employees' leaving entitlement, other provision fund including provision for bad and doubtful debts | (3,466)         | (2,793)         |
| Change in stocks  | 7,760           | 10,719          |
| Change in trade receivables   | 9,284           | 22,104          |
| - of which related parties  | (2,920)         | 546             |
| Change in trade payables  | (8,513)         | (29,344)        |
| - of which related parties  | (1,267)         | 2,845           |
| Change in total working capital   | 8,531           | 3,479           |
| <b>Gross cash flows</b>   | <b>36,098</b>   | <b>19,535</b>   |
| Interests paid in the year  | (8,021)         | (12,431)        |
| - of which related parties  | (656)           | (1,211)         |
| Interests received in the year  | 2,151           | 3,713           |
| - of which related parties  | 527             | 415             |
| Taxes paid in the year  | (4,194)         | (5,518)         |
| <b>Cash flows from operating activities</b>   | <b>26,034</b>   | <b>5,299</b>    |
| Sale (purchase) of financial assets held for sale   | 12              | -               |
| Investments and disinvestments in non current assets  | (19,700)        | (16,938)        |
| Disinvestment   | -               | 6,500           |
| Business combination  | (119)           | (2,947)         |
| Investments in joint venture  | (4,660)         | (271)           |
| Dividends received  | 150             | 1,430           |
| Cash flows from discontinued operations   | (3,211)         | (2,247)         |
| <b>Cash flows from investing activities</b>   | <b>(27,528)</b> | <b>(14,473)</b> |
| Dividends paid  | (243)           | (243)           |
| Change in financial assets and liabilities and short-term bank borrowings   | 1,249           | 9,539           |
| - of which related parties  | 4,785           | (1,725)         |
| Change in long-term bank borrowings   | (2,225)         | (3,695)         |
| <b>Cash flows from financing activities</b>   | <b>(1,219)</b>  | <b>5,601</b>    |
| <b>Exchange difference from conversion</b>  | <b>106</b>      | <b>(353)</b>    |
| <b>Change in restricted liquid funds</b>  | <b>-</b>        | <b>(5,000)</b>  |
| <b>Change in unrestricted liquid funds</b>  | <b>(2,607)</b>  | <b>1,074</b>    |
| <b>Unrestricted liquid funds at beginning of the year</b>   | <b>4,314</b>    | <b>3,240</b>    |
| <b>Unrestricted liquid funds at end of year</b>   | <b>1,707</b>    | <b>4,314</b>    |



## INCOME STATEMENT

|   | 31.12.2009                  | 31.12.2008          |
|---|-----------------------------|---------------------|
| Revenues from sales                         | 240,496,468                 | 281,966,612         |
| - of which related parties                  | 43,057,660                  | 48,679,579          |
| Other revenues                              | 15,886,573                  | 5,881,459           |
| - of which related parties                  | 5,376,639                   | 658,003             |
| Changes in stocks of finished goods         | (1,072,915)                 | (9,912,564)         |
| Cost of raw materials and services          | (189,823,243)               | (227,231,909)       |
| - of which related parties                  | (6,366,347)                 | (4,686,254)         |
| Staff costs                                 | (42,413,765)                | (40,754,097)        |
| Other operating costs                       | (3,117,990)                 | (3,437,655)         |
| <b>Gross Operating Profit</b>               | <b>19,955,128</b>           | <b>6,511,846</b>    |
| Depreciation and amortisation               | (16,081,925)                | (16,510,123)        |
| Recovery of value and write-downs of assets | (598,321)                   | (1,732,136)         |
| <b>Operating Profit</b>                     | <b>3,274,882</b>            | <b>(11,730,413)</b> |
|   | <i>Financial expense</i>    | <i>(9,151,112)</i>  |
|   | <i>Exchange differences</i> | <i>(311,163)</i>    |
|   | <i>Financial income</i>     | <i>655,688</i>      |
| Financial income (expense), net             | (8,806,587)                 | (9,732,292)         |
| Income from investments                     | 535,837                     | 2,152,754           |
| - of which non recurring                    | -                           | (855,628)           |
| Taxation                                    | 326,778                     | (427,580)           |
| <b>Profit (loss) for the year</b>           | <b>(4,669,090)</b>          | <b>(19,737,531)</b> |



## STATEMENT OF FINANCIAL POSITION

|  | 31.12.2009         | 31.12.2008         |
|--|--------------------|--------------------|
| <b>ASSETS</b>  |                    |                    |
| <b>Non-current assets</b>                            |                    |                    |
| Tangible fixed assets                                | 166,460,074        | 169,672,795        |
| Other intangible assets                              | 1,984,850          | 1,408,028          |
| Investments in subsidiary companies                  | 104,104,578        | 104,099,578        |
| Investments in associated companies                  | 5,625,541          | 773,176            |
| Financial assets held for sale                       | 192,579            | 309,180            |
| Other receivables                                    | 342,275            | 1,041,824          |
| <b>Total non-current assets</b>                      | <b>278,709,897</b> | <b>277,304,581</b> |
| <b>Current assets</b>                                |                    |                    |
| Stocks   | 45,468,423         | 49,078,522         |
| Trade receivables                                    | 60,935,309         | 58,339,637         |
| Group trade receivables                              | 19,889,458         | 12,980,185         |
| Other receivables                                    | 1,898,287          | 2,889,704          |
| Other Group receivable                               | 15,778,362         | 17,112,850         |
| Financial assets held for sale                       | 187,835            | -                  |
| Liquid funds   | 1,071,062          | 3,553,797          |
| <b>Total current assets</b>                          | <b>145,228,736</b> | <b>143,954,695</b> |
| <b>TOTAL ASSETS</b>                                  | <b>423,938,633</b> | <b>421,259,276</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>          |                    |                    |
| <b>Shareholders' equity</b>                          |                    |                    |
| Share capital  | 185,122,487        | 185,122,487        |
| Share premium  | -                  | -                  |
| Other reserves                                       | 359,821            | 42,843             |
| Retained earnings (losses) brought for wards         | (35,809,203)       | (16,071,672)       |
| Profit (loss) for the year                           | (4,669,090)        | (19,737,532)       |
| <b>Total shareholders' equity</b>                    | <b>145,004,015</b> | <b>149,356,126</b> |
| <b>Non-current liabilities</b>                       |                    |                    |
| Bank loans and other financial liabilities           | 59,100,791         | 15,649,732         |
| Other Group payables                                 | 9,205,360          | 5,633,932          |
| Derivative financial instruments                     | 845,849            | 915,895            |
| Other payables                                       | 1,646,909          | 1,646,406          |
| - of which related parties                           | 1,204,033          | 1,152,957          |
| Deferred tax liabilities                             | 7,266,261          | 7,911,351          |
| Employees' leaving entitlement                       | 13,408,679         | 13,130,969         |
| Non-current provisions for contingencies and charges | 9,467,656          | 11,272,100         |
| <b>Total non-current liabilities</b>                 | <b>100,941,505</b> | <b>56,160,385</b>  |
| <b>Current liabilities</b>                           |                    |                    |
| Bank loans and other financial liabilities           | 62,731,414         | 110,906,140        |
| Derivative financial instruments                     | 917,669            | 68,457             |
| Trade payables                                       | 66,192,837         | 67,588,786         |
| Group trade payables                                 | 1,081,114          | 2,998,668          |
| Other payables                                       | 7,098,732          | 6,270,202          |
| Other Group payables                                 | 39,323,609         | 27,910,512         |
| Current taxation                                     | 647,738            | -                  |
| <b>Total current liabilities</b>                     | <b>177,993,113</b> | <b>215,742,765</b> |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>    | <b>423,938,633</b> | <b>421,259,276</b> |



## CASH FLOW STATEMENT

|   | 31.12.2009      | 31.12.2008      |
|---|-----------------|-----------------|
| <b>(thousands of Euros)</b>   |                 |                 |
| Profit (loss) for the year before taxation  | (4,996)         | (19,310)        |
| Depreciation and amortisation   | 16,680          | 18,242          |
| Gains (losses) from investments   | (536)           | (2,153)         |
| Financial (income) expense  | 8,807           | 9,732           |
| Change in the employees' leaving entitlement, other provision fund including provision for bad and doubtful debts | (1,874)         | 3,589           |
| Change in stocks  | 3,610           | 8,977           |
| Change in trade receivables   | (6,747)         | 8,359           |
| - of which related parties  | (6,288)         | (99)            |
| Change in trade payables  | (4,059)         | (21,034)        |
| - of which related parties  | (1,690)         | (168)           |
| Change in total working capital   | (7,196)         | (3,698)         |
| <b>Gross cash flows</b>   | <b>10,885</b>   | <b>6,402</b>    |
| Interest paid in the year   | (7,907)         | (11,990)        |
| - of which related parties  | (656)           | (1,211)         |
| Interest received in the year   | 1,607           | 3,048           |
| - of which related parties  | 527             | 415             |
| Taxes paid in the year  | -               | (2,313)         |
| <b>Cash flows from operating activities</b>   | <b>4,585</b>    | <b>(4,853)</b>  |
| Sale (purchase) of financial assets held for sale   | 12              | -               |
| Investments and disinvestment in non current assets   | (14,045)        | (10,578)        |
| Disinvestment   | -               | 6,500           |
| Operation on equity   | (7,000)         | -               |
| Business combination  | (119)           | (3,714)         |
| Investment in joint venture   | (4,660)         | (183)           |
| Dividends received  | 6,907           | 28,453          |
| Cash flows from discontinued operations   | -               | 1,248           |
| <b>Cash flows from investing activities</b>   | <b>(18,905)</b> | <b>21,726</b>   |
| Change in other financial assets and liabilities, and short term bank borrowings                                  | 9,778           | (33,415)        |
| - of which related parties  | 12,748          | 5,943           |
| Change in long term bank borrowings   | 2,059           | 18,641          |
| - of which related parties  | 3,571           | 26,366          |
| <b>Cash flows from financing activities</b>   | <b>11,837</b>   | <b>(14,774)</b> |
| <b>Change in unrestricted liquid funds</b>  | <b>(2,483)</b>  | <b>2,099</b>    |
| <b>Unrestricted liquid funds at beginning of the year</b>   | <b>3,553</b>    | <b>1,454</b>    |
| <b>Unrestricted liquid funds at end of the year</b>   | <b>1,070</b>    | <b>3,553</b>    |